

31st
ANNUAL REPORT
2011-12

EURO ASIA EXPORTS LIMITED

CORPORATE INFORMATION

DIRECTORS

Shri Sunil Kumar Sharma : Director
Shri Bhim Sain Goyal : Director
Shri Narinder Kumar Goyal : Director

AUDITORS

M/s. Rajesh Mani & Associates,
Chartered Accountants
Laxmi Nagar, New Delhi -110092

BANKER

Bank of India

REGISTERED OFFICE

109-B, Pocket-F, Mayur Vihar-II, Delhi-110091

31ST ANNUAL REPORT 2011-2012

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NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the members of Euro Asia Exports Limited will be held on Thursday, 20th Day of September 2012, at 2.00 PM. at 405, Skylark Building, 60, Nehru Place New Delhi-10019 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Bhim Sain Goyal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modifications the following resolution as an **Ordinary Resolution:**

Resolution:

“RESOLVED THAT M/s VBR & Associates, Chartered Accountants, be and hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, at a remuneration as may be determined by the Audit Committee of the Board of Directors”

By order of the Board of Directors
For **EURO ASIA EXPORTS LIMITED**

BHIM SAIN GOYAL
Director

Place : New Delhi
Date : 14.07.2012

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. HOWEVER, THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members/Proxies should bring the enclosed attendance slip duly filled in, for attending the meeting, along with the Annual Report.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 19th September, 2012 to 20th September, 2012, both days inclusive.
4. Members are requested to notify their email addresses to the company's Share Transfer Agents.
5. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during the office hours on all working days between 11a.m. and 1.00 p.m. up to the date of this Annual General Meeting.
6. Corporate Members Trust/Societies intending to send their authorized representatives to attend the Annual General Meeting are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
7. Members are requested to note that all correspondence relating to share transfer should be addressed to the Company's Share Transfer Agents, M/s Skyline Financial Services Private Limited, D/153-A, First Floor, Okhla Industrial Area-I, New Delhi – 110020 and queries can be made at contract@skylinerta.com.
8. Members are requested to notify the change in their addresses and bank account details, if any.
9. Shareholders who hold shares in dematerialised form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Resume of director proposed to be appointed at the ensuing Annual General Meeting is provided separately.
12. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21 and 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically.

Notes:

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and will allow shareholders to contribute towards a Greener Environment. Further, it will ensure instant and definite receipt of the all notices/documents by you.

Recognizing the spirit of the circular issued by MCA, we propose to send documents like the Notice convening the general meetings, Financial Statements, Directors' Report, Auditors' Report etc. in electronic form, to the email address provided by you and made available to us by the Depositories.

Following the government directive, the full text of these reports will also be made available in an easily navigable format on the website of the Company, www.unimodeoverseas.com. We will notify the date of the AGM and the availability of documents on the website in the prominent newspaper both English and vernacular. As before, physical copies of the Annual Report will be available at our registered office for inspection during office hours.

All Shareholders are requested to be a part of this green initiative of Government of India by registering their e-mail address for enabling the Company to send the communication including Annual Report to shareholders by e-mail. Shareholders holding shares in physical form are requested to provide the requisite information as per format given below by post or e-mail to:

Skyline Financial Services Private Limited

Email:

E-COMMUNICATION REGISTRATION FORM

(Pursuant to Circular nos. 17/2011 dated 21.04.11 and. 18/2011 dated 29.04.11 issued by the Ministry of Corporate Affairs)

Folio No./ DP ID & Client ID :
 Name of First Registered Shareholder :
 Name(s) of Joint Shareholder(s) :
 Registered Address :
 E-mail address (to be registered) :

I/we, shareholders(s) of Unimode Overseas Limited agree to receive all communication from the Company in electronic mode. Please register the above mentioned e-mail address in your records for sending communication through electronic mode.

Dated : _____ Signature of First Holder

Notes:

- a. The format given above is also available at the website of the Company at www.unimodeoverseas.com
- b. Shareholders holding shares in dematerialized form are requested to register their e-mail addresses with their Depository Participant, if not done so far.
- c. Please note that as a member of the Company you are entitled to receive all communications in physical form upon making specific request in this regard.
- d. Shareholder(s) are requested to keep the Company/Depository Participants informed as and when there is any change in their registered e-mail address.

13. Brief resume of Directors seeking re-election/re-appointment are as under:

Particulars	Shri Bhim Sain Goyal
Date of birth and age	23.08.1966
Date of Appointment	26.08.2009
Qualifications	B. Com, LLB, FCS
Experience and expertise in specific functional areas	Expert knowledge company law and finance
Directorships held in other Companies	<ul style="list-style-type: none"> • Dayason Cotton Mills Private Limited, • Dayason Overseas Private Limited • SRA Power Controls Private Limited • Mani CompuSoft Private Limited • Arora Fincap Ltd • New Era Leasing And Finance Limited • Moving Picture Company (India) Limited
Memberships/Chairmanships of committees across Public Companies	<p>Audit committee Euro Asia Exports Limited New ERA Leasing and Finance Limited Moving Picture Company (India) Limited</p> <p>Shareholders'/ Investors' Grievance Committee Euro Asia Exports Limited New ERA Leasing and Finance Limited Moving Picture Company (India) Limited</p>
Number of shares held in the Company	0

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the Thirty First Annual Report of Euro Asia Exports Limited together with Audited Financial Statements and Auditor's Report for the Financial Year ended as on 31st March 2012. The Financial Highlights for the year under review are given below:

Financial Results	(Rs.) 2011-12	(Rs.) 2010-11
Total Income	880450	1459890
Profit / (Loss) before Interest and Tax,	(1390549)	357929
Interest	0	0
Profit / (Loss) before Tax	(1390549)	357929
Provision for Taxation	0	64526
Profit / (Loss) after Tax	(1390549)	293403

Performance

During the year under review, the company has earned total income of Rs. 8,80,450/- which culminates into decrease of 40% from the last year income of Rs. 14,59,890/-.

Dividend

It is regretted that no dividend can be paid in respect of Equity shares of the Company.

Business Operations Overview & Future Outlook

The Company is not pursuing any serious business as of now. It is exploring possibilities to restart business of export of commodities in European countries and USA

Fixed Deposits

The Company has not accepted any deposits during the financial year under review.

Directors

In terms of the provisions of Companies Act, 1956 and the Articles of Association of the Company, Shri Bhim Sain Goyal, Director of the Company is retiring by rotation and being eligible, offer himself for re-appointment as non-executive / Independent Director.

Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm:

- i) that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2012, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgements 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 and of the profit of the Company for the year under review;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) that the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2012 on a 'going concern' basis.

Particulars of Energy, Technology and Foreign exchange

- A- Energy conservation – NIL
- B- Technology absorption – NIL
- C- Foreign Exchange earnings and out go: NIL

Personnel and Particulars of Employees

No employee of the company is covered under these Guidelines.

Auditors

M/s Rajesh Mani & Associates, Chartered Accountants, Statutory Auditors of the Company, is retiring at the conclusion of ensuing Annual General Meeting, had expressed their unwillingness to continue as Statutory Auditors of the Company. The Board of Directors of your company has considered the appointment of M/s VBR & Associates, Chartered Accountants, in place of retiring Auditors. The Company has received a certificate from them stating that their appointment if made would be within limits prescribed under Section 224(1B) of the Companies Act, 1956.

Auditors' Report

The Auditors Report is self explanatory and therefore do not call for any further explanation u/s 217(3) of the Companies Act' 1956.

Listing

The company shares are Listed at Delhi, Mumbai and Jaipur Stock exchanges.

Audit Committee recommendations

The Audit Committee of the Company comprising of Shri Bhim Sain Goyal as Chairman and Shri Sunil Kumar Sharma and Shri Narinder Kumar Goyal, as Members of the Committee, have recommended the Annual Accounts for approval.

Corporate Governance Report

The Company has started compliance of Clause 49 of Listing Agreement. It strives to attain high standards of corporate governance while interacting with all our stakeholders.

A separate section on Corporate Governance along with Certificate from M/s. Rajesh Mani & Associate, Chartered Accountants, confirming level of Compliance is annexed and forms part of the Directors' Report.

Appreciation

Your Directors greatly appreciate the efforts of Investors for their support and co-operation.

For and on Behalf of the Board

Place : New Delhi
Date : 14.07.2012

Sunil Kumar Sharma
Managing Director

Bhim Sain Goyal
Director

REPORT ON CORPORATE GOVERNANCE

I. COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance assumes a great deal of importance in the future business strategies of the Company. The Company is taking all initiatives to implement policies at all levels to spur growth.

II. BOARD OF DIRECTORS

(A) Composition of Board

The Present Board of Directors of the Company comprises of three Directors consisting of all Non-Executive Directors.

(B) Other provisions as to Board and Committee

The details of the other directorship of the Board and their attendance at the Board meetings held during the year, i.e. between April 1, 2011 to March 31, 2012 is given in the following table:

Name	Category	Board meeting No. Attended during the Year	Attendance at last AGM	No. of Directorship In other Companies*	No. of Committee position held**	
					Chairman	Member
Mr. Sunil Kumar Sharma	Promoter-Non-Executive Director	4	Yes	2	–	–
Mr. Bhim Sain Goyal	Non-Executive Independent Director	4	Yes	3	1	2
Mr. Narinder Kumar Goyal	Non- Executive Independent Director	4	Yes	2	1	1

*Exclusive of the Directorship in Private Limited, Companies, Non-Corporate Institutions, foreign Companies and Section 25 Companies.

** Includes Audit Committee and the Shareholders’/Investors’ Grievance Committee only.

(C) Number of Board Meetings held and dates:

During the financial year 2011-2012 the Board of Directors met Four (4) times. The dates of the meetings are 04.05.2011, 28.07.2011, 31.10.2011, 20.01.2012

(D) Information supplied to the Board:

The Board has complete access to all information with the Company. The information is provided to the Board and the agenda papers for the meetings are circulated in advance of each meeting. The information supplied to the Board includes:

- Business/Operating Plans,
- Quarterly, Half yearly and yearly results of the Company
- Minutes of the Meetings of audit Committees and other Committees of the Board.

The Board periodically reviews compliance of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances if any.

(E) Code of conduct:

The Board will make code of conduct for all the Board members and senior management personnel in the coming Board Meetings.

III. AUDIT COMMITTEE:

(A) Qualified & Independent Audit Committee:

The Company had constituted Audit Committee in compliance of applicable laws. Its functioning is as under:

- (i) At present the committee comprises of three Directors viz Shri Sunil Kumar Sharma, Non-executive Director and Shri Bhim Sain Goyal and Shri Narinder Kumar Goyal, Non-executive Directors and Independent Directors.
- (ii) All the members of the committee are financially literate.
- (iii) Shri Bhim Sain Goyal was appointed as Chairman of the Audit Committee.
- (iv) The term of reference of the committee have been revised in conformity with the provisions of section 292A of the Companies Act 1956 and the new/revised clause 49 of the listing agreement.

(B) Meetings of Audit Committee

During the year, four meetings of the Audit Committee were held on 04.05.2011, 28.07.2011, 31.10.2011, 20.01.2012.

The Board periodically reviews Compliance reports of all laws applicable to the Company and has put in place procedure to review steps taken by the Company to rectify the instances of non-compliances, if any.

V. DISCLOSURES

(A) Related Party Transaction

The Company has not entered into any transaction of material nature with the promoters, the Directors or the management, their subsidiaries or relatives etc that may have any potential conflict of interest with the company.

(B) Disclosure of Accounting Treatment

During the year, there has been no change in the accounting treatment of Accounting Standard applicable to the Company.

(C) Risk Management

In terms of new provision of Clause 49 & contemporary practices of good corporate governance, Company has developed the policies & procedures to assess the risk associated with the Company and minimization thereof and periodically informed the Board of Directors for their review to ensure that the executive management, controls the risk in accordance with the defined policies and procedures adopted by the Company.

Remuneration Committee

The Company is not paying any Remuneration to the Directors.

Shareholders'/ Investors' Grievance Committee:

The Board of Directors of the Company has constituted a Shareholders'/ Investors' Grievance Committee comprises of two Directors Shri Bhim Sain Goyal and Shri Narinder Kumar Goyal, Independent Directors.

In compliance with the SEBI guidelines, the Company has appointed M/s. Skyline Financial Services Pvt. Limited as RTA (Registered Transfer Agent) to look after the share transfer, transmission, transposition, issuance of duplicate share certificate, share de-materialization / re-materialization etc. independently under the supervision and control of the Shareholders'/Investors' Grievance Committee.

VI. REPORT ON CORPORATE GOVERNANCE

The quarterly compliance report has been submitted to the stock exchanges where the companies' equity shares are listed in the requisite format and duly signed by the compliance officer.

VII. COMPLIANCE

The other information for the benefit of the shareholders is as under:

(i) General Body Meetings:

Details of Location, Date and Time of Annual General Meetings held during last three years are given below:

Particulars	Time	Dated on which held	Venue
30 th A.G.M	2.00 P.M	29 th July 2011	13, Bela Road, Civil Lines, Delhi-110 054
29 th A.G.M	2.00 P.M	30 th September 2010	13, Bela Road, Civil Lines, Delhi-110 054
28 th A.G.M	1.00 P.M	30 th September 2009	1202, Akashdeep Building, 26-A, Barakhamba Road, New Delhi-110 001

The Company has passed the following special resolution in the previous three Annual General Meetings.

S.No.	Subject Matter of Resolution	Date of AGM
1	Resolution under section 21 of Companies Act, 1956	30th September, 2009

(ii) General shareholder information

Annual General Meeting

Day & Date : 20th September, 2012
Time : 2.00 PM
Venue : 405, Skylark Building 60, Nehru Place New Delhi-110019

Financial Calendar (Tentative):

- Next Annual General Meeting : September 2013
- Unaudited results for the quarter ended June 2012 : End July 2012
- Unaudited results for the quarter/half year ended September 2012 : End October 2012
- Unaudited results for the quarter ended December 2012 : End January 2013
- Un-audited results for the Quarter ended March 2013 : End April 2013
- Audited Results for the Year ending March 2013 : June/August 2013

Date of Book Closure:

From 19th day of September 2012 to 20th day of September 2012 (both days inclusive) for the purpose of Annual General Meeting.

Dividend Payment date:

The Board of Directors has not recommended any dividend on equity shares for the financial year ended March 31, 2012

Name of the Stock Exchanges on which the equity shares of the Company are listed:

Delhi, Mumbai and Jaipur.

Market Price Data:

Stock Market Data is not available, since no share of the Company has been traded during the financial year.

Distribution of shareholding as on 31.03.2012:

Shareholding of Nominal Value of	Share holders		No. of Shares		
	Rs.	Number	% to Total	Rs.	% to Total
Upto – 5000		281	40.26	105700	6.74
5001-10000		271	38.83	210000	13.39
10001-20000		71	10.17	110800	7.06
20001-30000		23	3.30	58200	3.71
30001-40000		6	0.86	22800	1.45
40001-50000		13	1.86	59500	3.79
50001-100000		8	1.15	66200	4.22
100001 and above		25	3.58	935600	59.64
Total		698	100.00	1568800	100.00

Shareholding Pattern as on 31st March 2012:

Shareholders Category	Number of Shares	Percentage
(A) Promoter and Promoter Group		
(1) Indian Promoters:		
– Individual/HUF	256400	16.34
– Bodies Corporate	Nil	Nil
(2) Foreign Promoters:	Nil	Nil
Total Shareholding (A)	256400	16.34
(B) Public Shareholding		
(1) Institutions:		
Mutual Funds/UTI	Nil	Nil
(2) Non-Institutions:		
Bodies Corporate	389100	28.40
Individuals	923300	58.85
NRIs/OCBs	Nil	Nil
Sub Total	1312400	83.66
Total Shareholding (B)	1312400	83.66
Total (A+B)	1568800	100

Registrar & Share Transfer Agents:

M/s. Skyline Financial Services Pvt. Ltd
D-153/A, 1st Floor Okhla Industrial Area Phase-I, New Delhi – 110020

System of Share Transfer: The aforementioned RTA has its own infrastructure commensurate with the work undertaken and is manned by skilled and trained staff.

De-materialisation of shares and liquidity:

Company's shares are not available in Demat Form. The Company is taking steps for demat of company's shares.

Outstanding GDRs/ADRs, and Convertible Bonds, Conversion date and likely impact on equity:

Not Applicable.

Address for correspondence:**Registrar****M/s. Skyline Financial Services Pvt. Ltd**

D-153/A, 1st Floor Okhla Industrial Area Phase-I, New Delhi – 110020
contact@skylinerta.com

Sunil Kumar Sharma

Managing Director

Bhim Sain Goyal

Director

Management Discussion and Analysis

INDUSTRY STRUCTURE, DEVELOPMENTS, OPPORTUNITIES & THREATS

Indian economy continues to be one of the fastest growing economies in the world. The economic recovery witnessed after the global meltdown last year has been sharper than what was anticipated. This has enhanced confidence about the sound fundamentals of Indian Economy and it is expected to have GDP growth of more than 8% in the current financial year and more than 10% in the next couple of years.

India's domestic apparel market is growing at compounded annual growth rate of 13.6% in past 5 years and it has grown to achieve more than 5.9 billion units. India plays a major role in global apparel markets due to availability of abundant man power, raw material and infrastructural developments. Indian exports in textile sector grew by 11.7% per year in the past 4 years, comprising export of cotton, man-made fibre, silk, wool, jute and other textile materials.

OPPORTUNITIES

The overall assessment of demand and market potential, projected on the basis of past trends and industry expectations, is expected to grow by more than 10%. Domestic consumption of fabric and textile products is increasing due to growing corporate salaries, earning capacity of individuals. India is home to 17% of world population. It is also one of the youngest countries in the world, with over 65% population below the age of 35 years. In India, there are more than 30 crore middle class people with higher disposable income. The number is expected to be doubled in next 2 years, which will bring increasing demand for various consumer products by this segment of population.

THREATS

Due to global meltdown, the consumers in the west have reduced their consumption of textile materials. The growing awareness about ecological factors has impacted exports from developing countries due to use of polluting dyes and environment damaging manufacturing practices. The availability of cheap labour in Bangladesh and Vietnam is also contributing to decline in exports of fabrics from India.

The post 2005 trade regime under World Trade Organisation has resulted into the enhanced competition across the globe.

SEGMENTWISE OR PRODUCT-WISE PERFORMANCE

Your company mainly operates in single product segment, within domestic market only. After years of closure of business, the management of your company have started trading activity in domestic fabric market. The business is expected to grow in the coming years.

FUTURE OUTLOOK

Tremendous boom in retailing industry is basically due to increase of consumption of household products. Due to significant increase in income levels, the consumption pattern has also changed. The life style of individuals is changing and they are preferring products under premium segment. Despite temporary setback for few months due to global meltdown, Indian economy had recovered faster than expected. The adverse impact of western financial meltdown is not acutely felt due to domestic industry and consumption.

Your company has taken various initiatives for increase of business, product portfolio. Presently, we are doing business in domestic market but we are exploring possibilities of export of our products to the western countries, where we had been doing business about a decade ago. We are also exploring the possibilities of leasing out an industrial unit on enhance our productivity and launching of quality products in the market.

STRENGTHS

Your company was one of the largest export houses to USSR before division of Soviet Union into number of small countries. In the coming years, we plan to start marketing of Indian goods in these countries. We do not foresee any difficulty in pushing the company's merchandise in these markets. We had a customer base in these markets for Indian products. We can leverage our capacities to procure products for these markets and other countries also.

RISK AND CONCERNS

Business is exposed to external and internal risks. Some risks can be predicted and minimised with careful planning and implementing the measures to mitigate them, while some risks cannot be insured against. Your company has been facing many risks including risk to run business due to shortage of working capital. The tight fund situation may affect company's plans to enlarge its business activities. Due to tight liquidity position, we are not able to lay hands on talented people in the industry. The management of your company is planning to leverage their personal assets to raise funds for the company, to overcome this risk.

The domestic market is showing inflationary tendencies. To curb inflation, the Reserve Bank of India can tighten its monetary policy, which can affect company financial expenses. Fluctuation in value of foreign currencies can also affect export plans of the company.

HUMAN RESOURCES

The company is taking various initiatives to increase human resources for better productivity. To save on costs, the company is appointing non-experienced staff and taking initiatives for internal training and development of skills. This will help in enhancing their emotional and intellectual engagement with the company.

INTERNAL CONTROL SYSTEM AND ADEQUACIES

Your company had started its business from scratch. To grow it faster, the integrity and ethical behaviour of management and employees at all levels and compliance of the laws and regulations is very essential. The systems are being put in place to ensure adequate internal controls in operations of the company. Apart from statutory audit, your company have adequate in-house internal audit practices.

FORWARD LOOKING STATEMENT

Statements in this report on Management Discussion and Analysis, describing the company's objectives, projections, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future vents. Actual results could, however, differ materially from those expressed or implied. Domestic consumption, price trends, change in government regulations and tax structure can make a difference in company's performance in future.

The company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of **Euro Asia Exports Ltd.**

We have examined the compliance of conditions of Corporate Governance by Unimode Overseas Limited for the year ended March 31, 2012 as stipulated in clause 49 of the listing agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of 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 Company which are presented to 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 Rajesh Mani & Associates
Chartered Accountants

Place : Delhi
Date : 30.05.2012

Rajesh Kumar
Proprietor

CEO and CFO certification pursuant to Clause 49 (V) of The Listing Agreement:

This is to certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with 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 violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting 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 over financial reporting.

For Euro Asia Exports Ltd.

Place : New Delhi
Date : 14.07.2012

Sd/-
Bhim Sain Goyal
Director

Sd/-
Sunil Kumar Sharma
Director

ANNUAL DECLARATION BY CEO PURSUANT TO CLAUSE 49(1)(D)(ii) OF THE LISTING AGREEMENT

As per the requirement of clause 49 (1) (D)(ii) of the Listing Agreement, I, Sunil Kumar Sharma, Director hereby declare that all the Board Members and Senior Management Personnel of the company have affirmed compliance with the Company's Code of Business Conduct and Ethics for the Financial Year 2011-12.

Sd/-
SUNIL KUMAR SHARMA
Director
Place : New Delhi
Date: 14.07.2012

AUDITOR'S REPORT

1. We have audited the attached Balance Sheet of EURO ASIA EXPORTS LTD. as at 31st March, 2012 together with the Profit & Loss Account of the company for the year ending 31st March, 2012 annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have 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 misstatement. 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.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India, in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report that:-
 - 4.1 We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 4.2 In our opinion, proper books of account as required by law have been kept by the Company , so far as appears from our examination of those books;
 - 4.3 The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
 - 4.4 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;
 - 4.5 On the basis of written representations received from the directors, as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
 - 4.6 In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read with the accounting policies, and the notes appearing thereon and attached thereto 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:-
 - i) in the case of the Balance Sheet of the state of affairs of the Company, as at 31st March, 2012, and
 - ii) in the case of the Profit & Loss Account, of the Loss of the Company for the year ended on that date .

For Rajesh Mani & Associates
Chartered Accountants
Firm Regd. No.

Place : Delhi
Date : 30.05.2012

Rajesh Kumar
Proprietor
M. No.

**ANNEXURE TO THE AUDITORS REPORT OF EURO ASIA EXPORTS LTD. FOR THE YEAR ENDED 31.03.2012
[REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE]**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 (c) No substantial parts of fixed assets have been disposed off during the year.
2. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 (b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size and nature of the business of the company.
 (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. (a) The company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section- 301 of the Companies Act, 1956.
 (b) The company has not taken any loan, secured or unsecured from company, firm or other parties required to be listed in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered
 (b) The company has not made any transaction with firms, companies or other parties in which the Directors are interested exceeding Rs. 5,00,000/- in value as listed in the register maintained under section 301 of the Act.
6. According to the information and explanations given to us, the company has not accepted any deposits from the public during the year under review within the meaning of the directives issued by the Reserve Bank of India and provisions of Section 58A of the Companies Act,1956.
7. The company has an Internal Audit system commensurate with the size of the company and nature of its business.
8. The maintenance of cost records has not been prescribed by the Central Government under Clause-(d) of Sub Clause-(1) of Sec-209..
9. (a) According to the records of the company, the company has been regular in depositing undisputed statutory dues including Income – tax and any other statutory dues with the appropriate authorities.
 (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax and any other statutory dues were in arrears, as at 31st March, 2012 for a period of more than six months from the date they become payable.
10. The accumulated losses of the company as at 31st March, 2012 are more than 50% of its net worth and the company has incurred cash loss during the financial year under review against cash profit for the immediately preceding year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a Financial Institution and banks.
12. The Company has not granted any Loans or Advances on the basis of securities by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or nidhi/ mutual benefit/society. Therefore, the provisions of clause 4(xiv) of The Companies (Auditor’s Report) Order, 2003 are not applicable to the company.

EURO ASIA EXPORTS LIMITED

14. In our opinion, proper records of the trading of securities and other investments have been maintained by the company and timely entries have been made therein . The investments are held by the company in its own name except to the extent of exemption granted under section 49 of Companies Act, 1956.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not obtained any term loan and accordingly no comment has been made in respect of matters specified under clause(XVI) of The Companies (Auditor's Report) Order 2003.
17. According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that the no funds raised on short –term basis have been used for long term investment.
18. According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties covered in the register maintained under section 301 of the Act.
19. Since the company has not issued any debenture and accordingly there is no question of creation of any securities in respect of debentures issued.
20. Company has not raised any money by way of public issue.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of audit.

For Rajesh Mani & Associates
Chartered Accountants
Firm Regd. No.

Place : Delhi
Date : 30.05.2012

Rajesh Kumar
Proprietor
M. No.

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	NOTE No.	AS AT 31.03.2012 AMOUNT (Rs.)	AS AT 31.03.2011 AMOUNT (Rs.)
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	1	23,803,500.00	23,803,500.00
Reserve & Surplus	2	(20,178,787.00)	(18,788,238.00)
2 Current Liabilities			
Other Current Liabilities	3	1,245,219.00	-
Short Term Provisions	4	91,371.00	90,626.00
Total		4,961,303.00	5,105,888.00
II. ASSETS			
1 Non-current Assets			
Fixed Assets			
Tangible Assets	5	2,041.00	2,492.00
2 Current Assets			
Inventory	6	-	582,705.00
Trade Receivables	7	4,044,065.00	3,528,615.00
Cash and Cash Equivalents	8	190,072.00	266,951.00
Short-Term Loans and Advances	9	725,125.00	725,125.00
Total		4,961,303.00	5,105,888.00
SIGNIFICANT ACCOUNTING POLICIES	13		

This is the Balance Sheet referred to in our report of even date.

For **RAJESH MANI & ASSOCIATES**
 CHARTERED ACCOUNTANTS
 FIRM REGD. NO.

Sd/-
RAJESH KUMAR
 PROPRIETOR
 M.No.

Sd/-
 DIRECTOR

Sd/-
 DIRECTOR

DATE : 30.05.2012
 PLACE : NEW DELHI

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	NOTE No.	Current Year 31.03.2012 AMOUNT (Rs.)	Previous Year 31.03.2011 AMOUNT (Rs.)
INCOME			
Revenue From Operations	10	880,450.00	1,459,890.00
Total Revenue		880,450.00	1,459,890.00
EXPENDITURE			
Cost of Goods Sold		582,705.00	960,840.00
Employee Benefits Expenses	11	149,500.00	54,084.00
Other Expenses	12	1,538,343.00	86,486.00
Depreciation		451.00	551.00
Total Expenses		2,270,999.00	1,101,961.00
Profit Before Taxation		(1,390,549.00)	357,929.00
Tax Expenses			
Current Tax		-	64,526.00
Profit (Loss) for the year from continuing operations		(1,390,549.00)	293,403.00
Profit (Loss) for the year		(1,390,549.00)	293,403.00
Earning Per Share:			
Basic		(0.89)	0.19

This is the Profit and Loss Account referred to in our report of even date attached.

For **RAJESH MANI & ASSOCIATES**
 CHARTERED ACCOUNTS
 FIRM REGD. NO.

Sd/-
RAJESH KUMAR
 PROPRIETOR
 M.No.

Sd/-
 DIRECTOR

Sd/-
 DIRECTOR

DATE : 30.05.2012
 PLACE : NEW DELHI

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

(Pursuant to Clause - 32 of the Listing Agreement)

	2011-2012	(Rs.in Lacs) 2010-2011
A. CASH FLOW FROM OPERATING ACTIVITIES :	13.91	2.94
Adjustment for:		
Interest & exchange difference	0.00	0.00
Misc expenditure written off	0.00	0.00
Loss on Sale of Fixed Assets	0.00	0.00
Loss on Investments	0.00	0.00
 Operating Profit before working capital changes	 13.91	 2.94
Adjustment for:		
Trade & Other Receivables	0.67	-3.49
Trade Payables	12.46	-0.55
Cash generated from operations	0.00	0.00
Interest paid & exchange difference	0.00	0.00
Cash flow before extra ordinary items	0.00	0.00
Net cash from Operating activities	0.00	0.00
B. Cash Flow from Investing activities		
Sale of Investments	0.00	0.00
Accumulated depreciation	0.00	0.00
Net cash used in Investing activities	0.00	0.00
C. Cash Flow from Financing activities		
Repayment of:		
Unsecured Loans	0.00	0.00
Deferred tax Liability	0.00	0.00
Long Term Borrowings	0.00	0.00
Net Cash used in Financing activities	0.00	0.00
Net Increase in cash & Cash Equivalents (A+B+C)	0.00	0.00
Cash & cash Equivalents (Opening Balance)	2.67	2.67
Cash & cash Equivalents (Closing Balance)	1.90	2.67

For and on behalf of the Board

Place : New Delhi
Date : 3rd September 2012

Sunil Kumar Sharma
Managing Director

Bhim Sain Goyal
Director

AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of M/S EURO ASIA EXPORTS LIMITED for the year ended 31st March, 2010. The Statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date.

For Rajesh Mani & Associates
Chartered Accountants

Place : Delhi
Date : 3rd September 2012

Rajesh Kumar
Prop

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2012

	As at 31.03.2012		As at 31.03.2011	
	Number	Amount (Rs.)	Number	Amount (Rs.)
NOTE - 1 SHARE CAPITAL				
Authorised				
Equity Shares of Rs. 10 each	3,500,000.00	35,000,000.00	3,500,000.00	35,000,000.00
Issued				
Equity Shares of Rs. 10 each	1,568,800.00	15,688,000.00	1,568,800.00	15,688,000.00
Subscribed and Paid up				
Equity Shares of Rs. 10 each	1,568,800.00	15,688,000.00	1,568,800.00	15,688,000.00
Forfeited Shares	–	8,115,500.00	–	8,115,500.00
	1,568,800.00	23,803,500.00	1,568,800.00	23,803,500.00

Reconciliation of No. of Shares outstanding as at 31.03.2011 and 31.03.2012

Particulars	Equity Shares	
	Number	Amount (Rs.)
Shares Outstanding at the Beginning of the Year	1,568,800.00	15,688,000.00
Shares Issued during the Year	–	–
Shares Bought Back during the Year	–	–
Shares Outstanding at the End of the Year	1,568,800.00	15,688,000.00

Details of Share Holders Holding more than 5% Shares

Name of Shareholders	As at 31.3. 2012		As at 31.3.2011	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Sunil K Sharma	188,900.00	12.04	383,900.00	24.47
Multiplex FIncap Limited	195,000.00	12.43	–	–
Praveen Aggrawal(HUF)	168,500.00	10.74	–	–

Particulars	As at 31.3. 2012 Amount (Rs.)	As at 31.3.2011 Amount (Rs.)
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NOTE - 2 RESERVES AND SURPLUS

Surplus		
Opeining Balance	(18,788,238.00)	(19,081,641.00)
(+) Net Profit / (Net loss) For the current year	(1,390,549.00)	293,403.00
Closing Balance	(20,178,787.00)	(18,788,238.00)

NOTE - 3 OTHER CURRENT LIABILITIES

Other Advances	1,245,219.00	–
	1,245,219.00	–

NOTE - 4 SHORT TERM PROVISIONS

Expenses Payable	91,371.00	26,100.00
Provision for Tax	–	64,526.00
Total	91,371.00	90,626.00

NOTE - 5 TANGIBLE ASSETS (NOT UNDER LEASE)

(Figure in Rupees)

Description of Assets	WDV Rates of	GROSS BLOCK		DEPRECIATION			NET BLOCK	
		Balance as on 01.04.2011	Balance as on 31.03.2012	Balance as on 01.04.2011	For the Year	As on 31.03.2012	As on 31.03.2012	As on 31.03.2012
Furniture and Fixtures	18.10%	82,068.00	82,068.00	79,576.00	451.00	80,027.00	2,041.00	2,492.00
TOTAL (Rs.)		82,068.00	82,068.00	79,576.00	451.00	80,027.00	2,041.00	2,492.00
PREVIOUS YEAR (Rs.)		82,068.00	82,068.00	79,025.00	551.00	79,576.00	2,492.00	-

Particulars	As at 31.3. 2012 Amount (Rs.)	As at 31.3.2011 Amount (Rs.)
-------------	----------------------------------	---------------------------------

NOTE - 6 INVENTORIES

Opening Balance	582,705.00	1,543,545.00
Add: Purchase During Year	-	-
Less: Cost of goods sold during the Year	582,705.00	960,840.00
Closing Stock (Valued At Cost)	-	582,705.00

NOTE - 7 TRADE RECEIVABLES

Trade Receivables Outstanding for a period less than Six months from the date they are due for payment Unsecured, Considered goods	246,570.00	-
	246,570.00	-

Trade Receivables outstanding for a period more than Six months from the date they are due for payment Unsecured, Considered goods	3,797,495.00	3,528,615.00
	3,797,495.00	3,528,615.00
Total	4,044,065.00	3,528,615.00

NOTE - 8 CASH AND CASH EQUIVALENTS

a. Balance with Banks-Bank of India	9,333.00	12,291.00
b. Cash on hand	180,739.00	254,660.00
Total	190,072.00	266,951.00

NOTE - 9 SHORT TERM LOANS AND ADVANCES

Others		
Unsecured, Considered goods Gupu Ispat	628,725.00	628,725.00
Advances Recoverable	96,400.00	96,400.00
Total	725,125.00	725,125.00

NOTE - 10 REVENUE FROM OPERATION

Sale of Product-Bristle	880,450.00	1,459,890.00
Total	880,450.00	1,459,890.00

NOTE - 11 EMPLOYEE BENEFIT EXPENSES

Salaries and incentives	149,500.00	54,000.00
Contribution to Provident Fund	-	84.00
Total	149,500.00	54,084.00

NOTE - 12 OTHER EXPENSES

Audit Fee – As Auditor	25,000.00	11,100.00
Bank Charges	4,865.00	-
Advertisement	10,174.00	-
Office Expenses	2,678.00	5,796.00
Postage & Courier	5,000.00	5,000.00
Professional Charges	1,463,631.00	38,600.00
Printing and Stationery	26,995.00	25,990.00
Total	1,538,343.00	86,486.00

NOTE - 13

SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2012

(A) SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the historical cost convention, in accordance with normally accepted accounting principles and the provisions of the Companies Act, 1956 as followed consistently by the company.

2. SYSTEM OF ACCOUNTING

The company follows mercantile system of accounting and recognizes the income and expenditures on accrual basis.

3. FIXED ASSETS

Fixed Assets are stated at historical cost less depreciation

4. DEPRECIATION

Depreciation is provided on fixed assets on written down value method at the rates and in the manners specified in the Schedule-XIV of the Companies Act, 1956.

5. REVENUE RECOGNITION

In respect of head of income the company follows the practice of accounting such income on accrual basis.

6. TAXATION

In view of unabsorbed carry forward losses and no taxable income for the current year also and due to uncertainty with regard to future taxable income, the company has not recorded cumulative deferred tax assets on account of timing differences as stipulated in Accounting Standard – 22 “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India.

7. CONTINGENT LIABILITY AND PROVISIONS

The Company makes a provision when there is a present obligation as a result of past event where the outflow of economic resources is probable and reliable estimate of the amount of obligation can be made. A disclosure is made for possible of present obligations that may but probably will not require out flow of resources or where a reliable estimate can not be made, as a contingent liability in the financial statements.

8. PROVISION FOR RETIREMENT BENEFITS

Retirement benefits contingently payable at future date in respect of employees has not been provided for in the accounts as there is no liability for the same at present.

(B) EXPLANATORY NOTES TO THE ACCOUNTS

1. In the opinion of Board of Directors, “Current Assets, Loans and Advances “ are approximately at the value stated in the Balance Sheet if realized in the ordinary course of business. The provisions of the known liabilities is adequate and not in excess of amount considered necessary.

i) Expenditure in Foreign Exchange	—	NIL
ii) Earnings in Foreign Exchange	—	NIL
iii) Remittance in Foreign Exchange	—	NIL

3. Confirmation of debit and credit balance from most of the parties have not been received .

4. The outstanding dues owed by the company to small scale industrial undertakings for a sum of Rs.1.00 lakhs or more for more than 30 days ———— NIL (Previous Year ———— NIL).

6. Previous year figures have been recast / regrouped wherever considered necessary to make them comparable with current year figures.

7. Notes 1 to 11 forms an integral part of the Balance Sheet and Profit & Loss Account.

Signature to Notes and Note ‘1’ to ‘11’.

For Rajesh Mani & Associates
Chartered Accountants
Firm Regd. No.

Place : Delhi
Date : 30.05.2012

Rajesh Kumar
Proprietor
M. No.

EURO ASIA EXPORTS LIMITED

Regd. Office : 109-B, Pocket – F Mayur Vihar –II, Delhi-110091

PROXY FORM

SL No.....

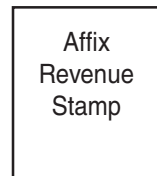
Regd Folio No.....

No. of Shares Held.....

I/weof in The District of.....being a member/members of the above named Company hereby appoint.....of.....in the District of as my proxy to vote for me/us on my/ our behalf at the **31st Annual General of the Company to be held on Thursday, 20th day of September 2012 at 2.00 P.M.** and at any adjournment thereof.

Signed thisday of2012.

Signature



Note: This form in order to be effective should be duly stamped, completed and signed must be deposited with the Company's Registered Office not less than 48 hours before the time for holding the aforesaid Meeting.



EURO ASIA EXPORTS LIMITED

Regd. Office : 109-B, Pocket – F Mayur Vihar –II, Delhi-110091

ATTENDANCE SLIP

To be handed over at the entrance of the meeting hall

I hereby record my presence at the **31st ANNUAL GENERAL MEETING OF EURO ASIA EXPORTS LIMITED at 405, Skylark Building, 60 Nehru Place, New Delhi - 110019 at 2.00 P.M. on Thursday, 20th day of September 2012.**

Name of the Shareholder:

Signature

Name of Proxy:

Signature

NOTES :-

1. Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signature registered with the Company. The admission will, however, be subject to verification of signatures and such other checks, as may be necessary. Under no circumstances will any duplicate slip be issued at the entrance to the meeting hall.
2. No Gifts/Coupons will be distributed at the meeting.

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