



25th
ANNUAL REPORT

2013-2014

LWS KNITWEAR LTD.

CIN No.: L17115PB 1989 PLC 009315

Regd. Office: G.T. Road (West), Ludhiana-141 008 (Punjab)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of the Company will be held on Tuesday, the 30th day of September, 2014 at 09.30 A.M. at the registered office of the company situated at G.T. Road (West), Ludhiana, to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2014 and the Balance sheet as on that date and Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Girish Kapoor (DIN=01870917), who retires by rotation and being eligible, offers himself for reappointment.

3. Appointment of Auditors

To consider and if thought fit, to pass with or without modification (s), the following resolution as an

Ordinary Resolution:

“Resolved That pursuant to the provisions of Sections 139 of the Companies Act, 2013 and other applicable provisions of the Act, if any and the Rules framed there under, as amended from time to time, M/s. Rajesh K. Sharma and Associates, Chartered Accountants, Ludhiana (Firm Registration No. 013867N) be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of Twenty eighth Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

Special Business**4. Appointment of Sh. Daya Nand Sahu as an Independent Director**

To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

“Resolved That pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time, Sh. Daya Nand Sahu (DIN=02216670), a non executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from September 30, 2014 up to September 29, 2019.”

5. Appointment of Sh. Varinder Kumar Dhamija as an Independent Director

To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

“Resolved That pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time, Sh. Varinder Kumar Dhamija (DIN=03500822), a non executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from September 30, 2014 up to September 29, 2019.”

6. Approval for Borrowing Money in excess of the aggregate of the paid up share capital and free reserves of the Company

To consider and if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:

“Resolved that pursuant to the provisions of Section 180(1) (C) of The Companies Act, 2013 and

other applicable provisions, if any and the provisions of The Companies (Meetings of Board and its Power) Rules, 2014, Board of Directors of the company can borrow money up to Rs. 10,00,00,000/- (Rupees Ten Crore) notwithstanding that money to be borrowed, together with the money already borrowed by the company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed aggregate of its paid-up share capital and free reserves and Board of Directors be and is hereby authorized to provide security and create charge on assets of the company in connection there with."

**By Order of the Board
For LWS Knitwear Limited**

**Date: 30.05.2014
Place: Ludhiana**

**Sd/-
Girish Kapoor
(Managing Director)
DIN-01870917**

Notes:

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a member of the company. The proxy, in order to be effective, must be received by the company not less than forty eight hours before the meeting. The proxy form and attendance slip are enclosed herewith.
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from 29th day of September, 2014 to 30th day of September, 2014 (both days inclusive).
3. Explanatory Statement under Section 102 of The Companies Act, 2013 is enclosed herewith.
4. The Company has appointed M/s Rajeev Bhambari & Associates, Company Secretary in Practice as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and to declare results.
5. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.lwsknitwear.com and on the website of CDSL www.evoting.cdsl.com within two days of passing of the resolutions at the 25th AGM of the Company on September 30, 2014 and be communicated to the BSE Limited and other stock exchanges where the shares of the Company are listed.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide members facility to exercise their votes at the 25th AGM by electronic means and the business may be transacted through e-voting as per instructions below:
 - (a) Date and time of commencement of voting through electronic means: Wednesday, September 24, 2014 at 9.00 a. m.
 - (b) Date and time of end of voting through electronic means beyond which voting will not be allowed: Friday, September 26, 2014 at 5.00 p. m.
 - (c) Details of Website: www.evotingindia.com
 - (d) Details of persons to be contacted for issues relating to e-voting: Mr. Puneet Mittal, M/s Beetal Financial and Computer Services Private Limited, New Delhi, Tel. No.011-29961281-283, e-mail: beetalrta@gmail.com; and CDSL at Tel No. 18002005533, e-mail: helpdesk.evoting@cdslindia.com
 - (e) Instructions for e-voting are given here along separately as an Annexure to the Notice

- (f) Details of Scrutinizer: M/s Rajeev Bhambari & Associates, Company Secretary in Practice.
The e-voting module shall be disabled for voting on Friday, September 26, 2014 at 5.00pm. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the record date as on August 22, 2014.
7. This notice is being issued having regard to provisions of Section 108 and 110 of the Companies Act, 2013 and clause 35B of the Listing Agreement with Stock Exchanges.

Explanatory statement under Section 102 of The Companies Act, 2013**Item No. 4**

Sh. Daya Nand Sahu is a non executive director of the company wef 31.03.2008 and in view of the provisions of the Companies Act, 2013 and the Rules framed there under as read with Schedule IV to the Act it is proposed to appoint him as an independent director for a period of five years and that in the opinion of the Board, he fulfilled the conditions specified in this Act for such an appointment. He is a commerce graduate having 30 years of experience in industry finance.

This resolution is put before shareholders to seek their approval by way of a special resolution.

None of the Directors and KMP except Sh. Daya Nand Sahu, being the appointee is interested in the aforesaid resolution.

Item No. 5

Sh. Varinder Kumar Dhamija is a non executive director of the company wef 31.03.2011 and in view of the provisions of the Companies Act, 2013 and the Rules framed there under as read with Schedule IV to the Act it is proposed to appoint him as an independent director for a period of five years and that in the opinion of the Board, he fulfilled the conditions specified in this Act for such an appointment. He is a graduate having 35 years of experience in marketing of textile products.

This resolution is put before shareholders to seek their approval by way of a special resolution.

None of the Directors and KMP except Sh. Varinder Kumar Dhamija, being the appointee is interested in the aforesaid resolution.

Item No. 6

As per the provisions of the Companies Act, 2013 there is restriction on powers of Board and the Board can borrow money up to aggregate of the paid-up share capital and free reserves of the company and if borrowing by the company exceeds aggregate of the paid-up share capital and free reserves of the company consent of the shareholders is required by way of Special resolution. During the course of business company may need money beyond the restriction imposed under the Companies Act, 2013.

This resolution is put before shareholders to seek their approval by way of a special resolution. None of the Directors and KMP is interested in the aforesaid resolution.

**By Order of the Board
For LWS Knitwear Limited**

**Sd/-
Girish Kapoor
(Managing Director)
DIN-01870917**

**Date: 30.05.2014
Place: Ludhiana**

CIN – L17115PB1989PLC009315

Name of the company: LWS KNITWEAR LIMITED

Regd. Off.: G.T. Road (West), Ludhiana

Email: info@lwsknitwear.com, website: www.lwsknitwear.com

Tel. No.0161-2744500

This communication forms integral part of Notice of 25th Annual General Meeting

The instructions for members for voting electronically are as under

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting

- through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
 - (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 24th day of September at 9.00 a.m. and ends on 26th day of September, 2014 at 5.00 a.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

LWS KNITWEAR LIMITED

CIN – L17115PB1989PLC009315

Regd. Off.: G.T. Road (West), Ludhiana

Email: info@lwsknitwear.com, website: www.lwsknitwear.com

Tel. No.0161-2744500

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the Hall)

I hereby record my presence at the Twenty- fifth Annual General Meeting of the Company on Tuesday, the 30th September, 2014 at 09.30 a.m. at the registered office of the company situated at G.T. Road (West), Ludhiana.

(Tear Here)

Folio No./DP ID-Client ID :.....

Full Name of the Shareholder in Block Letters :.....

No. of Shares Held :.....

Name of Proxy (if any) in Block Letters :.....

Signature of the Shareholder/Proxy/Representative*

*Strike out whichever is not applicable

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN- L17115PB1989PLC009315

Name of the company: **LWS KNITWEAR LIMITED**

Regd. Off.: G.T. Road (West), Ludhiana

Email: info@lwsknitwear.com, website: www.lwsknitwear.com

Tel. No.0161-2744500

Name of the member (s): Registered address: E-mail Id: Folio No/ Client Id: DP ID:
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I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:....., or failing him

2. Name:

Address:

E-mail Id:

Signature:, or failing him

3. Name:

Address:

E-mail Id:

Signature :.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the company to be held on the 30th day of September, 2014 at 9.30 a.m. at the registered office of the company situated at G.T. Road (West), Ludhiana and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote*	
		For	Against
Ordinary Business			
1.	To consider Annual Accounts for the year ended 31 st March, 2014		
2.	To appoint a Director in place of Sh.Girish Kapoor who retires by rotation		
3.	Appointment of Auditors		
Special business			
4.	Appointment of Sh. Daya Nand Sahoo as an Independent Director		
5.	Appointment of Sh. Varinder Kumar Dhamija as an Independent Director		
6.	Borrowing power in excess of the aggregate of the paid up share capital and free reserves		

Signed this..... day of..... 2014....

Affix Revenue Stamp

Signature of shareholder -----

Signature of Proxy holder(s) -----

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

(Tear Here)

DIRECTOR REPORT

To

The Members,

The Directors of your company have pleasure in presenting the 25th Annual Report together with Audited Accounts of the company for the year ended 31st March 2014.

Financial Results

The financial results of the company are as under

Particulars	(Rs in Lac)	
	2013-14	2012-13
Sales	1372.09	1183.23
Other income	11.03	0.00
Profit before Interest and Depreciation	5.54	4.99
Interest	0.21	0.00
Depreciation	2.27	2.24
Profit after Interest and Depreciation	3.06	2.75
Tax Expense	1.51	1.53
Profit after Tax	1.55	1.22
Transfer to Reserve and Surplus	1.55	1.22

Review of Operations

During the period under report, your company has achieved Sales and Other income of Rs. 1383.12 Lac as compared to Rs. 1183.23 Lac during the previous year with net profit of Rs. 1.55 Lac as compared to Profit of Rs. 1.22 Lac in the previous year.

Material Changes

There are no material changes between the date of balance sheet and that of the date of report.

Dividend

Your directors do not recommend any dividend this year also.

Equity Capital

The Company has only one type of equity share capital.

Holding/Subsidiary

There is no holding and subsidiary company.

Public Deposits

The company has not accepted any deposits during the year and there are no unclaimed or overdue deposits.

Conservation of Energy and Technology Absorption and Foreign Exchange

The information under section 217 (1) e of The Companies Act, 1956 is nil.

Personnel

None of the employee of the company is in receipt of remuneration for whole / part of the year exceeding the limit prescribed under section 217(2 A) of the Companies Act 1956. The company has continued to follow the policy of creating healthy environment and work culture resulting into harmonious inter-personnel relations. The relations with employees remained cordial throughout the year.

Directors

Sh. Daya Nand Sahu (DIN=02216670) and Sh. Varinder Kumar Dhamija (DIN=03500822) are non executive Directors of the Company. It is proposed to appoint both of them as Independent Directors of the Company from September 30, 2014 up to September 29, 2019.” Board recommends their appointment. Sh.Girish Kapoor (DIN=01870917) retires by rotation and being eligible, offers himself for reappointment.

Listing

The securities of the company are listed at Stock Exchange at Bombay, Delhi, Ludhiana and Vadodra. The Company has paid the Listing fees for the financial year 2014-2015 to BSE Limited only.

Auditors

M/s. Rajesh K Sharma and Associates, Chartered Accountants, Ludhiana are statutory auditors of the company for the financial year 2013-14 and hold office up to the conclusion of ensuing Annual General Meeting. It is proposed to reappoint them for a period of three years as per the provisions of Chapter X of The Companies Act, 2013 to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of twenty eighth AGM of the Company to be held in the year 2017. They have given their consent to acts as Auditors of the Company and have further confirmed that their appointment would be in conformity of the provision of Section 139 of The Companies Act, 2013. The audit committee has also recommended their appointment.

The observation of the Auditors in their report read with relevant notes to accounts are self explanatory and therefore, do not require further explanation.

Directors Responsibility Statement

Pursuant to the requirement under section 217 (2AA) of the Companies Act 1956 with respect to Directors Responsibility Statement, it is hereby confirmed that:

1. In the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were 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 or loss of the company for the year under review;
3. 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 ;
4. The Directors have prepared the accounts for the financial year ended 31st March, 2014 on a 'going concern' basis.

Corporate Governance

The Company has complied with the provisions of Clause 49 of listing agreement on Corporate Governance. The report on corporate governance and auditor's certificate regarding compliance with corporate governance form part of the annual report.

Management Discussion and Analysis

Management Discussion and Analysis Report is attached herewith and it forms part of the Directors Report.

Acknowledgements

Your Directors are pleased to place on record their sincere thanks to the Banks for their co-operation and support to the company. Your directors also express their deep appreciation for the devoted and sincere

services rendered by workers, staff and executive at all levels of the operations of the company during the year and we are confident that your company will continue to receive such co-operation from them in future also.

**By Order of the Board
For LWS Knitwear Limited**

**Date: 30.05.2014
Place: Ludhiana**

**Sd/-
Girish Kapoor
(Managing Director)
DIN-01870917**

Report of the Board of Directors on Corporate Governance

The report on Corporate Governance is requirement under Listing Agreement entered into with stock Exchange and forms part of the report of the Board of Directors to the shareholders of the Company. This report gives an insight into the organizational structure of the Company.

Vision and Philosophy on the Code of Governance

The vision of the company is to be a financially sound, profitable, growth oriented company committed to building and maximizing sustainable value for all the shareholders. In its endeavour to attain the goal visualized, the company is laying maximum emphasis on the effective system of Corporate Governance.

Board of Directors

Composition

The present strength of Board of Directors of the Company is three comprising of one promoter director and two independent directors having diversified professional experience. Only one director is whole time director in the Company. Chairman of the company is executive. The composition of board of directors is as below:-

The particulars relating to the Directors as on 31.03.2014 are given below:-

S. No.	Name	Designation	Nature of Directorship
1.	Sh.Girish Kapoor	Managing Director	Promoter / Executive
2.	Sh. Daya Nand Sahu	Director	Independent / Non Executive
3	Sh.Varinder Kumar Dhamija	Director	Independent / Non Executive

At present no sitting fees is being paid to any director and there are no pecuniary relationships or transactions between the company and independent directors. None of the directors on Board holds the office of directors in more than fifteen Companies or membership in more than ten committees of the board or chairmanship of more than five committees.

Conduct of Board Meeting

The meetings of the board of directors are held at periodical intervals. The meeting dates are decided well in advance and the agenda papers are circulated sufficiently in advance to the Directors. The Directors have access to all the information about the Company and can suggest for inclusion of any other matter in the agenda for discussion at the Board meetings. The responsibilities, such as policy formulation, performance review and analysis & controls are handled by the Board. The Board has delegated various

powers to the committee of Board of Directors of the Company.

The meetings of the Board are ordinarily required to be held at least once in quarter and five times in a year. During the year, the Board met 5 times on the following dates,

30.04.2013	30.05.2013	31.07.2013	31.10.2013	31.01.2014
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The attendance of Directors at the meetings for the year 2013-14 and directorship in other companies, membership in other companies and Share holding as on 31-03-2014 is furnished below

S. No.	Name of Director	No. of Board Meeting attended.	Nos of other Directorship	Membership in other Committees	Share holding as on 31-03-2014
1	Sh.Girish Kapoor	5	2	--	774700
2	Sh.Daya Nand Sahu	5	2	--	
3	Sh.Varinder Kumar Dhamija	1	--	--	

The following Directors attended the last Annual General Meeting held on 30.09.2013.

1. Sh.Girish Kapoor 2. Sh.Daya Nand Sahu

Committees of the Board of Directors

The Board constituted the following committees:

1. Audit Committee to oversee audit functions of the Company.
2. Shareholders'/Investors' Grievances Committee to look into the redressal of shareholders/investors' Grievances.
3. Remuneration Committee

The minutes of each Committee are placed before the Board of Directors at their subsequent meeting.

Audit Committee

Audit committee consists of three directors and two of them are independent and non-executive directors. Five meetings of Audit Committee were held in the year under consideration. The detail of members and their attendance is as under

Name of Directors	Category	Designation	Nos. of meetings attended
1. Sh. Daya Nand Sahu	Non-Executive and Non Promoter	Chairman	5
2. Sh.Girish Kapoor	Executive and Promotor	Member	5
4.Sh.Varinder Kumar Dhamija	Non-Executive and Non Promoter	Member	5

Shareholders/Investors Grievance Redressal Committee

Shareholders/Investors Grievance Committee consists of three directors and two of them are independent and non-executive directors. Two meetings were held to consider all the matters concerning with shareholders. Managing Director is authorized to approve all the share transfers and related matters. The details of members and their attendance is as under:

Name of Directors	Category	Designation	Nos. of meetings attended
1. Sh. Daya Nand Sahu	Non-Executive and Non Promoter	Chairman	2
2. Sh.Girish Kapoor	Executive and Promotor	Member	2
3.Sh.Varinder Kumar Dhamija	Non-Executive and Non Promoter	Member	2

Remuneration of directors

There is no pecuniary relationship or transaction of the company with its independent directors and no commission is paid to them. Sh. Girish Kapoor, Managing Director is paid monthly Remuneration.

Remuneration Committee

Remuneration Committee consists of three directors and two of them are independent and non-executive directors. No meeting of Committee was held in the year under consideration. The details of members is as under:

Name of Directors	Category	Designation
1. Sh. Daya Nand Sahu	Non-Executive and Non Promoter	Chairman
2. Sh. Girish Kapoor	Executive and Promoter	Member
3. Sh. Varinder Kumar Dhamija*	Non-Executive and Non Promoter	Member

Compliance Officer

Sh. Daya Nand Sahu, Director of the company has been appointed as Compliance officer for the purpose of complying with various provisions of the Guidelines, Regulations issued by Securities & Exchange Board of India and Listing Agreement with stock exchanges.

Common Agency/Share Transfer Agent:

The Company has appointed M/s Beetal Financial & Computer Services Private Ltd, New Delhi as Common Agency for Share Transfer work in both modes physical as well as electronically. Following is the address of Transfer Agent:

M/s Beetal Financial & Computer Services Pvt Ltd.

Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Center, Near Data Harsukhdas Mandir, New Delhi- 110062, Ph.: 011-29961281/82, Fax: 011-29961284

Share holders complaints

Opening Balance=Nil, Received=Nil, Settled=Nil, Closing Balance=Nil

No shareholders complaint and no share transfers are pending with the company.

General Body Meetings

Detail of last 3 Annual General Meetings are given here below:-

Financial Year	Date	Time	Venue
2010-11	30.09.2011	9.30 a.m.	Regd. Office
2011-12	29.09.2012	11 a.m.	Regd. Office
2012-13	30.09.2013	9.30 a.m.	Regd. Office

Special Resolutions:

Detail of Special Resolutions were passed in the past 3 Annual General Meetings is as under:

Date of AGM	Special Resolution
30.09.2011	Nil
29.09.2012	Nil
30.09.2013	Nil

Communication to Shareholders

Company provides information relating to the company mainly through the annual reports which includes

the Directors report, audited accounts, cash flow statements etc. The shareholders are also intimated the quarterly, and yearly and annual performances through intimation to stock exchanges.

General Information to Shareholders

Listing on Stock Exchanges:

The shares of the company are listed on BSE Limited, Mumbai, the Delhi Stock Exchange, the Ludhiana Stock Exchange and the Vadodara Stock Exchange. Annual Listing fee for the year 2013-14 has been paid to BSE Limited only.

25th Annual General Meeting

Date: 30.09.2014

Time: 9.30 AM

Venue: G T Road (West), Ludhiana

Financial Year - 2013-14

Date of Book Closure- 29-09-2014 - 30-09-2014 (Both Days inclusive)

Distribution of share holding of the company as on 31.03.2014 –Category wise

S. No.	Category	No. of Shares Held	% of shareholders
1.	Promoter	2925100	58.82
2.	Indian Public	2133300	42.18
	Total	5058400	100.00

Dematerialisation of Shares and Liquidity

The Company has ensured connectivity with NSDL/CDSL for dematerialization of shares. The ISIN Number is INE281M01013. The Shares of the company were traded at BSE Limited only and 52 week high and low share prices are as under-

High =Rs. 4.90 and Low= Rs. 4.24.

Address for Correspondence

Followings are addresses for correspondence:

Registered Office/ Plant Location/ Address for Corespondence

LWS Knitwear Ltd, G.T. Road (West), Near Chand Cinema, Ludhiana, Punjab, 141008

Brief Profile of Directors Seeking Appointment/ Reappointment

The information of Directors seeking appointment or reappointment

Particulars	Varinder Kumar Dhamija	Daya Nand
Date of birth	13.08.1956	30.06.1963
Date of appointment	31.03.2011	31.06.2008
Qualification	BA	B.com
Area of expertise	Marketing	Finance
Directorship in other Companies	NIL	1.LWS Exports Ltd. 2.Gee Key knitwear Pvt.Ltd.
Membership on other Committees	NIL	NIL
Shareholding	NIL	NIL

Non –Mandatory Requirements**1. Chairman Office**

Chairman of the Company is Executive Director and the company is not required to maintain separate office for chairman.

The Company has constituted a remuneration committee.

CEO declaration on Code of Conduct

The Board of Directors of the company has laid down Code of Conduct for the Company Directors and Senior Employees. All the Directors and the senior Employees covered by the code affirm compliance with the Code on an annual basis.

Certificate of Compliance of Code of Conduct by Board of Directors and Senior Management Personnel

This is to certify that Board of Directors and the Senior Management Personnel have affirmed Compliance of the Code of Conduct applicable to them during the year ended 31st March, 2014.

CEO & CFO Certification Under Clause 41 & 49(v) of the listing Agreement to be placed before the Board along with Audited Annual Accounts for the year ended 31st March, 2014

It is hereby certified that;

- 1) We have reviewed financial statements and the cash flow for the year and that to the best of our knowledge and belief;
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or volatile to the company Code of Conduct.
- 3) 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 we 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.
- 4) We have indicated to the auditors and the Audit committee:
 - a) Significant changes in internal control over financial reporting during the year if any;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements if any;
 - c) There were no instances of fraud of which they have become aware and the involvement their in , if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For LWS Knitwear Limited

Date: 30.05.2014
Place: Ludhiana

Sd/-
Girish Kapoor
(Managing Director)
DIN-01870917

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**1. Industry structure and development**

Ludhiana is a leading producer of woolen and acrylic garments. The industry caters largely to domestic market, it is also exporting hosiery goods which is around 10% of total production. Main export markets till early 1990s; it was former USSR and Middle East and now in recent years it has expanded to other markets in Europe and USA.

2. Opportunities and threats

The company is engaged in the manufacture of woolen garments which is a consumer product and has a ready market in India and abroad. However, the company faces competition from other manufactures.

3. Segment wise or product wise performance

The company suffered losses in past some years and there were some financial constraints which led to the closure of production. However, company has come out of all the constraints and it has paid all the loans and the company is now debt free .

4. Outlook

Company is all set to export readymade garments and it is expected to earn good profits in the coming years.

5. Risks and concern

Management does not foresee any significant risk to the industry.

6. Internal control systems and their adequacy.

The company has a qualified and independent audit committee which reviews the adequacy of internal controls.

7. Discussion on financial performance with respect to operational performance.

The gross block of assets of the company stood at Rs. 19.37 crore and net worth of the company is Rs. 9.36 crore as at 31.03.2014.

8. Human Resources

The Company provides a fair and equitable work environment to all its employees. The Company is continuously working to create an atmosphere which is highly motivated and result oriented.

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To,

We have examined the compliance of conditions of corporate governance by M/s LWS Knitwear Limited for the year ended 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination is limited to a review of the procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance as stipulated in the said clause. 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that, no investor grievances were pending for a period exceeding one month against the Company as per the records maintained by the shareholders/Investor Grievance Committee, other than those which are a subject matter of litigation.

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 K. Sharma & Associates,
Chartered Accountants
Sd/
(Rajesh Sharma)**

Place: Ludhiana

Dated: 30.05.2014

**Partner
Membership No. 092948
(Firm Registration No. 013867N)**

INDEPENDENT AUDITOR'S REPORT

The Shareholder
M/s. LWS KNITWEAR LTD,
G.T.ROAD (WEST),
LUDHIANA

REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of M/s. LWS KNITWEAR LIMITED, G.T. ROAD (WEST), LUDHIANA which comprise the Balance Sheet as at 31.03.2014, the statement of Profit & Loss Account & Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for 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 Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014;
- (ii) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. 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;
 - b. 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;
 - c. the balance sheet, statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the balance sheet, statement of profit and loss and cash flow statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. ; and
 - e. on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**FOR RAJESH K. SHARMA & ASSOCIATES
CHARTERED ACCOUNTANTS**

Date : 30.05.2014

Place : Ludhiana

**Sd/-
(RAJESH SHARMA)
PARTNER**

ANNEXURE TO THE INDEPENDENT AUDIT REPORT FOR THE YEAR ENDING 31.03.2014.

Referred to in Paragraph 1 under the heading of “report on other legal and regulatory requirements” of our report of even date

- (1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets, which are in process of up-dation/completion.
- (b) As explained to us, the fixed assets have been physically verified by the management according to the phased programme. Pursuant to programme, physical verification of the fixed assets was carried out during the period by the management and discrepancies noticed were not material.
- (c) No Substantial part of the fixed assets has been disposed during the year.
- (2) (a) The inventories have been physically verified by the management during the year at reasonable intervals.
- (b) In our opinion and according to the information & explanations given to us, the proceeds of physical verification followed by the management are reasonable and adequate in relation to the size of the company and nature of the business.
- (c) The company has maintained stock records of inventories and discrepancies noticed on physical verification were not material.
- (3) (a) The Company has not taken any loans (secured or unsecured) from Shareholders/other parties covered under Section 301 of the Companies Act, 1956. The company has not granted loans to companies, firms and other parties covered under section 301 of the Act.
- (b) N.A.
- (c) N.A.
- (d) There is no overdue amount in respect of loans taken by the company.
- (4) In our opinion and according to information provided to us, there are adequate internal control procedures commensurate with the size of the company and nature of the business for the purchase of the inventory and fixed assets of the company and for the sale of the goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
- (5) (a) According to the information and explanation given to us and audit in accordance with generally accepted auditing practices, in our opinion, the transactions that need to be entered into the register in pursuance of section 301 of the Act have been so entered.
- (b) In our opinion and according to information and explanations given to us, the transactions with parties as stated in para 5(a) above, with whom transactions exceeding Rs.5,00,000/- have been entered into during the financial year are at prices which are reasonable having regard to the prevailing market prices at the relevant time.

M/S. LWS KNITWEAR LTD.
G.T.ROAD(WEST), LUDHIANA.
(CIN L17115PB1989PLC009315)

BALANCE SHEET AS AT 31ST MARCH, 2014

(AMOUNT IN RS.)

Particulars	NOTE NO.	AS AT 31.03.2014	AS AT 31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	50584000.00	50584000.00
(b) Reserves and Surplus	2	43059919.83	43469751.02
(c) Money received against share warrants		0.00	0.00
(2) Share application money pending allotment		0.00	0.00
SUB TOTAL (A)		93643919.83	94053751.02
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	7875000.00	7875000.00
(b) Deferred tax liabilities (Net)		0.00	0.00
(c) Other Long term liabilities		0.00	0.00
(d) Long term provisions		0.00	0.00
SUB TOTAL (B)		7875000.00	7875000.00
(4) Current Liabilities			
(a) Short-term borrowings		0.00	0.00
(b) Trade payables	4	91915950.00	71158533.00
(c) Other current liabilities	4	123818.89	103510.89
(d) Short-term provisions	4	151120.00	153070.00
SUB TOTAL (C)		92190888.89	71415113.89
TOTAL (A+B+C)		193709808.72	173343864.91
II.ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	5	1799130.26	1936474.26
(ii) Intangible assets		0.00	0.00
(iii) Capital work-in-progress		0.00	0.00
(iv) Intangible assets under development		0.00	0.00
(b) Non-current investments	6	76452978.68	79874200.28
(c) Deferred tax assets (net)		56165.06	56165.06
(d) Long term loans and advances	7	4300000.00	4300000.00
(e) Other non-current assets	8	20127516.00	20337108.00
SUB TOTAL (D)		102735790.00	106503947.60
(2) Current assets			
(a) Current investments		0.00	0.00
(b) Inventories	9	2011489.00	28441.00
(c) Trade receivables	9	88538768.00	53099871.00
(d) Cash and cash equivalents	9	326737.54	13702848.31
(e) Short-term loans and advances		0.00	0.00
(f) Other current assets	9	97024.18	8757.00
SUB TOTAL (E)		90974018.72	66839917.31
TOTAL (D+E)		193709808.72	173343864.91

SIGNIFICANT ACCOUNTING POLICES AND NOTES TO THE ACCOUNTS

NOTE NO - 1 TO 18

As per our Report of even date attached

for Rajesh K. Sharma & Associates
Chartered Accountants

For LWS Knitwear Limited

(Rajesh Kumar Sharma)
Partner
Date : 30.05.2014
Place : Ludhiana

(Girish Kapoor)
Mg. Director
DIN - 01870917

(Daya Nand)
Director
DIN -02216670

M/S. LWS KNITWEAR LTD.

G.T.ROAD(WEST), LUDHIANA.

(CIN L17115PB1989PLC009315)

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014 (AMOUNT IN RS.)

Particulars	NOTE NO.	CURRENT YEAR	PREVIOUS YEAR
REVENUE			
I. Revenue from operations (Net of Taxes)	10	137208596.00	118322989.00
II. Other Income	11	1103335.58	13.48
Total Revenue (I +II)		138311931.58	118323002.48
EXPENSES			
Cost of materials consumed	12	138428722.00	116700582.00
Purchase of Stock-in-Trade		0.00	0.00
Changes in inventories of FG/SIP/SIT	13	-1983048.00	-19691.00
Employee benefit expense	14	624448.00	373640.00
Financial costs	15	20747.00	1483.00
Depreciation and amortization expense	16	227221.00	224489.00
Other expenses	17	687708.77	767795.56
Total Expenses (IV)		138005798.77	118048298.56
V. Profit before exceptional and extraordinary items	(III - IV)	306132.81	274703.92
VI. Exceptional Items		0.00	0.00
VII. Profit before extraordinary items and tax (V - VI)		306132.81	274703.92
VIII. Extraordinary Items		0.00	0.00
IX. Profit before tax (VII - VIII)		306132.81	274703.92
X. Tax expense:			
(1) Current tax		151120.00	153070.00
(2) Deferred tax		0.00	0.00
XI. Profit from the period from continuing operations		155012.81	121633.92
XII. Profit/(Loss) from discontinuing operations		0.00	0.00
XIII. Tax expense of discounting operations		0.00	0.00
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		0.00	0.00
XV. Profit/(Loss) for the period (XI + XIV)		155012.81	121633.92
Less Previous Year Tax Adjustments		564844.00	7220.00
Add Depreciation Adjustments		0.00	0.00
Profit B/F		41469751.02	41355337.10
Balance C/F to Balance Sheet		41059919.83	41469751.02
XVI. Earning per equity share:			
(1) Basic		0.03	0.02
(2) Diluted		0.03	0.02

SIGNIFICANT ACCOUNTING POLICES AND NOTES TO THE ACCOUNTS

NOTE NO - 1 TO 18

As per our Report of even date attached

for **Rajesh K. Sharma & Associates**For **LWS Knitwear Limited**

Chartered Accountants

(Rajesh Kumar Sharma)

Partner

Date : 30.05.2014

Place : Ludhiana

(Girish Kapoor)

Mg. Director

DIN - 01870917

(Daya Nand)

Director

DIN -02216670

M/S. LWS KNITWEAR LTD.**G.T.ROAD(WEST), LUDHIANA.****(CIN L17115PB1989PLC009315)****NOTE NO. - I****DETAIL OF SHARE CAPITAL**

PARTICULARS	AS AT 31.03.2014 (RS.)	AS AT 31.03.2013 (RS.)
<u>AUTHORISED</u>		
55,00,000 (P.Y. 55,00,000) Equity Shares of Rs. 10/- (Rupees Ten) each	55000000.00	55000000.00
<u>ISSUED,SUBSCRIBED AND PAID UP</u>		
50,58,400(P.Y 50,58,400) Equity Shares of Rs. 10/- (Rs. Ten) each fully paid up.	50584000.00	50584000.00
TOTAL	50584000.00	50584000.00
Share Capital (Opening)	50584000.00	50584000.00
Addition during the year	0.00	0.00
Share Capital (Closing)	50584000.00	50584000.00

MAJOR SHARE HOLDERS OF THE COMPANY HAVING STAKE OF MORE THAN 5%.

Sh. Girish Kapoor - 774700 Equity shares
 Smt. Kusum Kapoor - 2059900 Equity shares

DEATIL OF RESERVE & SURPLUS**NOTE NO. - 2**

PARTICULARS	AS AT 31.03.2014 (RS.)	AS AT 31.03.2013 (RS.)
Profit & Loss	41059919.83	41469751.02
Share Premium	2000000.00	2000000.00
TOTAL	43059919.83	43469751.02

NOTE NO. - 3**DEATIL OF LONG TERM BORROWINGS**

PARTICULARS	AS AT 31.03.2014 (RS.)	AS AT 31.03.2013 (RS.)
A. SECURED BORROWINGS FROM BANKS AND FIs	0.00	0.00
<u>B. FROM OTHERS</u>		
Unsecured Borrowings from Directors	0.00	0.00
Unsecured Borrowings from Shareholders	0.00	0.00
Unsecured Borrowings from Corporates	7875000.00	7875000.00
TOTAL	7875000.00	7875000.00

M/S. LWS KNITWEAR LTD.

G.T.ROAD(WEST), LUDHIANA.

(CIN L17115PB1989PLC009315)

NOTE NO. - 4**DETAIL OF TRADE PAYABLES & OTHER CURRENT LIABILITIES**

PARTICULARS	AS AT 31.03.2014 (RS.)	AS AT 31.03.2013 (RS.)
<u>TRADE PAYABLES</u>		
Sundry Creditors	91353320.00	71158533.00
Sundry Creditors for Capital Goods	0.00	0.00
Advance from Customers	562630.00	0.00
SUB TOTAL (A)	91915950.00	71158533.00
<u>OTHER CURRENT LIABILITIES</u>		
Payable Expenses	123818.89	103510.89
SUB TOTAL (B)	123818.89	103510.89
<u>DETAIL OF SHORT TERM PROVISIONS</u>		
Provision for Income tax	151120.00	153070.00
SUB TOTAL (C)	151120.00	153070.00
TOTAL (A+B+C)	92190888.89	71415113.89

M/S. LWS KNITWEAR LTD.
G.T.ROAD(WEST), LUDHIANA.
(CIN L17115PB1989PLC009315)

PARTICULARS	COST AS ON 01.04.2013	ADDITION	SALE/ TRANSFER	TOTAL COST OF ACQUISITION	DEPRECI- -TION UPTO 01.04.2013	DEPRECI- ATION FOR THE YEAR	ADJUST- MENTS /SALE	TOTAL DEPRECI- ATION	W.D.V AS ON 31.03.14	W.D.V AS ON 31.03.13
<u>PLANT & MACHINERY</u>										
Machinery	4438148.50	0.00	0.00	4438148.50	3319637.92	210812.00	0.00	3530449.92	907698.58	1118510.58
Machinery under Installation	733055.00	24500.00	0.00	757555.00	0.00	0.00	0.00	0.00	757555.00	733055.00
A	5171203.50	24500.00	0.00	5195703.50	3319637.92	210812.00	0.00	3530449.92	1665253.58	1851565.58
<u>MISC. ASSETS</u>										
Computers	16700.00	0.00	0.00	16700.00	5414.07	2707.00	0.00	8121.07	8578.93	11285.93
Furniture & Fixture	94915.20	0.00	0.00	94915.20	68030.25	6008.00	0.00	74038.25	20876.95	26884.95
Office Equipments	78651.87	65377.00	0.00	144028.87	55262.57	6468.00	0.00	61730.57	82298.30	23389.30
Water Coller	25800.00	0.00	0.00	25800.00	2451.50	1226.00	0.00	3677.50	22122.50	23348.50
B	216067.07	0.00	0.00	281444.07	131158.39	16409.00	0.00	147567.39	133876.68	84908.68
A+B	5387270.57	89877.00	0.00	5477147.57	3450796.31	227221.00	0.00	3678017.31	1799130.26	1936474.26

M/S. LWS KNITWEAR LTD.

G.T.ROAD(WEST), LUDHIANA.

(CIN L17115PB1989PLC009315)

NOTE NO. - 6**DEATIL OF NON CURRENT INVESTMENTS**

PARTICULARS	AS AT 31.03.2014 (RS.)	AS AT 31.03.2013 (RS.)
<u>TRADE INVESTMENTS</u>	0.00	0.00
<u>OTHER INVESTMENTS</u>		
<u>INVESTMENT IN EQUITY SHARES</u>	0.00	0.00
- (i) Subsidiaries/associates/joint ventures/controlled		
- (ii) Others (Quoted at cost)		
M/s. Riba Textile Limited	3000000.00	3000000.00
M/s. Sportking India Limited	300000.00	300000.00
<u>INVESTMENT IN PARTNERSHIP FIRMS</u>		
- LWS Knitwear (Associate Concern)	73152978.68	76574200.28
TOTAL	76452978.68	79874200.28

NAME OF THE PARTNERS IN LWS KNITWEAR (PARTNERSHIP CONCERN)**SHARE****CAPITAL AS
AT 31.03.14**

LWS Knitwear Limited	80.00%	73152978.68
Girish Kapoor	10.00%	-2978122.20
Gopal Kapoor	10.00%	2305801.31

NOTE NO. - 7**LONG TERM LOANS & ADVANCES**

PARTICULARS	AS AT 31.03.2014 (RS.)	AS AT 31.03.2013 (RS.)
(Unsecured considered Good)		
Advance against Capital Goods	0.00	0.00
Security Deposits	0.00	0.00
Loans & Advances to Related Parties	0.00	0.00
Other Loans & Advances	4300000.00	4300000.00
TOTAL	4300000.00	4300000.00

M/S. LWS KNITWEAR LTD.

G.T.ROAD(WEST), LUDHIANA.

(CIN L17115PB1989PLC009315)

NOTE NO. - 8

DETAIL OF OTHER NON CURRENT ASSETS

PARTICULARS	AS AT	AS AT
	31.03.2014	31.03.2013
	(RS.)	(RS.)
Preliminary Expenses	0.00	0.00
Pre-Operative Exp. Pending for Capitalisation	0.00	0.00
<u>LONG TERM TRADE RECEIVABLES (Considered Doubtful)</u>		
Debtors outstanding exceeding one year	20127516.00	20337108.00
TOTAL	20127516.00	20337108.00

DETAILS OF CURRENT ASSETS

NOTE NO. - 9

PARTICULARS	AS AT	AS AT
	31.03.2014	31.03.2013
	(RS.)	(RS.)
<u>INVENTORIES</u>		
Raw Material	0.00	0.00
Stock in Process	0.00	0.00
Finished Goods	2002739.00	19691.00
Stores & Spares	8750.00	8750.00
SUB TOTAL (A)	2011489.00	28441.00
<u>TRADE RECEIVABLES</u>		
(Secured & considered good)		
Less than 6 months	88538768.00	53099871.00
more than 6 months but less than 1 year	0.00	0.00
SUB TOTAL (B)	88538768.00	53099871.00
<u>CASH & CASH EQUIVALENTS</u>		
Cash in Hand	299725.46	542482.46
Balance with Schedule Banks.	27012.08	13160365.85
Margin Money FDRs (Maturity Less than 12 months)	0.00	0.00
Margin Money FDRs (Maturity more than 12 months)	0.00	0.00
SUB TOTAL (C)	326737.54	13702848.31
<u>SHORT TERM LOANS & ADVANCES</u>		
(Secured and considered good)		
- Loans & Advances to related parties	0.00	0.00
- Loans & Advances to others		
Advances to Suppliers	0.00	0.00
SUB TOTAL (D)	0.00	0.00
<u>OTHER CURRENT ASSETS</u>		
Duties & Taxes	97024.18	8757.00
Misc. receivables	0.00	0.00
SUB TOTAL (E)	97024.18	8757.00
TOTAL	90974018.72	66839917.31

M/S. LWS KNITWEAR LTD.
G.T.ROAD(WEST), LUDHIANA.
(CIN L17115PB1989PLC009315)

NOTE NO. - 10

DETAIL OF REVENUE FROM OPERATIONS DURING THE YEAR ENDED 31.03.2014

PARTICULARS	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
Sales of Products	137208596.00	118322989.00
Sale of Services	0.00	0.00
Sale of Licences	0.00	0.00
	137208596.00	118322989.00
Less Taxes	0.00	0.00
Net Revenue	137208596.00	118322989.00

NOTE NO. - 11

DETAIL OF INCOME FROM OTHER SOURCES DURING THE YEAR ENDED 31.03.2014

PARTICULARS	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
Rebate & Discount	65.18	13.48
Rounded Off	0.00	0.00
Freight & Cartage	0.00	0.00
Refund from Customs	1009156.00	0.00
Profit from Partnership Firm	94114.40	0.00
	1103335.58	13.48

NOTE NO. - 12

DETAIL OF COST OF MATERIAL CONSUMED DURING THE YEAR ENDED 31.03.2014

PARTICULARS	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
Opening Stock of Raw Material	0.00	0.00
Add Purchases	138393875.00	116696262.00
Less Closing Stock of Raw Material	0.00	0.00
Less Taxes	0.00	0.00
Raw Material Consumed	138393875.00	116696262.00
Labels & Tags	25768.00	4320.00
Packing Material	9079.00	0.00
TOTAL	138428722.00	116700582.00

M/S. LWS KNITWEAR LTD.
G.T.ROAD(WEST), LUDHIANA.
(CIN L17115PB1989PLC009315)

NOTE NO. - 13**DETAIL OF INCREASE/DECREASE IN STOCKS DURING THE YEAR ENDED 31.03.2014**

PARTICULARS	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
OPENING STOCK OF		
- STOCK OF FINISHED GOODS	19691.00	0.00
- STOCK OF WORK IN PROCESS	0.00	0.00
- STOCK OF STOCK-IN-TRADE	0.00	0.00
TOTAL	19691.00	0.00
CLOSING STOCK OF		
- STOCK OF FINISHED GOODS	2002739.00	19691.00
- STOCK OF WORK IN PROCESS	0.00	0.00
- STOCK OF STOCK-IN-TRADE	0.00	0.00
TOTAL	2002739.00	19691.00
INCREASE/DECREASE IN STOCKS	-1983048.00	-19691.00

NOTE NO. - 14**DETAIL OF EMPLOYEE BENEFIT EXPENSES DURING THE YEAR ENDED 31.03.2014**

PARTICULARS	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
Salary & Allowances	615853.00	372000.00
Staff & Labour Welfare Expenses	8595.00	1640.00
TOTAL	624448.00	373640.00

NOTE NO. - 15**DETAIL OF FINANCIAL COST DURING THE YEAR ENDED 31.03.2014**

PARTICULARS	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
Bank Charges	5127.00	1483.00
Bank Interest	15620.00	0.00
TOTAL	20747.00	1483.00

M/S. LWS KNITWEAR LTD.

G.T.ROAD(WEST), LUDHIANA.

(CIN L17115PB1989PLC009315)

NOTE NO. - 16DETAIL OF DEPRECIATION AND AMORTIZATION EXPENSES DURING THE YEAR ENDED 31.03.2014

PARTICULARS	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
Depreciation	227221.00	224489.00
Preliminary Expenses W/Off	0.00	0.00
TOTAL	227221.00	224489.00

NOTE NO. - 17DETAIL OF OTHER EXPENSES DURING THE YEAR ENDED 31.03.2014

PARTICULARS	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
Auditor's Remuneration - Audit Fees	15000.00	15000.00
Advertisement Expenses	83729.00	87806.00
Conveyance Expenses	12800.00	7600.00
Directors Remuneration & Perquisites	240000.00	240000.00
Entertainment Expenses	2870.00	523.00
Fees & Taxes	68614.00	79534.00
Director's Meeting Expenses	12000.00	10000.00
Mics.Exp.	1730.00	560.00
Postage & Courier Expenses	3209.00	4915.00
Printing & Stationery	34500.00	40638.00
Legal & Professional Expenses	91386.00	115910.00
Telephone Expenses	85638.77	96983.96
Tour & Travelling Expenses	23478.00	19100.00
Vehicle Repair & Maintenance	12754.00	8200.00
Loss from Partnership Concern	0.00	41025.60
TOTAL	687708.77	767795.56

**M/S. LWS KNITWEAR LTD.
G.T.ROAD(WEST), LUDHIANA.
(CIN L17115PB1989PLC009315)**

NOTES ON ACCOUNTS.**A. SIGNIFICANT ACCOUNTING POLICIES:****NOTE NO. 18****GENERAL**

- (i) These accounts are prepared on the historical cost basis and on the accounting principles of going concern.
- (ii) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles and mandatory Accounting Standards.

REVENUE RECOGNITION

Expenses and incomes considered payable and receivable respectively are accounted for on accrual basis.

FIXED ASSETS.

The Fixed assets are stated at Historical Cost less depreciation.

DEPRECIATION

Depreciation on fixed assets has been provided as per SLM Method of Companies Act 1956.

METHOD OF ACCOUNTING

The company has adopted mercantile system of accounting.

VALUATION OF INVENTORIES

Store & Spares are valued and certified by the management. As per their views the stocks are valued at cost or net realisable value whichever is low.

PROVISION FOR CURRENT TAX AND DERERRED TAX

Provision for current tax has been made as per the prevailing income tax rates and Provision for Deferred Tax Assets has been calculated in terms of newly issued accounting standard interpretation (ASI) No-5 along with ASI-3 and AS-22 issued by the ICAI.

B. OTHER NOTES

- 1) The company has not made any provision for gratuity as none of the employees is eligible for gratuity as per the information provided. The rules of Provident Fund and ESI act is not applicable on the company; hence the company has not deducted and deposited any ESI and Provident Fund on behalf of its employees, hence AS-15 is not applicable on the company.
- 2) The company has not acquired any fixed assets on which it has availed any loan from the banks, hence the capitalization of the borrowing costs as stated under AS-16 is not applicable on the company.(AS-16).
- 3) Investments as shown in the balance sheet are at cost. Their present market values are not ascertainable. The company has not received any dividend, interest or rent from the companies in which it had made investments. The company has received share of profit/Loss from M/s. LWS Knitwear, a partnership concern in which the company is one of the partner. (AS-13).

- 4) The company has not made any foreign currency transactions during the year, hence AS-11 is not applicable on the company.
- 5) The company has made investments in LWS Knitwear, a partnership concern and Sh. Girish Kapoor, Mg. Director of the company is one of the partners.
- 6) The company has not received any grant or subsidy form Government of India during the year.
- 7) The company is a partner in LWS Knitwear. The information required by the Schedule VI of the Companies Act, 1956 in this regard is given as below :

During the year under reference the Company's share in the Profit/Loss from the firm was as under

NAME OF THE PARTNER	AS AT 31.03.2014	AS AT 31.03.2013
Sh. Girish Kapoor	10%	10%
Sh. Gopal Kapoor	10%	10%
LWS Knitwear Limited	80%	80%

- 8) At the time of audit only test check has been made to check the records.

	2013-14	2012-13
9) Auditors Remuneration		
Audit Fees	5000/-	5000/-
Tax audit Fees	5000/-	5000/-
Misc. Services	5000/-	5000/-

(Rs.in Lacs)

For the Year ended at

	31st March 2014	31 st March 2013
10) Contingent liabilities not provided for	Nil	Nil
11) Estimated amount of contracts remaining to be executed on capital account.	Nil	Nil
12) Remuneration including benefits to Managing Director & Director.	2.40	2.40
13) Impact of Prior period items on profit is as under:-	(Rs. In Lacs)	
Particulars	2013-14	2012-13
Pre-Tax Profit after adjustment of prior period items	3.06	2.74
Add Prior Period Expenses	0.00	0.00
Less Prior period incomes	0.00	0.00
Net Profit before Prior Period Items	3.06	2.74
14) Additional information pursuant to paragraph 3,4C and 4D of part of the Schedule VI of the Companies Act, 1956 is as under:		
	Current Year	Previous Year
a) Licenced, Installed Capacity & Actual Production;		
Licenced Capacity	N.A.	N.A.
Installed Capacity (Certified by Directors of the Co.)	1000 pcs per day	
Actual Production	Nil	Nil
b) Value of imported and indigenous raw material & spares parts consumed.		

i)	Raw Material		
	Imported	0.00	0.00
	Indigenous	1383.94	1166.96
ii)	Store & Spare		
	Imported	0.00	0.00
	Indigenous	0.00	0.00
c)	Value of imports on CIF basis.		
	Raw Material	Nil	Nil
	Capital Goods	Nil	Nil
d)	Expenditure in foreign currency	Nil	Nil
f)	Break up of expenditure incurred on employees in receipt of remuneration amounting to Rs. 2400000 or more if employed for full year or Rs. 200000 or more per month if employed for part of the year.	Nil	Nil
15)	Disclosure of related parties/related party transactions.		
a)	Names of the related parties :	M/s. LWS Knitwear M/s. LWS Exports Limited M/s. Gee Kay Knitwear (P) Ltd. M/s ABC Inc.	
b)	Key Management personnels :		
	Sh. Girish Kapoor :	Director	
	Sh. Daya Nand :	Director	
	Sh. Varinder Kumar Dhamija :	Director	
		(Rs. In Lacs)	
b)	Disclosure of related party :	Associated Concerns	Key Mgt. Personnel
	Sale of Material and Services	ABC Inc.	124.41
c)	Outstanding Balances as at 31.03.2014		
	UNSECURED LOANS		
	Associate Concerns :	Rs. Nil	
	Key Management Personnel :	Rs. Nil	
	Other related Parties :	Rs. Nil	

16) **SEGMENT REPORTING**

The company is only in one line of business activity namely textile and selling its products with in India only. It has not earned or paid any foreign exchange during the FY 13-14, hence AS-17 is not applicable on the company.

17) Earning Per Share as required under Accounting Standard 20:

	2013-14	2012-13
Profit/(Loss) for the year	1.55	1.15
Weighted average number of Equity Shares (Number in Lacs)	50.58	50.58
Basic earning per share (Rs.)	0.03	0.02
Diluted earning per share (Rs.)	0.03	0.02

18. MSME COMMENTS

None of our suppliers have come forward with their registration under the MSME Development Act 2006.

19. EQUITY SHARE CAPITAL

AUHTORISED

The company has an Authorised Equity Share Capital of Rs.5.50 crores divided into 55.00 Lacs equity shares of Rs.10/- each.

20. **ISSUED, SUBSCRIBED AND PAID UP**

Issued, Subscribed and paid up equity share capital of the company is Rs. 50584000/- divided in to 5058400 equity shares of Rs.10/- each fully paid-up.

Equity Shares (Opening)	-	5058400
Allotted during the year	-	Nil
Equity Shares Closing	-	5058400

21. **MAJOR SHARE HOLDERS OF THE COMPANY HAVING STAKE OF MORE THAN 5%.**

Sh. Girish Kapoor	-	774700 Equity shares
Smt. Kusum Kapoor	-	2059900 Equity shares

23. **Aggregate Expenditure on (Rs. Lacs)**

- Employees Benefit Expenses		
Salary & Wages	-	6.16
Staff & Labour Welfare	-	0.09
- Depreciation and amortization Expenses	-	2.27
- Interest Income	-	0.00
- Interest Expenses	-	0.00
- Dividend Income	-	0.00
- Net gain/loss on sale of Investments	-	0.00
- Net gain on foreign currency transactions	-	0.00
- Prior Period Items	-	0.00

24. Expenditure incurred on

- Consumption of Stores & Spares	-	0.00
\- Power & Fuel	-	0.00
- Rent	-	0.00
- Repair to buildings	-	0.00
- Repair to Machinery	-	0.00
- Insurance	-	0.00
- Fees & Taxes	-	0.69

25. The company has no unpaid calls and there is no forfeited shares during the year.

for Rajesh K.Sharma & Associates
Chartered Accountants

For LWS KNITWEAR LTD.

(Rajesh Sharma)
Partner

(Girish Kapoor)
Mg. Director
DIN – 01870917

(Daya Nand)
Director
DIN - 02216670

Date : 30.05.2014
Place : Ludhiana

M/S. LWS KNITWEAR LTD.
G.T.ROAD(WEST), LUDHIANA.
(CIN L17115PB1989PLC009315)

The information pursuant to Part IV of Schedule VI to the Companies Act,1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.

I. Registration Details																					
Registration No.		L17115PB1989PLC009315						State Code		1	6										
Balance Sheet Date		3	1	-	0	4	-	1	4												
		Date			Month			Year													
II. Capital Raised during the year (Rs. in Thousand)																					
Public Issue				Right Issue				Bonus Share				Private Placement									
N	I	L		N	I	L		N	I	L		N	I	L							
III. Position of Mobilization & Deployment of Funds (Amount in Rs. Thousand)																					
Total Assets						Total Liabilities															
1	9	3	7	0	9	1	9	3	7	0	9										
Sources of Funds																					
Paid up Capital				Reserve & Surplus				Secured Loans				Unsecured Loans									
5	0	5	8	4	4	3	0	5	9	0	0	0	7	8	7	5					
Application of Funds																					
Current Liabilities				Non Current Assets				Current Assets													
9	2	1	9	1	1	0	2	7	3	5	9	0	9	7	4						
IV. Performance of Company (Amount in Rs. Thousand)																					
Turnover & other Income				Total Expenditure				Profit Before Tax				Profit After Tax									
1	3	8	3	1	1	1	3	8	0	0	5	3	0	6	1	5	5				
Earning per Share				Dividend Rate																	
0	0	0	0	0	0	0	0	0	0	0	0										
V. Generic Name of the Principal Product / Services of the Company (as per Monetary terms)																					
Item Code No. (ITC Code)		6	0	0	2	6	1	1	0												
Product Description		K	N	I	T	T	E	D	C	L	O	T	H								
Item Code No. (ITC Code)		6	0	0	2	0	9	3													
Product Description		H	O	S	I	E	R	Y	G	A	R	M	E	N	T						

FOR RAJESH K. SHARMA & ASSOCIATES
 CHARTERED ACCOUNTANTS

FOR LWS KNITWEAR LTD.

Sd/-
 (RAJESH SHARMA)
 Partner
 Place: Ludhiana
 Date: 30.05.2014

Sd/-
 (GIRISH KAPOOR)
 Managing Director
 DIN No.: 01870917

Sd/-
 (DAYANAND)
 Director
 DIN No.: 02216670

M/S. LWS KNITWEAR LTD.

G.T.ROAD(WEST), LUDHIANA.

(CIN L17115PB1989PLC009315)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.3.2014

PARTICULARS	AMOUNT (RS.)	Year Ended 31.03.2014
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and Extraordinary Items		306132.81
Adjustments for		
a. Depreciation & Amortization Exp. (Adjusted)	227221.00	
b. Interest Paid	15620.00	
c. Interest Received	0.00	
	242841.00	242841.00
Operating Profit Before Working Capital Changes		548973.81
Adjustments for		
a. Increase in inventories	-1983048.00	
b. Increase in Receivables	-35438897.00	
c. Increase in Loan & Advances	0.00	
d. Increase in Other Current Assets	-88267.18	
e. Increase in Current Liabilities & Provisions	20775775.00	
	-16734437.18	-16734437.18
CASH GENERATED FROM OPERATIONS		-16185463.37
a. Interest Paid	-15620.00	
b. Prov. For Taxation	-151120.00	
	-166740.00	-166740.00
Cash Flow Before extraordinary items		-16352203.37
Previous Year Tax Adjustments		-564844.00
Net cash From operating activities		-16917047.37
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets(Net of Sales)	-89877.00	
Increase in Long Term Loans & Advances	0.00	
Increase in Non Current Assets	209592.00	
Increase in Non Current Investments	3421221.60	
Interest Received	0.00	
	3540936.60	3540936.60
Net Cash used in Investing Activities		-13376110.77
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Share Capital & Share Premiums	0.00	
Increase in Dereffered Tax Liability	0.00	
Increase in Long Term Borrowings	0.00	
Increase in Short Term Borrowings	0.00	
	0.00	0.00
Net cash from Financing Activities		0.00
Net Increase(+)/Decrease(-) in Cash and Cash Equiv.		-13376110.77
Cash and Cash equiv. as at 01.04.2013 (Op. Bal.)		13702848.31
Cash and Cash equiv. as at 31.03.2014 (Cl. Bal.)		326737.54

**As per Our Report of Even date attached
for Rajesh K. Sharma & Associates**
Chartered Accountants

For LWS Knitwear Limited

(Rajesh Kumar Sharma)
Partner
Date : 30.05.2014
Place : Ludhiana

(Girish Kapoor)
Mg. Director
DIN No.: 01870917

(Daya Nand)
Director
DIN No.: 02216670

BALLOT PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

CIN: L17115PB1989PLC009315

Name of the Company: L W S Knitwear Limited

Registered office: G.T. Road (West), Ludhiana-141008, Punjab

Email: info@lwsknitwear.com, website: www.lwsknitwear.com

Telephone: 0161-2744500

S. No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./ *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
Ordinary Business				
1.	Approval of annual accounts for the year ended 31.03.2014			
2.	Reappointment of Sh. Girish Kapoor			
3.	Appointment of Auditors			
Special Business				
4.	Appointment of Sh. Daya Nand Sahu as an Independent Director			
5.	Appointment of Sh. Varinder Kumar Dhamija as an Independent Director			
6.	Borrowing Money in excess of the aggregate of the paid up share capital and free reserves			

Place:

Date:

(Signature of the Shareholder)

(BOOK POST)
PRINTED MATTER

To

If undelivered please return to :
LWS KNITWEAR LTD.
Regd. Office: G.T. Road (West),
LUDHIANA (PUNJAB)