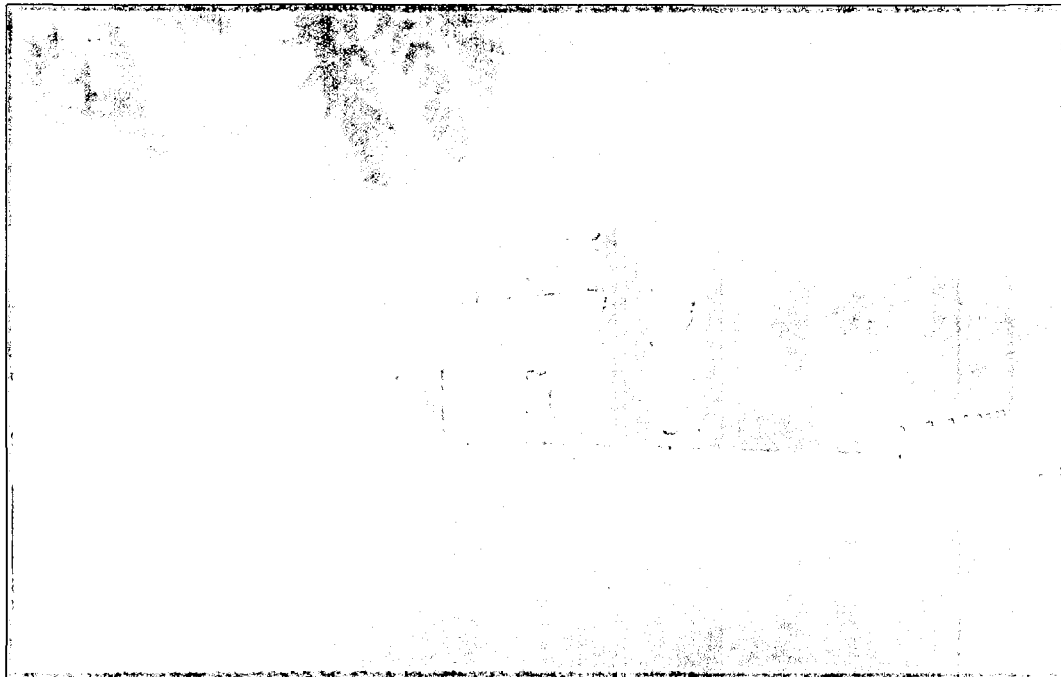
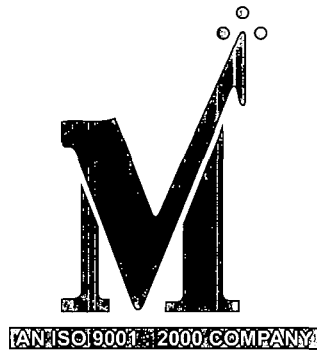


# TWENTY THIRD (23<sup>RD</sup>) ANNUAL REPORT 2007 - 2008



**MAYUR LEATHER PRODUCTS LIMITED**

## BOARD OF DIRECTORS

Shri R. K. Poddar	Managing Director
Shri Rajesh V. Gupta	Director
Shri K.D. Agarwal	Director
Smt. Amita Poddar	Director

## CFO & COMPANY SECRETARY

Shri J. P. Rawat

## PRINCIPAL BANKER

Canara Bank  
Overseas Branch, 8, Bhagat Bhawan  
M. I. Road, Jaipur - 302 001

## AUDITORS

Madhukar Garg & Co.  
Chartered Accountants  
K-2-B, IInd Floor, Raj Apartment  
Keshav Path, C-Scheme, Jaipur - 302 001

## REGISTERED OFFICE & WORKS

G-60-62 & 67-69, Jaitpura Industrial Estate,  
Jaitpura 303 704, Jaipur  
Rajasthan INDIA  
Tel. : 91-1423-224303, 512303, 224353  
Fax : 91-1423-224308  
E-mail : mlp@mayurleather.com

## CORRESPONDENCE OFFICE

B-5, Vrindavan Apartments,  
Vrindavan Vihar, King's Road,  
Jaipur 302 019, Rajasthan  
Ph: 91-99289 11947  
Fax: 91-141-2810385

## REGISTRAR & TRANSFER AGENT

Intime Spectrum Registry Ltd.  
A-40, 2<sup>nd</sup> Floor, Naraina Industrial Area  
Phase-I, Near PVR Naraina  
New Delhi – 110 028  
Ph: 91-11-41410592-94  
Fax: 91-11-41410591  
e-mail: delhi@intimespectrum.com

## INTERNAL AUDITORS :

Verma Prashant & Associates  
C-225, Gyan Marg  
Tilak Nagar, Jaipur - 302 004

## CORPORATE ADVISOR :

V.M. & Associates  
Company Secretaries  
403, Royal World  
S.C. Road, Jaipur - 302 001

## VENUE :

G-60-62 & 67-69, Jaitpura Industrial Estate  
Jaitpura- 303704, Jaipur  
Dated: Thursday, 7th Aug., 2008 at 11:00 A.M.

As a measure of economy, copies of the Annual report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies at the meeting. No gifts or coupons will be given to the shareholders for attending Annual General Meeting.

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## **MAYUR LEATHER PRODUCTS LIMITED**

### **NOTICE OF MEETING**

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of **MAYUR LEATHER PRODUCTS LIMITED**, will be held on Thursday, the 07th August 2008 at 11 A.M. at its Registered Office at G-60-62 & 67-69, Jaitpura Industrial Estate, Jaitpura- 303704, Jaipur, to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2008 and the Profit & Loss Account for the year ended on that date together with the Annexed Auditors' Report thereon and the report of Directors.
2. To confirm the payment of Interim Dividend and to declare Final Dividend on Equity Shares for the year 2007-08.
3. To appoint a Director in place of Shri K.D. Agarwal, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint the Auditors and fix their remuneration.

By Order of the Board

Sd/-  
(R.K. PODDAR)  
Managing Director

PLACE : JAIPUR  
DATE : 26th June, 2008

#### **NOTES (Forming part of the Notice)**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULE TIME OF THE MEETING. A BLANK PROXY FORM IS ANNEXED TO THE ANNUAL REPORT.**
2. The register of members and Share Transfer books of the Company will remain closed from 04th August 2008 to 07th August 2008 (Both days inclusive).
3. The final dividend as recommended by the Board, if sanctioned at the meeting, will be paid to those members whose names appear on the Company's Register of Members on 07th day of August 2008. In respect of the shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
4. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend for the financial years ended 31st March 2003, 31st March 2004, 31st March 2005, 31st March 2006 & 31st March 2007 which remains unclaimed for a period of 7 years from the date of transfer of the same will be transferred by the Company to the **Investor Education and Protection Fund (IEPF)** established by the Central Government pursuant to Section 205C of the Companies Act, 1956, in the years 2010-2011, 2011-2012, 2012-2013, 2013-14 & 2014 2015 respectively.



## MAYUR LEATHER PRODUCTS LIMITED

Shareholders who have not so far en-cashed the dividend warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the Company immediately. **Shareholders are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.**

5. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificate so to enable the Company to consolidate their holdings in one folio.
6. Members requiring information on the accounts are requested to write to the Company at least 10 (ten) days before the date of the meeting to enable the Company to furnish the information.
7. Members are requested:
  - a) to bring their copy of the Annual Report along with at the meeting.
  - b) to bring the attendance slip, sent herewith, duly filled in for attending the meeting and the same should be deposited at the entrance of the Meeting Hall.
  - c) to bring their depository account number (Client ID), if any for easier identification and recording of attendance at the meeting.
8. All documents referred to in accompanying Notice are open for inspection at the Registered Office of the Company between 11 A.M. and 1 P.M. on any working day excluding Sundays and holidays up to the date of Annual General Meeting.
9. The Members holding shares in physical form are requested to notify change in their address, if any, quoting folio number to intimate to the **Registrar and Transfer Agents M/s. Intime Spectrum Registry Ltd., A-40, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Naraina, New Delhi 110 028.** If the shares are held in electronic form, the same has to be notified to your concerned Depository Participant.
10. Members are also requested to furnish their bank account number, name & address of the bank to enable printing these particulars on dividend warrants as a measure of abundant caution to minimise the loss due to dividend warrant falling into improper hands through forgery or fraud. As an alternative, members residing at specified cities may give their mandates for payment of dividend through Electronic Clearing Services (ECS). A format requiring the relevant information is being enclosed.
11. The details pertaining to director seeking re-appointment, as required to be provided pursuant to clause 49 of the Listing Agreement are furnished in the Corporate Governance Report published elsewhere in this report.

By Order of the Board

Sd/-  
(R.K. PODDAR)  
Managing Director

PLACE : JAIPUR  
DATE : 26th June, 2008

**DIRECTORS' REPORT****To the Members**

Your Directors have pleasure in presenting the Twenty Third Annual Report of your Company along with Audited Annual Accounts for the year ended 31st March 2008.

**FINANCIAL RESULTS**

The financial performance of the Company for the year ended on 31st March 2008 is as follows:

	<b>Rs. in Lacs</b>	
	<b><u>31.03.2008</u></b>	<b><u>31.03.2007</u></b>
Turnover (FOB)	2390.57	2485.46
Other Income	358.17	301.70
Less: Total Expenditure	2262.05	2327.80
Interest	25.71	24.47
Depreciation	41.56	40.70
<b>Profit before Tax &amp; extra-ordinary items</b>	<b>419.42</b>	<b>394.19</b>
Less: Extra Ordinary Items	11.41	1.85
<b>Profit before Tax</b>	<b>408.01</b>	<b>392.34</b>
Less: Provision for Current Tax	137.00	118.00
Provision for FBT	2.75	3.75
Provision for Deferred Tax	-	5.59
Add: Provision for FBT written back	-	0.93
Deferred tax written back	1.14	-
Less: Income tax for earlier years	1.93	1.51
<b>Net Profit/ (Loss) after Tax for the year</b>	<b>267.47</b>	<b>264.42</b>
Profit/ (Loss) brought forward	478.82	352.53
Profit available for appropriation	746.29	616.95
<b><u>Appropriations:</u></b>		
Proposed dividend on equity shares	77.37	96.70
Tax on proposed dividend	13.15	16.43
Transfer to general reserve	25.00	25.00
<b>Balance carried forward</b>	<b>630.77</b>	<b>478.82</b>

**OPERATIONS**

The Company stabled its turnover to 603553 pairs during the period under review from 620290 pairs (for period 2006-07). Further there is a decrease in the turnover in value terms also. The turnover during 2007-08 is Rs.2390.57 lacs as compared to Rs. 2485.86 lacs during 2006-07. There has been decline in both the EURO and DOLLAR realization during the period, resulting in lower profitability inspite of almost same quantitative production and turnover. The following table indicates the comparison of average rate of US Dollar and Euro during the last three years:-



## MAYUR LEATHER PRODUCTS LIMITED

Year	US Dollar	Euro
2005 - 06	44.22	53.40
2006 - 07	45.15	57.84
2007 - 08	40.12	56.69

Further, since the foreign currency market has been very volatile recently; it is difficult to predict the rupee movements against these currencies for the time being. The following table indicates the turn over for the last 5 years:

2003 - 04	Rs. 1537.58 Lacs
2004 - 05	Rs. 1692.46 Lacs
2005 - 06	Rs. 1806.32 Lacs
2006 - 07	Rs. 2485.46 Lacs
2007 - 08	Rs. 2390.57 Lacs

As compared to last year there is a decrease in the turnover of the Company which has been due to impact of rupee becoming stronger resulting in lower realisation as a result we have had to start declining orders for certain articles which were on the border line.

We seriously embarked upon TQM systems to ensure that we reduce our inefficiencies and strengthen our efficiencies. Results have already begun to show and efficiencies are ever improving. Yet there is a long way to go.

Human Resource Department is faced with a great challenge (a) To improve retention (b) To arrange for skilled manpower.

Shortage of skilled manpower is one of the greatest challenges faced by Indian industries today. We are thankful to the Human Resource of the Company who are working hard with TQM systems to try to improve their efficiencies.

We are also extending our customer base to the Indian market to off set weakening of the USD.

### **RESERVES**

For the period under review the Board proposes to transfer Rs. 25 lacs to General Reserve account of the Company.

### **DIVIDEND**

The Board of Directors is pleased to recommend a final dividend of Rs. 0.80 per equity share of Rs. 10.00 each for the year 2007-08, subject to approval of Shareholders in the Annual General Meeting. Together with the interim dividend of Rs. 0.80 per equity share, paid on 19.12.2007 the total dividend for the year is proposed at Rs. 1.60 per equity share of Rs. 10.00 each. The total outgo on account of dividend payment, including dividend tax, is Rs. 90.50 Lacs.



## **FIXED DEPOSITS**

The Company has not accepted or renewed any fixed deposits from public during the year.

## **DIRECTORS**

Shri K.D. Agarwal, Director, retires by rotation in terms of Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

## **AUDITORS**

M/s. Madhukar Garg & Co., Chartered Accountants, Statutory Auditors of the Company holds office until the conclusion of the forthcoming Annual General Meeting and is eligible for re-appointment. The Company has received a letter from them to the effect, that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. Accordingly, the said Auditors are proposed to be re-appointed as auditors of the Company for the financial year 2008-2009 at the ensuing Annual General Meeting. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

## **HUMAN RESOURCE DEVELOPMENT**

Of all the resources available to the Company, Human Resource is the only asset that appreciates with time. In its continued efforts to nurture the best human talent, during the year the management continued with its strategy of imparting professional training to the executives and staff at various levels with a view to upgrade their competency and remove all levels of inefficiency in order to make the Company more competitive. This is not a luxury, but a necessity, if the Company has to survive in a globally competitive market. However in a growing economy, the attrition rate of human resources is a source of worry. This requires additional effort to develop skills and efficiency in the new appointees.

## **DELISTING OF EQUITY SHARES**

The members has passed a special resolution in the Annual General Meeting held on 10.07.2004 permitting the Company to delist its shares from the stock exchanges of Delhi, Kolkata, Ahmedabad and Jaipur. As on date out of the four exchanges the equity shares of the Company have been delisted from the Delhi, Ahmedabad and Jaipur Stock Exchanges. Delisting application of the Company is still pending with the Calcutta Stock Exchange Association Ltd., Kolkata since December 2004. In spite of several reminders, the Company did not get any response from the exchange in the matter of the delisting status.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed discussion on the industry structure, development, opportunities, threats, review of operational performance and risks, as required under the Listing Agreements with stock exchanges, forms part of this report and is annexed herewith.

## **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors confirm as under:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

2. that the directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31st March 2008 and of the profit or loss of the Company for that period;
3. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. that the annual accounts have been prepared on a going concern basis.

### **PARTICULARS OF EMPLOYEES**

There are no employees in the Company whose particulars are required to be disclosed under the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, from time to time.

### **CORPORATE GOVERNANCE**

The Company considers Corporate Governance as an important step towards building investor confidence, improve investor's protection and maximize long term shareholder value. It has implemented all the provisions of the Corporate Governance as stipulated under Clause 49 of the listing agreements with all the stock exchanges, where the Company is listed except for the requirement pertaining to the Board/ Committee structure. The Company is working rigorously to broad base its Board with aptly qualified and experienced personnel which along with fulfilling the stipulations of the clause 49 can also provide the valuable support and inputs for the growth of the Company. We are hopeful to make necessary appointments shortly. It has always been a constant endeavor of the Company to adopt good corporate governance code through independent Board, transparent disclosures and shareholders empowerment for creating and sustaining shareholder value. A separate section on Corporate Governance along with a certificate from the auditors of the Company, certifying compliance of stipulations of Clause 49 of listing agreements with the stock exchanges with regards to the Corporate Governance code is present elsewhere.

### **CONSERVATION OF ENERGY**

The Company has taken various steps to reduce consumption of power, fuel, oil and other energy resources by adopting various measures. The Company regularly takes advice from experts on energy conservation measures to be adopted. Regular studies are undertaken for assessing the possibilities of use of various methods by which the Company optimizes the use of energy without effecting the productivity, quality etc. Training programs are conducted to increase awareness on energy saving. As already mentioned, the efforts of the Company have already started showing results as the power, fuel and water expenses have been reduced for the year under review. This reduction has been achieved inspite of escalating power and fuel prices.

### **RESEARCH & DEVELOPMENT/ TECHNOLOGY ABSORPTION**

Company continued to give utmost importance to the R&D activities. The Company has its own in-house well-developed Research and Development division. The objective of the Company through continuous Research and Development activities is the introduction of cost effective, state-of-art-products with enhanced life and to increase the production capacity. The Company's Laboratory and R&D division is continuously working towards new developments and keeps pace with the latest developments in high tech areas. R&D during the year has been aimed out to develop capabilities to produce PU Shoes alongwith Rubber Vulcanised Shoes that we have been producing all along.





## MAYUR LEATHER PRODUCTS LIMITED

### FOREIGN EXCHANGE EARNING AND OUTGO

**Activities relating to exports; initiatives taken to increase exports, development of new export markets for product and services; and export plans:**

The Company is engaged in the manufacture and export of leather safety shoes and shoe uppers. The majority sale is through exports. We are constantly making efforts to increase our export markets. The Company is making rigorous efforts to develop the market for its products in the countries like South Africa, Middle East, Kazakhstan, Kyrgyzstan, Azerbaijan, Uzbekistan etc. Negotiations are going on with various buyers from these countries. We foresee good potential in these countries for the consumption of Company's products. We are aggressively pursuing the marketing in these countries to create new export markets.

At present we see very much of problem in the immediate future as the Dollar has leveled around Rs. 41.42 in the last few months.

	Rs. in Lacs	
<b>Earning:</b>		
Export (FOB)		2246.75
<b>Outgo:</b>		
Travelling expenses	2.99	
Claims & compensation for quality	15.20	
Sales & business promotion	5.85	
Raw material	174.96	
Sales Commission	3.69	
Repairs & Maintenance	6.65	
Plant & machinery	11.12	
Others	1.24	221.70

### ACKNOWLEDGEMENT

The Directors express their gratitude to the Central and State Government for their kind co-operation and support. Your Directors place on record the appreciation for the assistance and confidence reposed by the bankers, customers, suppliers and stakeholders during the period under review. The Board also places on record its appreciation for the contribution made by the employees at all levels.

For and on behalf of the Board of Directors

PLACE : Jaipur

DATE : 26th June, 2008

Sd/-  
(R. K. Poddar)  
Managing Director

Sd/-  
(R. V. Gupta)  
Director

## CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Mayur Leather Products Ltd. is committed to the highest standards of Corporate Governance in all its activities and processes. It has always believed that an independent and diversified Board following best practices, transparent disclosures and empowerment of shareholders are as necessary as solid financial results for creating and sustaining shareholder value. The Company fully recognizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company strives for the fullest possible disclosure standards. It provides detailed information on various issues concerning the Company's business and financial performance to its shareholders. The Board of the Company acts with autonomy and independence in exercising strategic supervision, discharging its fiduciary responsibilities and in ensuring that the management observes high standards of ethics, transparency and disclosure.

The Company has implemented all the provisions of the Corporate Governance as stipulated under Clause 49 of the listing agreements with all the stock exchanges where the Company is listed except for the requirement pertaining to the Board/ Committee structure. The reason thereof for non-compliance is non-availability of the requisite talented personnel from the industry. The Company is working rigorously to broad base its Board with aptly qualified and experienced personnel who along with fulfilling the stipulations of the clause can also provide the valuable support and inputs for the growth of the Company. We are hopeful of making necessary appointments shortly.

### BOARD OF DIRECTORS

#### **Composition**

The Board of Directors presently consists of four Directors. The composition and category of Directors is as follows:

Category	Name of Directors	DIN No.
Promoter/ Executive Director	Shri Rajendra Kumar Poddar	00143571
Non-Executive Directors	Shri Keshav Deo Agarwal	00172149
	Shri Rajesh V. Gupta	00814841
	Smt. Amita Poddar	00143486

Brief resumes of the Directors being re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold directorship and the membership of the committees of the board are furnished hereunder:

**Shri K.D.Agarwal** is retiring by rotation at the date of ensuing Annual General Meeting and being eligible offers himself for reappointment. He is a Bachelor of Commerce and a law graduate. He holds vast experience of the trade and industry. He has to his credit the setting up of imported marble gang saw plant in early eighties. He has more than 28 years of experience in finance, accounts, marketing, administration and legal matters. He is also the Chairman of Audit Committee of the Board of Directors.



## MAYUR LEATHER PRODUCTS LIMITED

### Board Meeting, Attendance particulars and Committee Memberships

Name of Director	Attendance Particulars		No. of Directorship and Committee Membership/ Chairmanship in other Public Cos.		
	Board Meetings	Last AGM	Total outside Directorship	Committee Membership	Committee Chairman
1. Shri R. K. Poddar	8/8	Present	Nil	Nil	Nil
3. Shri R. V. Gupta	7/8	Absent	2	Nil	Nil
4. Smt. Amita Poddar	8/8	Present	Nil	Nil	Nil
5. Shri K. D. Agarwal	8/8	Present	Nil	Nil	Nil

### Number of Board Meetings held and the dates on which held

As per the statutory provisions the Board is required to meet at last once every quarter and minimum 4 times in a year with the time gap between two consecutive meetings not exceeding four months. As against this, during the period under review the Board held 8 (eight) meetings on 09.04.2007, 12.06.2007, 16.07.2007, 31.07.2007, 27.10.2007, 26.11.2007, 29.01.2008 and 26.02.2008 to consider amongst other business, the quarterly/ annual performance of the Company and its financial results.

### BOARD COMMITTEES

#### AUDIT COMMITTEE

The Audit Committee comprises of 3 Directors viz. Shri K.D. Agarwal, who is having the financial, accounting and legal expertise and designated as Chairman and Smt. Amita Poddar and Shri R.V. Gupta are designated as members. The terms of reference of the Audit Committee as stipulated by the Board of Directors are as contained in clause 49 of the listing agreement and section 292A of the Companies Act, 1956, among others the task of the Committee in brief include : Effectively supervise the financial reporting process; Review the quarterly and annual financial results before placing them before the Board; Hold discussions with statutory auditors on the nature and scope of audits, and any views that they have about the financial control and reporting process; Ensure compliance with accounting standards and listing requirements concerning financial statements; Review the adequacy of internal controls in the Company including the plan, scope of internal audits and performance of the internal auditors; Recommend the appointment and removal of statutory auditors and their fees and approval for payment for any other services; Ensure for legal compliance by the Company; Reviewing the Company's financial and risk management policies.

#### Meetings and Attendance particulars

The relevant information is as follows:

S.No.	Name	Meetings Attended
1.	Shri K.D. Agarwal (Chairman)	7/7
2.	Shri R.V. Gupta (Member)	7/7
3.	Smt. Amita Poddar (Member)	7/7

The Statutory Auditors, Internal Auditors and the Chief Financial Officer are invited to attend and participate at the meetings of the Committee.

The Company Secretary acts as the secretary of the Committee.

During the period under review the Committee met 7 (Seven) times on 08.04.2007, 12.06.2007, 31.07.2007, 27.10.2007, 26.11.2007, 29.01.2007 and 26.02.2008. The statutory and internal auditors of the Company were also invited at these meetings.

### SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Committee has been constituted to specifically look into and redress the complaints received from the shareholders of the Company. The Committee consists of 3 Directors viz. Smt. Amita Poddar (Chairman), Shri R.K. Poddar (Member) and Shri K.D. Agarwal (Member).

### Meetings and Attendance particulars

The relevant information is as follows:

S.No.	Name	Meetings Attended
1.	Smt. Amita Poddar (Chairman)	4/4
2.	Shri R.K. Poddar (Member)	4/4
3.	Shri K. D. Agarwal (Member)	4/4

The Company Secretary acts as the secretary to the Committee and also designated Compliance Officer. During the year the Company received a total of five complaints from the shareholders. All the complaints were attended to promptly and resolved to the satisfaction of the shareholders. There were no pending complaint or share transfer cases as on 31st March 2008, as per the certificate given by RTA.

### REMUNERATION COMMITTEE

The Remuneration Committee consists of 3 Directors viz. Shri R.V. Gupta (Chairman), Shri K.D. Agarwal (Member) and Smt. Amita Poddar (Member).

The terms of reference of the Remuneration Committee includes among others : To review, assess and recommend to the Board the appointment of executive and non-executive Directors and compensation payable; To consider and recommend human resource policies relating to compensation and performance management.

During the period only one meeting was conducted by the Committee on 15.03.2008. Attendance particulars are as under:-

S.No.	Name	Meetings Attended
1	Shri R. V. Gupta (Chairman)	1/1
2	Shri K. D. Agarwal (Member)	1/1
3	Smt. Amita Poddar (Member)	1/1

### Remuneration of Directors

The non-executive Directors do not draw any remuneration including the sitting fee. The details of the remuneration of the Managing Director (Executive) for the financial year 2007-2008 are as under:

						Rs.
Name	Salary	Contribution To PF	Leave Encashment	Bonus	LTA	Total
Shri R. K. Poddar	10,08,000	1,27,200	52,000	1,87,200	-	13,74,400

**Shareholding of Non-Executive Directors as on 31st March, 2008**

S.No.	Name	No. of Shares	% age
1.	Shri R. V. Gupta	4,28,300	8.86%
2.	Shri K. D. Agarwal	1,07,500	2.22%
3.	Smt. Amita Poddar	5,58,100	11.54%

**GENERAL BODY MEETINGS**

Location and dates with time of last 3 Annual General Meetings were as under:

Year	Location	Date	Time
2004-2005	B-5, Vrindavan Apartments, Vrindavan Vihar King's Road, Jaipur	Saturday; 18.06.2005	11 A.M.
2005-2006	G-60-62 & 67-69, Jaitpura Industrial Estate, Jaitpura - 303704	Monday; 17.07.2006	11 A.M.
2006-2007	G-60-62 & 67-69, Jaitpura Industrial Estate, Jaitpura - 303704	Monday, 16.07.2006	11 A.M.

In the previous three Annual General Meetings special resolutions were passed pertaining to : (A) AGM dated 18.06.2005 - 1. Authority to the Company for commencement of new business related to carry on business of hotel, restaurant, cafeteria etc., manufacture aerated and artificial waters and other drinks, motor car proprietors, importers of food, live and dead stock, proprietors of clubs, baths, dressing rooms, laundries etc., places of amusements, recreations, sports, entertainment, general merchants; 2. one special resolution through the postal ballot for shifting of registered office of the Company from B-5, Vrindavan Apartments, Vrindavan Vihar, King's Road, Jaipur 302019 to its works situated at G-60-62 & 67-69, Jaitpura Industrial Estate, Jaitpura 303704 Jaipur. (B) AGM dated 17.07.2006 No Special Resolution was passed in the AGM. (C) AGM dated 16.07.2007 No Special Resolution was passed in the AGM.

No Special Resolution is proposed to be passed by Postal Ballot at the ensuing Annual General Meeting.

All Directors and Senior Management Personnel of the Company have affirmed compliance with the provisions of the code of conduct for the financial year ended on March 31, 2008.

**CEO & CFO Certificate**

Certificate from CEO & CFO for the financial year ended on March 31, 2008 have been provided elsewhere in the Annual Report.

**DISCLOSURES**

- Disclosures on material related party transactions : i.e. transactions of the Company of material nature with its promoters, directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. - None of the transactions by any of related parties were in conflict with the interest of the Company.



- Details of non-compliance by the Company and penalties imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matters related to capital markets during last 3 years: During the last three years, no penalties or strictures have been imposed on the Company by the stock exchanges or SEBI or any other statutory authorities on matters related to capital market.
- The Company has adopted a Whistle Blower Policy and has established necessary mechanism in line with requirement given under clause 49 of listing agreement for employees to report concerns about unethical behavior. No personnel have been denied access to the audit committee.

## MEANS OF COMMUNICATION

The Company regularly furnishes/intimates unaudited as well as audited financial results to the stock exchanges immediately after these are taken on record by the Board. The quarterly and half-yearly unaudited financial results and the annual audited financial results are also published by the Company in one english leading national newspaper i.e. Financial Express and one Hindi newspaper of repute circulated widely in the regional language of the state i.e. Samachar Jagat. As such the half-yearly and quarterly results are not sent to shareholders individually. As the Company publishes the audited annual results within a stipulated period of 3 months from the close of the financial year, the unaudited results for the last quarter are not published in the newspapers. All price sensitive information is made available at the earliest through newspapers and intimated to the stock exchanges for public dissemination.

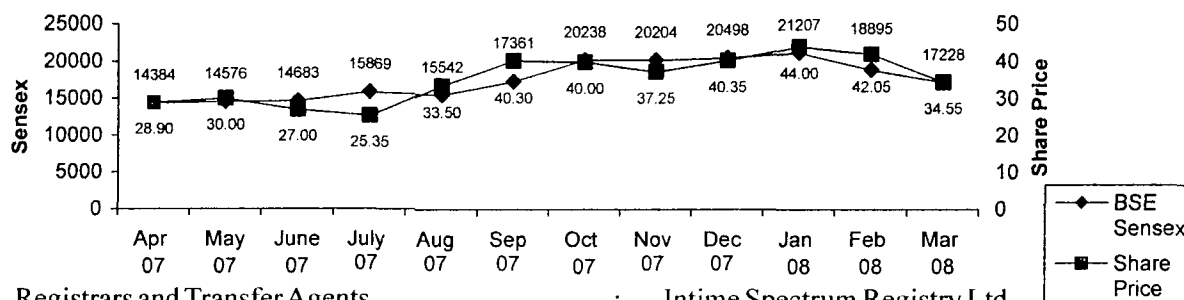
## GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting
  - Date & Time Thursday, the 07th August 2008 at 11 A.M.
  - Venue G-60-62 & 67-69, Jaitpura Industrial Estate  
Jaitpura - 303704 Jaipur
2. Financial Calendar (Tentative)
  - Result for the qtr ending June 30, 2008 Last week of July 2008
  - Result for the qtr ending Sept 30, 2008 Last week of Oct 2008
  - Result for the qtr ending Dec 31, 2008 Last week of Jan 2009
  - Result for the qtr ending Mar 31, 2009 Last week of Apr 2009
3. Book Closure date : 04th August 2008 to 07th August 2008 (both days inclusive)
4. Dividend Payment date : On or after 07th August 2008
5. Listing of Equity Shares in Stock Exchanges : Bombay Stock Exchange Limited (BSE)  
The Company has duly paid the listing fee for the year 2008-2009 to Bombay Stock Exchange Limited.
6. Demat ISIN exchange number in NSDL & CDSL for Equity Shares : INE 799E01011
7. Stock Code (BSE) : 531680
8. Corporate Identification Number (CIN) : L19129RJ1987PLC003889  
allotted by the Ministry of Corporate Affairs

## 9. Market Price Data (BSE)

Year	High (Rs.)	Low (Rs.)	Volume (Nos.)
2007-08			
April 07	28.90	21.10	9966
May 07	30.00	21.10	9112
June 07	27.00	21.50	23763
July 07	25.35	22.35	16473
Aug' 07	33.50	24.15	76261
Sept' 07	40.30	30.70	51331
Oct' 07	40.00	30.00	76443
Nov' 07	37.25	27.05	29584
Dec' 07	40.35	28.05	26352
Jan' 08	44.00	24.10	33693
Feb' 08	42.05	24.50	9996
Mar 08	34.55	22.35	114576

## 10. Performance of Company's shares in comparison to BSE Sensex



## 11. Registrars and Transfer Agents

Intime Spectrum Registry Ltd.  
A-40, 2nd Floor, Naraina Industrial Area, Phase-I  
Near PVR Naraina, New Delhi 110 028  
Ph: 91-11-41410592-94/ Fax: 91-11-41410591  
e-mail: delhi@intimespectrum.com

## 12. Share Transfer System

The Company has appointed M/s. Intime Spectrum Registry Ltd. as the Registrars and Transfer Agents (RTA) w.e.f. 1<sup>st</sup> April 2003 in addition to the electronic connectivity already being availed through them. As on date all the work related to the shares both held in physical and electronic form is handled by the RTA. All correspondences are to be directed to the RTA at their address mentioned at point no. 11 supra. The correspondences may also be sent at the Company's address, which will be sent by the Company to the RTA

## 13. Secretarial Audit

Secretarial Audit is being carried out in every quarter by a practicing Company Secretary and his audit report is placed before the Board for its perusal and filed regularly with the Stock Exchange within the stipulated time.

## 14. Distribution of Shareholding as on 31st March 2008

Promoters & Promoter's Group Holding	No. of Shares	%age
- Indian Promoters	20,57,294	42.55%
- Persons Acting in Concert	16,85,100	34.86%
<b>Non Promoters Holding</b>		
- Mutual Funds	89,538	1.85%
- Private Bodies Corporate	34,281	0.71%
- Clearing Members	1,730	0.04%
- Indian Public	9,66,857	19.99%



# MAYUR LEATHER PRODUCTS LIMITED

## 15. Distribution Schedule:

Shares holding (No. of shares)	Shareholders		Shareholding	
	No.	% to Total	No. of Shares	% to Total
Up to 500	509	74.96	102551	2.121
501 - 1,000	104	15.32	81570	1.687
1,001 - 2,000	15	2.209	19563	0.405
2,001 - 3,000	4	0.589	9929	0.205
3,001 - 4,000	6	0.884	21843	0.452
4,001 - 5,000	3	0.442	13771	0.285
5,001 - 10,000	4	0.589	24341	0.503
10,001 & above	34	5.007	4561232	94.342
<b>Total</b>	<b>679</b>	<b>100.000</b>	<b>4834800</b>	<b>100.000</b>

16. Dematerialisation Liquidity of Shares : Being listed on BSE, Shares of the Company are being regularly traded.  
61.05 % of the Company's paid-up equity share capital has been dematerialised upto 31<sup>st</sup> March 2008
17. Outstanding GDRs/Warrants and Convertible Instruments : The Company has not issued GDRs/Warrants or any other instruments which is convertible into Equity Shares of the Company.
15. Plant Location : G-60-62 & 67-69, Jaitpura Ind. Estate, Jaitpura - 303704, Jaipur (Raj.)
16. **Address for Correspondence**  
Investor correspondence : **Intime Spectrum Registry Limited**  
A-40, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR  
Naraina, New Delhi 110 028 Ph: 011-41410592-94  
Fax- 011-41410591 e-mail delhi@intimespectrum.com
- Exclusive e-mail ID for redressal of investors complaints in terms of Clause 47(f) of the Listing Agreement, please use the following contents for redressal of investors complaints :- **E-mail ID : mlp@mayurleather.com**  
**Compliance Officer : Mr. J. P. Rawat, CFO & Company Secretary**  
B-5, Vrindavan Appartments, Vrindavan Vihar, King's Road  
Jaipur - 302019 (Rajasthan)  
Ph. : 91-99289 11947 Fax : 91-141-2810385  
E-mail : mlp@mayurleather.com

For and on behalf of the Board of Directors

PLACE : Jaipur  
DATE : 26th June, 2008

Sd/-  
(R. K. Poddar)  
Managing Director

Sd/-  
(R. V. Gupta)  
Director



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****OVERALL REVIEW**

Mayur Leather Products Ltd. is a publicly held company engaged in the manufacture and export of leather shoes and shoe uppers. The majority sales of the company comprises of exports. For the period under review the export sale (comprising of direct export and through merchant exporter) was 93.98 % of total sale, rest being the domestic sale. The Company has increased its local sales to Rs. 143.82 lacs as compared to last year Rs. 68.81 lacs. During the year the Company has stabled its turnover to 603553 pairs from 620290 pairs in the last year. Thanks to a favourable valuation of Export Realisations.

The company has able to stable its sale due to aggressive marketing efforts by the Company.

There was no change in the capital structure of the Company during the year. An Interim Dividend of 8% has already been paid and final dividend of 8% has been proposed for the year ended 31<sup>st</sup> March 2008. The total outgo for the interim and final dividend is Rs. 90,50,360/- including dividend tax. The Earning per share (EPS) (basic and diluted) for the year was Rs.5.53 % compared to Rs. 5.47 for the year 2006-2007.

**OPPORTUNITIES**

The Company has carved a niche for itself in the industrial shoe/ uppers segment both internationally and in the domestic market. The quality of the Company's products is well recognized. Embarking on this strength we are constantly working towards expanding the market for Company's products to other countries apart from our present work areas.

As already stated earlier in this report, we have started manufacturing PU shoes which is an advantage of being able to compete in the local market. Through the production and sales of PU shoes we plan to increase our market share both in exports and domestic.

We intend to extend our exports but at the same time due to adverse change in Dollar and Euro exchange rates, we wish to increase domestic sales. We are also approaching to other big industries to launch our products.

**CHALLENGES**

There has been decline both in the EURO and DOLLAR realization during the period resulting in lower sales turnover for the year under review. Further since the foreign currency market has been very volatile recently; it is difficult to predict the rupee movements against these currencies for the time being. Strengthening of the RUPEE as predicted is always a cause for concern for export-oriented units. However we foresee problems in immediate future as the Dollar has leveled around Rs. 41.42 in the last few months. Further the prices of rubber, petroleum products and leather have increased tremendously in the recent past. This is a cause of concern.

**OUTLOOK**

With the efficient management and zealed employees' strength, the Company constantly endeavors to keep with the trend of increase in the turnover and reduction in expenses. We therefore hope to keep this trend going with ongoing efforts to increase the domestic as well as new foreign markets, adequately training the manpower to effect the reduction in costs and increase in productivity and efficiency.

**RISK & CONCERNS**

The foreseeable risks for the company include competition with China in the international market and unorganized sector in manufacturing on domestic front. Apart from this volatility of the US dollar vis-à-vis



## **MAYUR LEATHER PRODUCTS LIMITED**

Indian rupee and the constantly increasing trend in the raw material prices is always a cause for concern.

### **INTERNAL CONTROL SYSTEM AND ADEQUACY**

The Company's internal control systems are adequate, and are regularly tested and certified by our Statutory and Internal Auditors. Moreover, the Company continuously upgrades these systems in line with best international practices.

### **FINANCIAL PERFORMANCE**

The summarized financial performance of the Company as compared to last year is shown as under:

<b>Particulars</b>	<b>2007-08</b>	<b>2006-07</b>	<b>% Change</b>
Sales	2390.57	2485.46	(3.82) %
Other Income	358.17	301.70	18.72 %
Profit before tax	408.71	392.34	4.00 %
Net Profit after tax	267.47	264.42	1.15 %
Payment of Dividend	77.36	96.69	(20.00) %
EPS	5.53	5.47	1.10 %

### **HUMAN RESOURCE**

The Company is constantly endeavoring to sources and developed skilled manpower at all levels. Lack of skilled manpower availability is a challenge of today. But the Company is constantly recruiting freshers and training them to become suitably skilled. Total number of employees as on 31<sup>st</sup> March, 2008 stood at 123.

For and on behalf of the Board of Directors

PLACE : Jaipur  
DATE : 26th June, 2008

Sd/-  
(R. K. Poddar)  
Managing Director

Sd/-  
(R. V. Gupta)  
Director



## **MAYUR LEATHER PRODUCTS LIMITED**

### **CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**

We, R. K. Poddar, Chief Executive Officer and J. P. Rawat, Chief Financial Officer of Mayur Leather Products Limited, to the best of our knowledge and belief hereby certify that:

- (a). We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2008 and that to the best of our knowledge and belief;
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b). There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or void to the company's code of conduct;
- (c). We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify these deficiencies and
- (d). We have indicated to the auditors and the Audit committee of:
  - (i) significant changes in internal control during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

For and on behalf of the Board of Directors

PLACE : Jaipur  
DATE : 26th June, 2008

Sd/-  
(R. K. Poddar)  
Managing Director

Sd/-  
(J.P. Rawat)  
Chief Financial Officer

### **DECLARATION FOR COMPLIANCE WITH THE CODE OF CONDUCT**

To,

The Members  
Mayur Leather Products Ltd.

This is to confirm that the Company has adopted a code of conduct for its Board of Directors and senior management personnel.

I confirm that the Company has in respect of financial year ended on 31<sup>st</sup> March, 2008 received from the members of the Board and senior management personnel a declaration of compliance with the code of conduct as applicable to them.

For Mayur Leather Products Ltd.

sd/-  
R. K. Poddar  
Managing Director & CEO  
26th June, 2008



**AUDITORS' REPORT ON CORPORATE GOVERNANCE**

TO THE MEMBERS,

MAYUR LEATHER PRODUCTS LIMITED

We have examined the compliance of conditions of Corporate Governance by Mayur Leather Products Limited for the year ended 31st March 2008, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, subject to the number of independent directors is less than 50% of the strength of the Board of Directors, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MADHUKAR GARG & COMPANY**  
Chartered Accountants

Sd/-  
(SUNIL SHUKLA)  
Partner  
M.N. 71179

PLACE : Jaipur  
DATED : 26th June, 2008



## MAYUR LEATHER PRODUCTS LIMITED

### AUDITORS' REPORT

TO THE MEMBERS

MAYUR LEATHER PRODUCTS LIMITED

We have audited the attached Balance Sheet of **MAYUR LEATHER PRODUCTS LTD, JAIPUR**, as at **31st March, 2008** and also the Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date. These financial statement are responsibility of the Company's management. Our responsibility is to express an opinion on these financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examination of those books;
  - (iii) The Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the Directors, as on **31st March, 2008**, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on **31st March, 2008** from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (vi) In our opinion and to the best of our information and according to explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,
    - (a) in the case of Balance Sheet, of the state of affairs of the company as at **31st March, 2008**; and
    - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
    - (c) in the case of Cash Flow statement, of the Cash Flows for the year ended on that date.

For **MADHUKAR GARG & COMPANY**  
Chartered Accountants

Sd/-  
(SUNIL SHUKLA)  
Partner  
M.N. 71179

PLACE : JAIPUR  
DATED:



**ANNEXURE REFERRED TO IN PARAGRAPH 4 OF AUDITOR'S REPORT OF EVEN DATE TO THE  
MEMBERS OF MAYUR LEATHER PRODUCTS LIMITED ON THE ACCOUNTS FOR THE YEAR  
ENDED MARCH 31, 2008**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of its fixed assets.  
(b) Fixed Assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.  
(c) Substantial part of fixed assets have not been disposed off during the year.
2. (a) The inventory of the Company, has been physically verified by the Management during the year. The frequency of verification is reasonable.  
(b) In our opinion, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.  
(c) The Company has maintained proper records of inventory and the discrepancies noticed between the physical stocks and the book record were not material.
3. (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act.  
(b) As the company has not given any loan hence the requirement of rate of interest & other terms & conditions of loan given by the company, secured or unsecured are prejudicial to the interest of the company or not is not applicable.  
(c) Requirement of regular receipt of the principal amount and interest is not applicable being no loan given by the company.  
(d) Company has not given any loan hence there is no overdue amount of more than rupees one lakh.  
(e) The company has not taken any loans, secured or unsecured from companies firm or other parties covered in the register maintained under section 301 of the Act.  
(f) As the Company has not taken any loan hence the requirement of rate of interest and other terms & conditions of loans taken by the Company, secured or unsecured are prejudicial to the interest of the Company or not is not applicable.  
(g) Requirement of regular payment of the principal amount and interest is not applicable being no loan taken by the Company.
4. There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to the purchases of inventories, fixed assets and for the sale of goods. There is no continuing failure to correct major weaknesses in internal control system.
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of contract or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.  
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits under the provisions of Section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under.

7. In our opinion, the Company's present internal audit system is commensurate with its size and nature of its business.
8. On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under section 209(1)(d) of the Act have been maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
9. (a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on Management representations, undisputed statutory dues in respect of Provident Fund, Employee's State Insurance dues, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and Other Statutory dues have generally been regularly deposited, by the Company during the year with the appropriate authorities in India.
- (b) As at **31st March, 2008**, there have been no disputed dues which have not been deposited with the respective authorities in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Tax, Excise Duty and Cess.
10. The Company has neither accumulated losses as at **31st March, 2008**, nor it has incurred any cash loss either during the financial year ended on that date or in the immediately preceding financial year.
11. As per the records of the Company, it has not defaulted in repayment of its dues to any financial institution or bank or to debenture holders during the year.
12. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to it.
14. The Company has not dealt or traded in shares, securities, debentures or other investments during the year.
15. The Company has not given guarantees for loans taken by others from banks or financial institutions.
16. The Company has not taken any term loan during the year.
17. On the basis of review of utilisation of funds which is based on overall examination of the balance sheet of the company, related information as made available to us and as represented to us by the Management, funds raised on short term basis have not been used for long term investment.
18. The Company has not made preferential allotment of shares to parties & companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. As per the information and explanations given to us and on the basis of examination of records, no fraud on or by the Company was noticed or reported during the year.

For **MADHUKAR GARG & COMPANY**  
Chartered Accountants

Sd/-  
(SUNIL SHUKLA)  
Partner  
M.N. 71179

PLACE : JAIPUR  
DATED :



# MAYUR LEATHER PRODUCTS LIMITED

## BALANCE SHEET AS AT 31st MARCH, 2008

PARTICULARS	SCHEDULE	AS AT 31.03.2008 (Rs.)	AS AT 31.03.2007 (Rs.)
<b>SOURCES OF FUNDS :</b>			
1. <b>SHAREHOLDERS' FUNDS</b>			
Share Capital	A	49,759,786.00	49,759,786.00
Reserves & Surplus	B	91,927,644.64	74,231,678.87
		<b>141,687,430.64</b>	<b>123,991,464.87</b>
2. <b>LOAN FUNDS</b>			
Secured Loans	C	38,195,259.00	54,009,889.58
Unsecured Loans		-	-
		<b>38,195,259.00</b>	<b>54,009,889.58</b>
3. <b>DEFERRED TAX LIABILITY (NET)</b>		3,622,117.00	3,735,897.00
<b>TOTAL : 1 to 3</b>		<b>183,504,806.64</b>	<b>181,737,251.45</b>
<b>APPLICATION OF FUNDS :</b>			
1. <b>FIXED ASSETS</b>			
Gross Block	D	76,588,505.00	72,548,979.00
Less : Depreciation		39,673,842.00	36,148,694.00
		<b>36,914,663.00</b>	<b>36,400,285.00</b>
2. <b>INVESTMENTS</b>	E	11,096,948.42	11,403,848.79
3. <b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Inventories	F	33,604,928.00	38,454,301.28
Sundry Debtors	G	54,065,632.00	60,179,307.00
Cash and Bank Balances	H	8,206,211.82	3,473,020.58
Loans and Advances	I	81,673,970.50	84,545,854.62
Other Current Assets	J	6,526,170.68	5,772,438.80
		<b>184,076,913.00</b>	<b>192,424,922.28</b>
Less : Current Liabilities and Provisions	K	48,583,717.78	58,491,804.62
<b>Net Current Assets</b>		<b>135,493,195.22</b>	<b>133,933,117.66</b>
4. <b>MISCELLANEOUS EXPENDITURE</b>		-	-
<b>NOTES ON ACCOUNTS</b>	T		
<b>TOTAL : 1 to 4</b>		<b>183,504,806.64</b>	<b>181,737,251.45</b>

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2008**

PARTICULARS	SCHEDULE	YEAR ENDED 31.03.2008 (Rs.)	YEAR ENDED 31.03.2007 (Rs.)
<b>(A) INCOME :</b>			
Sales	L	239,057,025.00	248,546,133.00
Other Income	M	35,816,816.69	30,170,210.35
<b>TOTAL (A)</b>		<b>274,873,841.69</b>	<b>278,716,343.35</b>
<b>(B) EXPENDITURE :</b>			
Raw Material Consumed	N	161,627,488.00	182,817,270.00
Manufacturing Expenses	O	24,064,944.00	27,850,753.00
Payment to & Provisions for Employees	P	16,963,688.00	15,521,233.00
Administrative Expenses	Q	5,368,486.86	7,528,807.74
Selling Expenses	R	6,843,939.53	6,968,360.30
Finance Charges	S	3,451,406.53	3,479,816.42
Depreciation		4,155,675.00	4,069,585.00
Loss on sale of Fixed Assets/Discarded		524,165.00	-
		<b>222,999,792.92</b>	<b>248,235,825.46</b>
(Increase) / Decrease in stock		9,932,609.28	(8,938,768.28)
<b>TOTAL (B)</b>		<b>232,932,402.20</b>	<b>239,297,057.18</b>
<b>NET PROFIT BEFORE TAXATION &amp; EXTRA ORDINARY ITEMS (A-B)</b>		<b>41,941,439.49</b>	<b>39,419,286.17</b>
Less : Provision for Bad & Doubtful Debts		(512,860.00)	(185,328.00)
Less : Obsolete Stock Written off		(627,969.00)	-
<b>PROFIT / (LOSS) FOR THE YEAR</b>		<b>40,800,610.49</b>	<b>39,233,958.17</b>
Less : Provision for Current Tax		13,700,000.00	11,800,000.00
Less : Provision for FBT		275,000.00	375,000.00
Less : Provision for Deferred Tax		-	559,443.00
		<b>26,825,610.49</b>	<b>26,499,515.17</b>
Add : Excess Provision for FBT written back		-	93,084.00
Deferred Tax written back		113,780.00	-
Less : Income Tax for earlier years		193,064.72	150,884.00
<b>PROFIT AFTER TAX</b>		<b>26,746,325.77</b>	<b>26,441,715.17</b>
Balance Brought Forward from Previous Year		47,881,749.87	35,252,982.70
<b>AMOUNT AVAILABLE FOR APPROPRIATIONS</b>		<b>74,628,075.64</b>	<b>61,694,697.87</b>
<b>APPROPRIATIONS</b>			
Transfer to General Reserve		2,500,000.00	2,500,000.00
Dividend on Equity Shares (Interim)		3,867,840.00	4,834,800.00
Proposed Dividend on Equity Shares (Final)		3,867,840.00	4,834,800.00
Tax on Proposed Dividend		1,314,680.00	1,643,348.00
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b>63,077,715.64</b>	<b>47,881,749.87</b>
<b>BASIC &amp; DILUATED EPS</b> (See Note No. 5 of Schedule T)		<b>5.53</b>	<b>5.47</b>

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008



# MAYUR LEATHER PRODUCTS LIMITED

## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31.03.2008 (Rs.)	AS AT 31.03.2007 (Rs.)
<b>SCHEDULE 'A' SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
58,00,000 Equity Shares of Rs. 10/- each	58,000,000.00	58,000,000.00
<b>ISSUED &amp; SUBSCRIBED</b>		
53,13,500 Equity Shares of Rs. 10/- each	53,135,000.00	53,135,000.00
<b>PAID UP</b>		
48,34,800 Equity Shares of Rs. 10/- each (Out of above 15,30,000 Equity Shares of Rs. 10/- each issued as Bonus Shares out of Reserves)	48,348,000.00	48,348,000.00
Add : Shares forfeited (Amount originally paid up)	1,411,786.00	1,411,786.00
<b>TOTAL</b>	<b>49,759,786.00</b>	<b>49,759,786.00</b>
<b>SCHEDULE 'B' RESERVES &amp; SURPLUS</b>		
General Reserve 10,470,000.00		
Add : Transferred during the year 2,500,000.00	12,970,000.00	10,470,000.00
Profit and Loss Account	63,077,715.64	47,881,749.87
Share Premium	15,879,929.00	15,879,929.00
<b>TOTAL</b>	<b>91,927,644.64</b>	<b>74,231,678.87</b>
<b>SCHEDULE 'C' : SECURED LOANS</b>		
<b>CANARA BANK - OVERSEAS BRANCH (FDB LIMIT)</b>		
Canara Bank (CC Limit)	14,124,616.00	52,646,731.00
Canara Bank (Rupee Advance)	-	776,335.58
(Secured against Hypothecation of Raw Material, Work-in-Process, Finished Goods & other Current Assets of the Company and Equitable Mortgage of Land, Building, Plant & Machinery of the Company and personal guarantees of Directors)	23,740,000.00	-
<b>CANARA BANK (Car Loan)</b>		
Against Hypothecation of Innova Car	330,643.00	586,823.00
<b>TOTAL</b>	<b>38,195,259.00</b>	<b>54,009,889.58</b>

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008

# SCHEDULE : 'D' FIXED ASSETS

(Amount in Rs.)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 1/4/2007	Add. during the period	Deletion/ Adjustment	As at 31/03/2008	Upto As at 31/03/2007	Dep. For the period	Deletion/ Adjustment	Upto As at 31/03/2008	As at 31/03/2008	As at 31/03/2007
1.	Land	1,346,983.00	-	-	1,346,983.00	-	-	-	-	1,346,983.00	1,346,983.00
2.	Building	12,012,667.00	3,708,638.00	-	15,721,305.00	2,988,183.00	471,312.00	-	3,459,495.00	12,261,810.00	9,024,484.00
3.	Furniture & Fixture	2,325,670.00	27,432.00	-	2,353,102.00	1,750,677.00	73,252.00	-	1,823,929.00	529,173.00	574,993.00
4.	Laboratory Equipments	1,002,920.00	-	-	1,002,920.00	343,530.00	67,737.00	-	411,267.00	591,653.00	659,390.00
5.	Plant & Machinery	36,746,575.00	1,223,281.00	-	37,969,856.00	18,600,243.00	2,661,844.00	-	21,262,087.00	16,707,769.00	18,146,332.00
6.	Office Equipments	1,301,094.00	35,520.00	11,210.00	1,325,404.00	503,402.00	126,314.00	11,210.00	618,506.00	706,898.00	797,692.00
7.	Electric Installation	723,960.00	-	-	723,960.00	444,491.00	53,717.00	-	498,208.00	225,752.00	279,469.00
8.	Diesel & Generator Set	1,696,616.00	-	-	1,696,616.00	751,810.00	125,889.00	-	877,699.00	818,917.00	944,806.00
9.	Computer	1,771,816.00	47,435.00	27,950.00	1,791,301.00	1,218,210.00	139,638.00	19,635.00	1,338,213.00	453,088.00	553,606.00
10.	Motor Vehicles	4,607,402.00	754,912.00	1,718,532.00	3,643,782.00	1,118,141.00	360,359.00	599,682.00	878,818.00	2,764,964.00	3,489,261.00
11.	Shoe Last	1,135,815.00	-	-	1,135,815.00	1,135,814.00	-	-	1,135,814.00	1.00	1.00
12.	Dies	2,450,432.00	-	-	2,450,432.00	2,434,261.00	1,882.00	-	2,436,143.00	14,289.00	16,171.00
13.	Moulds	5,427,029.00	-	-	5,427,029.00	4,859,932.00	73,732.00	-	4,933,664.00	493,365.00	567,097.00
	<b>GRAND TOTAL</b>	<b>72,548,979.00</b>	<b>5,797,218.00</b>	<b>1,757,692.00</b>	<b>76,588,505.00</b>	<b>36,148,694.00</b>	<b>4,155,675.00</b>	<b>630,527.00</b>	<b>39,673,842.00</b>	<b>36,914,662.00</b>	<b>36,400,285.00</b>
	Previous Year Figure	64,672,640.00	7,876,339.00	-	72,548,979.00	32,079,109.00	4,069,585.00	-	36,148,694.00	36,400,285.00	32,593,531.00

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. RAWAT**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008

**MAYUR LEATHER PRODUCTS LIMITED**

## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31.03.2008 (Rs.)	AS AT 31.03.2007 (Rs.)
<b>SCHEDULE 'E' : INVESTMENTS</b>		
Quoted - Non Trade		
Canara Bank Equity Shares	301,000.00	301,000.00
8600 Equity Shares, face value of Rs. 10/- each, Issued at a premium of Rs. 25/- each. (Aggregate market value Rs.1936720.00)		
NTPC - Equity Shares	42,098.00	42,098.00
679 Equity Shares of Rs. 62/- each (Aggregate market value Rs.133763.00)		
Andhra Bank Equity Shares	513,630.00	513,630.00
5707 Equity Shares, face value of Rs. 10/- each, Issued at a premium of Rs. 80/- each. (Aggregate market value Rs. 422888.70)		
Mayur Uniquitors Ltd. Equity Shares	41,800.00	41,880.00
1000 Equity Shares, face value of Rs. 10/- each, Issued at a premium of Rs. 31/- each. (Aggregate market value Rs. 43000.00)		
Hdfc Cash Management Fund - Daily Dividend - Reinvest	5,198,340.42	-
518201.707 Units @ Average 10.0315 each		
Kotak Securities - NDPMS Fund	5,000,000.00	-
5 Units of Debenture		
Franklin India Smaller Company Fund - Growth	-	500,000.00
50000 Units cumulated & sold during the year		
FT India Life Stage Dividend Fund	-	1,075,174.65
93172.558 Units cumulated & sold during the year		
DSP Merrill Lynch Equity Fund Dividend (SIP)	-	800,000.00
21254.819 Units cumulated & sold during the year		
DSP Merrill Lynch Tiger Fund Div Payout (SIP)	-	800,000.00
40462.793 units cumulated & sold during the year		
Fidelity Equity Fund Div (SIP)	-	800,000.00
51842.358 units cumulated & sold during the year		
Pru. ICICI Discovery Fund-Div (SIP)	-	800,000.00
42943.708 Units cumulated & sold during the year		
Reliance Equity Fund-Growth Plan	-	1,000,000.00
100000 Units cumulated & sold during the year		
Sundaram Select Midcap Fund-Dividend	-	1,419,276.07
67092.062 Units cumulated & sold during the year		
Franklin Templeton India Equity Income Fund - Growth	-	1,000,000.00
97751.711 Units cumulated & sold during the year		
DSP ML Tiger Fund (SIP)	-	59,353.18
2602.149 Units cumulated & sold during the year		
Franklin India Opportunities Fund (SIP)	-	100,000.00
19006.362 Units cumulated & sold during the year		
Reliance Growth Fund (SIP)	-	56,337.67
4702.098 Units cumulated & sold during the year		
Sundaram BNP Paribas Select Midcap Fund (SIP)	-	50,000.00
12001.944 Units cumulated & sold during the year		
HSBC Unique Opportunities Fund	-	1,000,000.00
100000 Units cumulated & sold during the year		
Fidelity India Special Situations Fund	-	500,000.00
37194.079 Units cumulated & sold during the year		
PRU ICICI Infrastructure Fund	-	545,099.22
33546.024 Units Units cumulated & sold during the year		
<b>TOTAL</b>	<b>11,096,948.42</b>	<b>11,403,848.79</b>

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008



# MAYUR LEATHER PRODUCTS LIMITED

## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS (Contd.....)

PARTICULARS	AS AT 31.03.2008 (Rs.)	AS AT 31.03.2008 (Rs.)
<b>MOVEMENTS DURING THE YEAR</b>		
<b>Purchased/Transferred</b>		
HDFC Cash Management Fund - Daily Dividend - Reinvest	5,000,000.00	-
518201.707 Units @ Average 10.0315 each		
Kotak Securities - NDPMS Fund	5,000,000.00	-
5 Units of Debenture		
FRPDD ICICI PRUD. Floating Rate Plan - Daily Dividend	7,500,000.00	7,500,000.00
Franklin India Opportunities Fund (SIP)	200,000.00	318,631.23
19006.362 Units accumulated & sold @ Average Rate Rs. 16.7645 each		
Reliance Growth Fund (SIP)	300,000.00	364,607.58
4702.098 Units accumulated & sold @ Average Rate Rs. 77.5415 each		
Sundaram BNP Paribas Select Midcap Fund (SIP)	150,000.00	197,057.22
12001.944 Units accumulated & sold @ Average Rate Rs. 16.4188 each		
DSP ML Tiger Fund (SIP)	-	56,028.79
2602.149 Units sold @ Average Rate Rs. 21.5317		
DSP Merrill Lynch Equity Fund Dividend (SIP)	-	967,642.02
21254.819 Units sold @ Average Rate Rs. 45.5257 each		
DSP Merrill Lynch Tiger Fund Div Payout (SIP)	-	847,675.40
40462.793 Units sold @ Average Rate Rs. 20.9495 each		
Fidelity Equity Fund Div (SIP)	-	959,731.02
51842.358 Units sold @ Average Rate Rs. 18.5125 each		
Pru. ICICI Discovery Fund - Div (SIP)	-	750,442.63
42943.708 Units sold @ Average Rate Rs. 17.4750 each		
Franklin India Smaller Company Fund - Growth	-	797,770.00
50000 Units sold @ Average Rate Rs. 15.9554 each		
Franklin Templeton India Equity Income Fund - Growth	-	1,429,012.00
97751.711 Units sold @ Average Rate Rs. 14.6188 each		
HSBC Unique Opportunities Fund	-	1,163,690.71
100000 Units sold @ Average Rate Rs. 11.6369 each		
Reliance Equity Fund - Growth Plan	-	1,303,000.00
100000 Units sold @ Average Rate @ 13.03 each		
Fidelity India Special Situations Fund	-	522,651.20
37194.079 Units sold @ Average Rate Rs. 14.052 each		
FT India Life Stage Dividend Fund	-	1,159,085.26
93172.558 Units sold @ Average Rate Rs. 12.4402 each		
Sundaram Select Midcap Fund - Dividend	-	1,113,540.37
67092.062 Units sold @ Average 16.5972 each		
Pru. ICICI Infrastructure Fund	-	539,755.53
33546.024 Units sold @ Average Rate Rs. 16.09 each		
	18,150,000.00	19,990,320.96

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008



# MAYUR LEATHER PRODUCTS LIMITED

## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31.03.2008 (Rs.)	AS AT 31.03.2007 (Rs.)
<b><u>SCHEDULE 'F' : INVENTORIES</u></b>		
(As taken and certified by the Management)		
Raw Materials, Stores and Packing Materials	27,208,967.00	24,572,327.00
(Valued at cost or net realisable value whichever is lower)		
Work - in - Process	2,256,275.00	11,856,425.00
(Valued at cost)		
Finished Goods	1,693,090.00	2,025,549.28
(Valued at cost or Net Realisable value whichever is lower)		
Goods in transit	2,446,596.00	-
<b>TOTAL</b>	<b>33,604,928.00</b>	<b>38,454,301.28</b>
<b><u>SCHEDULE 'G' : SUNDRY DEBTORS</u></b>		
(Considered Good, as Certified by the Management)		
Exceeding Six Months	148,134.00	192,996.00
Others	54,056,648.00	60,171,639.00
<b>Less : Provision for Bad &amp; Doubtful Debts</b>	<b>(139,150.00)</b>	<b>(185,328.00)</b>
<b>TOTAL</b>	<b>54,065,632.00</b>	<b>60,179,307.00</b>
<b><u>SCHEDULE 'H' : CASH AND BANK BALANCES</u></b>		
Cash - in - Hand	322,662.00	285,844.00
(As certified by the Management)		
<b><u>BALANCE WITH SCHEDULED BANKS</u></b>		
In Current Accounts	2,608,549.82	687,176.58
In Fixed Deposit Accounts	5,275,000.00	2,500,000.00
<b>TOTAL</b>	<b>8,206,211.82</b>	<b>3,473,020.58</b>
<b><u>SCHEDULE 'I' : LOANS AND ADVANCES</u></b>		
Prepaid Expenses	342,510.00	626,884.00
Advance Income Tax & TDS Recoverable	12,414,515.14	11,078,664.72
Advance F.B.T.	310,000.00	275,000.00
Income Tax Demand 2002-03	627,776.00	800,000.00
Income Tax Demand 2003-04	648,971.00	648,971.00
Income Tax Demand 2004-05	606,168.00	-
Foreign Travelling Advance	807,930.00	597,465.00
<u>Advance Receivable in cash or kind or for value to be received</u>		
- Raw Materials	26,559.00	1,944,167.00
- Expenses	465,303.60	540,077.90
- Salaries & Wages	73,400.76	5,500.00
- Share Application	700,000.00	-
Loans & Advance	65163697.00	
<b>Less : Provision for Bad &amp; Doubtful Advances</b>	<b>512860.00</b>	<b>68,029,125.00</b>
<b>TOTAL</b>	<b>81,673,970.50</b>	<b>84,545,854.62</b>
<b><u>SCHEDULE 'J' : OTHER CURRENT ASSETS</u></b>		
Accrued Duty Draw Back	5,393,427.00	5,051,340.00
Accrued Interest	289,238.68	32,059.80
Excess Vat Brought Forward	21,910.00	-
Security Deposits with Govt./Semi Govt. Authorities	493,239.00	493,239.00
Insurance Claim Receivable	15,862.00	-
Security Deposits with Others	312,494.00	195,800.00
<b>TOTAL</b>	<b>6,526,170.68</b>	<b>5,772,438.80</b>

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008



# MAYUR LEATHER PRODUCTS LIMITED

## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31.03.2008 (Rs.)	AS AT 31.03.2007 (Rs.)
<b><u>SCHEDULE 'K' CURRENT LIABILITIES &amp; PROVISIONS</u></b>		
<b>A. <u>CURRENT LIABILITIES</u></b>		
<u>Sundry Creditors</u>		
- Imported Raw Materials	1,630,567.00	686,307.00
- Raw Material	20,209,068.00	20,637,255.00
- Expenses	2,088,094.00	648,031.00
Advance Against Land	1,550,000.00	1,550,000.00
Outstanding Expenses	991,146.00	999,731.00
TDS Payable	86,190.00	131,131.00
Bonus Payable	1,466,366.00	1,293,404.00
Bonus Payable (Contractor)	220,861.00	236,597.00
Unclaimed Dividend A/c 2002-03	39,240.00	43,800.00
Unclaimed Dividend A/c 2003-04	26,400.00	29,800.00
Unpaid Dividend A/c 2004-05	142,251.60	148,851.60
Unpaid Dividend A/c 2005-06	35,554.00	36,654.00
Unpaid Dividend A/c 2006-07 (Interim)	34,136.00	-
Unpaid Dividend A/c 2006-07 (Final)	41,203.00	-
Unpaid Dividend A/c 2007-08 (Interim)	106,115.20	-
Credit Cards Balance Payable	-	7,439.00
Deposits Against A.T.R. Card	1,650.00	900.00
Other Liabilities	1,414,695.98	8,553,956.02
<b>B. <u>PROVISIONS</u></b>		
- Income Tax	13,700,000.00	11,800,000.00
- FBT	275,000.00	375,000.00
- Proposed Dividend (Interim)	-	4,834,800.00
- Proposed Dividend (Final)	3,867,840.00	4,834,800.00
- Tax on Proposed Dividend	657,340.00	1,643,348.00
<b>TOTAL</b>	<b>48,583,717.78</b>	<b>58,491,804.62</b>
<b><u>SCHEDULE 'L' : SALES</u></b>		
Export (FOB)	224,674,558.00	241,664,324.00
Local	14,382,467.00	6,881,809.00
<b>TOTAL</b>	<b>239,057,025.00</b>	<b>248,546,133.00</b>
<b><u>SCHEDULE 'M' : OTHER INCOME</u></b>		
Export Incentives	24,263,103.00	20,732,271.00
<u>Interest on</u>		
- Loans	6,074,813.00	5,463,584.00
- FDR	308,827.18	41,335.52
- Income Tax	4,444.00	-
Dividend Received (Tax Free)	593,544.34	1,236,025.87
Vat Refund	-	18,534.00
Long Term Capital Gain	1,128,104.29	1,825,600.29
Short Term Capital Gain	206,975.88	318.67
Misc. Receipts & Misc. Bal. Written Back	8,366.00	26,704.00
Exchange Rate Difference	695,010.00	234,975.00
Excess Provision Written Off	17,943.00	-
Refund Key Man Insurance	2,50,000.00	-
Gratuity Expenses (Excess Provision Written Back)	15,686.00	590,862.00
<b>TOTAL</b>	<b>35,816,816.69</b>	<b>30,170,210.35</b>

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008

## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

PARTICULARS	YEAR ENDED 31.03.2008(Rs.)	YEAR ENDED 31.03.2007 (Rs.)
<b><u>SCHEDULE 'N' : RAW MATERIAL CONSUMED</u></b>		
Opening Stock	24,572,327.00	18,258,353.00
Add : Purchase of Raw Material	163,113,412.00	187,201,309.00
Freight Inward	1,695,805.00	1,823,741.00
Insurance of Raw Material	82,880.00	106,194.00
	<b>189,464,424.00</b>	<b>207,389,597.00</b>
Less : Closing Stock	27,208,967.00	24,572,327.00
(Valued at Cost or Market Price whichever is less)		
Less : Absolute Stock Written Back	627,969.00	-
<b>TOTAL</b>	<b>161,627,488.00</b>	<b>182,817,270.00</b>
<b><u>SCHEDULE 'O' : MANUFACTURING EXPENSES</u></b>		
Insurance Premium (Comprehensive & others)	133,772.00	190,255.00
Power, Fuel & Water	2,904,655.00	3,487,951.00
Processing Charges	15,847,064.00	18,433,710.00
<b><u>Repairs &amp; Maintenance</u></b>		
- Machinery & Electricals	1,965,904.00	1,294,544.00
- Building	397,144.00	596,031.00
Consumable Stores	2,042,238.00	2,614,474.00
Development / Laboratory & Testing	45,495.00	195,393.00
Production Incentives	612,640.00	924,314.00
Rubber Cess	116,032.00	114,081.00
<b>TOTAL</b>	<b>24,064,944.00</b>	<b>27,850,753.00</b>
<b><u>SCHEDULE 'P' : PAYMENT TO &amp; PROVISIONS</u></b>		
<b><u>FOR EMPLOYEES (Including Managerial Remuneration)</u></b>		
Director's Remuneration	1,374,400.00	1,271,648.00
Salary and other Allowances	10,667,053.00	5,198,658.00
Wages	1,220,328.00	5,489,861.00
Leave Encashment	124,823.00	143,415.00
Reimbursement of Medical Expenses	7,719.00	6,067.00
Reimbursement of Conveyance Expenses	4,645.00	-
Insurance Premium on Mediciam & Gratuity Scheme	61,879.00	89,216.00
Provident Fund	877,707.00	795,268.00
Recruitment, Training & Stipend	117,521.00	140,064.00
Bonus	1,300,861.00	1,178,051.00
ESI	340,523.00	311,856.00
Gratuity	226,022.00	215,791.00
Insurance Group LIC	1,500.00	8,205.00
Insurance Premium Foreign Travelling (Earlier years income reversed)	5,395.00	-
Conveyance Expenses (Transport)	288,000.00	288,000.00
Free Sample (Staff)	-	77,513.00
Staff Welfare Expenses	345,312.00	307,620.00
<b>TOTAL</b>	<b>16,963,688.00</b>	<b>15,521,233.00</b>

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008



## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

PARTICULARS	YEAR ENDED 31.03.2008(Rs.)	YEAR ENDED 31.03.2007 (Rs.)
<b><u>SCHEDULE 'Q' ADMINISTRATIVE EXPENSES</u></b>		
Auditors Remuneration	73,034.00	67,416.00
Books & Periodicals	1,322.00	11,515.00
Conveyance Expenses	190,802.00	302,084.00
Postage & Courier Expenses	249,839.00	231,207.00
Donation	526,260.00	650,000.00
ISO Expenses	20,225.00	33,418.00
Insurance Premium (Vehicle)	58,926.00	55,277.00
Key Man Insurance Premium	1,000,000.00	2,000,000.00
Legal & Professional Expenses	524,010.00	669,000.00
Listing Fees & Secretarial Expenses	213,243.24	143,481.00
Filing Fees	4,000.00	2,028.00
Membership Fees & Subscription	220,930.00	199,158.00
Miscellaneous Expenses	130,365.00	166,337.00
Horticultural Exp.	12,671.00	4,978.00
Miscellaneous Balances Written Off	5,724.38	194.74
Printing and Stationery	208,534.00	299,699.00
Rent, Rates & Taxes	140,869.00	165,524.00
Repairs & Maintenance - General	42,966.00	63,290.00
Repairs & Maintenance - Vehicle	82,783.00	131,554.00
Hire charges on Car Loan	49,984.00	51,219.00
Telephone Expenses	714,918.24	697,623.00
Service Tax on Transport	36,525.00	36,074.00
Security Transaction Tax	28,079.00	15,964.00
<b><u>Travelling Expenses</u></b>		
- Foreign	206,768.00	1,350,203.00
- Local	625,709.00	181,564.00
<b>TOTAL</b>	<b>5,368,486.86</b>	<b>7,528,807.74</b>
<b><u>SCHEDULE 'R' : SELLING EXPENSES</u></b>		
Advertisement Expenses	25,750.00	174,190.00
Clearing & Forwarding Expenses	1,591,727.00	2,060,582.00
ECGC Premium	754,475.96	1,166,826.44
Claim for Quality & Repairs	1,519,949.00	840,640.00
Exchange Rate Difference	8,236.00	-
Incentive Clearance Exp.	186,011.00	135,483.00
Freight & Cartage Outward	445,742.00	437,071.00
Inspection Fee	16,300.00	23,815.00
Licence Fee	122,109.00	63,737.00
Sales Promotion Expenses	1,034,714.57	1,944,183.86
Sales Commission	1,129,541.00	89,910.00
Free trade sample	2,250.00	4,315.00
Processing Fees	3,500.00	-
Transit Insurance Premium (Local)	3,634.00	27,607.00
<b>TOTAL</b>	<b>6,843,939.53</b>	<b>6,968,360.30</b>
<b><u>SCHEDULE 'S' : FINANCE CHARGES</u></b>		
Bank Charges	725,723.53	1,026,492.78
Interest on Foreign Bills Discounting & Commission	2,570,933.00	2,447,173.64
Banking Cash Transaction Tax	4,750.00	6,150.00
Consultancy Charges	150,000.00	-
<b>TOTAL</b>	<b>3,451,406.53</b>	<b>3,479,816.42</b>

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008

## SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

### SCHEDULE 'T' : NOTES ON ACCOUNTS

#### 1. Disclosure of Accounting Policies :

##### A. Fixed Assets

All fixed assets are valued at cost less depreciation. The Company capitalises all direct and Indirect cost relating to acquisition and installation.

##### B. Depreciation

Depreciation for the year has been provided under the straight line method on Double Shift Basis at the rates specified in Schedule XIV to the Companies act, 1956, on the following basis :

1. No depreciation has been provided on land.
2. Depreciation has been provided on pro-rata basis from the month in which the assets came into operation, and depreciation for the month of sale is ignored.

##### C. Inventories

1. Raw Material is valued at cost or net realisable value whichever is lower.
2. Value of imported raw material includes custom duty & other direct expenditure.
3. Work in process is valued at cost.
4. Finished Goods is valued at cost or Net Realisable value whichever is lower.
5. Inventory is maintained on FIRST IN FIRST OUT (FIFO) Basis.

##### D. Foreign Exchange Transactions

1. Export Sales : Export Sales in foreign currency is accounted for at the exchange rates prevailing at the time of bill discounting.
2. Import of Materials : These items are accounted for at exchange rates prevailing at the time of payment.

##### E. Research & Development

Revenue expenditure pertinent to research & development is charged to the Profit & Loss Account in the year in which it is incurred.

##### F. Employee's Benefits

- A Gratuity liability under the Payment of Gratuity Act is based on actuarial valuation carried out at the close of the financial year in accordance with the scheme administered by Life Insurance Corporation of India through a Gratuity Trust Fund and contribution payable under the said scheme are charged to Profit & Loss A/c.
- B Earn Leave accruing to employees as on the last day of financial year for on accrual basis.
- C In absences of information Company is not in a position to disclose details as per AS-15 (Employee Benefits) in respect of defined benefit Plan (Gratuity)
- D Retirement Benefits in the form of Provident Fund/Superannuation / pension scheme whether in pursuance of any law or otherwise accounted on accrual basis and charged to Profit and Loss account

##### G. Accounting Methodology

The Accounts have been prepared on historical cost basis of accounting.

##### H. Income/Expenditure Recognition

It is the company policy to account for all Incomes & Expenditure on accrual basis.

##### I. Sales

- Export Sales** : Export sales are accounted for on FOB basis.  
**Local Sales** : Sales are exclusive of Excise duty, Value Added Tax (VAT)

##### J. Investment

- : Investments are stated at cost.

##### K. Taxation

Income Tax Provision comprises current tax & deferred tax charge or credit.

Provision for current tax is made on the assessable income at the tax rate applicable to relevant assessment year. The deferred tax Assets & Liabilities is calculated by applying tax rate & tax Laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax liabilities arising mainly on account of depreciation under Income tax law and company law. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each balance sheet date the carrying amount of deferred tax assets are reviewed to reassure its realisation.

##### L. Impairment

The Carrying amount of Assets are reviewed at each Balance Sheet Date if there is any indication of impairment based on internal as well as External factors. An impairment loss will be recognised whenever the carrying amount of an Assets exceeds its Estimated Recoverable amount. The recoverable amount is greater of the Assets Net Selling Price and value in use. In assessing the value in use, the estimated future Cash flows are discounted to the Present Value at the weighted Average Cost of Capital. After Impairment, depreciation is provided on the revised carrying amount of the assets over the remaining useful life. Previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

##### M. Contingent Liabilities :

There is no contingent Liability as on the Balance Sheet Date.

## 2. Quantitative Details :

### A. Finished Goods :

Item	OPENING STOCK				CLOSING STOCK			
	On 1-4-2007		On 1-4-2006		On 31-03-2008		On 31.03.2007	
	Qty. (Pairs)	Value (Rs.)	Qty. (Pairs)	Value (Rs.)	Qty. (Pairs)	Value (Rs.)	Qty. (Pairs)	Value (Rs.)
Leather Shoes	4972	1,559,025	1349	245,254	3898	1,055,633	4972	1,559,025
Uppers	2187	466,524	4284	1,337,602	2567	637,457	2187	466,524
<b>Total</b>	<b>7159</b>	<b>2,025,549</b>	<b>5633</b>	<b>1,582,856</b>	<b>6465</b>	<b>1,693,090</b>	<b>7159</b>	<b>2,025,549</b>

### B. Sales

Item	Current Year		Previous Year	
	Qty.	Value (Rs.)	Qty.	Value (Rs.)
<b>Export Sales (FOB)</b>				
Shoe Uppers (Pairs)	379215	145,706,620	392258	155,006,699
Shoe (Pairs)	201739	78,967,938	212391	85,543,214
Shoe Boxes (Empty)	-	-	3000	84,461
Finished Leather (Sq. Ft.)	-	-	23147	1,029,950
<b>Sales in India</b>				
Shoe (Pairs)	22599	13,958,930	15641	6,877,494
Others (Pairs - Sample - FOC)	-	-	2	-
Finished Leather (Sq. Ft.)	22834	421,287	-	-
Sales (Sample)	-	2,250	-	4,315
<b>Total</b>		<b>239,057,025</b>		<b>248,546,133</b>

### C. Raw Material Consumed :

Item Name	Unit	Current Year		Previous Year	
		Qty.	Value (Rs.)	Qty.	Value (Rs.)
Upper Leather	Sq. Ft.	918870	63115351	1145573	69211900
Upper Lining	Sq. Ft.	297787	17574997	401791	21621934
Threads	Cone	27966	2919391	33102	3300171
Foam	Sheets	89995	7802074	97270	8573316
Split Leather	Sq. Ft.	518943	11446360	568964	13000748
Adhesive	Kg.	57701	4835306	53879	4537932
Leather Board	Sheets	146089	4583038	163529	6130260
Fusable Textile	Mtr.	25872	1193435	28396	1405930
Fur Lining	Sq. Ft.	3042	251069	7969	621542
Metal Fitting	Nos.	11180909	14088666	13373901	16439692
Grinderries	Mtr.	169836	6448743	152844	7759692
Bottoms	Pcs.	54237	1382608	57370	1559357
Misc. Material		1102574	2016380	1417616	2865011
Rubber Chemicals	Kg.	130399	11370724	136799	11962064
Rubber Chemicals (PU)	Kg.	34443	5340509	37240	5843776
Packing Material	Nos.	664050	5321223	629466	6041232
Misc. Exp. on above Pur. Ins/Freight & Repair etc.			1937613		1930132
<b>TOTAL</b>			<b>161,627,488</b>		<b>182,804,689</b>

### D. Production :

	Current Year	Previous Year
Leather Shoe Uppers (Pairs)	379595	390161
Leather Shoe (Pairs)	223264	231657
	<b>602859</b>	<b>621818</b>

### 3. SEGMENT INFORMATION

#### A. Information about Primary / Secondary Business Segment

PARTICULARS	SEGMENT										CONSOLIDATED	
	UPPERS		SHOES				OTHERS		COMMON			
	As at 31-03-2008	As at 31-03-2007	AS AT 31-03-2008		AS AT 31-03-2007		As at 31.03.2008	As at 31.03.2007	As at 31.03.2008	As at 31.03.2007	As at 31.03.2008	As at 31.03.2007
	Export	Export	Local	Export	Local	Export						
	A		B				C		D		TOTAL	
1. Segment Revenue												
External Sales	145,706,620	155,006,699	13,958,930	78,967,938	6,877,494	85,543,214	423,537	1,118,726			239,057,025	248,546,133
Incentive Against Export	15,116,722	12,801,015		9,146,381		7,865,572		65,684			24,263,103	20,732,271
Increase decrease of Stock									-9,932,609	8,938,768	-9,932,609	8,938,768
<b>TOTAL REVENUE</b>	<b>160,823,342</b>	<b>167,807,714</b>	<b>13,958,930</b>	<b>88,114,319</b>	<b>6,877,494</b>	<b>93,408,786</b>	<b>423,537</b>	<b>1,184,410</b>	<b>-9,932,609</b>	<b>8,938,768</b>	<b>253,387,519</b>	<b>278,217,172</b>
2. Segment Result												
Common Expenses	27,756,085	21,991,596	1,210,871	15,996,478	94,321	2,765,856	36,740	260,391	-9,932,609	8,938,768	35,067,565	34,050,932
Common Income									-1,140,829	-185,328	-1,140,829	-185,328
Extra Ordinary Items									11,553,714	9,437,939	11,553,714	9,437,939
<b>Net Profit</b>	<b>27,756,085</b>	<b>21,991,596</b>	<b>1,210,871</b>	<b>15,996,478</b>	<b>94,321</b>	<b>2,765,856</b>	<b>36,740</b>	<b>260,391</b>	<b>480,276</b>	<b>18,191,379</b>	<b>45,480,450</b>	<b>43,303,543</b>
4. Capital Expenditure												
5. Depreciation											4,155,675	4,069,585
6. Other Non Cash Expenditure											524,165	-
<b>Profit / - Loss Before Tax</b>											<b>40,800,610</b>	<b>39,233,958</b>
7. Segment Assets	21,388,717	32,483,195	6,293,261	26,383,654	852,851	26,843,297					54,065,632	60,179,343
Common Assets											178,022,892	180,049,713
Current Assets other than Debtors												
<b>TOTAL ASSETS</b>											<b>232,088,524</b>	<b>240,229,056</b>
8. Segment Liabilities												
Common Liabilities											90,401,094	116,237,591
<b>TOTAL LIABILITIES</b>											<b>90,401,094</b>	<b>116,237,591</b>

#### B Other Disclosures

1. Segment have been identified in line with the Accounting Standard ( AS-17)
2. The Company has disclosed business segment as the primary segment. Segments have been identified taking into account nature of product,the differing risk & returns, the organisation structure and internal reporting system.
3. The company mainly engaged in Export sales. , Geographical Segment is identified in line with the Accounting Standard AS-17, However Local Sale includes Deemed Export Sale Rs.NIL for the year 2007-2008 and Rs. nil for the year 2006-07.
4. Segment Revenue, Segments result, Segments assets and Segments Liabilities include the respective amounts identifiable to each of the segment as also amount allocated on a reasonable basis. The expenses which are not directly allocable to the business segment are shown as common expenses. Assets and liabilities that can not be allocated between the segments are shown as common Assets/Liabilities resspectively.

**4. Related Party Transactions**
**1. Relationship :**
**A A1 Group Companies**

NIL

**B. Individuals having substantial interest or significant influence in the enterprise directly or indirectly**

B1 K. D. Agarwal Director

B2 R. V. Gupta Director

B3 Amita Poddar Director

**C Key Management Personnel**

C1 Mr. R. K. Poddar (Managing Director)

**D Relatives of persons referred in B above, where transactions have taken place.**

Mr. R. K. Poddar (Managing Director)

**E Other Related Parties**

E1 Mayur Uniquoters Ltd.

E2 Mayur Industries Ltd.

E3 Bajaj Carpet Industries Ltd.

**Note 1** Related party relationship on the basis of the requirements of Accounting Standard - 18 - Related party disclosure as in 1A to 1E above is pointed out and relied upon by the auditor.

**Note 2** The parties listed in 1E above are strictly not 'related parties' as per requirements of AS-18, but are being included herein for making the financial statements more transparent.

**Note 3** Previous year figures are denoted in brackets.

**2. Transaction with Related Parties :**

Rs. in Lacs

Particulars	Referred in								
	1 (A)	1 (B)			1 (C)	1 (D)	1 (E)		
	A1	B1	B2	B3	C	D	E1	E2	E3
Purchase Raw Material & Consumables							07.75(14.32)		
Sale of Product							0.75(0.80)		
Remuneration (Included PF, Bonus, Leave encashment)					13.74(12.71)	13.74(12.71)			
Payment of Vehicle Insurance on behalf of Company								0.06(0.08)	
<u>Guarantee &amp; Collaterals</u>									
Personal Guarantee		500 (500)	500 (500)	500(0.00)	500 (500)				

5. <u>EARNING PER SHARE</u>	<u>Year 2007-2008 (Rs.)</u>	<u>Year 2006-2007 (Rs.)</u>		
Profit / (Loss) after Tax	24,746,325.77	26,441,715.17		
Weighted Average No. of Equity Shares	4834800	4834800		
Basic EPS	5.53	5.47		
Nominal Value of per Equity Share	10/-	10/-		
6. <u>DEFERRED TAX LIABILITIES (Net)</u>				
	<u>Deferred Tax Liabilities / (Assets)</u>	<u>Current Year Charge / (Credit)</u>		
	<u>As at 01-04-2007</u>	<u>As at 31-03-2008</u>		
A <u>Deferred Tax Liability</u>				
1. Difference between Depreciation as per books & I. Tax	37.36	-1.14		
<b>TOTAL A</b>	<b>37.36</b>	<b>-1.14</b>		
B <u>Deferred Tax Assets</u>				
1. Deferred Revenue Expenditure	0.00	0.00		
<b>TOTAL B</b>	<b>0.00</b>	<b>0.00</b>		
C <u>Deferred Tax Liability (Net)</u>	<b>37.36</b>	<b>(1.14)</b>		
Pursuant to Accounting Standard (AS)22- Accounting for taxes on Income, the company has recorded a net commulative deferred tax liability of Rs.37.36 lacs upto 31-3-2007 as reduction is surplus in profit & Loss account. Further the impact of Deferred Tax liability (Credit) of Rs 1.14 Lacs for the year ended 31-3-2008 has been credited to profit & Loss Account.				
7. <u>Expenditure in Foreign Currency</u>	<u>Current Year (Rs.)</u>	<u>Previous Year (Rs.)</u>		
Travelling Expenses	299,212	1,350,203		
Membership Fees	123,929	115,217		
Sales Commission	369,109	89,910		
Computer & Printer	-	96,160		
Office Equipment	-	25,909		
Repair & Maintenance	664,551	6,642		
Sales & Business Promotion	585,251	1,731,106		
Claims & Compensation for Quality & Development	1,519,949	840,640		
	<b>3,562,001</b>	<b>4,255,787</b>		
8. <u>Value of Import (CIF)</u>	<u>Current Year (Rs.)</u>	<u>Previous Year (Rs.)</u>		
Raw Material	17,495,553	25,675,227		
Plant & Machinery	1,111,913	2,461,940		
Spare Parts, Moulds & Dies	-	9,808		
Consumables Material	-	7,104		
	<b>18,607,466</b>	<b>28,154,079</b>		
9. <u>Auditors Remuneration</u>	<u>Current Year (Rs.)</u>	<u>Previous Year (Rs.)</u>		
Audit Fees	56,180	50,562		
Tax Audit Fees	16,854	16,854		
Other Services	15,058	12,182		
	<b>88,092</b>	<b>79,598</b>		
10. <u>Managerial Remuneration</u>	<u>Current Year (Rs.)</u>	<u>Previous Year (Rs.)</u>		
Salary	1,008,000	936,000		
Contribution to PF	127,200	118,248		
Leave Encashment	52,000	49,400		
Bonus	187,200	168,000		
	<b>1,374,400</b>	<b>1,271,648</b>		
11. <u>Earning in Foreign Currency</u>	<u>Current Year (Rs.)</u>	<u>Previous Year (Rs.)</u>		
Export at FOB Value	224,674,558	241,664,324		
12. <u>Total Value of Raw Material Components Consumed :</u>	<u>Current Year (Rs.)</u>	<u>Previous Year (Rs.)</u>		
	<u>Value</u>	<u>% age</u>	<u>Value</u>	<u>% age</u>
Imported	16,103,040.14	9.96	23,971,440.00	13.11
Indegineous	145,524,447.82	90.04	158,833,249.00	86.89
	<b>161,627,487.96</b>	<b>100.00</b>	<b>182,804,689.00</b>	<b>100.00</b>

13. The Particulars of the licenced and installed capacity of the company are as follows :-

Licenced Capacity

-

Installed Capacity

(on Single Shift Basis p.a.)

A. SHOE UPPERS	9.00 (9.00) LACS PAIRS
(Including Uppers for Complete Shoe)	

B. FULL SHOES	6.48 (6.48) LACS PAIRS
---------------	------------------------

Actual Production

(on Double shift basis including processing done by Job worker)

A. SHOE UPPERS	3.80 (3.90) LACS PAIRS
----------------	------------------------

B. FULL SHOES	2.23 (2.32) LACS PAIRS
---------------	------------------------

14. Dues from Directors :-

Maximum Balance during the year

Mr. R. K. Poddar	Rs. 300000.00
------------------	---------------

Outstanding as on 31.03.2008	--- Nil ---
------------------------------	-------------

15. Dues from Companies under the same management :-

Maximum Balance during the year

-

Outstanding as on 31.03.2008

-

16. In absence of necessary information with the company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, the information required under the said act could not be complied and disclosed.

17. In the opinion of the management and to the best of their knowledge and belief the value of realisation of advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.

18. The debit & Credit balance of suppliers are subject to confirmation and reconciliation.

19. Figures for previous year have been regrouped and rearranged to make them comparable 'wherever necessary.

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008



## MAYUR LEATHER PRODUCTS LIMITED

Additional Information pursuant to Part IV of the Companies Act, 1956

### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE -

1. Registration Details

State Code

17

Registration No.

3889

Balance Sheet Date

31 03 2008

2. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue

NIL

Right Issue

NIL

Bonus Issue

NIL

Private Placement

NIL

3. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities

183505

Total Assets

183505

Source of Funds

Paid up Capital

49760

Reserve & Surplus

91928

Secured Loans

38195

Deferred Tax Liability

3622

Application of Funds

Net Fixed Assets

36915

Investment

11097

Net Current Assets

135493

Misc. Expenditure

0

Accumulated Losses

0

4. Performance of Company (Amounts in Rs. Thousands)

Turnover & Other Income

274874

Total Expenditure

234073

Profit Before Tax

40801

Profit After Tax

26746

Earning per Share (in Rs.)

5.53

Dividend Rate

16%

5. Generic Names of Principal Products/Service of Company (As per Monetary terms)

Item Code No.

640391.01

Item Description

LEATHER FOOT WEAR & COMPONENTS

For and on behalf of the Board

As per our separate report of even date attached  
For **MADHUKAR GARG & CO.**  
Chartered Accountants

Sd/  
**R. K. PODDAR**  
Managing Director

Sd/  
**R. V. GUPTA**  
Director

Sd/  
**J. P. Rawat**  
CFO & Company Secretary

Sd/  
**SUNIL SHUKLA**  
Partner

PLACE : JAIPUR  
DATED : 26th June, 2008





# MAYUR LEATHER PRODUCTS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2008

PARTICULARS	Rs. in Lacs	
	For the Year ended 31.03.2008	For the Year ended 31.03.2007
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	408.01	392.34
Depreciation	41.56	40.70
Interest	25.71	24.47
Loss from Sale of Fixed Assets	5.24	0.00
Provision for Bad & Doubtful Debts	5.13	1.85
Absolute Stock Written off	6.28	0.00
<b>Cash Flow before working capital changes</b>	<b>491.93</b>	<b>459.36</b>
Trade & Other Receivables	61.14	-138.69
Inventories	48.49	-142.50
Trade Payables	-64.57	127.74
Loans & Advances & other Current Assets	34.89	-192.75
<b>Cash Generation from Operation</b>	<b>571.88</b>	<b>113.16</b>
Interest paid	-25.71	-24.47
Direct Taxes paid	-127.25	-112.47
Dividend paid	-135.36	-48.35
Tax on dividend paid	-23.07	-6.78
<b>Net Cash from Operating Activities</b>	<b>260.49</b>	<b>-78.91</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Investment	-3.07	-25.70
Purchase/Acquisition of Fixed Assets	-57.97	-78.76
Sale of Fixed Assets	6.03	0.00
<b>Net Cash Flow from Investment Activities</b>	<b>-55.01</b>	<b>-104.46</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issued Capital	0.00	0.00
Secured Loans	-158.15	164.82
Unsecured Loan	0.00	0.00
Dividend	0.00	0.00
<b>Net Cash Flow from Financing Activities</b>	<b>-158.15</b>	<b>164.82</b>
Net Increase/Decrease in Cash & Cash Equivalents	47.33	-18.55
Opening Balance of Cash & Cash Equivalents	34.73	53.28
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>82.06</b>	<b>34.73</b>

For MAYUR LEATHER PRODUCTS LIMITED

Sd/  
R. K. PODDAR  
Managing Director

Sd/  
R.V. GUPTA  
Director

Sd/  
J. P. RAWAT  
CFO & Company Secretary

### AUDITORS' CERTIFICATE

We have examined the above cash flow statement of MAYUR LEATHER PRODUCTS LIMITED for the year ended 31 st March, 2008 The Statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 and is based on and is in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report dated 26th JUNE, 2008 to the members of the company.

For MADHUKAR GARG & CO.  
Chartered Accountants

PLACE : JAIPUR  
DATED : 26th June, 2008

Sd/  
SUNIL SHUKLA  
Partner

## ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)

### MANDATE FORM

Shareholders' authorisation to receive dividend through Electronic Credit Clearing Mechanism

1	Name of the first/ sole shareholder
2	Regd. Folio No./ DP Client ID
3	Particulars of bank account of first/ sole shareholder
a.	Name of the bank
b.	Branch Address of the branch Telephone No. of the branch
c.	9 digit code number of the bank and branch appearing on the MICR cheque issue by the bank
d.	Account Number (As appearing on the cheque book/ passbook)
e.	Account Type (S.B. account/current account or cash credit) with code 10/11/13
f.	Ledger No./ Ledger folio No. (if appearing on the cheque book/ passbook)
(In lieu of the bank certificate to be obtained as under, please attach a blank cancelled cheque or photocopy of a cheque or the front page of the saving bank passbook issued to you by your bank for verification of the above particulars)	
I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I will not hold Mayur Leather Product Ltd. responsible. I have read the option invitation letter and agree to discharge the responsibility expected of me as a participant under the scheme.	
Date :	Signature of the shareholder
Place :	
Certified that the particulars furnished above are correct as per our records	

Bank's Stamp

Signature of Authorised Official  
From the Bank

Date :

Note

- Please fill in the attached Mandate Form and send it to:
  - the Depository Participant who is maintaining your demat account in case your shares are dematerialised.
  - the address of our Registrars and Share Transfer Agents M/s. Intime Spectrum Registry Limited, A-40, 2<sup>nd</sup> Floor, Naraina Industrial Area, Phase-I, Near PVR Naraina, New Delhi – 110 028 in case you are holding physical share certificates.
- Kindly note that the information provided by you should be accurate and complete in all respects and duly certified by your bank. In lieu of the bank certificate, you may attach a blank cancelled cheque or photocopy of a cheque or the front page of the Savings Bank passbook issued to you by your bank, for verification of the above.
- In case of more than one folio, please complete the details on separate sheets.
- The information provided by you will be treated confidential and would be utilised only for the purpose of effecting the payments meant for you. You also have the right to withdraw from this mode of payment by providing the Company with an advance notice of 6 weeks.



## MAYUR LEATHER PRODUCTS LIMITED

### ATTENDANCE SLIP

#### MAYUR LEATHER PRODUCTS LIMITED

Registered Office : G-60-62 & 67-69, Jaitpura Industrial Estate, Jaitpura 303 704 Jaipur

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional slip at the venue of the meeting.

DPID*	
Client ID*	

Master Folio No.	
------------------	--

NAME AND ADDRESS OF THE SHAREHOLDER

No. of Share(s) held :

I hereby record my presence at the 23<sup>rd</sup> ANNUAL GENERAL MEETING of the Company held on Thursday the 7<sup>th</sup> of August 2008 at 11:00 A.M. at : G-60-62 & 67-69, Jaitpura Industrial Estate, Jaitpura 303 704 Jaipur

Signature of the shareholder or proxy

\* Applicable for investors holding shares in electronic form.

### PROXY FORM

#### MAYUR LEATHER PRODUCTS LIMITED

Registered Office : G-60-62 & 67-69, Jaitpura Industrial Estate, Jaitpura 303 704 Jaipur

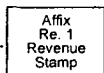
DPID*	
Client ID*	

Master Folio No.	
------------------	--

I/We ..... of  
..... being a member/members of Mayur Leather Products  
Limited hereby appoint ..... of  
..... or failing  
him ..... of ..... or  
failing him ..... of ..... as  
my/ our proxy to vote for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting to be held on Thursday the 7<sup>th</sup> of  
August 2008 at 11:00 A.M. or at any adjournment thereof.

Signed this ..... Day of ..... 2007

Signature .....



\* Applicable for investors holding shares in electronic form.

- NOTE: (1) The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.
- (2) Members holding shares under more than one folio may use photocopy of this Proxy Form for other folios. The Company shall provide additional form on request.

## BOOK POST

To,



*If undelivered please return to :*

**MAYUR LEATHER PRODUCTS LIMITED**

G-60-62 & 67-69, Jaitpura Industrial Estate, Jaitpura- 303704, Jaipur 91-1423-224303, 512303, 224353