

31ST

ANNUAL REPORT

≡ 2019-2020 ≡

LWS KNITWEAR LTD.

CIN No.: L17115PB 1989 PLC 009315

Regd. Office: - G.T. Road (West), Ludhiana-141008 (Punjab)

L W S KNITWEAR LIMITED

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

CIN-L17115PB1989PLC009315, Email- info@lwsknitwear.com website- www.lwsknitwear.com,

Tele- 0161-2780555

NOTICE

Notice is hereby given that the **31st Annual General Meeting** of the Company will be held on **Wednesday, the 30th day of September, 2020 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 Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of **Ms. Genus Magoo (DIN-08453881)**, who retires by rotation and being eligible, offers herself for reappointment.

3. RATIFICATION OF APPOINTMENT OF STATUTORY AUDITORS

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

“**RESOLVED THAT**, appointment of M/s. Rajesh K. Sharma and Associates, Chartered Accountants, Ludhiana, who were reappointed as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of 28th Annual General Meeting up to the conclusion of 33rd Annual General Meeting at such remuneration as may be mutually agreed between the Board of Directors of the Company and the auditors be and is hereby ratified.”

By order of the Board
For **LWS KNITWEAR LIMITED**

Sd/-

GIRISH KAPOOR
MANAGING DIRECTOR
DIN-01870917

DATE: 18.08.2020**PLACE: LUDHIANA****NOTES**

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. The instrument appointing the proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Pursuant to the Section 91 of the Companies Act, 2013 the Register of Members and the Share Transfer Books of the Company shall remain closed from 29th day of September, 2020 to 30th day of September, 2020 (both days inclusive).

3. 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.

4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing and Disclosure Requirements) Regulations, 2015., the Company is pleased to provide members facility to

exercise their votes by electronic means and the business may be transacted through e-voting as per time schedule and as per instructions annexed with the notice.

5. Members are requested to register their e-Mail id with the company or its Registrar or their depository participant to enable the company to send the notices and other reports through email.

6. The Scrutinizer shall within a period of two working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company. The results shall be declared within two working days from the conclusion of the AGM. The results declared along with the report of Scrutinizer shall be placed on the Company's website and the website of CDSL and communicated to the stock exchanges.

7. Explanatory Statement under Section 102 of The Companies Act, 2013 is enclosed herewith.

8. Details of Directors seeking re-appointment/appointment at the forthcoming Annual General Meeting as required under Secretarial Standards-2 on General Meetings and in pursuance of Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is given as an **Attachment** to the notice.

TIME SCHEDULE FOR E-VOTING PROCESS IS GIVEN BELOW

(a) Date and time of commencement of voting through electronic means: **Sunday, September 27, 2020 at 9.00 a. m.**

(b) Date and time of end of voting through electronic means beyond which voting will not be allowed: **Tuesday, September 29, 2020 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) Details of Scrutinizer M/s. Rajeev Bhambari & Associates, Company Secretary in Practice

The e-voting module shall be disabled for voting on **Tuesday**, September 29, 2020 at 5.00 p. m.

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 **cut off(record date) date** as on **23rd September, 2020**.

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER

- (i) The voting period begins on **27th September, 2020 and ends on 29th September, 2020**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Wednesday, 23rd September, 2020**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (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 dematerialised 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 Dematerialised Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>◆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.</p> <p>◆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.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>◆If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach 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 < **LWS KNITWEAR LIMITED**> 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 votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CSDL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from the Google play store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non – Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate(s).
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.com under help section or write an email to helpdesk.evoting@cdslindia.com.

ATTACHMENT

Detail required under SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2

Name	Genus Magoo
Age	39 years
Brief Resume	Appointed as Woman Director
Nature of his expertise in specific functional areas	Business
Date of first appointment on the Board,	22.05.2019
Qualifications	Graduate
Experience	16 years
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	As per Company's policy on appointment of Board members
Last drawn remuneration, if applicable	Nil
Shareholding in the company held either himself or on a beneficial basis for any other persons	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Shri Girish Kapoor, Managing Director
The number of Meetings of the Board attended during the Year	8 (for details please refer to the Corporate Governance Report, forming part of Annual Report 2019-20)
Names of companies in which the person also holds the directorship and the membership/Chairman of Committees of the Board	Nil

By order of the Board
For **LWS KNITWEAR LIMITED**
Sd/-
GIRISH KAPOOR
MANAGING DIRECTOR
DIN-01870917

DATE: 18.08.2020
PLACE: LUDHIANA

PROXY FORM

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

Name of Company	LWS KNITWEAR LIMITED
CIN	L17115PB1989PLC009315
Registered Office	G.T. Road (West), Ludhiana-141008 (Punjab)
Email	info@lwsknitwear.com
website	www.lwsknitwear.com
Tel. No.	0161-2780555

Name of the member (s):	
Registered address:	
E-mail Id:	
Folio No/ Client Id:	
DP ID:	

I/We, being the member (s) of shares of the above named company, hereby appoint-

S.No.	Name	Address	Email address	
1				or failing him
2				or failing him
3				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **31st Annual General Meeting** of the company to be held on **Wednesday, the 30th day of September, 2020 at 9.30 a.m.** at Registered Office of the Company-G.T. Road (West), Ludhiana-141008 (Punjab) and at any adjournment thereof in respect of such resolutions as are indicated below:

S.N.	Resolution	Vote*	
		For	Against
Ordinary Business			
1.	Audited Financial Statements of the Company for the financial year ended 31 st March, 2020		
2.	To appoint a Director in place of Ms. Genus Magoo , who retires by rotation		
3.	Ratification of Appointment of Statutory Auditors		

Signed this..... day of..... 2020

Signature of shareholder -----

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

Affix Revenue Stamp

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.

ATTENDANCE SLIP

Name of the Company	LWS KNITWEAR LIMITED
CIN	L17115PB1989PLC009315
Registered Office-	G.T. Road (West), Ludhiana-141008 (Punjab)
Email	info@lwsknitwear.com
website	www.lwsknitwear.com
Tel. No.	0161-2780555

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

I hereby record my presence at **31st Annual General Meeting** of the company held on **Wednesday**, the **30th day of September, 2020** at **9.30 a.m.** at Registered Office of the Company-G.T. Road (West), Ludhiana-141008 (Punjab)

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

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]

Name of Company	LWS KNITWEAR LIMITED	
CIN	L17115PB1989PLC009315	
Registered Office	G.T. Road (West), Ludhiana-141008 (Punjab)	
Email	info@lwsknitwear.com	
website	www.lwsknitwear.com	
Tel. No.	0161-2780555	
31ST ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON WEDNESDAY, THE 30TH DAY OF SEPTEMBER, 2020 AT 9.30 A.M. AT REGISTERED OFFICE OF THE COMPANY-G.T. ROAD (WEST), LUDHIANA-141008 (PUNJAB)		
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.	Audited Financial Statements of the Company for the financial year ended 31 st March, 2020			
2.	To appoint a Director in place of Ms. Genus Magoo, who retires by rotation			
3.	Ratification of Appointment of Statutory Auditors			

Place:

Date:

(Signature of the Shareholder)

BOARD'S REPORT

TO,
THE MEMBERS OF
LWS KNITWEAR LIMITED
LUDHIANA

The Directors of your company have pleasure in presenting the **31st Annual Report** together with Audited Accounts of the company for the financial year ended **31st March 2020**.

FINANCIAL HIGHLIGHTS

Particulars	Standalone (Rs. In Crores)	
	2019-20	2018-19
Gross Income	29.00	54.37
Profit Before Interest and Depreciation	0.40	0.80
Finance expense	0.06	0.05
Depreciation and Amortization Expenses	0.10	0.10
Profit Before Tax	0.24	0.65
Tax expense	0.07	0.21
Net Profit After Tax	0.17	0.44
Surplus carried to Reserve	0.17	0.44

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company is engaged in the manufacture of hosiery goods/knitted cloth/garments. Board expects the Company to grow in future.

ADOPTION OF IND AS

The Company has adopted Indian Accounting Standards (Ind AS) and Annual Financial Statements for the year ended **31st March, 2020** have been prepared in accordance with the Indian Accounting Standards ("IND AS") as prescribed under the Companies (Indian Accounting Standards) Rules as amended from time to time notified under Section 133 of the Companies Act, 2013.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business activities of the Company.

DIVIDEND

The Board of Directors with the view to conserve the resources of company has not recommending any dividend this year.

AMOUNTS TRANSFERRED TO RESERVES

The Board of the company has decided to carry Rs **0.17** Crore to its reserves and surplus account.

CHANGES IN SHARE CAPITAL

There has been no change in Share Capital of the Company during the current Financial Year.

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

The Company does not have any Subsidiary, Joint venture or Associate Company and the provisions regarding disclosure of names of companies which ceased to be the subsidiary, joint venture or associate companies are not applicable.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year and there is no unclaimed dividend.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the period from the end of the financial year to which this financial statement relate and on the date of this report

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information.

MEETINGS OF THE BOARD OF DIRECTORS

During the current Financial Year, the Company held **9** meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings-

24.04.2019	22.05.2019	30.05.2019	08.07.2019	14.08.2019
14.11.2019	11.12.2019	14.02.2020	20.03.2020	

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had 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 and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS AND REPORT THEREON

M/s. Rajesh K Sharma and Associates, Chartered Accountants, Ludhiana was appointed as Statutory Auditors for second term of five years at 28th annual general meeting and his appointment is to be ratified by the members at ensuing annual general meeting. There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation. Further the Auditors' Report for the financial year ended **31st March, 2020** is annexed herewith for your kind perusal and information.

LOANS, GUARANTEES AND INVESTMENTS

The Company is a partner in M/s. LWS Knitwear, a partnership firm in which Shri Girish Kapoor, Managing Director of the Company is also a partner. The company has received share of profit from M/s. LWS Knitwear and the total investment in the firm is Rs. 3,47,00,546.37 at the close of the financial year.

RELATED PARTY TRANSACTIONS

The Company has entered into various Related Parties Transactions in ordinary course of business at arm's length as defined under Section 188 of the Companies Act, 2013 with related parties as defined under Section 2 (76) of the said Act. Further all the necessary details of transaction entered with the related parties are attached herewith in Form No. AOC- 2 for your kind perusal and information.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

The Information pursuant to Section 134(3) (m) pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Outgo is provided in annexure herewith.

RISK MANAGEMENT

The Company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

DIRECTORS AND KMP

During the current financial year following changes have occurred in the constitution of Board of Directors and KMP of the company-

S. No.	Name	Designation	Changes	Date of change
1	Mr. Varinder Kumar	Independent Director	Resigned	24.04.2019
2	Mr. Rahul Khanna	Independent Director	Appointed	24.04.2019
3	Smt. Kusum Kapoor	Promoter Director	Resigned	22.05.2019
4	Sh. Dayanand	Independent Director	Resigned	22.05.2019
5	Sh. Rahul Khanna	Independent Director	Resigned	22.05.2019
6	Smt. Genus Magoo	Promoter Director/Woman Director	Appointed	22.05.2019
7	Ms. Anju Bala	Independent Director	Appointed	22.05.2019
8	Mr. Jaskaran Singh Ghuman	Independent Director	Appointed	22.05.2019
9	Ms. Vanita Arora	Company Secretary	Resigned	08.07.2019
10	Ms. Leena Sharma	Company Secretary	Appointed	11.12.2019

DEPOSITS

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

PERSONNEL

The information required pursuant to Section 134(3) and Section 197(12) read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is attached herewith. Further, information required under Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is nil as no employee of the Company is in receipt of remuneration as stated therein.

ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

CORPORATE GOVERNANCE

Report on Corporate Governance along with the Certificate of M/s. Rajesh K Sharma and Associates, Chartered Accountants, Ludhiana confirming compliance of conditions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges forms part of the Board Report.

- a) The information under Schedule V Part II Section II point IV is as under,
b) The remuneration package of the directors are as follows:

Name of Director	GIRISH KAPOOR
Salary	Rupees 2,40,000/-
Bonus	Nil
Stock Options	Nil
Pension	Nil
Medical Reimbursement	Nil

- b) Performance linked incentives- Nil, c) Service contracts, notice period, servant fees- Nil, d) Stock option details- Nil

INDEPENDENT DIRECTORS AND DECLARATION

Sh. Daya Nand Sahu and Sh. Rahul Khanna, both independent directors have resigned on 22.05.2019. Ms. Anju Bala and Mr. Jaskaran Singh Ghuman have been appointed on same date in their place. The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

NOMINATION AND REMUNERATION COMMITTEE

As per the section 178(1) of the Companies Act, 2013 the Company's Nomination and Remuneration Committee comprises of three Non-executive Directors. The table sets out the present composition of the Committee-

SN	Name of the Director	Position held in the Committee	Category of the Director
1	Ms. Anju Bala	Chairman	Non Executive Independent Director
2	Mr. Jaskaran Singh Ghuman	Member	Non Executive Independent Director
3	Smt. Genus Magoo	Member	Non Executive Promoter Director

The date of meetings of committee and attendance of members is given in report on corporate governance attached with the report.

Terms of Reference

The Terms of Reference of the Nomination and Remuneration Committee are as under:

- To identify persons who are qualified to become Directors and who may be appointed in senior management

- in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
 3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
 4. Regularly review the Human Resource function of the Company
 5. Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
 6. Make reports to the Board as appropriate.
 7. Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
 8. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

REMUNERATION POLICY

Remuneration to Executive Directors

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

Remuneration to Non Executive Directors

The Non Executive Directors have not been paid any sitting fees during the year under report.

AUDIT COMMITTEE

According to Section 177 of the Companies Act, 2013 the company's Audit Committee comprised of three directors. The board has accepted the recommendations of the Audit Committee. The table sets out the present composition of the Committee-

SN	Name of the Director	Position held in the Committee	Category of the Director
1	Ms. Anju Bala	Chairman	Non Executive Independent Director
2	Mr. Jaskaran Singh Ghuman	Member	Non Executive Independent Director
3	Smt. Genus Magoo	Member	Non Executive Promoter Director

The date of meetings of committee and attendance of members is given in report on corporate governance attached with the report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee was reconstituted during the year and according to Section 178 of the Companies Act, 2013 which comprised of three Non-executive Directors and Chairman of the committee is Independent and Non executive Director. The table sets out the present composition of the Committee as under-

SN	Name of the Director	Position held in the Committee	Category of the Director
1	Ms. Anju Bala	Chairman	Non Executive Independent Director
2	Mr. Jaskaran Singh Ghuman	Member	Non Executive Independent Director
3	Smt. Genus Magoo	Member	Non Executive Promoter Director

The date of meetings of committee and attendance of members is given in report on corporate governance attached with the report.

SECRETARIAL STANDARDS

The Directors state that the Company has complied with both the applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

SECRETARIAL AUDIT REPORT

The Secretarial Auditor has given observations relating to updating of statutory registers, minutes books and website of the Company as per The Companies Act, 2016 and SEBI (LODR) Regulations, 2015. The Board has given instructions to concerned persons for doing the needful. Further the Secretarial Audit Report as provided by **Ravinder Kumar, Company Secretaries, Rajpura** for the financial year ended on **31st March, 2020** is annexed herewith for your kind perusal and information.

VIGIL MECHANISM

As per Section 177(9) and (10) of the Companies Act, 2013, and as per the Clause 49 of the Listing Agreement, the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company.

SHARES

- Buy Back of Securities**-The Company has not bought back any of its securities during the year under review.
- Sweat Equity**-The Company has not issued any Sweat Equity Shares during the year under review.
- Bonus Shares**-No Bonus Shares were issued during the year under review.
- Employees Stock Option Plan**-The Company has not provided any Stock Option Scheme to the employees.

ORDER OF COURT

There is no significant and material order passed by the regulators or courts or Tribunals impacting the going concern status and company's operation in future.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal Financial Controls are adequate and are in consonance with the size and operations of the Company and such internal financial controls are operating effectively. The Company has also appointed **M/s. K. K. Bector & Co., Chartered Accountants, Ludhiana** as Internal Auditor as required under Section 138 of the Companies Act, 2013.

SHARES IN SUSPENSE ACCOUNT

- i. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year=nil
- ii. Number of shareholders who approached issuer for transfer of shares from suspense account during the year=nil
- iii. Number of shareholders to whom shares were transferred from suspense account during the year=nil
- iv. aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year=nil

SHARES IN UNCLAIMED SUSPENSE ACCOUNT

- i. Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year=nil
- ii. Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year=nil
- iii. Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year=nil
- iv. Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year=nil

MATERIAL VARIATIONS

The material variations between the projections and the actual utilization are not applicable:

CODE OF CONDUCT

The Code of Conduct of LWS Knitwear Limited is attached herewith.

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 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 now Company is earning some profits.

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. 1.32 Crores and net worth of the company is Rs. 10.00 Crores as at 31.03.2020.

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.

CORPORATE SOCIAL RESPONSIBILITY

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitute Corporate Social Responsibility Committee.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has in place `Prevention of Sexual Harassment Policy`. This Anti-Sexual Harassment policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The company has complied with provisions relating to the constitution of Internal Complaints Committee and an Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment. The following is a summary of sexual harassment complaints received and disposed off during the year, - No. of complaints received: Nil, -No. of complaints disposed off: NA.

COMPLIANCES OF ALL LAWS

The Board hereby states that the company has devised proper systems to ensure compliance of all laws applicable to the company.

COST RECORDS

The provisions of Section 148(1) of the Companies Act, 2013 for maintenance of cost records are not applicable to the Company.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

By Order of the Board
For **LWS KNITWEAR LIMITED**
Sd/-
GIRISH KAPOOR
MANAGING DIRECTOR
DIN-01870917

DATE: 18.08.2020
PLACE: LUDHIANA

Form No. MGT-9						
EXTRACT OF ANNUAL RETURN						
As on the financial year ended on 31/03/2020						
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]						
I.	REGISTRATION AND OTHER DETAILS :					
	i)	CIN	CIN- L17115PB1989PLC009315			
	ii)	Registration Date	09.05.1989			
	iii)	Name of the Company	LWS KNITWEAR LIMITED			
	iv)	Category / Sub-Category of the Company	Public Company Limited by shares Company having share capital			
	v)	Address of the Registered office and contact details	G T Road (West), Ludhiana , Punjab -141008			
			Telephone : 0161-2780555			
			Fax Number :			
			Email : info@lwsknitwear.com			
	vi)	Whether listed company	Listed			
	vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Beetal Financial & Computer Services Pvt Ltd Beetal House, 3 rd Floor,99 Madangir, Behind Local Shopping Center, Near Data Harsukhdas Mandir New Delhi- 110062, Ph: 011-29961281/82, Fax: 011-29961284, e-mail : beetalrta@gmail.com			
II.	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :					
	All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-					
	Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company		
	1	Manufacture of hosiery goods/garments		100		
III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :					
	S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
	1.	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (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	2834600	90500	2925100	57.83	2834600	90500	2925100	57.83	
	b) Central Govt									
	c) State Govt (s)									
	d) Bodies Corp.									
	e) Banks / FI									
	f) Any Other....									
	Sub-total (A) (1):-	2834600	90500	2925100	57.83	2834600	90500	2925100	57.83	
	(2) Foreign									
	a) NRIs - Individuals									
	b) Other – Individuals									
	c) Bodies Corp.									
	d) Banks / FI									
	e) Any Other....									
	Sub-total (A) (2):-									
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2834600	90500	2925100	57.83	2834600	90500	2925100	57.83	
	B. Public shareholding									
	1. Institutions									
	a) Mutual Funds									
	b) Banks / FI									
	c) Central Govt									
	d) State Govt(s)									
	e) Venture Capital Funds									
	f) Insurance Companies									
	g) FIs									
	h) Foreign Venture Capital Funds									
	i) Others (specify)									
	Sub-total (B)(1):-									
	2. Non-Institutions									
	a) Bodies Corp.									
	i) Indian	8668	59800	68468	1.36	6800	59800	66600	1.32	-0.04
	ii) Overseas									
	b) Individuals									
	i) Individual shareholders	281906	1529800	1811706	35.81	290918	1512000	1802918	35.64	-0.17

	holding nominal share capital upto Rs. 2 lakh									
	ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh "	190188	46600	236788	4.68	228718	21600	250318	4.95	+0.27
	c) Others -HUF	15938	0	15938	0.32	11964	0	11964	0.24	-0.08
	-CI-member	0	0	0	0	1100	0	1100	0.02	+0.02
	-NRI	400	0	400	0	400	0	400	0	
	Sub-total (B)(2):-	497100	1636200	2133300	42.17	539900	1593400	2133300	42.17	
	Total Public Shareholding (B)=(B)(1)+(B)(2)	497100	1636200	2133300	42.17	539900	1593400	2133300	42.17	
	C. Shares held by Custodian for GDRs & ADRs									
	Grand Total (A+B+C)	3331700	1726700	5058400	100.00	3374500	1683900	5058400	100.00	
(ii) Shareholding of Promoters										
	SI No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of 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	% change in share holding during the year	
	1	Munish sunda	100	0.00	nil	100	0.00	nil	0.00	
	2	Chiranjeev kapoor	100	0.00	nil	100	0.00	nil	0.00	
	3	Ritu malhotra	100	0.00	nil	100	0.00	nil	0.00	
	4	Jyoti thapar	100	0.00	nil	100	0.00	nil	0.00	
	5	Kusum kapoor	2059900	40.72	nil	2059900	40.72	nil	0.00	
	6	Sunish sunda	90100	1.78	nil	90100	1.78	nil	0.00	
	7	Girish kapoor	774700	15.32	nil	774700	15.32	nil	0.00	
		Total	2925100	57.83	nil	2925100	57.83	nil	0.00	
(iii) Change in Promoters' Shareholding (please specify, if there is no change) --- No Change--										
	SI No.	Name	Particulars			Shareholding at the beginning of the year		Cumulative Shareholding during the year		
						No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
--- No Change--										
(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):										
	SI No.	Name	Particulars			Shareholding at the beginning of the year		Cumulative Shareholding during the year		
						No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
	1	Haren Kalyanbhai Sheth	At the beginning of the year			69100	1.37			
			At the end of the year					69100	1.37	
	2	Surender Mohan Chopra	At the beginning of the year			50,400	0.996			

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ANNUAL REPORT

			At the end of the year			50,400	0.996
	3	Ramesh Chander	At the beginning of the year	50,000	0.988		
			At the end of the year			50,000	0.988
	4	Neka Shah	At the beginning of the year	20688	0.410		
			At the end of the year			34218	0.676
	5	Kamal Parekh	At the beginning of the year	10300	0.203		
			At the end of the year			25000	0.494
	6	Gopal Kapoor	At the beginning of the year	21,600	0.427		
			At the end of the year			21,600	0.427
	7	Joginderpal	At the beginning of the year	19,900	0.393		
			At the end of the year			19,900	0.393
	8	Dinesh M.Dave	At the beginning of the year	19,800	0.391		
			At the end of the year			19,800	0.391
	9	Vipul Patel	At the beginning of the year	16,600	0.328		
			At the end of the year			16,600	0.328
	10	Nirmay S. Shah	At the beginning of the year	8200	0.162		
			At the end of the year			13800	0.272
	(v) Shareholding of Directors and Key Managerial Personnel						
	Sl. No.	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	1	Girish Kapoor	At the beginning of the year	774700	15.32		
			At the end of the year			774700	15.32
	2	Kusum Kapoor	At the beginning of the year	2059900	40.72		
			At the end of the year			2059900	40.72
V.	INDEBTEDNESS :						
	Indebtedness of the Company including interest outstanding/accrued but not due for payment						
			Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
	Indebtedness at the beginning of the financial year						
		i) Principal Amount	6001838.28	0.00	0.00	6001838.28	
		ii) Interest due but not paid	0.00	0.00	0.00	0.00	
		iii) Interest accrued but not due	0.00	0.00	0.00	0.00	
		Total (i+ii+iii)	6001838.28	0.00	0.00	6001838.28	
	Change in Indebtedness during the financial year						
		Addition					
		Reduction	1193487.46	0.00	0.00	1193487.46	
		Net Change					
	Indebtedness at the end of the financial year						
		i) Principal Amount	4808350.82	0.00	0.00	4808350.82	
		ii) Interest due but not paid					
		iii) Interest accrued but not due					
		Total (i+ii+iii)	4808350.82	0.00	0.00	4808350.82	

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :													
A. Remuneration to Managing Director, Whole-time Directors and/or Manager													
	SN	Name of MD/WTD/ Manager	Gross salary			Stock Option	Sweat Equity	Commission		Others	Total	Ceiling as per the Act	
			(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			as % of profit	others				
	1	Girish Kapoor	240000								240000		
B. Remuneration to other directors													
	Sl. no.	Name of Directors	Independent Directors			Total (1)	Other Non-Executive Directors			Total (2)	Total (1+2)	Total Managerial Remuneration	Overall Ceiling as per the Act
			Fee for attending board / committee meetings	Commission	Others		Fee for attending board committee meetings	Commission	Others				
-----Nil-----													
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD													
	Sl. no.	Name of Key Managerial Personnel	Gross salary			Stock Option	Sweat Equity	Commission		Others	Total		
			(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			as % of profit	others				
	1	Leena Sharma - CS	40200							40200			
	2	Arun Kumar- CFO	120000							120000			
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	Nil	Nil								
Punishment	Nil	Nil	Nil	Nil	Nil								
Compounding	Nil	Nil	Nil	Nil	Nil								

	B. DIRECTORS					
	Penalty	Nil	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil	Nil
	C. OTHER OFFICERS IN DEFAULT					
	Penalty	Nil	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil	Nil

For LWS KNITWEAR LIMITED

Sd/-

PLACE: LUDHIANA

NAME: GIRISH KAPOOR

DATE: 18.08.2020

DIN: 01870917

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

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

S N	Particulars	Details
A	Name(s) of the related party and nature of relationship	ABC Inc, related through director
B	Nature of contracts/arrangements/transactions	Sale of material
C	Duration of the contracts/arrangements/transactions	Running arrangement
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 2.07 crore
E	Date(s) of approval by the Board, if any	30.05.2019
F	Amount paid as advances, if any:	-
G	Form shall be signed by the persons who have signed the Board's report.	

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

S N	Particulars	Details
A	Name(s) of the related party and nature of relationship	Dee Enn Knitwear, related through director
B	Nature of contracts/arrangements/transactions	Purchase of material
C	Duration of the contracts/arrangements/transactions	Running arrangement
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs.0.79 Crore
E	Date(s) of approval by the Board, if any	30.05.2019
F	Amount paid as advances, if any:	-
G	Form shall be signed by the persons who have signed the Board's report.	

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

S N	Particulars	Details
A	Name(s) of the related party and nature of relationship	Kay Dee Garments, related through director
B	Nature of contracts/arrangements/transactions	Purchase of material

C	Duration of the contracts/arrangements/transactions	Running arrangement
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs.0.16 Crore
E	Date(s) of approval by the Board, if any	30.05.2019
F	Amount paid as advances, if any:	-
G	Form shall be signed by the persons who have signed the Board's report.	

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

S N	Particulars	Details
A	Name(s) of the related party and nature of relationship	Gopal Knitwear Traders, related through director
B	Nature of contracts/arrangements/transactions	Purchase of material
C	Duration of the contracts/arrangements/transactions	Running arrangement
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs.0.17 Crore
E	Date(s) of approval by the Board, if any	30.05.2019
F	Amount paid as advances, if any:	-
G	Form shall be signed by the persons who have signed the Board's report.	

Sd/-

PLACE: LUDHIANA

DATE: 18.08.2020

NAME : GIRISH KAPOOR

DIN : 01870917

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO**(A) Conservation of energy-**

- (i) the steps taken or impact on conservation of energy; - Nil
- (ii) the steps taken by the company for utilising alternate sources of energy- Nil
- (iii) the capital investment on energy conservation equipments; - Nil

(B) Technology absorption-

- (i) the efforts made towards technology absorption; - Nil
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution; Nil
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- NA
 - (a) the details of technology imported; NA
 - (b) the year of import; NA
 - (c) whether the technology been fully absorbed; NA
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and -NA
- (iv) the expenditure incurred on Research and Development. - Nil

(C) Foreign exchange earnings and Outgo-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Earning –Nil, Outgo – Nil

RATIO OF REMUNERATION

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	20.00%
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	NIL
(iii) the percentage increase in the median remuneration of employees in the financial year;	NIL
(iv) the number of permanent employees on the rolls of company;	8
(v) the explanation on the relationship between average increase in remuneration and company performance;	N.A.
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	As per individual performance
(vii) variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	N.A.
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	NIL
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	No change during the year
(x) the key parameters for any variable component of remuneration availed by the directors;	NA
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	NIL
(xii) Affirmation that the remuneration is as per the remuneration policy of the company.	Yes

DECLARATION - A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of SEBI (Listing and Disclosure Requirements) Regulations, 2015 all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended **March 31, 2020**.

Sd/-

PLACE: LUDHIANA

DATE: 18.08.2020

NAME : GIRISH KAPOOR

DIN : 01870917

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
LWS Knitwear Limited
G.T. Road (West), Ludhiana-141008 (Punjab)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LWS Knitwear Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by LWS Knitwear Limited for the financial year ended on **31st March, 2020** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') Viz:-
 - (A) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (B) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (C) The Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009;
 - (D) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (E) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (F) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and Dealing with Client;
 - (G) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (H) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- (vi) Factories Act, 1948, Employees State Insurance Act, 1948, The Employees Provident Fund & Miscellaneous Provisions Act, 1952, The Contract Labour (Regulation and Abolition) Act, 1970, The Environment (Protection) Act, 1986, The Hazardous Wastes (Management, Handling & Trans boundary Movement) Rules, 2008, The Water (Prevention & Control of Pollution) Act, 1974, The Air (Prevention & Control of Pollution) Act, 1981.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreement entered into by the Company with BSE Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Sd/-

RAVINDER KUMAR,

FCS NO. 4569, C P NO.: 8444

UDIN- F004569B000591903

PLACE: LUDHIANA

DATE: 18th August, 2020

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

ANNEXURE-A

To,

The Members,

LWS Knitwear Limited

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

My report of even date is to be read along with this letter,

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done

on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

RAVINDER KUMAR,

FCS NO. 4569, C P NO.: 8444

UDIN- F004569B000591903

PLACE: LUDHIANA

DATE: 18th August, 2020

**LWS KNITWEAR LIMITED
CODE OF CONDUCT**

Person to whom the Code is applicable

This code is applicable to the following persons (hereinafter referred to as 'Officers' of the company):

-All the Board Members.

-The entire Core group Members of the Company and heads of the department

I GENERAL STANDARD OF CONDUCT

1. Officers are expected to exercise good judgment to ensure the safety and welfare of employees, consumers, customers, suppliers, shareholders, lenders and other stakeholders, and to maintain a co-operative, efficient, positive, harmonious and productive work environment, practice integrity in inter-personal relationships, work on the principal of mutual trust, transparency and team work.
2. Officers are expected to acquire and maintain professional competence.
3. Officers are expected to observe discipline and conduct themselves, both on and off-duty, in a manner to uphold the high image of the company.
4. Officers are expected to assist the company in identifying, controlling, mitigating and managing business risks within the company's risk management policy framework.
5. Officers are expected to assist the company in providing to its employees a work environment free of harassment and free of discrimination based on race, religion, creed, color, physical or mental disability, age, sex, etc.
6. Officers should not engage in selling or distribution, or be in possession of or use narcotics/psychotropic drugs or be under influence of alcohol while on duty.
7. As Officers represent the Company before the public and various authorities they are expected to dress neatly and appropriately in a manner consistent with the nature of their work and the image of the company.
8. Officers should not claim from the company unauthorized personal expenses.

9. Customer/supplier/investor Relationships- Officers who need to deal with customers, suppliers and investors should understand that they are dealing and therefore should uphold the image and goodwill generated and built-up by the Company over the year.

II APPLICABLE LAWS

Officers must acquire adequate Knowledge of all the applicable laws, rules, regulations, order and notifications under regulatory framework as applicable to their functions and duties and should follow and comply with the same and avoid violation, breach or infringement thereof.

III CONFLICT OF INTEREST

Officers of the Company will avoid conflict of interest. Conflict of interest is said to exist when personal interest may have a potential conflict with the interest of the company at large. Where any transaction involves conflict of interest, prior approval of the Managing Directors / Executive Director and in case of a Director, of the Board should be obtained.

IV PROTECTING CONFIDENTIAL INFORMATION

The Company's confidential information is a vita and asset. It may relate to product, product formula, process, product plans and road maps, cost and financial information, information as to customers, suppliers, dealers and employees, business arrangements and agreements as well as to patents, trademarks, copyrights and trade secrets. For the purpose of this Code, confidential information would also include the information obtained by the Company from a third party under a Non Disclosure Agreement. Such confidential information should be protected and safeguarded against unauthorized/ personal use and should not be disclosed to any one except (i) with prior authorization (ii) in the ordinary course of carrying on the business of the Company. In the course of conducting the Company's Business, Officers may come in possession of confidential information about its employees, customers, suppliers, etc. Officers should handle the same with utmost responsibility and prevent its misuse.

V PREVENTION OF INSIDER TRADING

Officers are privy to price sensitive inside information and should not use it to make personal gains. The Company has framed "Code of Conduct for prevention of insider trading in the Securities of the Company," Officers should follow the same in letter and spirit.

VI COMPANY'S ASSETS

Protecting and safeguarding the Company's assets and properties and preventing their unauthorized use/ personal use is one of the key and prime responsibility of Officers. Officers are personally responsible of the Company's funds under their control. Officers should use electronic communication facilities like e-mail, Internet etc. in a legal ethical and appropriate manner and not expose the Company to liability resulting from the illegal, unauthorized or unethical use thereof.

VII NON COMPLIANCE

In case of non-compliance of any of the provisions of this Code of conduct, the same shall be reported to the Chairman of the Board of Directors of the Company.

VIII ANY AMENDMENTS OR MODIFICATION TO THE CODE OF CONDUCT

This Code of Conduct is subject to modification. The Board of Directors has the requisite power and the authority to update and amend the Code of Conduct from time to time.

IX ACKNOWLEDGEMENT OF RECEIPT OF CODE OF CONDUCT AND ETHICS

I have received and read the Company's Code of Conduct and Ethics and have understood the standards and policies contained therein. I agree to comply with the Company's Code of Conduct and Ethics. I hereby affirm to the Company compliance with the Code Conduct and Ethics on an annual basis and also undertake to renew such affirmation in the first week of April every year.

REPORT OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance is given below,

1. COMPANY PHILOSOPHY ON CODE OF 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. 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 endeavor to attain the goal visualized, the company is laying maximum emphasis on the effective system of Corporate Governance.

2. BOARD OF DIRECTORS**Composition**

The present strength of Board of Directors of the Company is four comprising of two Promoter Directors and two Independent/ Non Executive Directors having diversified professional experience. The present composition of Board of Directors is as under -

S.N.	Name	DIN	Designation	Nature of Directorship
1	Shri. Girish Kapoor	01870917	Managing Director	Promoter / Executive
2	Smt. Genus Magoo	08453881	Woman Director	Promoter /Non-Executive
3	Mr. Jaskaran Singh Ghuman	08453939	Director	Independent / Non Executive
4	Ms. Anju Bala	08456576	Director	Independent / Non Executive

Attendance of each Director at the Board Meetings held during the year **2019-20** and last Annual General Meeting and number of other Boards or Board Committees in which he/she is a member is as under-

S.N.	Name of Director	No. of Board Meeting attended	No. of other Directorship	Membership in other Committees	Attendance at last AGM
1	Shri. Girish Kapoor	9	2	-	Yes
2	Smt. Genus Magoo	8	-	3	-
3	Mr. Jaskaran Singh Ghuman	8	-	3	-
4	Ms. Anju Bala	8	-	3	Yes

Shri Girish Kapoor, Managing Director of the Company and Smt. Genus Magoo, Woman Director on the Board of Directors are related to each other.

During the year, **Nine** meetings of the Board of Directors were held on the following dates-

24.04.2019	22.05.2019	30.05.2019	08.07.2019	14.08.2019
14.11.2019	11.12.2019	14.02.2020	20.03.2020	

The detail of number of shares and convertible instruments held by non – executive directors as on **31.03.2020** is given as below,

SN	Name of non – executive Director	No. of Equity Shares Held	No. of convertible instruments Held
1	Ms. Anju Bala	Nil	NA
2	Mr. Jaskaran Singh Ghuman	Nil	NA
3	Smt. Genus Magoo	Nil	NA
	Total	Nil	NA

The familiarization programme imparted to independent directors is disclosed on web link www.lwsknitwear.com of the Company.

3. AUDIT COMMITTEE

The terms of reference of the audit committee include all the matters as provided under Section 177 (4) of The Companies Act, 2013 and the rules made there under and SEBI (LODR) Regulations, 2015.

Composition and Meetings

In compliance with the provisions of Section 177(2) of the Companies Act, 2013, present Audit Committee comprises of two Non-Executive Independent Directors and one Non-Executive Promoter Director. Four meetings of Audit Committee were held during the year under consideration on following dates-

30.05.2019	14.08.2019	14.11.2019	14.02.2020
------------	------------	------------	------------

The details of members of the audit committee and their attendance is as under-

S. No.	Name of the Director	Position held in the Committee	Category of the Director	Meetings	
				Held	Attended
1	Smt. Genus Magoo	Member	Non Executive/ Promoter Director	4	4
2	Mr. Jaskaran Singh Ghuman	Member	Non Executive/ Independent Director	4	4
3	Ms. Anju Bala	Chairman	Non Executive/ Independent Director	4	4

4. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of Nomination and Remuneration Committee covers all the matters provided under the Companies Act, 2013 and the rules made there under and SEBI (LODR) Regulations, 2015.

Composition and Meetings

In compliance with the provisions of Section 178(1) of the Companies Act, 2013, present Nomination and Remuneration Committee comprises of two Non-Executive Independent Directors and one Non-Executive promoter Director. **One** meeting of Nomination and Remuneration Committee was held on **30.05.2019** during the year under consideration. The details of members of the Nomination and Remuneration Committee and their attendance is as under-

S N	Name of the Director	Position held in the Committee	Category of the Director	Meetings	
				Held	Attended
1	Smt. Genus Magoo	Member	Non Executive/ Promoter Director	1	1
2	Mr. Jaskaran Singh Ghuman	Member	Non Executive/ Independent Director	1	1
3	Ms. Anju Bala	Chairman	Non Executive/ Independent Director	1	1

Remuneration policy

Remuneration policy ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully and that relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

5. REMUNERATION TO DIRECTORS

There is no pecuniary relationship or transaction of the company with its independent directors other than payment of sitting fee to them for attending Board and Committee meetings. Shri. Girish Kapoor , Managing Director of the Company is paid Rupees 2.40 lakhs during the year as Salary and no commission on profits/ bonus/ pension is paid to him. No stock option has been given to any of the Directors, including Executive Directors.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**Composition**

In compliance with the requirement of Section 178(5) of The Companies Act, 2013, present Stakeholder Relationship Committee comprises of two Non-Executive Independent Directors and one Non-Executive Promoter Director to consider and resolve the grievances of security holders of the company. No meeting of Stakeholders' Relationship Committee was held during the year under consideration. The details of members of the Nomination and Remuneration Committee and their attendance is as under-

S N	Name of the Director	Position held in the Committee	Category of the Director	Meetings	
				Held	Attended
1	Smt. Genus Magoo	Member	Non Executive/ Promoter Director	1	1
2	Mr. Jaskaran Singh Ghuman	Member	Non Executive/ Independent Director	1	1
3	Ms. Anju Bala	Chairman	Non Executive/ Independent Director	1	1

Compliance Officer

Ms. Leena Sharma, Company Secretary has been appointed as Compliance officer for the purpose of complying with various provisions of the Guidelines, Regulations issued by Securities and Exchange Board of India, Listing Agreement with Stock Exchanges.

Complaints

The Company has not received any complaints during the year from the shareholders and that no unsolved complaint is pending with the Company.

7. GENERAL BODY MEETINGS

Location and time, where last three Annual General Meetings were held is given below -

Financial Year	Date	Time	Venue
2016-17	29.09.2017	9.30 A M	Registered Office at G.T. Road West, Ludhiana, Punjab
2017-18	29.09.2018	9.30 A M	Registered Office at G.T. Road West, Ludhiana, Punjab
2018-19	30.09.2019	9.30 A M	Registered Office at G.T. Road West, Ludhiana, Punjab

Following Special Resolutions were passed in the previous 3 Annual General Meetings:

29.09.2017	Nil
29.09.2018	Nil
30.09.2019	Nil

8. POSTAL BALLOT

No special resolution has been passed last year through postal ballot and no special resolution is proposed to be conducted through postal ballot.

9. MEANS OF COMMUNICATION

Quarterly results are normally published in the newspapers and also sent to BSE Limited. Physical copy of annual report which inter alia includes the Directors Report, Corporate governance report, Audited Accounts, Cash Flow Statements etc. was sent to shareholders by post and also to BSE Limited. The quarterly results and annual report is also available on company's website at www.lwsknitwear.com under investors section.

10. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date: 30.09.2020, Time: 09.30 AM, Day: Wednes and Venue: Registered Office of the Company at G.T. Road (West), Ludhiana-141008 (Punjab)

Financial Year

The company's Financial Year starts from 1st April every year and conclude on 31st March, next year.

Book Closure

The Register of Members and the Share Transfer Books of the Company shall remain closed from **29th day of September, 2020 to 30th day of September, 2020** (both days inclusive).

Dividend

No dividend has been recommended by the Board this year and so information under this sub clause is nil.

Listing

The shares of the Company are listed at BSE Limited. The Company has paid listing fee to BSE Limited.

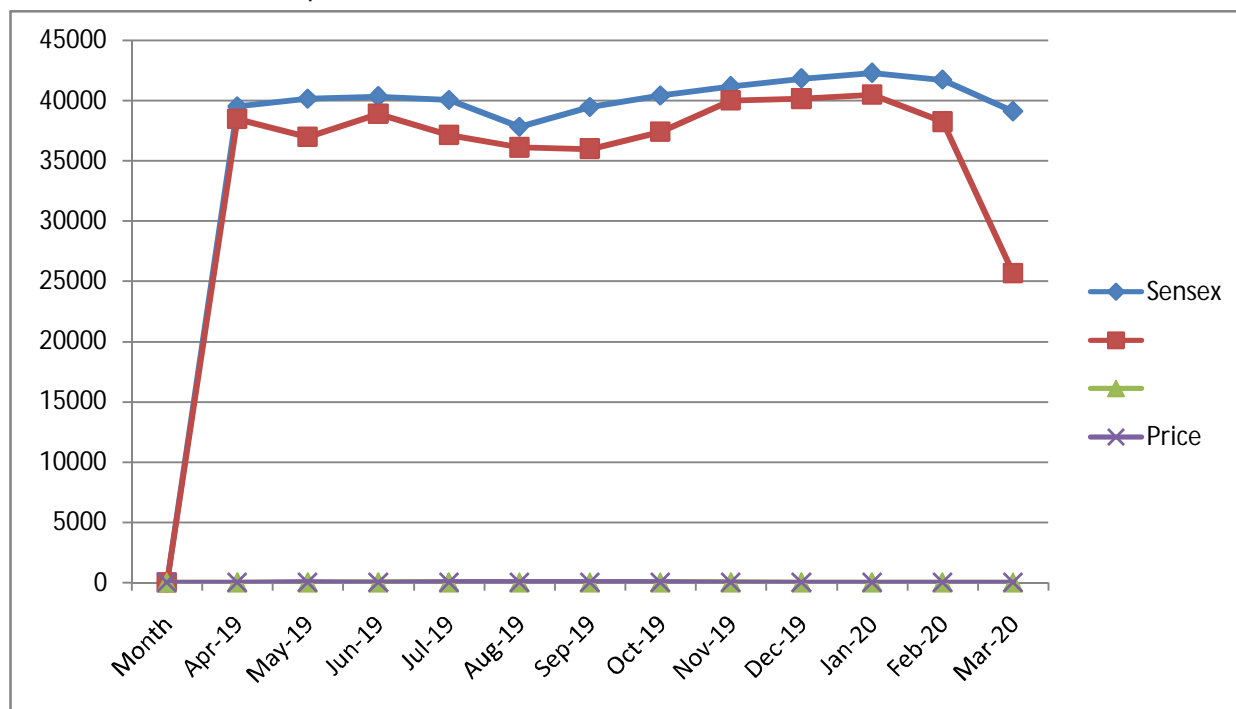
Stock Code - The Stock Code of the Company on BSE Limited is **531402**.

Stock Market Data

Detail of High and Low market price and traded volume each month in last financial year BSE is as under-

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover
Apr 19	3.85	3.86	3.51	3.86	2,354	14	8,737
May 19	4.00	4.01	4.00	4.01	550	2	2,200
Jun 19	4.21	6.12	3.80	6.12	15,096	46	63,112
Jul 19	6.42	8.16	6.42	7.69	39,476	55	3,10,837
Aug 19	7.99	7.99	7.99	7.99	1	1	7
Sep 19	7.60	7.60	7.60	7.60	400	4	3,040
Oct 19	7.22	7.22	6.52	6.52	1,000	4	6,764
Nov 19	6.20	6.20	3.40	3.40	1,301	43	6,008
Dec 19	3.23	3.23	3.05	3.05	2,800	11	8,794
Jan 20	2.99	3.11	2.99	3.05	5,200	16	16,125
Feb 20	2.90	2.90	2.63	2.63	1,249	9	3,510
Mar 20	2.50	2.50	2.27	2.27	3,504	10	8,224

Share Performance in comparison to broad-based indices of BSE Sensex is as under.



Securities of the Company were not suspended from trading by BSE Limited during last year.

Registrar and Share Transfer Agents

The Company has appointed M/s Beetal Financial & Computer Services Private Ltd, New Delhi as Common Agency (RTA) for Share Transfer work in both modes physical as well as electronically. Detail of RTA is as under,

M/s Beetal Financial & Computer Services Private Limited

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 Transfer System

The company's shares in dematerialized form transferable through depository system and Shares in physical form are processed by M/s Beetal Financial & Computer Services Private Limited. The Board has authorised Sh.Girish Kapoor, Managing Director of the company to approve share transfers and matter related therewith.

Reconciliation of Share Capital Audit

Mr. Ravinder Kumar, Practising Company Secretary carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges.

Distribution of shareholding

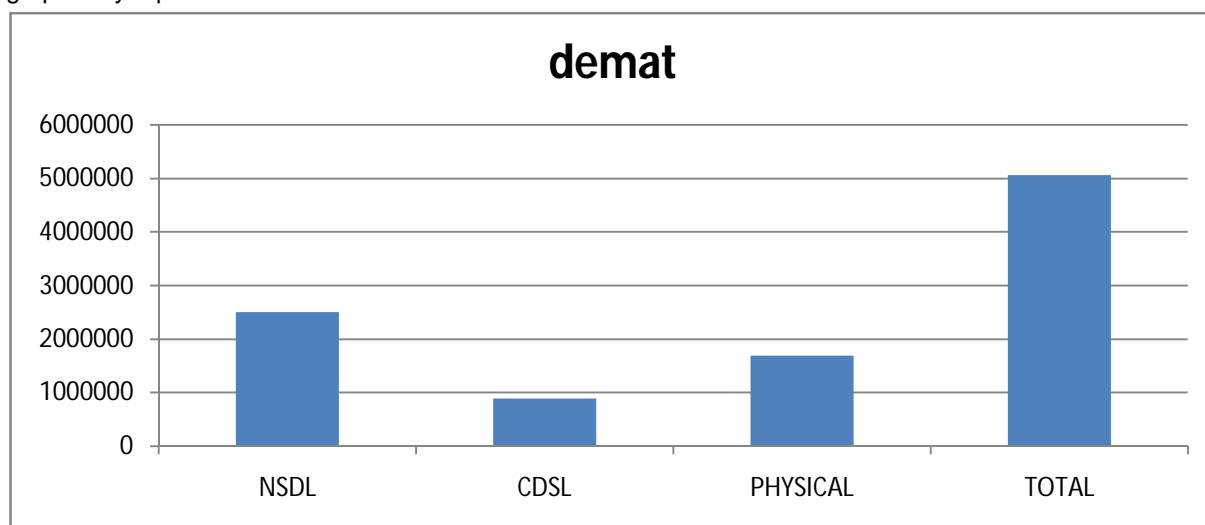
Detail of distribution of share holding of equity share of the Company as on **31.03.2020** by size and ownership class is given as under,

SHARE HOLDING OF NOMINAL VALUE OF RS. 10	NUMBER OF SHAREHOLDERS	% TO TOTAL	NO OF SHARES	AMOUNT IN RS.	% TO TOTAL
UP TO 5000	3232	82.76	799672	7996720.00	15.8088
5001 TO 10000	442	11.31	369617	3696170.00	7.3070
10001 TO 20000	120	3.07	185984	1859840.00	3.6767
20001 TO 30000	34	0.87	86696	866960.00	1.7139
30001 TO 40000	13	0.33	44262	442620.00	0.8750
40001 TO 50000	24	0.61	113164	1131640.00	2.2372
50001 TO 100000	22	0.56	157592	1575920.00	3.1155
100001 and above	18	0.45	3301413	33014130.00	65.2660
TOTAL	3905	100.00	5058400	50584000.00	100.000

Category	Number of holders	Number of Shares	% age to total
Indian Promoter-Individual/HUF	7	2925100	57.83
Resident Individual-upto Rs. 2 lakh value	3849	1802918	35.64
Resident Individual-more than Rs. 2 lakh value	6	250318	4.95
Bodies Corporate	34	66600	1.32
Resident Individuals-HUF	7	11964	0.23
NRI	1	400	0.01
Clearing Member	1	1100	0.02
Total	3905	5058400	100.00

Dematerialization of shares and liquidity

The Shares of the company were traded on BSE Limited and volume of shares traded and variation of share prices during the period under review are given at sub clause stock market data above. The ISIN of the company is **INE281M01013** and **66.71%** shares of the Company are held in dematerialized form and graphically represented as under-



NSDL= 2495843, CDSL=878657, Physical=1683900, Total=5058400

ISSUE OF GD Rs/ADRs /INSTRUMENTS

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.

Plant Location and Address for correspondence

G T Road (West), Near Chand Cinema, Ludhiana, Punjab, 141008

11. OTHER DISCLOSURES**Related Party Transactions**

There are no materially significant related party transactions that may have potential conflict with the interests of company at large. There were transactions with related parties at market price at arm's length basis which are disclosed in Form AOC – 2 attached herewith. The policy on dealing with related party transactions is available on web link www.lwsknitwear.com of the Company

Compliance

The Company has complied with all the provisions of listing agreement and that no penalties and /or strictures has been imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Vigil Mechanism

Detail of Vigil Mechanism is provided in the same heading in Director's Report.

Whistle Blower Policy

Company has formulated the Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company and that no personnel has been denied access to the audit committee.

Mandatory Requirements

The Company has complied with all the mandatory requirements as stipulated in SEBI (Listing and Disclosure Requirements) Regulations, 2015.

12. COMPLIANCE

The Company has complied with all the requirements of Corporate Governance Report as per part C of Schedule V of SEBI (Listing and Disclosure Requirements) Regulations, 2015.

13. DISCRETIONARY/NON MANDATORY REQUIREMENTS

The Company has not yet adopted discretionary/non mandatory requirements specified in Part E of schedule II of SEBI (Listing and Disclosure Requirements) Regulations, 2015.

COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We, Girish Kapoor, Managing Director and Arun Kumar Jaiswal, Chief Financial Officer of the Company hereby certify that;

A. We have reviewed financial statements and the cash flow for the year ended **31st March 2020** and that to the best of our knowledge and belief;

(1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) 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.

B. 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's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial Reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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.

D. We have indicated to the auditors and the Audit committee:

- (1) Significant changes in internal control over financial reporting during the year
- (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
- (3) There were no instances of fraud of which they have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date: 18.08.2020
Place: Ludhiana

Sd/-
Arun Kumar Jaiswal
Chief Financial Officer

Sd/-
Girish Kapoor
Managing Director- DIN-01870917

CEO DECLARATION ON CODE OF CONDUCT

I, Girish Kapoor, Managing Director of the Company hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the Directors and Senior Management Personnel as approved by the Board, for the Financial Year ended **31st March, 2019**.

Sd/-

Date: 18.08.2020
Place: Ludhiana

Girish Kapoor
Managing Director - DIN-01870917

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

The Board of Directors
L W S Knitwear Limited
Ludhiana

We have examined the compliance of conditions of Corporate Governance by L W S Knitwear Limited for the financial year ended **March 31, 2020** as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us we certify that the company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For M/S. Rajesh K. Sharma and Associates,
Chartered Accountants,

Ludhiana
Place: Ludhiana
Date: 18.08.2020

Sd/-
Rajesh Kumar Sharma,
M. No.092948

Secretarial compliance report of M/s. L W S Knitwear Limited for the year ended 31st March, 2020

I, Ravinder Kumar, a Practising Company Secretary have examined:

- (a) all the documents and records made available to us and explanation provided by **M/s. L W S Knitwear Limited** ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed **entity**,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended **31st March, 2020** ("Review Period") in respect of compliance with the provisions of-
 - (a) the Securities and Exchange Board of India Act, 1992 (SEBI Act') and the Regulations, circulars, guidelines issued there under; and
 - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations. 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities **and** Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Nil (other regulations as applicable)

and based on the above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/Circulars/guidelines including specific clauses)	Deviations	Observations/ Remarks of the Practising Company Secretary
1	NIL	NIL	NIL

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under insofar as it appears from my/our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under: Nil

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
	NA	NA	NA	NA

Sd/-
RAVINDER KUMAR
FCS-4569, CP No. 8444
UDIN-F004569B000401471

DATE-30.06.2020
PLACE-RAJPURA

Annexure to the Report of the Board of Directors**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of LWS Knitwear Limited

1. This certificate is issued in accordance with the terms of our engagement letter reference no. Nil dated 28th August, 2017.
2. We, Rajesh K Sharma & Associates, Chartered Accountants, the Statutory Auditors of LWS Knitwear Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2020, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Opinion.
8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2018.
9. We 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,

Date: 30.06.2020
Place: Ludhiana

(Rajesh Sharma)
Partner
M.No- 092948

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF LWS KNITWEAR LTD.,****REPORT ON AUDIT OF STANDALONE FINANCIAL STATEMENTS****OPINION**

We have audited the accompanying standalone financial statements of **LWS Knitwear Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2020**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2020**, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no Key audit matters to communicate in our report

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 standalone 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 Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 for ensuring 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.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the annexure a statement on the matters specified in paragraphs 3 & 4 of the order to the extent applicable.
2. 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 appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, the statement of change in equity and the statement of Cash Flow dealt with by this report are in agreement with the relevant 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 written representations received from the directors as on 31st March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, 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"; Our report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion to the best of our information and accordance to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations if any as at 31st March, 2020 on its financial position in its standalone Ind AS financial statements -Refer Note 36 to the standalone Ind AS financial statements;

- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There has been no amount which required to be transferred to the Investor Education and Protection Fund by the Company.

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order

For Rajesh K. Sharma & Associates,
Chartered Accountants,

Date: 30.06.2020

Place: Ludhiana

(Rajesh Sharma)

Partner

M.No- 092948

Annexure A

To the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **LWS Knitwear Limited** of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **LWS Knitwear LIMITED** ("the Company") as of **March 31, 2020** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system over financial reporting of the Company.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, 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, 2020**, 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 Rajesh K. Sharma & Associates,
Chartered Accountants,

Date: 30.06.2020
Place: Ludhiana

(Rajesh Sharma)
Partner
M.No- 092948

Annexure B**To the Independent Auditor's Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of LWS Knitwear Limited of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2020, we report that:

- (i) In respect to fixed assets of the company:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- (ii) As informed to us, stock of inventory has been physically verified during the year by the Management at reasonable intervals. In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to book records were not material; however the same have been dealt with the books of account.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in the register maintained under Section 189 of the Companies Act. Therefore provisions of Clause 3 (iii) of the CARO are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of the section 185 and 186 of the Companies Act 2013 in respect of loans, investments, guarantees and security, as applicable.
- (v) According to information and explanations provided to us, the Company has not accepted any deposits from public during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order and accordingly the provisions of Sections 73 to 76 of the Act, and Rules framed there under and any directive issued by the Reserve Bank of India are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) According to information and explanations provided to us, in respect of statutory dues;
 - (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including the Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, value added tax, cess and any other statutory dues applicable to it.
 - (b) According to the information and explanation given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, value added tax, cess and any other statutory dues in arrears as at March 31, 2020 for a period more than 6 months from the date they became payable.
 - (c) In our opinion and according to the information and explanation given to us, during the year, no amount was pending to be transferred to Investor Education and Protection Fund.

- (viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues for loan taken from financial institutions or bank or debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material 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) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Rajesh K. Sharma & Associates,
Chartered Accountants,

Date: 30.06.2020
Place: Ludhiana

(Rajesh Sharma)
Partner
M.No- 092948

LWS KNITWEARS LTD.

ANNUAL REPORT

M/S. LWS KNITWEAR LTD.
 Regd. Office : - #G.T. Road (West), Ludhiana-141008 (Punjab)
 CIN NO : L17115PB1989PLC009315
 Tel : 0161-2780555, Email : Info@lwsknitwear.com, Website : www.lwsknitwear.com
BALANCE SHEET AS AT 31ST MARCH, 2020

(AMOUNT IN RS.)

Particulars	NOTE	As at 31st March 2020	As at 31st March 2019
ASSETS			
Non-current assets			
Property, Plant & Equipments	2	5,869,076.25	6,885,868.25
Capital work-in-progress		-	-
Goodwill		-	-
Other Intangible Assets		-	-
Intangible Assets under Development		-	-
Non Current Financial Assets			
(i) Investments	3	34,700,546.37	33,596,314.51
(ii) Loans	4	4,125,000.00	4,125,910.00
(iii) Other Financial Assets		-	-
Deferred tax assets		-	-
Other non-current assets	5	31,038,343.33	12,075,837.00
TOTAL OF NON CURRENT ASSETS		75,732,965.95	56,683,929.76
Current assets			
Inventories	6	45,125,063.38	33,296,669.80
Current Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	7	84,620,587.00	107,475,379.93
(iii) Cash and cash equivalents	8	577,810.89	3,963,991.82
(iv) Loans	9	22,105,989.04	-
(v) Other Financial Assets		-	-
Current Tax Assets (Net)		-	-
Other current assets	10	616,679.48	713,033.84
TOTAL OF CURRENT ASSETS		153,046,129.79	145,449,075.39
Non Current Assets classified as held for sales		-	-
Regulatory deferral account debit balance and related deferred tax assets		-	-
TOTAL ASSETS		228,779,095.74	202,133,005.15
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	50,584,000.00	50,584,000.00
Other Equity	12	49,436,419.32	47,751,104.61
TOTAL EQUITY		100,020,419.32	98,335,104.61
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	13	4,808,350.82	6,001,838.28
(ii) Trade Payables		-	-
- Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
- Total outstanding dues of Other than Micro and Small Enterprises		-	-
(ii) Other financial liabilities		-	-
Provisions		-	-
Deferred tax liabilities (Net)	14	299,097.17	346,097.17
Other Non Current Liabilities		-	-
Total of Non Current Liabilities		5,107,447.99	6,347,935.45
Current Liabilities			
Financial Liabilities			
(i) Borrowings	15	-	-
(ii) Trade payables	16	122,697,210.93	95,258,439.09
(iii) Others		-	-
Other current liabilities	17	158,017.50	183,526.00
Provisions	18	796,000.00	2,008,000.00
Current Tax Liabilities (Net)		-	-
TOTAL OF CURRENT LIABILITIES		123,651,228.43	97,449,965.09
TOTAL LIABILITIES		128,758,676.42	103,797,900.54
TOTAL - EQUITY & LIABILITIES		228,779,095.74	202,133,005.15

The accompanying notes form an integral part of the standalone financial statements.
 As per our Report of even date attached.

for **Rajesh K. Sharma & Associates**
 Chartered Accountants

(Rajesh Kumar Sharma)
 Partner
 Date : 30.06.2020
 Place : Ludhiana

for and on behalf of the board of directors of
LWS Knitwear Limited

(Girish Kapoor)
 Mg. Director
 DIN 01870917

(Genus Magoo)
 Director
 DIN : 08453881

(Arun Jaiswal)
 CFO

M/S. LWS KNITWEAR LTD.
 Regd. Office : - #G.T. Road (West), Ludhiana-141008 (Punjab)
 CIN NO : L17115PB1989PLC009315
STATEMENT OF PROFIT AND LOSS ACCOUNT

(AMOUNT IN RS.)

PARTICULARS	NOTES	YEAR ENDING 31 MARCH 2020	YEAR ENDING 31 MARCH 2019
CONTINUING OPERATIONS			
Revenue from operations	19	290,063,608.00	543,407,544.00
Other Income	20	4,336.02	307,351.78
Other Gains/Losses (net)			
TOTAL INCOME		290,067,944.02	543,714,895.78
EXPENSES			
Cost of materials consumed	21	295,165,529.02	529,037,257.57
Purchase of Stock-in-Trade		-	-
Changes in inventories of WIP/SIT/FG	22	-11,829,593.58	4,197,308.20
Excise Duty/Other Taxes			
Employee benefit expense	23	449,700.00	300,000.00
Financial costs	24	601,160.53	553,981.15
Depreciation and amortization expense	25	1,016,792.00	1,015,991.00
Other expenses	26	2,236,988.34	2,104,407.20
Total Expenses		287,640,576.31	537,208,945.12
Profit before tax		2,427,367.71	6,505,950.66
Tax expense:			
: Current tax	27	796,000.00	2,008,000.00
: Deferred tax	27	-47,000.00	52,700.00
Total Tax Expenses		749,000.00	2,060,700.00
Profit for the year		1,678,367.71	4,445,250.66
Other Comprehensive Income			
i) Items that will not be reclassified to profit & loss		-	-
ii) Income Tax relating to items that will not be reclassified to P&L		-	-
iii) Items that will be reclassified to profit & loss		-	-
iv) Income Tax relating to items that will be reclassified to P&L		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		1,678,367.71	4,445,250.66
Earning per equity share of face value of Rs. 10 each			
Basic earning per share (in Rs.)		0.33	0.88
Diluted earning per share (in Rs.)		0.33	0.88

The accompanying notes form an integral part of the standalone financial statements.
 As per our Report of even date attached.

for Rajesh K. Sharma & Associates
 Chartered Accountants

(Rajesh Kumar Sharma)
 Partner
 Date : 30.06.2020
 Place : Ludhiana

**for and on behalf of the board of directors of
 LWS Knitwear Limited**

(Girish Kapoor)
 Mg. Director
 DIN 01870917

(Genus Magoo)
 Director
 DIN : 08453881

(Arun Jaiswal)
 CFO

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

A. CORPORATE INFORMATION

LWS Knitwear Limited (“the Company”) is a listed entity incorporated in India. The registered office of the Company is located at G.T.Road (West), Near Chand Cinema, Ludhiana 141008, India. The Company is engaged in activities spanning across hosiery goods, knitted cloth and readymade garments.

B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

i. Statement of Compliance and basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (“**Ind AS**”), the provisions of the Companies Act 2013 (“**the Companies Act**”), as applicable and guidelines issued by Securities and Exchange Board of India (“**SEBI**”). The Ind AS are prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company adopted Ind AS from 01st of April 2016. Accounting policies have been consistently applied 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.

ii. Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain material items, which have been measured at fair value as required by relevant Ind AS.

iii. Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- a) **Revenue recognition:** The Company applies judgment to determine whether each product or service promised to a customer is capable of being distinct, and is distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation.
- b) **Income taxes:** The tax jurisdictions for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.
- c) **Deferred taxes:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realisable, however, could reduce in the near term if estimates of future taxable income during the carry-forward period are reduced.

- d) **Useful lives of property, plant and equipment:** The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as changes in technology. The estimated useful life is reviewed at least annually.
- e) **Uncertainty relating to the global health pandemic on COVID-19** In assessing the recoverability of receivables and certain other transactions, the Company has considered internal and external information up to the date of approval of these standalone financial statements including credit reports and economic forecasts. The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

C. SIGNIFICANT ACCOUNTING POLICIES:

1.1 GENERAL

- a. These accounts are prepared on the historical cost convention except for certain items that are measured at fair values, as explained in the accounting policies.
- b. Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles and mandatory Accounting Standards.

1.2 FINANCIAL INSTRUMENTS

a) **Non-derivative financial instruments:**

Non derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets; Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, and eligible current and non-current liabilities.

Non- derivative financial instruments are recognized initially at fair value. Subsequent to initial recognition, non derivative financial instruments are measured as described below:

A. Cash and cash equivalents: The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

B. Other financial assets: Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled receivables, finance lease

receivables, employee and other advances and other eligible current and non-current assets.

C. Trade payables and other liabilities Trade payables and other liabilities are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments. Contingent consideration recognized in the business combination is subsequently measured at fair value through profit or loss.

b) Derivative financial instruments

The Company has not made any foreign currency transactions during the year, hence there is no effect of fluctuations on foreign currency assets, liabilities, net investment on the financial statement of the company.

1.3 Equity :

a) Share capital and securities premium: The authorized share capital of the Company as at March 31, 2020 is Rs.5.50 cr. divided into 55 lakh equity shares of Rs. 10/- each. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as securities premium. Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

b) Retained earnings: Retained earnings comprises of the Company's undistributed earnings after taxes.

c) Other reserves: Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on defined benefit plans are recognized in other comprehensive income, net of taxes, and presented within equity as other reserves.

1.4 Property, plant and equipment

a) Recognition and measurement: Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost. Capital work-in-progress is measured at cost less accumulated impairment losses, if any.

b) Depreciation: The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. The estimated useful life of assets is reviewed and where appropriate are adjusted, annually.

1.5 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

1.6 Inventories

Inventories are valued at lower of cost and net realisable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

LWS KNITWEARS LTD.

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M/S. LWS KNITWEAR LTD.

Regd. Office : - G.T. Road (West), Ludhiana-141008 (Punjab)

NOTE NO. - 1

PROPERTY, PLANT & EQUIPMENT

AMOUNT IN RS.

PARTICULARS	COST AS ON 01-04-19	ADDITIONS		SALE/ TRANSFER	TOTAL COST OF ACQUISITION	DEPRECI- -TION UPTO 01-04-19	DEPRECI- ATION FOR THE YEAR	ADJUST- MENTS	TOTAL DEPRECIA- TION	W.D.V AS ON 31-03-20	W.D.V AS ON 31-03-19
		BEFORE 30-09-19	AFTER 30-09-19								
<u>PLANT & MACHINERY</u>											
Machinery	5,260,703.50	-	-	-	5,260,703.50	4,323,388.68	95,566.00	-	4,418,954.68	841,748.82	937,314.82
A	5,260,703.50	-	-	-	5,260,703.50	4,323,388.68	95,566.00	-	4,418,954.68	841,748.82	937,314.82
<u>MISC. ASSETS</u>											
Computers	28,200.00	-	-	-	28,200.00	25,120.00	1,670.00	-	26,790.00	1,410.00	3,080.00
Car (Ciaz)	1,102,358.00	-	-	-	1,102,358.00	549,625.42	131,319.00	-	680,944.42	421,413.58	552,732.58
Car (Mercedes)	6,534,836.00	-	-	-	6,534,836.00	1,176,207.00	778,465.00	-	1,954,672.00	4,580,164.00	5,358,629.00
Furniture & Fixture	94,915.20	-	-	-	94,915.20	90,169.44	-	-	90,169.44	4,745.76	4,745.76
Office Equipments	195,320.87	-	-	-	195,320.87	167,244.78	9,772.00	-	177,016.78	18,304.09	28,076.09
Water Coller	25,800.00	-	-	-	25,800.00	24,510.00	-	-	24,510.00	1,290.00	1,290.00
B	7,981,430.07	-	-	-	7,981,430.07	2,032,876.64	921,226.00	-	2,954,102.64	5,027,327.43	5,948,553.43
A+B	13,242,133.57	-	-	-	13,242,133.57	6,356,265.32	1,016,792.00	-	7,373,057.32	5,869,076.25	6,885,868.25

a) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortization and accumulated impairment, if any.

b) Depreciation on fixed assets has been provided as per SLM Method of Companies Act 2013.

c) 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 Ind AS-23 is not applicable on the company.

NOTE NO. - 3**INVESTMENTS (NON CURRENT)**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
INVESTMENT IN EQUITY SHARES		
- (i) Subsidiaries/associates/joint ventures/controlled	-	-
- (ii) Others (Quoted at cost)	-	-
INVESTMENT IN PARTNERSHIP FIRMS		
- LWS Knitwear (Associate Concern)	34,700,546.37	33,596,314.51
TOTAL	34,700,546.37	33,596,314.51

Management of the company certified that shares of Riba Textiles Ltd. and Sportking India Limited were forfeited by the respective companies, hence there Investments have been shown in the balance sheet at nil value. 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 per disclosure norms of Ind AS-24, Ind AS-28 & Ind AS-112, profit shearing ratio is as under:

NAME OF THE PARTNERS IN PARTNERSHIP CONCERN

	SHARE	CAPITAL AS AT 31.03.2020	CAPITAL AS AT 31.03.2019
LWS Knitwear Limited	80.00%	34,700,546.37	33,596,314.51
Girish Kapoor	10.00%	2,127,056.61	2,746,527.63
Gopal Kapoor	10.00%	2,265,705.52	1,646,176.54

NOTE NO. - 4**LOANS - NON CURRENT (Unsecured and considered good)**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Advance against Capital Goods	-	-
Security Deposits	-	-
Loans & Advances to Related Parties	-	-
Other Loans & Advances	4,125,000.00	4,125,910.00
TOTAL	4,125,000.00	4,125,910.00

NOTE NO. - 5**OTHER NON CURRENT ASSETS (Unsecured and considered goods)**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
LONG TERM TRADE RECEIVABLES		
Considered Good		
Debtors outstanding exceeding one year	31,038,343.33	12,075,837.00
Considered Doubtful		
Debtors outstanding exceeding one year	-	-
TOTAL	31,038,343.33	12,075,837.00

NOTE NO. - 6**INVENTORIES**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Raw Material	-	-
Stock in Process	-	-
Finished Goods	45,125,063.38	33,295,469.80
Stores & Spares	-	1,200.00
TOTAL	45,125,063.38	33,296,669.80

Raw Material, Stock in Process, Finished Goods and Store & Spares have been valued at cost price or market price whichever is lower. Valuation of stocks have been valued and certified by the management.

NOTE NO. - 7**TRADE RECEIVABLES (Unsecured considered current)**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
<u>Considered Good</u>		
Less than 6 months	77,931,210.00	55,553,063.93
more than 6 months but less than 1 year	6,689,377.00	51,922,316.00
<u>Considered Doubtful</u>		
Less than 6 months	-	-
more than 6 months but less than 1 year	-	-
	84,620,587.00	107,475,379.93

NOTE NO. - 8**DETAILS OF CASH AND CASH EQUIVALENTS**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Cash in Hand	529,286.58	1,454,308.58
Balance with Schedule Banks.	48,524.31	2,509,683.24
Margin Money FDRs (Maturity Less than 12 months)	-	-
Margin Money FDRs (Maturity more than 12 months)	-	-
Cash and Cash Equivalents as per Balance Sheet	577,810.89	3,963,991.82
Cash and Cash Equivalents as per Cash Flow Statement	577,810.89	3,963,991.82

Deposits with more than 12 months maturity

-

-

Balance with bank held as margin money deposit against guarantees

-

-

The details of balances as on balance sheet dates with banks are as follows:

NAME OF THE BANK**31.03.2020****31.03.2019**

State Bank of India/Hyderabad (C/A)

17,949.57

72,448.99

Canara Bank

7,692.50

7,692.50

Corporation Bank

22,882.24

1,024,240.25

NOTE NO. - 9**LOANS - CURRENT (Unsecured and considered good)**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
(Secured and considered good)		
- Loans & Advances to related parties	-	-
- Loans & Advances to others	22,105,989.04	-
	22,105,989.04	-

NOTE NO. - 10**OTHER CURRENT ASSETS (Unsecured and considered good)**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Duties & Taxes	553,996.48	650,479.84
Misc. receivables	62,683.00	62,554.00
TOTAL	616,679.48	713,033.84

NOTE NO- 11**DETAIL OF SHARE CAPITAL**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
<u>AUTHORISED</u> 55,00,000 (P.Y. 55,00,000) Equity Shares of Rs. 10/- (Rupees Ten) each	55,000,000.00	55,000,000.00
<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.	50,584,000.00	50,584,000.00
TOTAL	50,584,000.00	50,584,000.00

The Company has only one class of shares referred to as equity shares having a par value of `10/-. Each holder of equity shares is entitled to one vote per share.

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2020 and March 31, 2019 is set out below:

	As at 31st March 2020	As at 31st March 2019
Share Capital at the beginning of the period	50,584,000.00	50,584,000.00
Addition during the year	-	-
Share Capital at the closing of the period	50,584,000.00	50,584,000.00

Reconciliation of Share Capital outstanding as at the beginning and at the end of the year

During the current year and in the previous year, there has been no movement in the number of equity shares outstanding.

MAJOR SHAREHOLDERS OF THE COMPANY HAVING STAKE OF MORE THAN 5%

	FY 2019-20		FY 2018-19
	NO. OF SHARES	%AGE OF SHARE HOLDING	NO. OF SHARES
<u>EQUITY SHARE HOLDERS</u>			
Girish Kapoor	774700.00	15.32	774,700.00
Kusum Kapoor	2059900.00	40.72	2,059,900.00
TOTAL	2834600.00	56.04	2,834,600.00

NOTE NO. - 12
OTHER EQUITY

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
RETAINED EARNINGS		
As per last Balance Sheet	45,751,104.61	41,255,584.35
Add Profit for the Year	1,678,367.71	4,445,250.66
Add Tax/other Adjustments	6,947.00	50,269.60
Less Adjustments	-	-
	47,436,419.32	45,751,104.61
Security Premium Reserve		
As per Last Balance Sheet	2,000,000.00	2,000,000.00
Add for the year	-	-
	2,000,000.00	2,000,000.00
TOTAL	49,436,419.32	47,751,104.61

NOTE NO. - 13
BORROWINGS (NON CURRENT)

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
A. SECURED LOANS		
Vehicle Loan		
- From Corporation Bank	3,570,825.00	4,178,315.00
- From HDFC Bank Ltd.	840,793.82	1,238,809.28
- From Kotak Mahindra Bank Ltd.	396,732.00	584,714.00
-	-	-
B. UNSECURED LOANS		
- from Directors	-	-
- from Shareholders	-	-
- from Corporates	-	-
TOTAL	4,808,350.82	6,001,838.28

Vehicle Loan from Bank is secured by hypothecation of vehicle financed.

NOTE NO. - 14
DEFERRED TAX LIABILITY

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
At the start of the year	346,097.17	293,397.17
Charge/Credit to Statement of Profit & Loss	47,000.00	52,700.00
At the end of the year	299,097.17	346,097.17

NOTE NO. - 15**BORROWINGS (CURRENT)**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
SECURED LOANS		
a) Loans repayable on demand		
(A) From Banks		
State Bank of India (Working Capital Limits)	-	-
(B) From Other Parties	-	-
b) Loans and advances from related parties	-	-
c) Deposits	-	-
c) Other loans & advances	-	-
TOTAL	-	-

Company surrendered its working Capital Limits financed by Corporation Bank during the year.

NOTE NO. - 16**TRADE PAYABLES**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Sundry Creditors		
- Micro Small & Medium Enterprises	-	-
- Other	122,697,210.93	95,258,439.09
Sundry Creditors for Capital Goods	-	-
Advance from Customers	-	-
TOTAL	122,697,210.93	95,258,439.09

NOTE NO. - 17**OTHER CURRENT LIABILITIES**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Payable Expenses	158,017.50	183,526.00
	158,017.50	183,526.00

NOTE NO. - 18**PROVISIONS**

(Amount in Rs.)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Provision for Income tax	796,000.00	2,008,000.00
Provision for others	-	-
	796,000.00	2,008,000.00

Income Tax provisions has been made as per prevailing income tax rates.

NOTE NO. - 19**REVENUE FROM OPERATIONS**

PARTICULARS	YEAR ENDING 31 MARCH 2020	YEAR ENDING 31 MARCH 2019
Sales of Products	285,999,914.00	543,407,544.00
Sale of Services	4,063,694.00	-
Sale of Licences	-	-
	290,063,608.00	543,407,544.00
Less Taxes	-	-
Net Revenue	290,063,608.00	543,407,544.00

LWS KNITWEARS LTD.
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**NOTE NO. - 20
OTHER INCOME**

(Amount in Rs.)

PARTICULARS	YEAR ENDING 31 MARCH 2020	YEAR ENDING 31 MARCH 2019
Rounded Off	104.16	320.50
Other Income	-	300,000.00
Profit from Partnership Firm	4,231.86	7,031.28
	4,336.02	307,351.78

**NOTE NO. - 21
COST OF MATERIAL CONSUMED**

(Amount in Rs.)

PARTICULARS	YEAR ENDING 31 MARCH 2020	YEAR ENDING 31 MARCH 2019
Opening Stock of Raw Material	-	-
Add Purchases	294,154,672.02	529,037,257.57
Less Closing Stock of Raw Material	-	-
Raw Material Consumed	294,154,672.02	529,037,257.57
Consumable stores	25,921.00	-
Power & Fuel	125,400.00	-
Wages	859,536.00	-
TOTAL	295,165,529.02	529,037,257.57

M/S. LWS KNITWEAR LTD.
Regd. Office : G.T.ROAD(WEST), LUDHIANA.

**NOTE NO. - 22
CHANGE IN INVENTORIES OF WIP/SIT/FG**

(Amount in Rs.)

PARTICULARS	YEAR ENDING 31 MARCH 2020	YEAR ENDING 31 MARCH 2019
OPENING STOCK OF		
- STOCK OF FINISHED GOODS	33,295,469.80	37,492,778.00
- STOCK OF WORK IN PROCESS	-	-
- STOCK OF STOCK-IN-TRADE	-	-
TOTAL	33,295,469.80	37,492,778.00
CLOSING STOCK OF		
- STOCK OF FINISHED GOODS	45,125,063.38	33,295,469.80
- STOCK OF WORK IN PROCESS	-	-
- STOCK OF STOCK-IN-TRADE	-	-
TOTAL	45,125,063.38	33,295,469.80
INCREASE/DECREASE IN STOCKS	-11,829,593.58	4,197,308.20

**NOTE NO. - 23
EMPLOYEE BENEFIT EXPENSES**

(Amount in Rs.)

PARTICULARS	YEAR ENDING 31 MARCH 2020	YEAR ENDING 31 MARCH 2019
Salary & Allowances	209,700.00	60,000.00
Directors Remuneration & Perquisites	240,000.00	240,000.00
TOTAL	449,700.00	300,000.00

Company has paid directors remuneration of Rs. 240000 to Sh. Girish Kapoor, Mg. Director during the year.

NOTE NO. - 24
FINANCIAL COST

(Amount in Rs.)

PARTICULARS	YEAR ENDING 31 MARCH 2020	YEAR ENDING 31 MARCH 2019
Bank Charges	10,449.99	28,801.11
Bank Interest	586,254.54	525,180.04
Interest to Others	4,456.00	-
TOTAL	601,160.53	553,981.15

NOTE NO. - 25
DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in Rs.)

PARTICULARS	YEAR ENDING 31 MARCH 2020	YEAR ENDING 31 MARCH 2019
Depreciation	1,016,792.00	1,015,991.00
Preliminary Expenses W/Off	-	-
TOTAL	1,016,792.00	1,015,991.00

NOTE NO. - 26
OTHER EXPENSES

(Amount in Rs.)

PARTICULARS	YEAR ENDING 31 MARCH 2020	YEAR ENDING 31 MARCH 2019
Auditor's Remuneration		
- Audit Fees	25,000.00	20,000.00
Advertisement Expenses	98,828.00	110,760.00
Brokerage & Commission	998,910.00	950,000.00
Fees & Taxes	112,310.00	67,369.00
Insurance	125,916.00	139,238.00
Meeting Expenses	31,000.00	95,100.00
Mics.Exp.	-	450.00
Postage & Courier Expenses	990.00	11,254.00
Printing & Stationery	7,540.00	65,400.00
Legal & Professional Expenses	639,958.00	429,284.00
Telephone Expenses	85,451.96	102,868.82
Vehicle Repair & Maintenance	111,084.38	112,683.38
TOTAL	2,236,988.34	2,104,407.20

27. TAX EXPENSES

PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD 31.03.2020	FIGURES FOR THE PREVIOUS REPORTING PERIOD 31.03.2019
Current Tax		
a) For Current Year	796000.00	2008000.00
b) For earlier Years	0.00	0.00
	----- 796000.00	----- 2008000.00
Deferred Tax		
a) For Current Year	(-) 47000.00	52700.00
b) For earlier Years	0.00	0.00
	----- (-) 47000.00	----- 52700.00

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for year ended 31st March, 2020.

Provision for current tax and deferred tax has been made as per the prevailing income tax rates and Provision for Deferred Tax Assets has been calculated in terms of Ind AS 12.

28. EARNINGS PER EQUITY SHARE (Ind AS-33)

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Earning Per Share as required under Accounting Standard 20:

	2019-20	2018-19
Profit/(Loss) for the year	16.78	44.45
Weighted average number of Equity Shares 50.58 (Number in Lacs)	50.58	50.58
Basic earning per share (Rs.)	0.33	0.88
Diluted earning per share (Rs.)	0.33	0.88

29. PROVISION FOR GRATUITY

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 Ind AS-19 is not applicable on the company.

30. SUBSIDY FROM GOVERNMENT

The company has not received any grant or subsidy form Government of India during the year.

31. AUDITORS REMUNERATION

	2019-20	2018-19
Audit Fees	10000/-	10000/-
Tax audit Fees	10000/-	5000/-
Misc. Services	5000/-	5000/-

32. CONTINGENT LIABILITIES

There was no contingent liability; hence no provision has been made in the financial statements of the company.

33. IMPACT OF PRIOR PERIOD ITEMS ON PROFIT

Particulars	2019-20	2018-19
Pre-Tax Profit after adjustment of prior period items	24.27	65.06
Add Prior Period Expenses	0.00	0.00
Less Prior period incomes	0.00	0.00
Net Profit before Prior Period Items	24.27	65.06

34. DISCLOSURE OF RELATED PARTIES/ RELATED PARTY TRANSACTIONS (IND AS -24)

RELATION	PARTY
A. PARTY WITH SUBSTANTIAL INTEREST AND ITS AFFILIATES	M/S. LWS KNITWEAR
B. ASSOCIATES	M/s. LWS Exports Limited M/s. Gee Kay Knitwear (P) Ltd. M/s. ABC Inc. M/s. Dee Enn Knitwear M/s. Gopal Knitwear Trader M/s. Kay Dee Garments
C. DIRECTORS, NON EXECUTIVE DIRECTORS AND KEY MANAGERIAL PERSONNEL	A. EXECUTIVE DIRECTORS MR. GIRISH KAPOOR

	<p>B. NON EXECUTIVE DIRECTORS MS. GENUS MAGOO MR. JASKARAN SINGH GHUMAN MS. ANJU BALA</p> <p>C. KEY MANAGERIAL PERSONNEL MR. ARUN JAISWAL MS. LEENA SHARMA</p>
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c) DISCLOSURE OF RELATED PARTY					
	NATURE OF PAYMENT	PARTY NAME	RELATION	TRANSACTION AMOUNT (Rs. Crores)	OUTSTANDING BALANCE AS AT 31.03.2020 (Rs.)
	Sale	ABC Inc.	Associate Concern	2.07	Dr.22566144.00
	Purchase	Dee Enn Knitwear	Associate Concern	0.79	Cr.5948117.00
	Purchases	Kay Dee Garments	Associate Concern	0.16	Dr.4975645.00
	Purchases	Gopal Knitwear Traders	Associate Concern	0.17	Dr.1496781

d)	Enterprises over which key management personnel and their relatives are able to exercise significant influence	M/s. LWS Knitwear M/s. LWS Exports Limited M/s. Gee Kay Knitwear (P) Ltd. M/s. ABC Inc. M/s. Dee Enn Knitwear M/s. Gopal Knitwear Trader M/s. Kay Dee Garments
e)	Outstanding Balances as at 31.03.2020	(Amount in Rs.)
		31.03.2020
		31.03.2019
	DEBTORS/ ADVANCE TO SUPPLIERS	
	ABC Inc.	Dr. 22566144.00
	LWS Exports Ltd.	Dr. 2623229.00
	Kay Dee Garments	Dr.4975645.00
	Gopal Knitwear Traders	Dr. 1496781.00
	SUNDRY CREDITORS	
	Dee Enn Knitwear	Cr. 5948117.00
	UNSECURED LOANS	
	Associate concerns	Nil
	Key Management Personnel	Nil
	Other related parties	Nil

III) DETAIL OF REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

(Rs. in crores)

NAME OF NON EXECUTIVE DIRECTORS/ KEY MANAGERIAL PERSONNEL	FEEES FOR ATTENDING BOARD/ COMMITTEE MEETINGS	COMMISSIONS	MANAGERIAL REMUNERATION	TOTAL
Sh. Girish Kapoor	0.0000	0.0000	0.0240	0.0240
MS. GENUS MAGOO	0.0011	0.0000	0.0000	0.0011
MR. JASKARAN SINGH GHUMAN	0.0010	0.0000	0.0000	0.0010
MS. ANJU BALA	0.0010	0.0000	0.0000	0.0010

35. **OPERATING SEGMENT (IND AS -108)**

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 19-20, hence Ind AS-108 is not applicable on the company.

36. **MSME COMMENTS**

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

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March 2020 and 31st March 2019 is as under

	PARTICULARS	AS AT	
		MARCH 31, 2020	MARCH 31, 2019
a)	Principal amount remaining unpaid	0.00	0.00
b)	Interest due thereon remaining unpaid	0.00	0.00
c)	Interest paid by the Company in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day	0.00	0.00
d)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the MSMED Act	0.00	0.00
e)	Interest accrued and remaining unpaid	0.00	0.00
f)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises or the purpose of disallowance as a deductible expenditure under section 23.	0.00	0.00

37. PENDING LITIGATIONS

Company was in litigation with Tata Tea Ltd. for the insurance claim of Rs.1705786/- which has been rejected by the court of National Commission, New Delhi. As per information provided by the company, it is now planning to filing an appeal with the honorable Supreme Court of India.

38. FOREIGN CURRENCY TRANSACTIONS

The company has not made any foreign currency transactions during the year, hence Ind AS-109 is not applicable on the company.

- 39.** COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact the carrying amounts of inventories, receivables and other assets and liabilities. In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financials results. The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.

for **Rajesh K.Sharma & Associates**
Chartered Accountants

For **LWS KNITWEAR LTD.**

(Rajesh Sharma)
Partner

(Girish Kapoor)
Mg. Director
DIN – 01870917

(Genus Magoo)
Director
DIN - 08453881

(Arun Jaiswal)
CFO

Date : 30.06.2020
Place : Ludhiana

M/S. LWS KNITWEAR LTD.

Regd. Office : G.T. Road (West), Ludhiana-141008 (Punjab)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.3.2020

(Rs.)

PARTICULARS	AMOUNT (RS.)	Year Ended 31.03.2020
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and Extraordinary Items		2427367.71
Adjustments for		
a. Depreciation & Amortization Exp. (Adjusted)	1016792.00	
b. Interest Paid	590710.54	
c. Interest Received	0.00	
	1607502.54	1607502.54
Operating Profit Before Working Capital Changes		4034870.25
Adjustments for		
a. Increase in inventories	-11828393.58	
b. Increase in Receivables	22854792.93	
c. Increase in Loan & Advances	-22105989.04	
d. Increase in Other Current Assets	96354.36	
e. Increase in Current Liabilities & Provisions	26201263.34	
	15218028.01	15218028.01
CASH GENERATED FROM OPERATIONS		19252898.26
a. Interest Paid	-590710.54	
b. Prov. For Taxation	-749000.00	
	-1339710.54	-1339710.54
Cash Flow Before extraordinary items		17913187.72
Previous Year Tax Adjustments		6947.00
Net cash From operating activities		17920134.72
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets(Net of Sales)	0.00	
Increase in Long Term Loans & Advances & DT Assets	0.00	
Increase in Non Current Assets	-18961596.33	
Increase in Non Current Investments	-1104231.86	
Interest Received	0.00	
	-20065828.19	-20065828.19
Net Cash used in Investing Activities		-2145693.47
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Share Capital & Share Premiums	0.00	
Increase in Dereffered Tax Liability	-47000.00	
Increase in Long Term Borrowings	-1193487.46	
Increase in Short Term Borrowings	0.00	
	-1240487.46	-1240487.46
Net cash from Financing Activities		-1240487.46
Net Increase(+)/Decrease(-) in Cash and Cash Equiv.		-3386180.93
Cash and Cash equiv. as at 01.04.2019 (Op. Bal.)		3963991.82
Cash and Cash equiv. as at 31.03.2020 (Cl. Bal.)		577810.89

The accompanying notes form an integral part of the standalone financial statements.
As per our Report of even date attached.

for Rajesh K. Sharma & Associates
Chartered Accountants

(Rajesh Kumar Sharma)
Partner
Date : 30.06.2020
Place : Ludhiana

for and on behalf of the board of directors of
LWS Knitwear Limited

(Girish Kapoor)
Mg. Director
DIN 01870917

(Genus Magoo)
Director
DIN : 08453881

(Arun Jaiswal)
CFO