

LERROS FASHIONS INDIA LIMITED

Registered Office: A-3, Community Centre, Naraina Industrial Area, Phase-II, New Delhi-110028

(CIN: U74900DL2007PLC161396)

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 9th Annual Report and audited financial statements for the year ended 31st March 2016, together with the Auditors' Report thereon.

Financials

The performance of the Company for the financial year ended 31st March, 2016 is summarized below:

(Rs. in Lacs)

PARTICULARS	2015 – 2016	2014 – 2015
Revenue from operations	721.09	201.34
Other Income	17.91	1.12
Profit (Loss) before Tax	(52.92)	7.36
Provision for Tax	(16.87)	250.41
Profit (Loss) after Tax	(36.04)	(243.05)
Transfer to General Reserve	--	--

COMPANY'S PERFORMANCE

During the year under review, your Company earned a total income of Rs. 739.00 Lacs as against total income of Rs. 202.46 Lacs in the previous year. The Company has suffered loss of Rs. 36.04 Lacs during the year as against loss of Rs. 243.05 Lacs in the previous year.

DIVIDEND

The Directors do not recommend any dividend for the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your Company, Mr. Vinod Vaish, Director would retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

The Board of Directors of your Company met ten times during the financial year 2015-16.

Mrs. Reena Gupta resigned from the post of Secretary of the Company with effect from 31st July, 2015. The Board of Directors has appointed Ms. Aarti Jain as Company Secretary of the Company with effect from 1st December, 2015.

Directors Identification Number (DIN)

The following are the Directors Identification Number (DIN) of your Directors:

Mrs. Payel Seth	-	00003035	Mr. Vinod Vaish	-	01945795
Mr. Raj Pal Yadav	-	07072062	Mr. Ravi Mehra	-	01650421
Mrs. Kusum Malik	-	07084504			

The Company has received necessary declaration from each independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence as laid down in Section 149(6) of the Companies Act, 2013.

The Company has constituted Nomination and Remuneration Committee as required under Sub-Section (1) of Section 178 of the Companies Act, 2013, forming majority of the Independent Directors, comprising Mrs. Kusum Malik, Chairman, Mr. Ravi Mehra and Mr. Vinod Vaish, Members of the Committee. The Company has also formulated a Policy for performance evaluation of Board, Committees, Independent Directors and other individual Directors which included criteria for performance evaluation of the non-executive directors and executive directors.

The Nomination and Remuneration Policy of the Company is annexed herewith as *Annexure-I* with this report.

FORMAL ANNUAL EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, committees and individual Directors pursuant to the provisions of the Companies Act, 2013 and Rules made there under.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

AUDIT COMMITTEE

The Audit Committee comprises Mrs. Kusum Malik, Chairman, Mr. Ravi Mehra, and Mr. Vinod Vaish, as Member of the Committee. All the recommendations made by the Audit Committee were accepted by the Board.

VIGIL MECHANISM

The Company has set up a Vigil Mechanism in terms of Rule 7(2) of The Companies (Meetings of Board and its Powers) Rules, 2014 for their Directors and employees to report their genuine concerns or grievances.

CORPORATE SOCIAL RESPONSIBILITY

Provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility are not applicable to your Company for the year ended March 31, 2016 under review.

SUBSIDIARY COMPANIES

There has been no addition or cessation of any Subsidiary / Associates / Joint Venture Company during the year.

AUDITORS' REPORT

The notes to Accounts referred to in the Auditor's Report are self explanatory and therefore do not call for any further explanation.

AUDITORS

M/s B.R. Gupta & Co., Chartered Accountants, New Delhi, (Regn. No. 008352N), who were appointed by the members in its 8th Annual General Meeting held on 14th September, 2015, have tendered their resignation from the office of Statutory Auditors on 7th April, 2016, due to professional pre-occupation.

The Board of Directors in its meeting held on 12th April, 2016 have accepted their resignation and appointed M/s S.R. Dinodia & Co. LLP, Chartered Accountants, New Delhi, Regn No. 001478N/N500005 as Statutory Auditor of the Company to fill the casual vacancy caused by the resignation of Statutory Auditors, for conduct audit for the period ended 31st March, 2016, who hold the office of Statutory Auditor till the ensuing Annual General Meeting. The appointment of M/s S.R. Dinodia & Co. LLP, Chartered Accountants have also been approved by the members in an Extraordinary General Meeting convened on 9th May, 2016.

EXTRACTS OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as *Annexure-II* to this Report.

RELATED PARTY TRANSACTIONS

Particulars of Contracts or Arrangements with Related Parties referred to in Section 188(1) of the Companies Act, 2013 in Form AOC-2 is annexed as *Annexure-III*.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 are NIL.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Particulars of employees as required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are NIL.

FIXED DEPOSITS

Your Company has not accepted any Fixed Deposits from Public or Shareholders during the year.

RISK MANAGEMENT

The Company has implemented procedures and policies in place for risk management including identifying risk which may threaten the existence/operations of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, with respect to Directors Responsibility Statement, your Directors state that:

- a) in the preparation of the annual accounts for the financial year ended 31st March 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures. There are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments 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 31st March, 2016 and of the profit and loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 134(3)(m) is annexed as *Annexure-IV* to this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

ACKNOWLEDGEMENT

The Directors of your Company are thankful to Bankers, Business Associates, Customers, Members, Government Bodies & Regulators for the continuous support received from them and place on record their appreciation for the sincere services rendered by the employees at all level.

For and on behalf of the Board
for **LERROS FASHIONS INDIA LIMITED**

(VINOD VAISH)
DIRECTOR
DIN 01945795

(RAJ PAL YADAV)
MANAGING DIRECTOR
DIN 07072062

Place: Gurgaon
Date: May 25, 2016

LERROS FASHIONS INDIA LIMITED

Nomination and Remuneration Policy

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy on Board diversity
- 1.7. To develop a succession plan for the Board and to regularly review the plan;

2. DEFINITIONS

- 2.1. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. **Board** means Board of Directors of the Company.
- 2.3. **Directors** mean Directors of the Company.
- 2.4. **Key Managerial Personnel** means
 - 2.4.1. Chief Executive Officer or the Managing Director or the Manager;
 - 2.4.2. Whole-time director;
 - 2.4.3. Chief Financial Officer;
 - 2.4.4. Company Secretary; and
 - 2.4.5. such other officer as may be prescribed.

2.5. Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors.

3. Policy for appointment and removal of Director, KMP and Senior Management

3.1. Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2. Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.5. Retirement

The KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

4. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

4.1. General:

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee or as per policies framed by the committee. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- c) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

4.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including,

employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board or the Committee.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

4.3. Remuneration to Non- Executive / Independent Director:

a) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

b) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

5. MEMBERSHIP

5.1 The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

5.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.

5.3 Term of the Committee shall be continued unless terminated by the Board of Directors.

6. CHAIRPERSON

6.1 Chairperson of the Committee shall be an Independent Director.

6.2 Chairperson of the Board may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

6.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

- 6.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

7. **FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

8. **COMMITTEE MEMBERS' INTERESTS**

- 8.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 8.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9. **SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

10. **VOTING**

- 10.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 10.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

11. **NOMINATION DUTIES**

The duties of the Committee in relation to nomination matters include:

- 11.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 11.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 11.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 11.4 Determining the appropriate size, diversity and composition of the Board;
- 11.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 11.6 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

11.7 Delegating any of its powers to one or more of its members or the Secretary of the Committee; and

11.8 Considering any other matters, as may be requested by the Board.

12. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

12.1 to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

12.2 to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

12.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.

12.4 to consider any other matters as may be requested by the Board.

12.5 Professional indemnity and liability insurance for Directors and senior management.

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U74900DL2007PLC161396
2	Registration Date	30-03-2007
3	Name of the Company	Leros Fashions India Limited
4	Category/Sub-category of the Company	Public Limited Company / Limited by Shares
5	Address of the Registered office & contact details	A-3,Community Centre Naraina Industrial Area Phase-II, New Delhi-110028
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY	
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(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Retail Trading	471	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
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S.No.	Name and address of the Company	CIN/GLN/FCRN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Pearl Global Industries Limited	L74899DL1989PLC036849	Holding Company	100	2(46)

IV. SHARE HOLDING PATTERN	
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(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	1,00,000	1,00,000	0.36%	-	60	60	0.00%	-99.94%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	1,64,83,487	1,64,83,487	59.64%	-	27,63,39,085	27,63,39,085	100.00%	1576.46%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	-	1,65,83,487	1,65,83,487	60.00%	-	27,63,39,145	27,63,39,145	100.00%	1566.35%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	1,10,55,658	1,10,55,658	40.00%	-	-	-	0.00%	-100.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	1,10,55,658	1,10,55,658	40.00%	-	-	-	0.00%	-100.00%
TOTAL (A)	-	2,76,39,145	2,76,39,145	100.00%	-	27,63,39,145	27,63,39,145	100.00%	899.81%
B. Public									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%

f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) Fills	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
				0.00%				0.00%	
2. Non-Institutions				0.00%				0.00%	
a) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Indian	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	-	2,76,39,145	2,76,39,145	100.00%	-	27,63,39,145	27,63,39,145	100.00%	899.81%

(ii) Shareholding of Promoter

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M/s Pearl Global Industries Limited	1,64,83,487	59.64%	NIL	2,76,39,085	10.00%	NIL	67.68%
2	M/s Lerros Moden GmbH	1,10,55,658	40.00%	NIL	-	0.00%	NIL	-100.00%
3	Mrs. Payel Seth*	50,970	0.18%	NIL	10	0.00%	NIL	-99.98%
4	Mr. Pulkit Seth*	49,000	0.18%	NIL	10	0.00%	NIL	-99.98%
5	Mrs. Shefali Seth*	10	0.00%	NIL	10	0.00%	NIL	0.00%
6	Mr. Deepak Seth*	-	0.00%	NIL	10	0.00%	NIL	0.00%
7	Mr. Sunil Pal Seth*	-	0.00%	NIL	10	0.00%	NIL	0.00%
8	Mrs. Kusum Malik*	-	0.00%	NIL	10	0.00%	NIL	0.00%
9	Mrs. Grihashree Gopal Nair	10	0.00%	NIL	-	0.00%	NIL	-100.00%
10	Dr. A.P. Bhupatkar	10	0.00%	NIL	-	0.00%	NIL	-100.00%

* 10 Shares held by the above shareholders are nominee shareholders of the Pearl Global Industries Limited

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	27639145	100.00%	2,76,39,145	100.00%
	Date wise increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.		0.00%		0.00%
	At the end of the year	27639145	100.00%	2,76,39,145	100.00%

Note: There is no change during the year

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

S.No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
Not Applicable							

(v) Shareholding of Directors and Key Managerial Personnel:

S.No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mrs. Payel Seth, Director						
	At the beginning of the year	01.04.2015	-	50,970	0.18%	10	0.00%
	Changes during the year	16.09.2015	Transfer	50,970	0.18%	10	0.00%
	At the end of the year	31.03.2016		-	0.00%	10	0.00%
2	Mr. Raj Pal Yadav, Managing Director						
	At the beginning of the year	-		-	0.00%	-	0.00%
	Changes during the year			No Change			
	At the end of the year	-		-	0.00%	-	0.00%
3	Mr. Vinod Vaish, Director						
	At the beginning of the year	-		-	0.00%	-	0.00%
	Changes during the year			No Change			
	At the end of the year	-		-	0.00%	-	0.00%
4	Mr. Ravi Mehra, Independent Director						
	At the beginning of the year	-		-	0.00%	-	0.00%
	Changes during the year			No Change			
	At the end of the year	-		-	0.00%	-	0.00%
5	Mrs. Kusum Malik, Independent Director						
	At the beginning of the year	-		-	0.00%	-	0.00%
	Changes during the year			No Change			
	At the end of the year	-		-	0.00%	-	0.00%
6	Mr. Ashish Khatri, Chief Financial Officer						
	At the beginning of the year	-		-	0.00%	-	0.00%
	Changes during the year			No Change			
	At the end of the year	-		-	0.00%	-	0.00%
7	Mrs. Reena Gupta, Company Secretary						
	At the beginning of the year	-		-	0.00%	-	0.00%
	Changes during the year			No Change			
	At the end of the year	-		-	0.00%	-	0.00%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Mr. Raj Pal Yadav	(Rs/Lac)
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	- as % of profit		-
	- others, specify		-
5	Others, please specify		-
	Total (A)		-
	Ceiling as per the Act		30,00,000.00

B. Remuneration to other Directors

S.No.	Particulars of Remuneration	Name of Directors		Total Amount
				(Rs/Lac)
1	Independent Directors	Mr. Ravi Mehra	Mrs. Kusum Malik	
	Fee for attending board meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	-	-	-
2	Other Non-Executive Directors	Mrs. Payel Seth	Mr. Vinod Vaish	
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act			30,00,000.00

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD					
S.No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount in Rs.
		Name	Mr. Ashish Khatri	Mrs. Reena Gupta	
	Designation	CFO	Company Secretary		
1	Gross salary		upto 31.07.2015	w.e.f. 01.12.2015	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,000.00	40,000.00	56,000.00	1,56,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	60,000.00	40,000.00	56,000.00	1,56,000.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	NIL	NIL	N.A	N.A
Punishment	Nil	NIL	NIL	N.A	N.A
Compounding	Nil	NIL	NIL	N.A	N.A
B. DIRECTORS					
Penalty	Nil	NIL	NIL	N.A	N.A
Punishment	Nil	NIL	NIL	N.A	N.A
Compounding	Nil	NIL	NIL	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	NIL	NIL	N.A	N.A
Punishment	Nil	NIL	NIL	N.A	N.A
Compounding	Nil	NIL	NIL	N.A	N.A

Annexure-III to the Directors' Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sl.No.	Name of the related party	Nature of the relationship	Nature of Contracts/ arrangement/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions	Value (Amount in Rs.)	Date of approval of the Board, if any	Amount paid as advances , if any
1	Pearl Global Industries Limited	Holding Company	Sale of goods	01.04.2015 to 31.03.2016	-	7,21,09,085	22.05.2015	NIL

Annexure IV to the Director's Report

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

(i) Steps taken for conservation of energy:

Since energy consumption is not much, there is not much scope for energy conservation.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

The Company does not consume heavy electricity. Hence, presently Company is not exploring alternate source of energy.

(iii) The Capital investment on energy conservation equipment: NIL

B. TECHNOLOGY ABSORPTION :

(i) Efforts made towards technology absorption:

Not Applicable

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

Not Applicable

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a	Technology Imported	:	Not Applicable
b	Year of Import	:	N.A.
c	Has technology been fully absorbed?		N.A.
d	If not fully absorbed, areas where this has not taken place, and the reasons.		N.A.

(iv) The expenditure incurred on Research & Development: NIL

Foreign Exchange Earnings and outgo: NIL

Independent Auditor's Report

To The Members of Lerros Fashions India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Lerros Fashions India Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its loss and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure-'A'.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. On the basis of written representations received from the management of the Company, the Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-'B', a statement on the matters specified in the paragraph 3 and 4 of the order.

For S.R. Dinodia & Co. LLP.
Chartered Accountants,
Firm Registration Number 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number 083689

Place of Signature: New Delhi
Date: May 25, 2016

Annexure 'A' to the Independent Auditors' Report of even date on the financial statement of Lerros Fashions India Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Lerros Fashions India Limited ("the Company")** as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Dinodia & Co. LLP

Chartered Accountants,

Firm's Registration Number 001478N/N500005

(Sandeep Dinodia)

Partner

Membership No. 083689

Place of Signature: New Delhi

Date: May 25, 2016

Annexure 'B' To the Independent Auditors' Report

The Annexure referred to in independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2016; we report that:

- i)
 - a) The Company has maintained records showing necessary particulars including quantitative details and situation of fixed assets, *which still needs updation*.
 - b) As explained to us, fixed assets has been physically verified by the management during the year and in our opinion, is reasonable having regard to the size of the Company and the nature of assets. No material discrepancies were noticed on such verification.
 - c) The Company does not held any immovable properties. Therefore, the provisions of paragraph 3 (i) (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- ii) The Company does not hold any inventory. Hence provision of paragraph 3(ii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- iii) According to the information and explanation given to us, the Company had not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iii) (a) to (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- iv) According to the information and explanation given to us, the Company has no loans, investments, guarantees, and security covered under the provisions of section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of clause 3(iv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- v) The Company has not accepted any deposits from the public. Accordingly, the provisions of paragraph 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2015 dated January 16, 2015 to the current operations carried out by the Company. Accordingly, the provisions of paragraph 3(vi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- vii)
 - a) On the basis of available information and explanation provided to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, service tax, cess & other material statutory dues applicable to it. Further, no undisputed amounts were payable in respect of income tax and other statutory dues were outstanding, as at 31st March, 2016 for a period of more than six months from the date they became payable.
 - b) According to the records of the Company examined by us and the information and explanations given to us, there were no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- viii) The Company has not taken any loans or borrowing from any bank, financial institution, Government and also there were no dues to debenture holders. Accordingly, the provisions of paragraph 3(viii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- ix) The Company did not raise any money by the way of initial public or further public offer (including debt instruments) or term loan during the year. Accordingly, the provisions of paragraph 3(ix) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

- xi) In our opinion and on the basis of available information and explanation provided to us, the Company has not paid any managerial remuneration to any director. Hence the provisions of section 197 read with Schedule V to the Companies Act are not applicable to the Company.
- xii) The Company is not a nidhi Company. Hence, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- xiii) During the course of our examination of the books and records of the Company, all transactions entered with the related parties are in compliance with Section 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards. Further in pursuance of section 177, Company is not required to form audit committee and so the provisions of Section 177 are not applicable
- xiv) The Company has not made any preferential allotment of shares during the year under review. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

For S.R. Dinodia & Co. LLP.
Chartered Accountants,
Firm's Registration Number 001478N/N500005

(Sandeep Dinodia)
Partner
Membership No. 083689

Place of Signature: New Delhi
Date: May 25, 2016

Lerros Fashions India Limited

Balance Sheet as at March 31, 2016

(Amount in ₹)

Particulars	Note No.	As At	
		March 31, 2016	March 31, 2015
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	30,63,91,450	30,63,91,450
Reserves and Surplus	4	<u>(26,33,28,827)</u>	<u>(25,97,24,378)</u>
		4,30,62,623	4,66,67,072
Current Liabilities			
Trade Payables			
- Total outstanding dues of micro enterprises & small enterprises	5	-	-
- Total outstanding dues of creditors other than micro enterprises & small enterprises	5	51,049	1,74,534
Other Current Liabilities	5	<u>3,000</u>	<u>12,33,410</u>
		54,049	14,07,944
Total		4,31,16,672	4,80,75,016
Assets			
Non-Current Assets			
Fixed Assets			
-Tangible Assets	6	8,66,376	9,75,977
Deferred Tax Assets (Net)	7	2,19,09,585	2,02,22,347
Long-Term Loans and Advances	8	5,36,988	5,09,099
Trade Receivable	9	77,02,567	1,55,25,416
Other Non-Current Assets	9	<u>3,27,327</u>	<u>3,02,267</u>
		3,13,42,843	3,75,35,106
Current Assets			
Cash and Bank Balances	10	90,20,278	78,17,933
Short-Term Loans and Advances	8	26,91,645	26,91,645
Other Current Assets	9	<u>61,906</u>	<u>30,332</u>
		1,17,73,829	1,05,39,910
Total		4,31,16,672	4,80,75,016
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP.

Chartered Accountants

Firm's Registration Number 001478N/N500005

For & on behalf of Board of Directors of
Lerros Fashions India Limited

(Sandeep Dinodia)

Partner

Membership No.083689

(Rajpal Yadav)

Managing Director

DIN No.07072062

(Vinod Vaish)

Director

DIN No.01945795

Place of Signature: New Delhi

Date: May 25, 2016

(Ashish Khatri)

Chief Finance Officer

(Aarti Jain)

Company Secretary

Lerros Fashions India Limited

Statement of Profit & Loss for the year ended March 31, 2016

(Amount in ₹)			
Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Income			
Revenue from operations	11	7,21,09,085	2,01,33,809
Other income	12	17,91,437	1,12,234
		<u>7,39,00,522</u>	<u>2,02,46,043</u>
Expenses			
Purchase of Traded Goods		6,55,90,265	1,85,56,359
Employee benefits expense	13	1,56,000	1,55,000
Depreciation and amortization expense	6	1,09,601	1,49,494
Other expenses	14	1,33,36,343	6,48,898
		<u>7,91,92,209</u>	<u>1,95,09,751</u>
Profit Before Tax		(52,91,687)	7,36,292
Tax expense:			
Deferred Tax Liability / (Assets)		(16,87,238)	2,50,40,954
Income Tax adjustments earlier Years		-	181
(Loss) for the year		(36,04,449)	(2,43,04,843)
Earnings per equity share:			
Basic	17	(0.13)	(0.88)
Diluted		(0.13)	(0.88)
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP.

Chartered Accountants

Firm's Registration Number 001478N/N500005

For & on behalf of Board of Directors of
Lerros Fashions India Limited

(Sandeep Dinodia)

Partner

Membership No.083689

(Rajpal Yadav)

Managing Director

DIN No.07072062

(Vinod Vaish)

Director

DIN No.01945795

Place of Signature: New Delhi

Date: May 25, 2016

(Ashish Khatri)

Chief Finance Officer

(Aarti Jain)

Company Secretary

Lerros Fashions India Limited
Cash Flow Statement for the year ended March 31, 2016

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
A. Net Profit Before Tax and Exceptional Items	(52,91,687)	7,36,292
Adjustments :		
Depreciation	1,09,601	1,49,494
Operating Profit /(Loss) Before Working Capital Changes	(51,82,086)	8,85,786
Adjustments for increase and decrease in:-		
Trade and Other Receivables	78,22,849	60,00,000
Loans & Advances	(84,523)	(37,976)
Trade Payables	(13,53,895)	22,564
Cash Generated From Operations	12,02,345	68,70,374
Direct Taxes Paid	-	-
Net Cash Generated / (Used) In Operating Activities	<u>12,02,345</u>	<u>68,70,374</u>
B. Cash Flow from Investing Operations	-	-
C. Cash Flow from Financing Activities	-	-
Net Increase in Cash/Cash equivalents(A+B+C)	12,02,345	68,70,374
Cash / Cash equivalents at the beginning of the year	<u>78,17,933</u>	<u>9,47,559</u>
Cash / Cash equivalents at the end of the year	<u>90,20,278</u>	<u>78,17,933</u>
Components of Cash and Cash equivalents		
Cash and Cheques on hand	1,285	1,533
Balances with Scheduled Banks		
- In Current Accounts	90,18,992	78,16,400
	<u>90,20,278</u>	<u>78,17,933</u>

As per our report of even date attached.
For S.R. Dinodia & Co. LLP.
Chartered Accountants
 Firm's Registration Number 001478N/N500005

**For & on behalf of Board of Directors of
 Lerros Fashions India Limited**

(Sandeep Dinodia)
Partner
 Membership No.083689

(Rajpal Yadav)
Managing Director
 DIN No.07072062

(Vinod Vaish)
Director
 DIN No.01945795

Place of Signature: New Delhi
 Date: May, 2016

(Ashish Khatri)
Chief Finance Officer

(Aarti Jain)
Company Secretary

Lerros Fashions India Limited

Notes to financial statements for the year ended March 31,2016

Note 1

Corporate Information

Lerros Fashions India Limited is a limited company domiciled in India and incorporated under the provisions of the Companies Act,1956. The company is primarily engaged in distribution and retailing of ready to wear apparels in India.

Note 2 : Significant Accounting Policies & Notes to Account

a) Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards and relevant presentation requirements of the Companies Act, 2013 and are based on the historical cost convention and on an accrual basis of accounting. The Company has complied in all material respects with Accounting Standard notified under section 133 of the Companies Act, 2013 read with Rule 7 of Company (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Uses of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets & liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount(s) of assets or liabilities in future periods. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

c) Revenue Recognition

- i) Revenue is recognized on accrual basis on transfer of risk and reward to the customers. Sales are accounted net of sales return, sales tax and trade discounts.
- ii) Interest income is recognized on time proportion basis.

d) Inventory

Inventory is valued at lower of procurement cost (calculated on FIFO basis) or estimated net realizable value.

e) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated as specified in Accounting Standard -3 (AS-3) "Cash Flow Statement".

f) Fixed Assets and Depreciation

- i) Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost including borrowing costs of bringing the asset to its working condition for its intended use.
- ii) Depreciation on fixed assets is provided in the manner and as per useful life specified in Schedule II to the Companies Act,2013.

g) Foreign Currency Transaction

The transactions in foreign currency are accounted for at the rate prevailing as on the transaction date. Gain/(Loss) arising out of fluctuation in rate between transaction date and settlement date are recognized in the Statement of Profit and Loss .

The monetary items denominated in the foreign currency are stated at the exchange rate prevailing at the year end and the overall net gain/(loss) is adjusted to the Statement of Profit and Loss.

h) Taxes On Income

Tax expense comprises current tax and deferred tax.

Current Tax:

Current Tax is measured and expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessment/appeals. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current Income Tax relating to the items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

Deferred Tax:

Deferred tax reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Deferred tax assets subject to consideration of prudence, are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Such assets are reviewed as at each balance sheet date to re-assess realization.

Minimum Alternate Tax:

Minimum Alternate Tax (MAT) paid in the year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit entitlement ". The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified

i) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes to Account. Contingent assets are neither recognized nor disclosed in the financial statements.

j) Impairment of Assets

Lerros Fashions India Limited

Notes to financial statements for the year ended March 31, 2016

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the recoverable amount is determined. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

A previously recognised impairment loss is reversed in Statement of Profit & Loss only if there has been a change in the assumptions used to determine the assets's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

k) Borrowing Cost

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

l) Earning Per Share

Basic Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighed average number of equity shares outstanding during the year.

For the purpose of calculating Diluted Earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Note 3 : Share Capital	(Amount in ₹)	
	As At March 31, 2016	As At March 31, 2015
Authorised		
30,50,000(March 31, 2015: 30,50,000) Equity Shares of ₹ 10/- each	30,50,00,000	30,50,00,000
6,00,00,000(March 31, 2015: 6,00,00,000)10.5 % Non Cumulative Redeemable Preference Shares of ₹ 10/- each	6,00,00,000	6,00,00,000
	36,50,00,000	36,50,00,000
Issued, Subscribed & Paid-up		
Equity Share Capital		
27,639,145 (March 31, 2015: 27,639,145) Equity Shares of ₹ 10/- each fully paid up	27,63,91,450	27,63,91,450
Preference Share Capital		
3,00,00,000 (March 31, 2015: 3,00,00,000)10.5 % Non Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up	3,00,00,000	3,00,00,000
Total Issued, Subscribed & Paid-up Capital	30,63,91,450	30,63,91,450

a. Share Capital Reconciliation

Equity Share Capital	March 31, 2016		March 31, 2015	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Balance of Shares at the beginning of the year	2,76,39,145	27,63,91,450	2,76,39,145	27,63,91,450
Add:- Addition during the year	-	-	-	-
Less:- Buy back during the year	-	-	-	-
Balance of Shares at the end of the year	2,76,39,145	27,63,91,450	2,76,39,145	27,63,91,450

Preference Share Capital	March 31, 2016		March 31, 2015	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Balance of Shares at the beginning of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Add:- Addition during the year	-	-	-	-
Less:- Redeemed during the year	-	-	-	-
Balance of Shares at the end of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000

b. Terms/rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of Equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of Outstanding Preference Shares

Class of Share	No. of Shares	Date of Issue	Terms of Redemption
			6 months after the date of allotment but not later than 5 years.
10.5% Redeemable Preference Shares	30,00,000	10.03.2012	

d. Details of shares held by Holding Company

	As At March 31, 2016	As At March 31, 2015
	No. of Shares	No. of Shares
Pearl Global Industries Limited		
27,639,085 (March 31, 2015: 16,483,487) Equity Shares of ₹10/- each (Refer Note * Below)	2,76,39,085	1,64,83,487
3,00,00,000 (March 31, 2015: 3,00,00,000)10.5 % Non Cumulative Redeemable Preference shares of ₹ 10/- each fully paid up	30,00,000	30,00,000

e. Details of shareholders holding more than 5% shares in the Company

(i) Equity Shares	March 31, 2016		March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Pearl Global Industries Limited*	2,76,39,085	99.99%	1,64,83,487	59.64%
Lerros Modem GmbH, Germany	-	0.00%	1,10,55,658	40.00%

Lerros Fashions India Limited

Notes to financial statements for the year ended March 31, 2016

*The balance 60 shares held by the Nominee shareholders for the year ended March 31, 2016

(ii) Preference Shares	March 31, 2016		March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Pearl Global Industries Limited	30,00,000	100.00%	30,00,000	100.00%

	(Amount in ₹)	
	As At	As At
	March 31, 2016	March 31, 2015

Note 4 : Reserves and Surplus

Statement of Profit & Loss

Balance at the beginning of the year	(25,97,24,378)	(23,52,50,904)
Profit/(Loss) for the year	(36,04,449)	(2,43,04,843)
Depreciation Adjustment as per Schedule II to the Companies Act, 2013	-	(1,68,631)
Balance at the end of year	<u>(26,33,28,827)</u>	<u>(25,97,24,378)</u>
Total Reserves & Surplus	<u>(26,33,28,827)</u>	<u>(25,97,24,378)</u>

Note 5 : Other Current Liabilities

Trade Payables

Amount due to Micro Small and Medium Enterprise		
- Principal Amount	-	-
- Interest Payable on Outstanding Amount	-	-
(Refer note 'a' below for details of dues to micro and small enterprises)		
Amount Due To Others	51,049	1,74,534
	<u>51,049</u>	<u>1,74,534</u>

Other Liabilities:

Statutory dues payable	3,000	5,94,593
Others	-	6,38,817
Total (Refer Note 'b' below)	<u>3,000</u>	<u>12,33,410</u>

- a) As per Schedule III to the Companies Act, 2013 vide notification number GSR 719 (E) dated November 16, 2007, the amount due as at the year end due to Micro & Small enterprises as defined in Industries (Development and Regulation) Act, 1951 are as given below :

	(Amount in ₹)	
	As At	As At
	March 31, 2016	March 31, 2015
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
	<u>-</u>	<u>-</u>
i) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with payments made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
ii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	Nil	Nil
iii) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
iv) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	Nil	Nil

- b) It does not include any amount due to be transferred to Investor Education and Protection Fund.

c) Contingent Liability

Claims against the company not acknowledged as debts:

	(Amount in ₹)	
	As At	As At
	March 31, 2016	March 31, 2015
The claim represent a counter claim including interest by one of the distributor against the company's claim of ₹ 9,979,426 plus interest pending under Arbitration as on March 31, 2015	-	1,79,70,483
	<u>-</u>	<u>1,79,70,483</u>

Lerros Fashions India Limited

Notes to financial statements for the year ended March 31, 2016

Note 6 : Fixed Assets

Particulars	Gross Block				Depreciation / Amortization			Net Block		(Amount in ₹)
	As April 1, 2015	Additions during the year	Deduction during the year	As March 31, 2016	As April 1, 2015	For the year	Adjustment with Retained Earnings	As March 31, 2016	At March 31, 2015	
	At April 1, 2015	At March 31, 2016	At March 31, 2016	At April 1, 2015	At March 31, 2016	At March 31, 2016	At March 31, 2016	At March 31, 2015		
A. Tangible Assets										
Plant and Equipment	10,54,968	-	-	10,54,968	3,51,241	75,916		6,27,811	7,03,727	
Furniture and fixtures	46,42,636	-	-	46,42,636	44,70,079	32,441		1,40,116	1,72,557	
Office Equipments	29,990	-	-	29,990	27,247	1,244		1,499	2,743	
Computers	19,39,000	-	-	19,39,000	18,42,050	-		96,950	96,950	
March 31, 2016	76,66,594	-	-	76,66,594	66,90,617	1,09,601	-	8,66,376	9,75,977	
March 31, 2015	76,66,594	-	-	76,66,594	63,72,492	1,49,494	1,68,631	9,75,977	12,94,102	

Lerros Fashions India Limited

Notes to financial statements for the year ended March 31,2016

Note 7 : Deferred Tax Asset/(Liability)	(Amount in ₹)	
	As At March 31, 2016	As At March 31, 2015
Deferred Tax Assets		
- Unabsorbed Depreciation and Brought Forward Business Losses	2,15,86,208	1,99,09,454
- Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	3,23,377	3,12,893
	2,19,09,585	2,02,22,347

Note 8 : Loans and Advances (Unsecured - Considered Good)	(Amount in ₹)			
	Non - Current		Current	
	March 31, 2016	March 31,2015	March 31, 2016	March 31,2015
Security Deposits	-	-	26,91,645	26,91,645
Other Loans and Advances				
Advance Tax	5,36,988	5,09,099	-	-
[Net of provisions Nil (March 31 2015: Nil)]				
	5,36,988	5,09,099	26,91,645	26,91,645

Note 9 : Trade Receivables And Other Assets	(Amount in ₹)			
	Non - Current		Current	
	March 31, 2016	March 31,2015	March 31, 2016	March 31,2015
Trade Receivables				
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured - Considered Good	77,02,567	1,55,25,416	-	-
Unsecured - Considered Doubtful	14,63,337	-	-	-
	91,65,905	1,55,25,416	-	-
Less: Provision For Doubtful Recievables	14,63,337	-	-	-
	77,02,567	1,55,25,416	-	-
Others				
Unsecured - Considered Good	-	-	-	-
(A)	77,02,567	1,55,25,416	-	-
Others Assets				
(Unsecured, considered good unless stated otherwise)				
Non-Current Bank Balances (Refer Note 10)	2,89,686	2,89,686	-	-
Others				
Interest Accrued But Not Due	37,641	12,581	61,906	30,332
(B)	3,27,327	3,02,267	61,906	30,332
Total (A+B)	80,29,894	1,58,27,683	61,906	30,332

Note 10 : Cash and Bank Balances	(Amount in ₹)			
	Non - Current		Current	
	March 31, 2016	March 31,2015	March 31, 2016	March 31,2015
Balance With Banks:				
- In current accounts	-	-	71,41,243	28,16,400
Cash on Hand	-	-	1,285	1,533
(A)	-	-	71,42,529	28,17,933
Others Bank Balances				
Balances with Bank				
-Deposits with original maturity for more than 12 months (refer note 'a' below)	2,89,686	2,89,686	-	25,00,000
-Deposits with original maturity for more than 3 months but less than 12 months	-	-	18,77,749	25,00,000
	2,89,686	2,89,686	18,77,749	50,00,000
Less: Amount disclosed under other assets (Refer Note 9)	(2,89,686)	(2,89,686)	-	-
(B)	-	-	18,77,749	25,00,000
Total (A+B)	-	-	1,61,62,807	1,06,35,866

a). Fixed Deposits with a carrying amount of ₹ 289,686 (March 31, 2015: ₹ 289,686) are pledged with Sales Tax Authorities.

Lerros Fashions India Limited

Notes to financial statements for the year ended March 31,2016

	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Note 11 : Revenue from operations		
Sale of Product		
- Traded Goods	7,21,09,085	2,01,33,809
	<u>7,21,09,085</u>	<u>2,01,33,809</u>
Details of Traded Goods sold		
- Sale of Fabric	7,21,09,085	2,01,33,809
	<u>7,21,09,085</u>	<u>2,01,33,809</u>
		(Amount in ₹)
	For the year ended March 31, 2016	For the year ended March 31, 2015
Note 12 : Other Income		
Interest Income		
- Fixed Deposit	4,03,246	1,10,353
- Others		1,690
Liability Written Back	9,99,317	-
Miscellaneous Income	3,88,874	191
	<u>17,91,437</u>	<u>1,12,234</u>
		(Amount in ₹)
	For the year ended March 31, 2016	For the year ended March 31, 2015
Note 13 : Employee Benefit Expense		
Salaries & Wages	1,56,000	1,55,000
	<u>1,56,000</u>	<u>1,55,000</u>
		(Amount in ₹)
	For the year ended March 31, 2016	For the year ended March 31, 2015
Note 14 : Other Expenses		
Rates & Taxes	5,53,725	43,922
Legal & Professional Expenses	3,44,610	5,70,203
Payment to Auditors (refer note 'a' below)	45,750	33,708
Provision of Doubtful Trade Receivables	14,63,337	-
Bad Debts Written Off	63,59,511	-
Claims from Buyers	45,61,767	-
Miscellaneous Expenses	7,643	1,065
	<u>1,33,36,343</u>	<u>6,48,898</u>
		(Amount in ₹)
	For the year ended March 31, 2016	For the year ended March 31, 2015
a) Payment to Auditors :		
- As Auditors	20,000	20,000
- For Tax Audit Fees	10,000	10,000
- For Company Law Matters	10,000	-
- Service Tax	5,750	3,708
	<u>45,750</u>	<u>33,708</u>

Lerros Fashions India Limited

Notes to financial statements for the year ended March 31, 2016

Note 15: Disclosure of Related parties/ Related parties transactions :

A Name of the Related Parties and description of relationship

Nature of Relationship	Name of Related Party	
Holding Company	Pearl Global Industries Limited	
Enterprise over which KMP exercise Significant Influence	Little People Education Society	
	Pearl Apparels Limited	
Key Management Personnel	Mr. Rajpal Yadav	Managing Director
	Mrs. Payel Seth	Director
	Ms. Aarti Jain (w.e.f. 1st December, 2015)	Company Secretary
	Ms. Reena Gupta (upto 31st July, 2015)	Company Secretary
	Mr. Ashish Khatri	Chief Financial Officer

B. Disclosure of Related Parties Transactions (Including Material Transactions):

Particulars	(Amount in ₹)	
	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Purchase of Traded Goods	-	1,85,56,359
Sales of Traded Goods	(7,21,09,085)	-

Particulars	(Amount in ₹)	
	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Sale of Goods	-	16,45,316

Particulars	(Amount in ₹)	
	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Remuneration		
Mr. Ashish Khatri	60,000	35,000
Ms. Aarti Jain	56,000	-
Ms. Reena Gupta	40,000	1,20,000

(iv) There is no closing balance outstanding as at March 31, 2016

Note 16 : Earnings Per Share (EPS)

Particulars	(Amount in ₹)	
	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Profit/(Loss) Attributable To The Equity Shareholders	(36,04,449)	-2,43,04,843
Basic/Weighted Average No. Of Equity Shares Outstanding During The Year	2,76,39,145	2,76,39,145
Nominal value of Equity Shares	10	10
Basic/Dilutive Earning per share (₹)	(0.13)	(0.88)

Note 17: In view of the management, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount, at which they are stated in the Balance Sheet as at March 2016.

Note 18: There is no reportable segment of the Company in view of the Accounting Standard-17 "Segment Reporting" as notified under Companies (Accounts) Rules, 2014.

Note 19: The balances of trade payables & trade receivables are subject to confirmation as at March 31, 2016.

Note 20: Previous year figures have been regrouped & reclassified wherever necessary.

Note 21: Figures rounded off to nearest rupee

For & on behalf of Board of Directors of
Lerros Fashions India Limited

(Rajpal Yadav)
Managing Director
DIN No.07072062

(Vinod Valsh)
Director
DIN No.01945795

Place of Signature: New Delhi
Date: May 25, 2016

(Ashish Khatri)
Chief Financial Officer

(Aarti Jain)
Company Secretary