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WORLDWIDE LEATHER EXPORTS LIMITED



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Nineteenth Annual Report 2008 - 2009

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WORLDWIDE LEATHER EXPORTS LIMITED

Directors	Anil Agarwal	*Chairman & Managing Director*
	Rakhee Agarwal	*Whole Time Director*
	B.P.Singh	*Director (Advisor Finance)*
	Lalit Chhawchharia	*Director (Advisor Corporate Affairs)*
Auditors	B.Chhawchharia & Co.	
Bankers	Vijaya Bank	
Registered Office	5-F, Everest, 46/C, Chowringhee Road, Kolkata – 700 071	
Factory & Head Office	38th Milestone, N.H. 8, Behrampur Road, Gurgaon – 122 001 Haryana	
Secretarial Services	Punit Handa & Associates	
Registrars & Share Transfer Agents	Beetal Financial & Computer Services Pvt. Ltd., Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi – 110 062	
Investor Service Department	38th Milestone, N.H. 8, Behrampur Road, Gurgaon – 122 001 (HR) Tel # - (0124) - 2215447-50	
E-mail	isd@wleltd.com	
Website	www.wleltd.com	
Listing at Stock Exchanges	The Calcutta Stock Exchange Association Ltd. 7 Lyons Range, Kolkata 700 001	
	The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Mumbai 400 001	

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NOTICE

Notice is hereby given that 19th Annual General Meeting of members of M/s Worldwide Leather Exports Limited will be held on Thursday, the 24th day of September, 2009 at 4.00 P.M. at 'Kala Kunj' (Basement Kalamandir), 48 Shakespeare Sarani, Kolkata – 700 017 to transact the following businesses.

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date and the report of the Auditors and Directors thereon.
2. To re-appoint a Director in place of Mr. Lalit Chhawchharia who retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment.
3. To re-appoint Auditors and fix their remuneration. In this connection, to consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary resolution.

   "RESOLVED that Messrs B. Chhawchharia & Co., Chartered Accountants, be and are, hereby, appointed as the Statutory Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration as may be decided by the Board."

By order of the Board

31st July, 2009
Gurgaon
Registered Office:
5-F Everest,
46/C, Chowringhee Road,
Kolkata-700 071

Anil Agarwal
(Chairman & Managing Director)

NOTES

1. **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself /herself and the proxy need not to be a member of the Company. Proxy form duly filled up and executed must be received at the Registered Office of the Company not less than 48 hours before the time fixed for meeting.**
2. The Register of members and the share transfer book shall remain closed on 23rd and 24th of September, 2009.
3. Member seeking any further information on the business to be transacted at the meeting should write to the company at least 15 days before the date of meeting so as to enable the management to keep the information, as far as possible, ready at the meeting.
4. Any change of address may please be notified to the Registrar and Share Transfer Agent M/s Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99 Madangir Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi- 110 062.
5. Members are requested to bring their copies of Annual Report at the meeting as additional copies will not be circulated in the meeting.
6. Members attending the meeting are requested to bring their Attendance Slips duly filled and deliver the same at the entrance of the meeting.
7. All the relevant documents mentioned in the in the aforesaid business are available at for inspection at the Registered Office of the Company during normal office hours.

By order of the Board

31st July, 2009
Gurgaon
Registered Office:
5-F Everest,
46/C, Chowringhee Road,
Kolkata-700 071

Anil Agarwal
(Chairman & Managing Director)

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DIRECTORS' REPORT

TO THE MEMBERS

Your Directors present the 19th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2009.

Financial Result

		Rs. In Lacs
	2008-09	2007-08
Sales and other income	**1265.12**	1294.50
Profit before depreciation (29.81) And extraordinary item (NIL)	**82.26**	87.10
Depreciation	**29.81**	34.36
Profit/ (Loss) after extraordinary Items & Tax	**30.29**	31.86
Add: Surplus from previous year	**1.80**	(0.06)
Transfer to General Reserve	**30.00**	30.00
Proposed Dividend	**NIL**	NIL
Surplus Carried to Balance Sheet	**2.90**	1.80

Performance

Sales inclusive of export incentives have marginally decreased over the previous year. The financial year 2008-09 shows a profit of approximately Rs.30.29 lacs after providing Rs. 29.81 lacs towards depreciation.

Your Company's performance could not significantly improve in view of the global melt down. The company continues to take active participation in the Riva Del Garda, Italy fair which has this year again given inroads to new markets.

The Company's wholly owned subsidiary, Zebra Leather Inc., USA which has been lying totally inactive for the last several years and which could not be dissolved due to legal formalities and costs has finally been hived off against sale consideration received as approved in the last Annual General Meeting.

The Company's product portfolio of Men's Footwear continues to do well in the international market and is being regularly expanded. During the current year the focus is being shifted to high fashion ladies segment where the international demand/ market is approximately 4 to 5 times than the men's footwear market. Footwear from your Company continues to be exported to many countries in Europe besides the old market of England. On the domestic front this year, the Company has made the premium segment of Pavers England, India who launched in India this year.

Dividend

The Directors express their inability to recommend any dividend in view of the cash requirements forthcoming for re-locating the Gurgaon manufacturing facility of the Company.

Subsidiary Company

As approved in the last Annual General Meeting, the wholly owned subsidiary, Zebra Leather Inc. has been ultimately hived off against consideration received.

Fixed Deposit

The Company has neither invited nor accepted fixed deposit from the public within the meaning of Companies (Acceptance of Deposit) Rule 1975.

Directors Responsibility Statement

In terms of provisions of Section 217(2AA) of the Companies Act, 1956 your Directors confirm that :-

- In the preparation of Annual Accounts the applicable accounting standard have been followed along with proper explanation and no material departure have been made from the same;
- They have selected such accounting policy and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the financial year and profit or loss of the company for that period;
- They have taken proper and sufficient care for the maintenance of adequate accounting record in accordance with the provision of Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The Annual accounts have been prepared on a going concern basis.

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Directors

Pursuant to the provision of Section 256(3) of the Companies Act, 1956 and Article 84 of the Article of Association of the Company, Mr. Lalit Chhawchharia, Director, retires by rotation and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment.

Particular of employees

There were no employees in respect of whom particulars pursuant to section 217(2A) of the Companies Act, 1956 read with Companies (Particular of Employee amendment rule) 1998 are required to be given.

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

As required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rule 1988 the information is furnished below.

A Conservation of Energy

The Company has on going program to increase the awareness of Employee on conservation of Energy. Regular maintenance of captive generator sets, switching off machine and other Electrical Equipment when not in use are standard practices at the manufacturing facility and being regularly followed.

B Technology Absorption

Effort made for Technology absorption is as per Form – B attached as Annexure to this report.

C Foreign Exchange Earning and Outgo

The total foreign exchange earnings of the company during the year under review was Rs.1142.81 lacs on account of exports and the total foreign exchange outgo was Rs.34.22 lacs on account of commissions, traveling expenses and foreign bank charges.

Auditors

M/s B. Chhawchharia & Co. Chartered Accountant, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate to the effect that their reappointment, if made, will be within the prescribed limit under Section 224(1B) of the Companies Act, 1956.

Auditor's Report

The qualification in the Auditors' report is adequately explained in relevant notes to the accounts.

Listing of Shares

The Shares of the Company are listed and traded in two stock exchanges i.e. Mumbai and Calcutta (Regional) Stock Exchange and addresses of the stock exchanges are mentioned elsewhere in this Annual Report. The Company has paid the Annual Listing fees to Mumbai and Calcutta Stock exchanges.

ISO 9001:2000 CERTIFICATION

Your Company continues to enjoy the status of ISO 9001: 2000

Acknowledgement

Your Directors take this opportunity to express grateful thanks to the Central Government and State Government and Vijaya Bank for their support and guidance to the Company from time to time. The Directors wish to place on record their appreciation of the efficient and loyal services rendered by the workers, officers, and staff members of the Company. Your company's industrial relation continued to be excellent during the year.

For and behalf of the Board of Directors

Date : 30th June, 2009
Place : Gurgaon

(Anil Agarwal)
Chairman & Managing Director

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Form B
(See Rule-2)

Research and Development

1 Specific Areas where the Company carries out R&D
The Company is developing products of latest designs and is making samples for its foreign buyer on regular basis.

2 Benefit derived as a result of the above R&D
The product of the company has been well accepted by the quality of conscious buyers.

3 Future plan and action
The Company plans to send its technical staff to trade fairs overseas to seek exposure to latest trends and technology.

4 Expenditure on R&D

Capital	NIL
Recurring	Rs. 39.97 Lacs
Total	Rs. 39.97 Lacs

Total R & D Expenditure as a % to the Turnover is 3.16%

Technology absorption, adoption and innovation.

1 Efforts made in brief, towards technology absorption, adoption and innovation.
The Company participated in fairs in Italy and also the Company is working closely with designers and technicians from Portugal, France and Spain.

2 Benefit derived as a result of the above efforts
As a result of the above interaction, penetration into new markets has been possible. Also the Company's focus is being shifted to high fashion ladies segment where the international demand / market is approximately 4 to 5 times than the men's footwear market.

3 In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.

Technology Imported:	NIL
Year of Import	N.A.
Has the technology been fully absorbed?	N.A.
If not fully absorbed areas where this has not taken place, reason therefore and future plan and action	N.A

For and behalf of the Board of Directors

Date : 30th June, 2009
Place : Gurgaon

(Anil Agarwal)
Chairman & Managing Director

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BALANCE SHEET AS AT 31 MARCH, 2009

	SCHEDULE		31-Mar-09 Rupees		31-Mar-08 Rupees
SOURCE OF FUNDS					
SHAREHOLDERS' FUNDS :					
Share Capital	1	**29,703,000**		29,703,000	
Reserves & Surplus	2	**46,290,832**		42,878,006	
			75,993,832		72,581,006
LOAN FUNDS :					
Secured Loans	3		**9,571,496**		26,020,142
DEFERRED TAX LIABILITY	4		**3,342,000**		3,639,000
			88,907,328		102,240,148
APPLICATION OF FUNDS					
FIXED ASSETS					
a) Gross Block		**63,881,379**		64,385,709	
b) Less :Depreciation		**28,950,434**		27,396,526	
c) Net Block	5		**34,930,945**		36,989,183
INVESTMENTS	6		**888,200**		1,176,932
CURRENT ASSETS, LOANS & ADVANCES					
Inventories	7	**9,344,812**		15,672,998	
Sundry Debtors	8	**16,600,021**		22,312,963	
Cash & Bank Balances	9	**25,564,643**		23,306,217	
Loans & Advances	10	**20,338,109**		18,228,160	
		71,847,585		79,520,338	
LESS : Current Liabilities & Provisions	11				
Current Liabilities		**12,301,248**		11,578,920	
Provisions		**6,458,154**		3,867,385	
		18,759,402		15,446,305	
NET CURRENT ASSETS			**53,088,183**		64,074,033
			88,907,328		102,240,148
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The Schedules referred to above form an integral part of the accounts.

In terms of our report of even date attached herewith

On behalf of the Board

For **B.CHHAWCHHARIA & CO.**
Chartered Accountants

(VINIT BAGARIA)
Partner

ANIL AGARWAL
Chairman & Managing Director

Place : Gurgaon
Dated : 30th June, 2009

RAKHEE AGARWAL
Whole Time Director

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