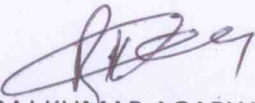

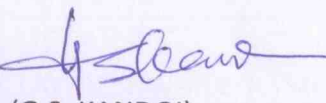





**FORM A**  
**PURSUANT TO CLAUSE 31 (A) OF LISTING AGREEMENT**

<b><u>S.NO.</u></b>	<b><u>PARTICULARS</u></b>	<b><u>DETAILS</u></b>
1.	NAME OF THE COMPANY	LAWRESHWAR POLYMERS LIMITED
2.	ANNUAL STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED	31ST MARCH, 2014
3.	TYPE OF AUDIT OBSERVATION	<p><i>Matter of emphasis :- paragraph inserted in Auditors report on standalone financial statements</i></p> <p>The financial statements give the information required by the Act in the manner so required and give true and fair view subject to Note no. 15 of Notes on Financial Statements regarding loss by fire.</p>
		<p><i>Note No. 15 inserted in financial statements referred in matter of emphasis</i></p> <p>There had occurred a fire on 24.02.2008 at the registered office &amp; factory premises of the company. The Insurance Company has passed the claim of the company and there is a shortfall of Rs. 1,86,74,521 against the said claim. No provision is made for the same, as the company has not accepted the assessment of loss from insurance companies and has invoked the arbitration clause of the insurance contract and company is of opinion that they will receive the balance amount of Rs. 1,86,74,521 from the insurance companies.</p>
4.	FREQUENCY OF OBSERVATION	Sixth Year

5.	<p>TO BE SIGNED BY :</p> <ul style="list-style-type: none"> <li>• MANAGING DIRECTOR</li> <li>• CFO</li> <li>• CHAIRMAN OF AUDIT COMMITTEE</li> <li>• AUDITOR OF THE COMPANY</li> </ul>	<p> (RAJ KUMAR AGARWAL)</p> <p> (RAKESH KUMAR SONI)</p> <p> (G.S. KANDOI)</p> <p>REFER OUR AUDIT REPORT DATED 24<sup>TH</sup> MAY, 2014 ON THE STANDALONE FINANCIAL STATEMENTS OF THE COMPANY</p> <p>FOR A.BAFNA &amp; COMPANY CHARTERED ACCOUNTANTS FRN : 003660C</p> <p> (CA VIVEK GUPTA, PARTNER M.NO. : 400453</p>
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**FORM B**  
**PURSUANT TO CLAUSE 31 (A) OF LISTING AGREEMENT**

<b><u>S.NO.</u></b>	<b><u>PARTICULARS</u></b>	<b><u>DETAILS</u></b>
1.	NAME OF THE COMPANY	LAWRESHWAR POLYMERS LIMITED
2.	ANNUAL STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED	31ST MARCH, 2014
3.	TYPE OF AUDIT QUALIFICATION	Subject to Note no. 15 of Notes on Financial Statements regarding loss by fire.
4.	FREQUENCY OF QUALIFICATION	Repetitive in respect of observation stated in item no. 5 below from the financial year ended 31 <sup>st</sup> March 2009
5.	DRAW ATTENTION TO RELEVANT NOTES IN THE ANNUAL FINANCIAL STATEMENTS AND MANAGEMENT RESPONSE TO THE RESERVATION IN THE DIRECTORS REPORT :	As per disclosure made in the Annual Report
6.	ADDITIONAL COMMENTS FROM THE BOARD OR AUDIT COMMITTEE CHAIRMAN :	As per disclosure made in the Annual Report
5.	TO BE SIGNED BY :  <ul style="list-style-type: none"> <li>• MANAGING DIRECTOR</li>            <li>• CFO</li> </ul>	 (RAJ KUMAR AGARWAL)           (RAKESH KUMAR SONI)


- CHAIRMAN OF  
AUDIT COMMITTEE

  
(G.S. KANDOI)

- AUDITOR OF THE  
COMPANY

REFER OUR AUDIT REPORT DATED 24<sup>TH</sup> MAY, 2014  
ON THE STANDALONE FINANCIAL STATEMENTS OF  
THE COMPANY

FOR A.BAFNA & COMPANY  
CHARTERED ACCOUNTANTS  
FRN : 003660C

  
(CA VIVEK GURTA)  
PARTNER  
M.NO. : 400453

# Lehar<sup>®</sup>

## FOOTWEAR

National Award Winner 2000

National Award Winner 2003

National Award Winner 2003 (For Quality)

(From Govt. of India)



National Award For Quality

ISO 9001 (QMS)

ISO 14001 (EMS)

ISO 18001 (OHSAS)

REGISTERED FIRM

Hawai ❖ Canvas Shoes ❖ EVA Wave ❖ PU-Bliss  
❖ Sports Shoes ❖ School Shoes ❖ Belly ❖ Casual Shoes

**CORPORATE INFORMATION****Board of Directors**

1. Ramesh Chand Agarwal	-	CHAIRMAN	[DIN No. : 00108287]
2. Raj Kumar Agarwal	-	MANAGING DIRECTOR	[DIN No. : 00127215]
3. Naresh Agarwal	-	WHOTE TIME DIRECTOR	[DIN No. : 00106649]
4. Gauri Shankar Kandoi	-	INDEPENDENT DIRECTOR	[DIN No. : 00120330]
5. Sidhartha Singh	-	INDEPENDENT DIRECTOR	[DIN No. : 00978342]
6. Radhey Shyam Mangal	-	INDEPENDENT DIRECTOR	[DIN No. : 00107459]

**COMPANY SECRETARY - Devyamini Singh****CHIEF FINANCIAL OFFICER - Rakesh Kumar Soni****STATUTORY AUDITORS:**

M/s A. Bafna & Co. Chartered Accountants  
K-2, Raj Apartment, Keshav Path,  
C-Scheme, Jaipur 302 001

**INTERNAL AUDITORS:**

M/s B. Vishal & Co. Chartered Accountants  
405, Surya Chamber  
Nehru Bazar, Jaipur-302 003

**COST AUDITOR :**

M/s Rajesh & Company, Cost Accountants  
8, Chitragupt Nagar  
Jyoti Nagar Rly Crossing, Jaipur-302 005

**BANKERS :**

Punjab National Bank  
SSI Branch  
Sikar Road, V.K.I.A., Jaipur-302 013 (Raj)

**REGISTRAR & SHARE TRANSFER AGENT :-**

Big Share Services Pvt. Ltd  
E-2, Ansa Industrial Estate, Sakivihar Road  
Saki Naka, Andheri (E), Mumbai-400 072  
Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)  
URL: [www.bigshareonline.com](http://www.bigshareonline.com)

**REGISTERED OFFICE :**  
**FACTORY & WORKS:**

A-243 (A), Road No. 6, V. K. I. Area, Jaipur – 302013  
UNIT 1, A-243 (A), Road No. 6, V. K. I. Area, Jaipur – 302013  
UNIT 2, G-685, Road No. 9F2, V. K. I. Area, Jaipur – 302013  
UNIT 3 F-263, Road No. 13, V. K. I. Area, Jaipur – 302013  
UNIT 4 SD-41, Kaladera Industrial Area, Tehsil Chomu, District Jaipur.

**OTHER DETAILS :**

CIN : L19201RJ1994PLC008196  
E Mail ID : [info@leharfootwear.com](mailto:info@leharfootwear.com)  
: [csc@leharfootwear.com](mailto:csc@leharfootwear.com)  
Website : [www.leharfootwear.com](http://www.leharfootwear.com)  
Contact No. : 0141-4157777 (30 Lines)  
Fax : 0141-4157766



**Chairman's Message**

Dear Shareholders,

I would like to begin with congratulating you all as our company completes 20 successful years in the footwear industry. I am pleased to share with you the Annual Report of your Company for the Financial Year 2013-14. The Financial year ended on March 2014 was another successful year, where despite a challenging environment our business was able to face competition. We expanded our reach and further strengthened our distribution so that we can serve our consumers better with our wide range of product offerings.

As you all are aware that the footwear Market in India has seen a wide transformation over the past years on the back of fast changing retail scenario. According to our recent analysis, India is regarded as the second largest global producer of footwear after China. More than half of the annual production of the country is accounted from non leather footwear but last year wasn't great due to economic slowdown.

During the Year, the company's net profit increased by approx 13 % which is almost half of what we achieved in 2012-13 which was increased by almost 24% and same was the case with the turnover of our company which did increased by 12.55% but wasn't great in comparison with the previous year's which almost increased by 29%.

The Company purchased a factory land and building measuring about 14352 Sq Mtrs at kaladhera, Tehsil Chomu, District Jaipur in Rajasthan. The Project is situated around 30 K.M away from the main factory of the Company which will take around 30 Minutes Only. The Company has planned capacity expansion at Kaladhera plant. Our Company is well positioned to capitalize on the increasing demand for our products and enhance service levels. The total project cost is estimated to be 11.90 crores and the plant will come into operation in the said coming year 2014-15.

In the year ahead, the business environment will continue to remain challenging and competitive intensity is likely to remain high. With our purpose driven products, passionate employees and your continued support, I am confident that we will continue to deliver growth that is consistent, competitive, profitable and responsible.

I would like to thank you, all our shareholders, for your trust and your wholehearted support and look forward to meeting all of you at the annual general meeting.

Sincerely

**Ramesh Chand Agarwal**

DIN: 00108287

Date: 01 September, 2014



### Notice

Notice is hereby given that the TWENTIETH ANNUAL GENERAL MEETING of the Members of LAWRESHWAR POLYMERS LIMITED will be held at Registered Office at A-243 (A) Road No. 6 V.K.I. Area, Jaipur-302013 on Friday the 26th September, 2014 at 10.00 A.M. to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and Profit & Loss Account for the year ended on that date together with the reports of the Directors and Auditor thereon.
2. To appoint a director in place of Shri Gauri Shanker Kandoi (DIN : 00120330) liable to retire by rotation and being eligible, offers him for reappointment.
3. To appoint a director in place of Sh. Naresh Agarwal (DIN : 00106649) who retires by rotation and being eligible, offers him for reappointment.
4. To appoint Auditor and fix their remuneration.

#### **SPECIAL BUSINESS**

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

**“RESOLVED THAT** in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 197, 198 read with schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the salary of the executive directors of the Company (i.e. the Managing Director and the Whole-time Directors) be increased with effect from 1st April, 2014 for as given in explanatory statement annexed herewith.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including the Nomination & Remuneration Committee) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By the order of the Board  
For Lawreshwar Polymers Limited**

**PLACE: Jaipur  
DATED: 01.09.2014**

**(Ramesh Chand Agarwal)  
Chairman  
DIN: 00108287**

## Notice

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
2. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 19<sup>th</sup> September 2014 to Friday, 26<sup>th</sup> September 2014 (both days inclusive).
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Big Share Services Pvt. Ltd.
5. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. (If declared) The Company or its Registrars and Transfer Agents, Big Share Services Private Limited ("Big Share") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
6. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the company or Big Share.
7. Pursuant to the provisions of 205C of the Companies Act, 1956, the Company has transferred the unclaimed application money for the financial years 2007-2014, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unclaimed amounts lying with the Company as on the website of the Ministry of Corporate Affairs.
8. Non-Resident Indian Shareholders are requested to inform M/s Big Share Services Private Limited, the Registrar and Share Transfer Agent of the Company immediately about:
  - a) The change in the Residential status on return to India for permanent settlement.
  - b) The particulars of the Bank Account maintained in India with complete name, branch, and account type, account number and address of the Bank, if not furnished earlier.
9. Members requiring information on the accounts are requested to write to the company at least 10 (Ten) days before the date of the meeting to enable the company to furnish the information.

10. Members are requested to:  
Intimate change in their Registered Addresses, if any, in respect of Equity Shares held in electronic form (Dematerialized form) to their Depository Participant(s).  
Intimate the Registrar & Share Transfer Agent about any change in their Registered Addresses in respect of equity shares held in physical form.  
Quote the registered folio number / DP-ID and CL-ID in all future correspondence.  
To address their grievances to the Company Secretary at the Registered Office of the Company.
11. Members are requested to please bring their copies of Annual Report at the meeting.
12. Members and Proxies attending the meeting should bring the attendance slip duly filled in for attending the meeting.
13. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special business to be transacted is annexed hereto.
14. Members are informed that in case of Joint holders attending the meeting, only the joint holder higher in the order of the names will be entitled to vote.
15. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
16. As required under Clause 49 of the Listing Agreement, the Particulars of Director proposed to be appointed / re appointed are being published in this Annual Report as Annexure "A".
17. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. E-VOTING:
- In Compliance with the provision of section 108 of the Companies Act 2013 and Rule 20 of Companies (Management and Administration) Rules, 2014 the company is pleased to provide the members the facility to exercise their right to vote at the Annual general Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).
- During the E-voting period members of the company holding shares either in physical form or dematerialised form, as on a fixed date, may cast vote electronically.
- The E-Voting shall remain open on September 21, 2014 (07.00 A.M. (IST)) till September 22 2014(07.00 A.M. (IST)).

The Board of Directors has appointed Naredi Vinod & Associates prop. of Mr. Vinod Kumar Naredi (Membership No. ACS: 20453 CP NO. 7994), Practising Company Secretary as the scrutinizer for e-voting, to unblock the votes in favour or against, if any, and to report forthwith to the Chairman. The scrutinizer shall be responsible to conduct e-voting in fair and transparent manner.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on < September 21, 2014 (07.00 A.M. (IST)) > and ends on < September 22 2014(07.00 A.M. (IST)) >. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date < August 22, 2014 >, 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](http://www.evotingindia.com).  
 (iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the **folio/client id** number in the PAN Field.

- In case the **folio** 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 **folio** number 1 then enter RA0000001 in the PAN Field.

DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then 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.

(xiii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on [Forgot Password](#) & enter the details as prompted by the system.
- (xvi) Note for Non – Individual Shareholders and Custodians  
Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.  
A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).  
After receiving the login details they have to create a 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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- (xvii) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****ITEM NO. 5**

According to the new Act, director's responsibilities have increased. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to the Directors by the Company should be commensurate with their increased role, responsibilities and duties. In order to fulfil the same the company is adopting Schedule V of the Act which provides for payment of remuneration to the directors in case of inadequacy of profits.

The Board of Directors of the Company have, subject to the approval of members of the Company, proposed to remunerate the executive directors (i.e. the Managing Director and the Whole-time Directors), may be paid remuneration not exceeding the limits, as computed in the manner laid down in Section 197 together with Schedule V of the Act.

**Remuneration:**

(i) Basic Salary: Rs. 1,50,000/- per month.

(ii) Perquisites:

In addition to Basic Salary, the following Perquisites not exceeding the overall ceiling prescribed under Schedule V, annexed to the Companies Act, 2013 will be provided to the Executive Directors:

(i) Provision of Company's car with driver for use on Company's business, Mobile Phone and Telephone at residence will not be considered as perquisites.

(ii) Personal long distance calls on telephone and use of Car for private purpose shall be billed by the Company to the Executive Director.

(iii) Reimbursement of entertainment, travelling and all other expenses, actually and properly incurred for the business of the Company.

(iv) No sitting fees shall be payable to the Executive Director for attending the Meetings of the Board of Directors or Committee thereof.

The terms and conditions, as above, may be altered / varied from time to time by the Board of Directors as it may, in its absolute discretion, deem fit within the maximum amount payable to the appointee in accordance with Schedule V annexed to the Companies Act, 2013 as may be amended from time to time or any other relevant Statutory enactment(s) thereof in this regard.

Where in any year, the Company has no profits or its profits are inadequate, the total remuneration payable to Shri Naresh Agarwal, Mr. Raj Kumar Agarwal and Sh. Ramesh Chand Agarwal, by way of salary/ perquisites, as specified above, shall be limited to the amount laid down under Schedule V annexed to the Companies Act, 2013.

(iii) Other terms & Conditions:

(i) The Executive Directors will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.

(ii) The agreement may be terminated by either party giving to the other party one-month's prior notice in writing to that effect.

(iii) The re-appointment of the said Directors on the terms and conditions as set above is subject to the approval of the shareholders in their General Meeting.

Your Directors recommend the proposed ordinary resolution for your approval.

None of the Directors except Shri Naresh Agarwal, being the appointee and Shri Raj Kumar Agarwal, Managing Director and Shri Ramesh Chand Agarwal, Executive Chairman being relatives are interested in the resolution.

**By the order of the Board**  
**For Lawreshwar Polymers Limited**  
(Ramesh Chand Agarwal)  
DIN: 00108287

Place: Jaipur

Dated: 01.09.2014

Chairman

**ANNEXURE “A” TO THE NOTICE CALLING 20TH ANNUAL GENERAL MEETING:**

Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors who are proposed to be appointed / re-appointed at the ensuing Annual General Meeting to be held on September 26, 2014:

Name of Director	Naresh Agarwal	G.S.KANDOI
Age	43 Years	71 Years
Date of Appointment/re-appointment	31.03.1994	30.05.2013
Designation	Executive Director	Non Executive Independent Director
Expertise in specific functional area	He is a commerce graduate. His expertise in the field of Finance & administration has always been of an immense value and help to the company. He is also very well versed in all aspects of Manufacturing, Research & development, Material procurement streams and day to day activities of the company.	He is a science graduate and has a vast knowledge in the field of Finance and exports, he will be of an immense help in our organization because of his great contribution and experience in the industry which is more than 25 years.
Qualification	B.COM	B.Tech
Directorship in other Public Limited Companies as on 31/03/2014	JMR Mobilink Limited	K.G.PetroChem Ltd.
Member/Chairman of the Committees of the Board of other Companies as on 31/03/2014	NIL	NIL

## DIRECTORS REPORT

To,

All the Shareholders,

Your Directors have pleasure in presenting the Twentieth Annual Report of the company together with the Audited financial accounts for the financial year ended on 31<sup>st</sup> March 2014.

### FINANCIAL RESULTS:

Particulars	2013-2014	2012-2013
	(Audited)	(Audited)
Sales	7705.19	6845.64
Profit before Depreciation & Tax	382.27	324.71
Profit before Tax	262.82	215.09
Provision for Tax (Current & Deferred Tax)	92.57	77.85
Net Profit	170.25	137.24
<u>Appropriation</u>		
Dividend	NILL	NILL
Balance b/f from the previous year	700.42	563.18
Transferred to General Reserve	NIL	NIL
Transferred to Reserve & Surplus	870.68	700.42

### Operational Review

For the year ended as on March 31, 2014 the company has recorded a strong revenue and margin performance. Your Company has achieved turnover of Rs. 7705.19 Lacs as against 6845.64 Lacs in the previous year. The Net Profit of the Company has shot up by approx 24% amounting to Rs 170.25 Lacs as against Rs. 137.24 Lacs in the previous year due to increase of approx 12.55 % in the turnover of the Company.

### Directors

As per Article 107 and 108 of Article of Association of the Company Shri Naresh Agarwal and Shri G.S. Kandoi, Directors of the Company are liable to retire by rotation in the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

### Share Capital

During the year under review, your Company's Authorised Share Capital has remain unchanged at 15,00,00,000 (Rupees Fifteen Crores) comprising 1,50,00,000 Equity Shares of 10/- each. During the year under review, your Company's paid up equity share capital has also remained unchanged at 13,67,87,990 (Rupees Thirteen Crores Sixty Seven Lacs Eighty seven Thousand Nine Hundred Ninety only) comprising 13,67,87,99 Equity Shares of 10/- each.



**Meetings**

The board of the company has met as many as Twenty one times and the details of the same are given in Annexure "F".

**Explanation regarding the Qualification**

The auditor has given a qualified Audit Report against the amount standing in the Other Assets and the Management's explanation for the same is given under Note 15. of notes on Financial Statements as under:

There had occurred a fire on 24.02.2008 at the registered office & factory premises of the company. The Insurance Company has passed the claim of the company and there is a shortfall of Rs. 1,86,74,521 against the said claim. No provision is made for the same, as the company has not accepted the assessment of loss from insurances companies and has invoked the arbitration clause of the insurance contract and company is of opinion that they will receive the balance amount of Rs. 1,86,74,521 from the insurance companies.

**Directors Responsibility Statement**

Pursuant to section 217 (2AA) of the Companies Act, 1956, your Directors hereby confirm that:

a) in the preparation of Annual Accounts of the Company, the applicable Accounting Standards have been followed along with proper explanation relating to material departures from the same, if there any.

b) the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company at the end of the financial year ended March 31st, 2014 and of the Profit of the Company for the year ended on that date.

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularity.

d) The Directors have prepared the Annual Accounts of the Company on a going concern basis.

**PARTICULARS OF EMPLOYEES REQUIRED UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956**

None of the Employee of the Company has been paid such remuneration which attracts the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, hence requirement of disclosure under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 doesn't arise.

**Auditor and Auditor's Report**

M/s A. Bafna & Company, Chartered Accountants, Jaipur holds office until the conclusion of the ensuing Annual General Meeting and being eligible and offer themselves for re-appointment. The Company has received a letter from the Auditors to the effect that their appointment, if made would be within the provision of Companies Act 2013. M/s A. Bafna & Company, Chartered Accountants have also, under section 139 (1) of the Companies Act, 2013, furnished a certificate of their eligibility for re appointment.

Notes on Accounts and significant Accounting Policies are self explanatory hence not require any further clarification.

**Dividend**

To conserve the resources of the Company for its future growth, the Board of Directors of the Company are not recommending any dividend for the financial year 2013-2014.

**Public Deposits**

During the year ended March 31<sup>st</sup> 2014, your Company has not accepted any deposits from the public.

**Management Discussion and Analysis**

A detailed review of operational performance and future outlook of the Company is given under the "Management Discussion and Analysis Report" which forms part of this Report.

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

Information in accordance with the provisions of section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure "B" to this report.

**Acknowledgement**

The Directors of your Company acknowledge a deep sense of gratitude for the continued support extended by Investors, Customers, Business Associates, Bankers and Vendors. Yours Directors place on record their appreciation for the significant contribution made by the employees at all levels through their hard work and dedication.

The Directors also thanks the various Government and Regulatory Authorities and last but not the least the Shareholders for their patronage, support and faith in the company. The Board looks forward to their continued support in the years to come.

Place: Jaipur

Dated: 24.05.2014

By the order of the Board  
For Lawreshwar Polymers Limited  
(Ramesh Chand Agarwal)  
Chairman  
DIN: 00108287

## Annexure “B” to the Directors’ Report

### A. CONSERVATION OF ENERGY

As per Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the Company is not required to disclose the particulars in relation to Conservation of Energy and Technology Absorption under the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988, in respect of Conservation of energy and technology absorption are not applicable to your company.

Your Directors would like to assure you that every measure is taken to save and conserve energy at all the stages of operation.

The manufacturing unit of the company is well planned and adequately equipped for ensuring optimum energy utilization.

### B. TECHNOLOGY ABSORPTION

#### FORM 'B'

Form for Disclosure of particulars with respect to Technology Absorption

#### A. RESEARCH & DEVELOPMENT (R & D):

##### 1. Specific areas in which R & D carried out by the Company:

The company is making all efforts on continuous basis for development of products as per customer's requirement for expanding its market share and to optimize its cost of production to face successfully the stiff competition.

##### 2. Benefits derived as a result of the above R & D:

New consumer preferred products to drive growth and continuous product optimization for funding growth with an absolute focus on quality and cost effectiveness.

##### 3. Future plan of action:

The Company will continue to focus on developing high quality products to drive growth and a relentless focus on reducing cost to fund growth.

##### 4. Expenditure on R & D:

Capital	Nil
Recurring	Nil
Total	Nil

Total R&D expenditure as a percentage of total turnover N.A.

#### B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

##### 1. Efforts in brief, made towards Technology absorption, adaptation and innovation:

The Technology used for manufacturing of products of the Company is fully absorbed and new innovations in process control, product development, cost reduction and quality improvements are being made on continuous basis.

##### 2. Benefits derived as a result of the above Efforts:

Improvement in overall productivity, quality of the products and reduced process scrap and cost.

In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

Technology Imported No technology has been imported by the Company.

Year of Import N.A.

Has technology been fully absorbed N.A.

If not fully absorbed, areas where this N.A.

has not taken place, reasons therefore  
and future plans of action.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans: NIL.

b) Total foreign exchange used and earned: Used: NIL

Earned: NIL

**By the order of the Board**  
**For Lawreshwar Polymers Limited**  
**(Ramesh Chand Agarwal)**  
**Chairman**  
**DIN: 00108287**

**Place: Jaipur**

**Dated: 24.05.2014**

### **Annexure "C" to the Directors' Report**

**DECLARATION OF MANAGING DIRECTOR REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I hereby confirm that:

The company has in respect of the financial year ended March 31, 2014 received a declaration of compliance with the Code of Conduct from the Senior Management Team of the Company and the Members of the Board as applicable to them.

**Place : Jaipur**

**Date : 24.05.2014**

**(Raj Kumar Agarwal)**  
**Managing Director**  
**DIN: 00127215**

## **Annexure “D “to the Directors’ Report**

### **CEO / CFO CERTIFICATION**

We, Raj Kumar Agarwal, Managing Director and Rakesh Kumar Soni, Chief Financial Officer of the Company hereby declare, confirm and certify as under:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting Standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company’s code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have to be taken to rectify these deficiencies.
- d) We have indicated to the auditors and the audit committee;
- i) Significant Changes in internal control, if any, over financial reporting, during the year.
  - ii) significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.
- This certificate has been issued in compliance with the provisions of Clause 49 of the Listing Agreement.

**For Lawreshwar Polymers Ltd**

**For Lawreshwar Polymers Ltd**

**(Raj Kumar Agarwal)**  
**Managing Director**  
**DIN: 00127215**

**(Rakesh Soni)**  
**Chief Financial Officer**

## **Annexure “E “to the Directors’ Report**

CERTIFICATE OF STATUTORY AUDITORS OF THE COMPANY ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT.

To

The Members of  
Lawreshwar Polymers Ltd.

1. We have examined the compliance of conditions of Corporate Governance by Lawreshwar Polymers Ltd. for the year ended on 31<sup>st</sup> March, 2014 as stipulated in clause 49 of the Listing Agreement of the said company with The Bombay Stock Exchange Limited.
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. 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 above mentioned Listing Agreement.
4. We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the shareholders / Investors grievance committee.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For A. Bafna & Company**  
**Chartered Accountants**

**Place: Jaipur**  
**Date: 24.05.2014**

**Vivek Gupta**  
**(Partner)**  
**Memb. No: 400543**

## **Annexure “F” to the Directors’ Report**

### **REPORT ON CORPORATE GOVERNANCE**

#### **(A) Company’s Corporate Governance Philosophy**

LAWRESHWAR POLYMERS LIMITED is committed to adhere to the Code of Corporate Governance as it means adoption of best business practices aimed at growth of the Company coupled with bringing benefits to Investors, Customers, Creditors and Society at large.

Your Company consistently endeavours to attain the highest standards of Corporate Governance by ensuring transparency in all its operations, disclosures and to maximize shareholder’s value and places emphasis on business ethics.

Above all, corporate governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play and a sense of justice. Accountability and transparency are key drivers to improve decision-making and the rationale behind such decisions, which in turn creates stakeholders confidence.

#### **(B) Board of Directors**

The Board of Directors of the Company has a mix of Independent, executive and non executive Directors. The Board comprises of three executive and three non executive Directors. The Chairman of the Company is an executive director. There are three independent directors in the Company out of its total strength of six. Accordingly, composition of the Board is in conformity with the listing agreement. Except the Managing Director, all other Directors are liable to retire by rotation.

#### **Board Meeting:**

During the year under review, Twenty One Board Meetings were held on 10.4.2013, 26.04.2013, 30.05.2013, 26.06.2013, 08.07.2013, 31.07.2013, 14.08.2013, 02.09.2013, 19.09.2013, 25.09.2013, 15.10.2013, 16.10.2013, 14.11.2013, 17.12.2013, 28.01.2014, 29.01.2014, 12.02.2014, 14.02.2014, 17.02.2014, 28.02.2014 and 06.03.2014 and the time gap between two meetings did not exceeded four months. All statutory and other important items / information were placed before the Board for approval / review.

The composition of the Board of Directors, attendance of the Directors at the Board Meetings and Annual General Meeting as also number of Directorship in other Indian Companies and membership of the Committee (Audit Committee, Shareholders / Investors Grievance Committee and Remuneration Committee) of the Board of such Companies are as follows

Name of Directors	Category	Attended the last AGM	No. of Board Meetings attended	No. of Directorship in other Companies	No. of Committee Membership held	
					As Chairman	As Member
Ramesh Chand Agarwal	Non ID / ED	Yes	21	2	-	-
Raj Kumar Agarwal	Non ID / ED	Yes	20@	3	-	-
Naresh Agarwal	Non ID / ED	Yes	20@	1	-	-
G.S. Kandoi	ID / Non ED	Yes	21	1	-	-
Siddharth Singh	ID / Non ED	Yes	21	2	-	-
Radhe Shyam Mangal	ID / Non ED	Yes	21	-	-	-

@ Leave of absence was granted.

ID – Independent Director    NED – Non Executive Director    ED – Executive Director

The Board is primarily responsible for the overall direction of the Company's activities. All the Directors have a good understanding of important business aspects.

#### **Information supplied to the Board among others**

The day to day business is conducted by the officers and the managers of the Company under the control & supervision of Managing Director / Executive Director of the Company. The Board generally meets every quarter to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company. The Board performs the following specific functions in addition to its other functions:

- Review, monitor and approve major financial and business strategies and corporate actions.
- Assess critical risks facing the Company, review options for their mitigation.
- Provide counsel on the selection, evaluation, development and compensation of senior management.

The Company holds minimum of four Board Meetings in each year. Apart from the four pre-scheduled Board Meetings, additional Board Meetings will be convened by giving appropriate notice at any time to address the specific needs of the Company. The Board may also approve urgent matters by passing resolution by circulation. The meetings are held at the Company's Registered Office and the procedure is as follows:

- (a) The Chairman & Managing Director and Chief Financial Officer in consultation with other concerned persons in the senior management, finalize the agenda papers for the Board Meetings.
- (b) Agenda papers are circulated to the Directors, in advance, in the defined Agenda format. All material information is incorporated in the Agenda Papers for facilitating meaningful, informed and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same are placed on the table at the meeting with specific reference to this effect in the Agenda.
- (c) In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. Sensitive subject matters may be discussed at the meeting without written material being circulated in advance or at the meeting.
- (d) The Company Secretary records the minutes of the proceedings of each Board and Committee Meetings. Draft minutes are circulated to all the members of the Board for their comments. The minutes of proceedings of a meeting are entered in the Minutes Book within 30 days from the conclusion of the meeting.

#### **(C) Board Committees**

##### **Audit Committee**

The Company has a Qualified and Independent Audit Committee. Mr. G.S. Kandoi is the Chairman of the Audit Committee. The Other Members of the Audit Committee are Mr. Radhey Shyam Mangal and Mr. Siddharth Singh. The Company Secretary of the Company acts as the Secretary of the Committee



**Terms of Reference**

The Audit Committee performs the following functions:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory Auditors.
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with Listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualification in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
  - a) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring Agency, monitoring the utilization of proceeds of a public or right issue and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussions with the internal auditor regarding any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussions with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.

11. To look in to the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 12A. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee. The Audit Committee has the following powers:

- I. To investigate any activity within its terms of reference.
- II. To seek information from any employee.
- III. To obtain outside legal or other professional advice.
- IV. To secure attendance of outsiders with relevant expertise, if it considers necessary.

At the invitation of the committee, the Statutory Auditor and the Secretary of the Company who is acting as Secretary to the Committee also, attended the Audit Committee Meetings to answer and clarify the queries raised at the committee meetings.

During the Financial Year 2013-2014 the Committee met 4 times on 30.05.2013, 14.08.2013, 14.11.2013 and 14.02.2014.

Name of Directors	Position held in the Committee	No. of meetings attended
Mr. G.S. Kandoi	Chairman	4
Mr. Radhey Shyam Mangal	Member	4
Mr. Siddharth Singh	Member	4

#### **Stakeholders Relationship Committee (formerly known as Shareholders / Investors Grievance Committee)**

The Board has constituted Shareholders / Investors Grievance Committee to approve the matters relating to transfer of shares, change in address, issue of duplicate share certificates, non-receipt of Annual Reports, non-receipt of dividend and review and redressed of Shareholders' / Investors' grievances. Sufficient powers have been delegated to this Committee. The power of approving transfer of securities as well as for rematerialization of securities has been delegated to the Company Secretary.

The Committee met once on 14.11.2013 during the year 2013-2014. The Composition and attendance of the members at the Committee meetings were as follows:

Name of Directors	Position held in the Committee	No. of meetings attended
Mr. Siddharth Singh	Chairman	1
Mr. G.S. Kandoi	Member	1
Mr. Radhey Shyam Mangal	Member	1

The Company Secretary of the Company is the Compliance Officer of the Company. In the Financial Year 2013-2014, the Company has not received any investor complaint.

**Nomination and Remuneration Committee (formerly known as Remuneration Committee)**

The Board has constituted a Remuneration Committee of the Board in compliance. The Committee is fully empowered to review and approve the compensation structure for the Managing / Executive Director(s). While approving the remuneration, increment etc. it takes into account the financial position of the Company, industry trend, appointee's qualification, experience, past performance, remuneration etc. The Committee also reviews the same from time to time based on certain performance parameters, growth in business as well as profitability.

The Committee meeting not been carried out during the year 2013-2014. The Composition and attendance of the members at the Committee meetings were as follows:

Name of Directors	Position held in the Committee	No. of meetings attended
Mr.Siddharth Singh	Chairman	N.A
Mr.Rakesh Akar	Member	N.A
Mr.Radhe Shyam Mangal	Member	N.A

**REMUNERATION POLICY**

**A. (I) Executive Directors**

The details of the remuneration paid during the year 2013-2014 to the Managing / Executive Director(s) are as follows:

Name of Director	Designation	Salary (Rs.)
Raj Kumar Agarwal	Managing Director	13,20,000.00
Naresh Agarwal	Executive Director	13,20,000.00
Ramesh Chand Agarwal	Chairman cum Director	13,20,000.00

**(II) Non Executive Directors**

a) The Non - executive Directors did not have any other material pecuniary relationship or transactions with the Company during the year.

b) No Remunerations was paid to the Non Executive Directors during the Financial Year 2013-2014.

c) No Sitting fees were paid to the Non-Executive Directors for attending Board Meetings or Committee Meetings during the Financial Year 2013-2014.

d) No commission has been paid to any Director.

Severance Fees:

NIL

e) Number of Equity Shares held by Non-Executive Directors: NIL

**B. Details of Shares of the Company held by the Directors as on March 31, 2014 are as follows:**

Name	No. of Shares
Ramesh Chand Agarwal	1992806
Raj Kumar Agarwal	1267500
Naresh Agarwal	1195552

(c) Period of contract of Managing / Executive Director: 5 years from 01.12.2011 & 30.09.2013 respectively.

(d) There is no separate provision for payment of Severance Fees.

(e) The service contract with Managing / Executive Directors are normally for a period of 5 years. The contract may be terminated by either party giving the other party one month's prior notice.

**C. General Body Meetings**

Location and Time of last three Annual General Meetings were:

Financial Year	Venue	Date & Time	Special Resolution Passed for
2012-13	A-243 A Road No 6, V. K. I. Area, Jaipur - 302 013.	25 <sup>th</sup> September, 2013 at 10.00A.M.	Special Resolution was passed u/s 260
2011-12	A-243 A Road No 6, V. K. I. Area, Jaipur - 302 013.	28 <sup>th</sup> September 2012 at 10.00 A.M.	Special Resolution was passed u/s 314(1)(b)
2010-11	A-243 A Road No 6, V. K. I. Area, Jaipur - 302013.	30 <sup>th</sup> September 2011 at 10.00 A.M.	NOT APPLICABLE

No special Resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

The Company has not passed resolution through postal ballot in the year 2013-2014.

**D. Subsidiary**

**The Company DOES NOT have any subsidiary Company as on March 31, 2014.**

**E. Disclosures**

a) Details of transactions of a material nature with any of the related parties as specified in Accounting Standard-18 issued by the Institute of Chartered Accountants of India have been reported in the Notes in Schedule 12 under notes on accounts to the Financial Statements of the Company for the year ended March 31, 2014.

b) There is no transaction of a material nature with any of the related party, which is in conflict with the interest of the company.

- c) There has not been any non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any other Statutory Authority on any matter relating to the capital markets.
- d) The Company has not adopted any of the non mandatory requirements, except the remuneration Committee mentioned in annexure of Clause 49 of the Listing Agreement.

#### F. Means of Communication

The Company has published quarterly and annual results in English and Hindi News Papers. These are not sent individually to the shareholders. The Company has a Web Site i.e. www.leharfootwear.com and uploads the quarterly and annual results regularly. The Web site of the Company doesn't displays official news releases. No presentation has been made to Institutional Investors / Analysts by the Company. The Management Discussion and Analysis (MD&A) forms part of the Annual Report.

#### G. General Shareholders Information

<b>20<sup>th</sup> Annual General Meeting</b>	Friday, September 26th, 2014 at 10.00 A. M.
<b>Day, Date and Time</b>	
Venue	A-243 (A) Road No: 6 V.K.I.Area, Jaipur 302013
Financial Year	April 1, 2013 to March 31, 2014
Book Closure	Friday, 19th September 2014 to Friday, 26th September 2014
Dividend	No Dividend has been recommended by the Board of Directors for the year under review. The Company has not declared any dividend so far hence there is not any unpaid / unclaimed dividend's.
Listing on Stock Exchange(s)	The Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400 001.
<b>Note: The Company has paid listing fees, as applicable for the financial year 2014-2015 to the BSE.</b>	
Stock Code	BSE-532829
ISIN No.	INE 976H01018
Depository Connectivity	NSDL and CDSL

**H. Market Price Data (BSE)\***

The Monthly high and low quotations of shares traded on The Bombay Stock Exchange Limited and performance in comparison to broad based indices viz. BSE Sensex is as follows:

Month	BSE Sensex		Stock Prices		
	High	Low	Volume (Nos.)	High	Low
April 2013	19,622.68	18,144.22	29537	6.49	5.45
May 2013	20,443.62	19,451.26	52956	6.60	6.23
June 2013	19,860.19	18,467.16	57930	6.54	6.07
July 2013	20,351.06	19,126.82	14505	6.50	5.86
August 2013	19,569.20	17,448.71	52094	6.40	5.62
September 2013	20,739.69	18,166.17	90333	8.28	6.00
October 2013	21,205.44	19,264.72	28001	8.90	6.52
November 2013	21,321.53	20,137.67	6903	9.09	7.56
December 2013	21,483.74	20,568.70	5950	9.00	7.74
January 2014	21,409.66	20,343.78	25285	7.40	5.90
February 2014	21,140.51	19,963.12	28315	6.57	5.60
March 2014	22,467.21	20,920.98	35724	6.85	5.51

\*Source: [www.bseindia.com](http://www.bseindia.com)

Registrar and share Transfer Agent:

Big Shares Services Pvt. Ltd.  
E-2, Ansa Industrial Estate,  
Saki Vihar Road, Saki Naka, Andheri (E)  
Mumbai-400 072.

**Shareholding pattern as on 31st March 2014**

Particulars	No. of Shares held	% of shareholding
Promoters	8744207	63.93
Financial Institutions, Banks and Mutual Funds	NIL	NIL
Trusts / Clearing Members	8111	0.06
Pvt. Corporate Bodies	590567	4.32
Indian Public	4315136	31.55
NRI's / OCBs	20778	0.14
<b>Total</b>	<b>13678799</b>	<b>100.00</b>

**Distribution of shareholding as on 31<sup>st</sup> March 2014**

Range	Total Holders	% of Total Holders	Total Holding	% of Shareholding
001-500	2505	65.16	7915150	5.78
501-1000	487	12.66	4219680	3.08
1001-2000	589	15.32	7351710	5.37
2001-3000	76	1.97	1906300	1.39
3001-4000	37	0.96	1302820	0.95
4001-5000	38	0.98	1830630	1.33
5001-10000	47	1.22	3671680	2.68
10001 & above	65	1.69	108590020	79.38
	<b>4053</b>	<b>100.00</b>	<b>13678799</b>	<b>100.00</b>

**Dematerialization of Shares and liquidity**

The Company's shares are currently traded only in dematerialized form at The Bombay Stock Exchange Ltd. To facilitate trading in dematerialised form, the Company has tied up arrangements with both the present depositories' viz. National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL). Shareholders can open Demat Account with any Depository participant registered with any of these depositories. As on 31<sup>st</sup> March, 2014 about 100% of the Company's shares were held in dematerialized form.

There are no outstanding GDR/ADR/Warrant or any convertible intruments.

**1. Investors' Service and Share Transfer System**

The application for transfer, transmission and transposition of shares are received by the Company at its Registered Office or at the Office of its Registrar and Share Transfer Agents – Big share Services Pvt. Ltd.

Following is the procedure for transfer of physical share certificates:-

- i) Entry of the share certificates in the computer on receipt thereof in the office.
- ii) Scrutiny of transfer deeds.
- iii) Tallying of transferor's signatures with the specimen signature available with the Registrar and Share Transfer Agent.
- iv) Data entry of transfer deeds.
- v) Preparation of objection memos and notices in respect of shares rejected for transfer.
- vi) Generation of checklist for valid and invalid transfer deeds.
- vii) Correction of data in the computer system on the basis of changes marked in the check list.
- viii) Approval of transfer / transmission / split applications in the Shareholder's / Investor's Grievance Committee meeting.

- (ix) Recording of transfer of shares in the computer system.
- (x) Endorsement and signatures on the reverse side of share certificates.
- (xi) Generation of covering letters for the transferred share certificates and dispatch of transferred share certificates, objection memos and notices by registered post.

Following is the procedure for dematerialization of share:-

- (i) Entry of the share certificates and the dematerialization request form in the computer.
- (ii) Scrutiny of the share certificates and the dematerialization request form in the computer.
- (iii) Tallying of signature of the shareholders on the dematerialization request form with the specimen signature available with the Registrar and Share Transfer Agent.
- (iv) Data entry of dematerialization request form.
- (v) Generation of checklist.
- (vi) Change of shares from physical to demat mode.
- (vii) Electronically releasing the shares in favour of NSDL and CDSL, as the case may be.

#### **J. Address for Correspondence for Share Transfer and related matters**

For any assistance regarding dematerialization of Shares, Transfer / Transmission of shares, change of address or any other query relating to shares, the investors may please contact with the Registrar & Share Transfer Agent of the Company at the following address:

#### **Big Share Services Pvt Ltd.**

E-2, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (E), Mumbai-400072  
Ph.91-22-40430200 Fax No: 91-22-28475207  
E-mail: investor@bigshareonline.com

For any other query the investors may please contact to:

#### **Company Secretary**

Lawreshwar Polymers Ltd.  
A-243(A) Road No.6 V.K.I.Area,  
Jaipur - 302013 (Rajasthan)  
Tel No: 91-141-4157777 Fax No: 91-141-4157766  
E-mail: csco@leherfootwear.com

#### **K) Outstanding GDRs / ADRs/Warrants or any convertible instruments**

There were no outstanding GDRs / ADRs/Warrants or any convertible instruments.

#### **L) Declaration**

This is to confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management as adopted by the Board.



## **Annexure “G “to the Directors’ Report**

### **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

#### **Industry Structure and Development**

The Indian footwear industry has witnessed a metamorphosis growth with the advent of new retail brands in the market. The industry has grown by leaps & bounds in the last decade with the introduction of new technology and inflow of investments. Your Company is predominantly engaged in the manufacturing of Light Weight Hawai Chappals, Canvas Shoes, PVC Shoes, Synthetic Leather Chappals, fancy Chappals and also engaged in manufacturing of EVA Injected Footwear. Your Company's brand name 'LEHAR' has built up a better image over the other brands available in the local market. The major demand in non leather footwear sector is of PU Chappals because it is the cheapest footwear available in India. The PU Chappals have captured 75% of demand in rural areas, because in rural areas people use this product as multipurpose footwear.

#### **Industry Outlook**

There is still lot of potential for growth in the turnover of the Company because the demand of Company's products in the market is fast increasing. The Company is specially developing an innovative and different type of product as per requirement of the market. There is strong Demand of Eva & PU products in the market hence management has planned to expand its production capacity to cater the increased demand.

#### **Threats**

- Stiff competition in the footwear industry.
- Change of technology.
- Opening of the Indian economy for overseas players
- Any unfavourable change in Govt. Policies may affect the profitability of the company.
- Entry of new competitors in the domestic market.
- Scarcity of technically skilled personnel.

#### **Opportunities**

- Very good demand of products of the Company.
- Strong management team and a motivated and efficient work force.
- Profit making company since incorporation with proven track record.
- Multi- product capability having integrated facilities.
- Good operational performance.
- Effective marketing network.
- Good R & D.

#### **Financial Performance**

Financial performance of the Company has been good despite of an adverse economic environment and your company is doing well on fulfilling its objectives of growth, profitability and maximization of shareholders wealth.

Turnover of the Company for the year under review has been increased by 12.55 % from Rs. 6845.64 Lacs to Rs. 7705.19 Lacs. This increase in turnover is majorly on account of increase in sales volume, however selling price remained almost constant, the Net Profit of the Company is Rs. 170.25 Lacs as against Rs. 137.24 Lacs in the previous year.

#### **Internal control System and their adequacy**

The Company has an adequate system of internal controls comprising authorization levels, supervision, checks and balances and procedures through documented policy guidelines and manuals, which provide that all transactions are authorized, recorded and reported correctly and compliance with policies and statutes are ensured. The operational managers exercise their control over business processes through operational systems, procedural manual and financial limits of authority manual, which are reviewed and updated on an ongoing basis to improve the systems and efficiency of operations. The company places prime importance on an effective internal audit system. The internal control system is supplemented by internal audit, regular review by the management and well-documented policies. The Company has an independent internal audit system to monitor the entire operations and services. The top management and Audit Committee of the Board review the findings of the Internal Auditor and takes remedial actions accordingly.

#### **Human resource / Industrial Relations**

The Company always believes that its growth is closely linked with the growth and overall development of its employees. The Company is committed to upgrade the skill of its employees and to create an environment where excellence is recognized and rewarded. The target is to place right people at right position and to enhance the efficiency, working speed, competency and time management skill of its employees. The Company's endeavour is to create an environment where people can use all of their capabilities in promoting the business of the Company. Number of people employed, as at 31/03/2014 is 167 including the contract labour.

#### **Cautionary Statement**

The report may contain certain statements that the Company believes are, or may be considered to be "forward looking statements" that describe our objectives, plans or goals. All these forward looking statements are subject to certain risks and uncertainties, including but limited to, Government action, economic development, risks inherent in the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements.

**A. Bafna & Co.**  
Chartered Accountants



K-2 Keshav Path,  
Near Ahinsa Circle,  
C-Scheme, Jaipur – 302001  
Tel: (0141) – 2372572, 2375212,  
2373873, Fax – 2363426

## Independent Auditor's Report

To  
The Members of  
Lawreshwar Polymers Limited

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Lawreshwar Polymers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13<sup>th</sup> Sept. 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Basis for Qualified Opinion**

**Refer Note No. 15 of Notes on Financial Statements regarding loss by fire & non-provision of shortfall in insurance claim amounting to Rs. 1,86,74,521/-, subject to above, in our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:**

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal & Regulatory Requirement**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, except for the effects of matter described in Para 1 of the Basis for Qualified Opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For A.Bafna & Company**  
**Chartered Accountants**  
**FRN : 003660C**

**(CA Vivek Gupta)**  
**Partner**  
**M. No. 400543**

**Place : Jaipur.**

**Date : 24<sup>th</sup> May 2014**

**A. Bafna & Co.**  
Chartered Accountants



K-2 Keshav Path,  
Near Ahinsa Circle,  
C-Scheme , Jaipur – 302001  
Tel: (0141) – 2372572, 2375212,  
2373873, Fax – 2363426

**Annexure to INDEPENDENT AUDITOR'S REPORT**

**Re: M/s Lawreshwar Polymers Limited**

- (i) In Respect of Its Fixed Assets:
- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) As explained to us, all the assets have been physically verified by the management in a phased periodical manner during the year and there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
  - (c) In our opinion, the company has not disposed off substantial part of its fixed assets during the year and the going concern status of the company is not affected.
- (ii) In respect of its inventories:
- (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
  - (c) In our opinion and according to the information and explanation given to us and on the basis of our examination of the records of inventory, the company has maintained proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of accounts.
- (iii) (a) According to the Information & Explanation given to us, the company has granted loans and advances on current accounts to two parties listed in the register maintained under Section 301 of the Companies Act, 1956. The year ended balance of such loans as on 31.03.2014 is **Rs. Nil**. The maximum balance outstanding at a point of time during the year was **Rs. 4,73,81,464/-**.
- (b) In our opinion, the rate of interest and other terms & conditions on which loans & deposits have been granted to the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the company.
- (c) According to information & explanations given to us, the receipt of principal amount & interest thereon are regular.
  - (d) According to information & explanations given to us there is no overdue amount in respect of such loans.

- (e) The Company has not taken loans from any party covered in the register maintained Under Section 301 of The Companies Act, 1956, hence clauses (f) & (g) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) In respect of the contracts or arrangements referred to in Section 301 of The Companies Act, 1956:
- (a) According to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered in the register maintained u/s 301 of the companies act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanation given to us, each of such transaction in respect of any party, listed in the register maintained u/s 301 of The Companies Act, 1956 have been made at prices which are prima facie reasonable having regard to the prevailing market price at the relevant time .
- (vi) ***The Company has not accepted any deposits from the public during the year and accordingly the provisions of Section 58A & Section 58AA of the Companies (Acceptance of Deposit) rules, 1975 are not applicable.***
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has prescribed maintenance of cost records u/s 209(1) (d) of The Companies Act, 1956 in respect of certain manufacturing activities of the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however not carried out a detailed examination of such records with a view to determine whether they are accurate or complete.
- (ix) In respect of statutory dues:
- (a) To the best of our knowledge and information obtained and verifications made, we report that the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues to the extent applicable to it except few delays in deposition of TDS, Service Tax ***and there are no undisputed amounts payable in respect of such dues which have remained outstanding as at 31<sup>st</sup> March 2014 for a period exceeding six months from the date of becoming payable.***
- (b) According to the information and explanation given to us, there are no pending dues of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty and cess, which are not deposited on account of any dispute except following :

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	104433/-	2005-2006	CIT(Appeals)-II, Jaipur

- (x) The company does not have accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information & explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) In our opinion and according to the information and explanation given to us & based on the information available, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Hence, the question of maintenance of records or reporting on deficiencies does not arise.
- (xiii) In our opinion, the company is not a chit fund or a *Nidhi*/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, during the year under audit, the company did not engage in dealing or trading in shares, securities, debentures and other investments other than disposal of some of its investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institution. Hence this clause of Companies (Auditor's Report) Order, 2003 is not applicable.
- (xvi) In our opinion and according to the information and explanations given to us and based on the information available, the term loan availed by the company were, prima facie, applied by the company during the year for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that there are no funds raised on short term basis that have been used for long-term investments.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year and hence the question of whether the price at which shares have been issued is prejudicial to the interest of the company does not arise.

- (xix) According to the information and explanations given to us, the company has not issued any debentures during the year; hence the question of creating security does not arise.
- (xx) According to the information and explanation given to us the company has allotted 82,50,705 equity shares of Rs. 10 each at a premium of Rs. 6 on March 8, 2007 as Net Offer to the public during the Financial Year 2006-2007. Management has given the details about utilization of money raised by public issue in Notes on Financial Statements.
- (xxi) During the course of examination of the books and records of the company, carried out in accordance with the generally accepted accounting practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, nor we have been informed of such cases by the management that causes the financial statements to be materially misstated.

**For A.Bafna & Company**  
**Chartered Accountants**  
**FRN : 003660C**

**(CA Vivek Gupta)**  
**Partner**  
**M. No. 400543**

**Place : Jaipur.**  
**Date : 24<sup>th</sup> May 2014**



**Lawreshwar Polymers Limited**  
**Balance Sheet as at 31 March 2014**

(In Rupees )  
**Figures as at**  
**31.03.2013**

Particulars	Note No.	Figures as at 31.03.2014	Figures as at 31.03.2013
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' funds			
Share capital	3	136787990	136787990
Reserves and surplus	4	190968846	174102619
		<b>327756836</b>	<b>310890609</b>
(2) Non-current liabilities			
Long-term borrowings	5	20154312	4180573
Deferred tax liabilities (Net)	6	11436424	10246329
Other Long term liabilities	7	-	-
Long-term provisions		960599	767167
		<b>32551335</b>	<b>15194069</b>
(3) Current liabilities			
Short-term borrowings	8	188550874	155092578
Trade payables	9	78741200	78654240
Other current liabilities	10	20747088	17441689
Short-term provisions	7	8812197	7497570
		<b>296851359</b>	<b>258686077</b>
		<b>657159530</b>	<b>584770755</b>
<b>TOTAL</b>			
<b>II. ASSETS</b>			
(1) Non-current assets			
Fixed assets			
Tangible assets	11	169894773	122455368
Intangible assets			
Capital work-in-progress	11	30860190	12603191
Non-current investments	12	8085000	8085000
Long-term loans and advances	13	13103693	45867331
Trade Receivable	14	-	-
Other non-current assets	15	19727642	21553042
		<b>241671298</b>	<b>210563932</b>
(2) Current assets			
Current investments	16	180880918	132641162
Inventories	14	168388367	184322236
Trade receivables	17	12346830	6420325
Cash and cash equivalents	13	53490007	50412876
Short-term loans and advances	15	382110	410224
Other current assets		<b>415488232</b>	<b>374206823</b>
		<b>657159530</b>	<b>584770755</b>
<b>TOTAL</b>			
Significant accounting Policies	1 & 2		
Notes on Financial Statements	3 to 36		
As per our Report of even date			

**FOR LAWRESHWAR POLYMERS LTD.**

Raj Kumar Agarwal  
 (Managing Director)

Naresh Kumar Agarwal  
 (Executive Director)

(CA Vivek Gupta)  
 Partner

M.No. 400543

Date: 24th May, 2014

Place: Jaipur

Rakesh Kumar Soni  
 (Chief Financial Officer)

Devyani Singh  
 (Company Secretary)

**Lawreshwar Polymers Limited**
**Statement of Profit & Loss for the period ended on 31 March 2014**

(In Rupees)

Particulars	Note No.	Figures as at 31.03.2014	Figures as at 31.03.2013
I. Revenue from operations	18	770519182	684564459
II. Other income	19	8306370	7789165
<b>III. Total Revenue (I + II)</b>		<b>778825552</b>	<b>692353624</b>
IV. <b>Expenses:</b>			
Cost of Materials Consumed	20	560556532	496155988
Purchases of Stock-in-Trade		19629939	15446731
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	(40322948)	(31718814)
Employee Benefits Expense	22	15261858	12981474
Finance costs	23	25004109	21585798
Depreciation and amortization expense	24	11945027	10988212
Other expenses	25	160468327	145404453
<b>Total expenses</b>		<b>752542844</b>	<b>670843842</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		<b>26282708</b>	<b>21509782</b>
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		<b>26282708</b>	<b>21509782</b>
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		<b>26282708</b>	<b>21509782</b>
X. Tax expense:			
(1) Current tax	7499136	6530611	
(2) Earlier Tax	568196	738319	
(3) Deferred tax	1190096	516074	7785004
<b>XI Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>17025280</b>	<b>13724777</b>
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>17025280</b>	<b>13724777</b>
XVI Earnings per equity share:			
(1) Basic		1.24	1.00
(2) Diluted		1.24	1.00
Significant accounting Policies	1 & 2		
Notes on Financial Statements	3 to 36		

As per our Report of even date

**For A. Bafna & Company**  
**Chartered Accountants**  
**(FRN 003660C)**
**FOR LAWRESHWAR POLYMERS LTD.**
**(CA Vivek Gupta)**  
**Partner**
**Raj Kumar Agarwal**  
**(Managing Director)**
**Naresh Kumar Agarwal**  
**(Executive Director)**
**M.No. 400543**  
**Date: 24th May, 2014**  
**Place: Jaipur**
**Rakesh Kumar Soni**  
**(Chief Financial Officer)**
**Devyani Singh**  
**(Company Secretary)**

**Lawreshwar Polymers Limited**
**Cash Flow Statement for the year ended 31st March, 2014**

 (In Rupees)  
**March 31,**  
**2013**

Particulars	March 31, 2014	March 31, 2013
<b>A. Cash flow from Operating Activities</b>		
Profit before taxes and exceptional items	26282708	21509782
<b>Non-cash adjustment to reconcile profit before tax to net cash flows :</b>		
Depreciation	11918413	10961598
Interest expenses	25004109	21585798
Preliminary Expenses written off	26614	26614
Loss on sale of Fixed Assets	95121	651964
Profit on sale of Fixed Assets	(70025)	(14025)
Interest Income	(7615303)	(7775140)
Bad Debts	938029	3342269
<b>Operating profit before working capital changes</b>	<b>56579666</b>	<b>50288860</b>
<b>Movements in Working capital :</b>		
Inventory	(48239756)	(34636101)
Trade Receivables	15933869	(17540029)
Other Receivables	3727289	(2095124)
Trade and other Payables	544286	13399480
Bad Debts	(938029)	(3342269)
Other Current Assets	(229840)	(241196)
<b>Cash generated from operating activities</b>	<b>27377484</b>	<b>5833621</b>
Prior Period Adjustments	-	-
Taxes paid	(7098807)	(6720103)
<b>Net cash flow from/ (used in) operating activities</b>	<b>20278678</b>	<b>(886482)</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of fixed assets	(62627112)	(23682917)
Sale of fixed assets	3110240	1776964
(increase)/Decrease in CWIP	(18256999)	(10556072)
Sale of Investments	-	54000
Capital Advances	2244132	(2948799)
Inter Corporate Deposits (net)	23715086	(5301332)
Profit on sale of Fixed Assets	70025	14025
Profit on sale of Investments	(95121)	(651964)
Loss on sale of Assets	7615303	7775140
Interest received	-	-
<b>Net cash flow from/ (used in) investing activities</b>	<b>(44224446)</b>	<b>(33520955)</b>
<b>C. Cash flow from financing activities</b>		
Increase in Short Term Borrowings	33458296	51245420
Increase in Long Term Borrowings	19361347	2928347
Margin Money with Banks	2056739	(978047)
Interest paid	(25004109)	(21585798)
Increase in Reserves	1	1
<b>Net cash flow from/ (used in) financing activities</b>	<b>29872274</b>	<b>31609923</b>
<b>Net increase / ( decrease) in cash ( A+B+C)</b>	<b>5926506</b>	<b>(2797514)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>6420325</b>	<b>9217839</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>12346830</b>	<b>6420325</b>

As per our report of even date

For A. BAFNA &amp; CO.

Chartered Accountants

FRN: 0036 60C

For and on behalf of Board of Directors

**LAWRESHWAR POLYMERS LIMITED**
**Raj Kumar Agarwal**  
 (Managing Director)

**Naresh Kumar Agarwal**  
 (Executive Director)

**(CA Vivek Gupta)**  
 Partner

**M.No. 400453**

Date : 24th May 2014

Place : Jaipur

**Rakesh Kumar Soni**  
 (Chief Financial Officer)

**Devyamini Singh**  
 (Company Secretary)

## Lawreshwar Polymers Limited

### Significant Accounting Policies

#### 1. Corporate Information

Lawreshwar Polymers Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange in India. The company is engaged in manufacturing and selling of a reputed brand "LEHAR" footwears in domestic market.

#### 2. Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting policies in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis under the historical cost convention, except for land and building acquired before 31 March 2005 which are carried at revalued amounts.

The accounting policies adopted in the preparation of financial statements are in consistency with those of previous years.

#### 2.1 Summary of significant Accounting Policies

##### Representation and disclosure of Financial Statements

The financial statements are prepared and disclosed according to the provisions of the revised Schedule VI notified under the Companies Act, 1956.

##### Recognition of Revenue and Expenditure

Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

##### Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on dispatch of goods.

##### Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in statement of profit and loss.

##### Expenses

All expenses are charged in statement of profit and loss as and when they are incurred.

##### Fixed Assets and Capital Work in Progress

Fixed assets, except land and building acquired before 31 March 2005, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Fixed Assets comprising of Land & Building acquired before 31st March, 2005 are stated at revalued amount.

Capital work in progress comprise of cost of Fixed Assets that are not ready for their intended use as at the Balance Sheet date and Advances against Fixed Assets.

##### Depreciation on Tangible Fixed Assets

Depreciation on fixed assets has been calculated on a Straight Line Method (SLM) at the rates prescribed as per schedule XIV of the Companies Act, 1956. Further the depreciation on addition made during the year has been provided on a pro-rata basis.

##### Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments +

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provisions for diminution in value is made to recognize a decline other than temporary in the value of the investments.

##### F. Inventory

Inventories are valued at the lower of the cost and net realizable value. Cost of inventories other than for manufactured finished goods and work in progress is determined on the weighted average basis. Cost of manufactured finished goods and work in progress includes material cost determined on the weighted average basis and also includes appropriate portion of allocable overheads.

## Lawreshwar Polymers Limited

### Significant Accounting Policies

#### **G. Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates gratuity plan as defined benefit plan. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year end using the projected unit credit method. Actuarial gains/ losses are recognized at full in the period in which they occur in the statement of profit and loss.

The company treats accumulated leave, as long-term employee benefit for measurement purpose. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

#### **Income Tax**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing difference only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

#### **Lease**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the lease item, are classified as operating lease. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease terms.

#### **Provisions, Contingent Liabilities and Contingent Assets**

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

#### **Foreign Currency Transactions**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction. Exchange differences relating to fixed assets are adjusted in the cost of the respective assets. Any other exchange difference is dealt with in the statement of profit and loss.

In respect of forward contracts, the premium or discount on these contracts is recognized as income or expenditure over the period of the contract. Any profit or loss arising on the cancellation or the renewal of such contracts is recognized as income or expense for the year.

#### **Impairment of Assets**

Management periodically assesses using external & internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sale price or present value as determined above.

#### **Government Grant**

Government Grants received against capital subsidy are credited to concerned asset account on the date of receipt and depreciation is charged on remaining value on yearly basis

## Lawreshwar Polymers Limited

### Notes on Financial Statements

<b>3</b>	Share capital			
	Authorised		<b>31-Mar-2014</b>	<b>31-Mar-2013</b>
	1500000 Equity Shares of Rs. 10 each		<b>150000000</b>	<b>150000000</b>
	Issued, Subscribed & Paid-up			
	(1,36,78,799 Equity Shares		136787990	136787990
	of Rs. 10/- fully paid up)		<b>136787990</b>	<b>136787990</b>

### 3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

31-Mar-2014		31-Mar-2013	
Number	Amount	Number	Amount
13678799	136787990	13678799	136787990
-	-	-	-
<b>13678799</b>	<b>136787990</b>	<b>13678799</b>	<b>136787990</b>

At the beginning of the period  
Issued during the period  
Bought back during the period

### Outstanding at the end of the period

### 3.2 Terms/ Rights attached to Equity Shares

The company has only one class of Equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 3.3 Details of Shareholders holding more than 5% equity shares in the Company

31-Mar-14		31-Mar-13	
Number	% Holding	Number	% Holding
1195552	8.740	1195552	8.740
1267500	9.266	1267500	9.266
1137813	8.318	1137813	8.318
1070715	7.828	1070715	7.828
1992806	14.569	1714328	12.533
<b>6664386</b>	<b>48.721</b>	<b>6385908</b>	<b>46.685</b>

### Promoters and Promoter Group

Nareesh Kumar Agarwal  
Raj Kumar Agarwal  
Santra Devi Agarwal  
Pranod Kumar Agarwal  
Ramesh Chand Agarwal

### 4 Reserves and Surplus

	31-Mar-2014	31-Mar-2013
<b>Securities Premium Reserve</b>	66052794	66052794
<b>Revaluation Reserve</b>		
Balance as per the last Financial Statements	27995116	28154171
Less: Amount transferred to statement of profit and loss as reduction from depreciation	159055	159055
<b>General Reserve</b>	10011719	10011718
<b>Surplus/(deficit) in the statement of Profit and Loss</b>		
Balance as per the last Financial Statements	70042991	56318214
Add: Profit for the year	17025280	13724777
<b>Total</b>	<b>190968846</b>	<b>174102619</b>

### 5 Long-term Borrowings

	Current maturities	
	31-Mar-2014	31-Mar-2013
Term Loan from Punjab National Bank	3060979	-
Deferred Vehicle Loans	2879232	2552603
<b>The above amount includes</b>	<b>5940211</b>	<b>2552603</b>
Secured borrowings	-	-
Unsecured Borrowings	5940211	2552603
Amount disclosed under the head "Other Current Liabilities" (Note 10)	(5940211)	(2552603)
<b>Net Amount</b>	<b>-</b>	<b>-</b>

## Lawreshwar Polymers Limited

### Notes on Financial Statements

Term Loan from Punjab National Bank is secured against mortgage of factory land & building situated at SP-41D, RICO Industrial Area, Kaladera, Teh-Chomu, Distt.-Jaipur.

Term from Punjab National Bank is repayable in 28 equal quarterly instalments of Rs. 7,14,286 starting from June 2014.

Deferred vehicle loans are secured by hypothecation of respective vehicles. Repayment schedule of the Vehicle Loans is as under:

Name of Bank/ Financial Institution	Starting Date	Closing Date	Intt. Rate	O/s Principal
ICICI Bank Ltd.	15-Nov-2011	15-Oct-2014	11.48	99957
ICICI Bank Ltd.	1-Jan-2012	1-Dec-2014	10.02	802722
HDFC Bank Ltd.	8-July-2012	6-July-2017	10.75	1893192
ICICI Bank Ltd.	12-July-2012	11-July-2015	12.76	250803
ICICI Bank Ltd.	15-Dec-2012	9-Mar-2015	10.18	531791
ICICI Bank Ltd.	15-Dec-2012	9-Mar-2015	10.18	602108
ICICI Bank Ltd.	15-May-2013	15-Apr-2016	9.75	506278
HDFC Bank Ltd.	15-Jun-2013	15-Apr-2016	12.00	303289
ICICI Bank Ltd.	15-Feb-2014	15-Jan-2017	10.74	900547
<b>6 Deferred Tax Liability (Net)</b>	<b>31-Mar-2014</b>			<b>31-Mar-2013</b>
<b>Deferred Tax Liability</b>				
Related to Fixed Assets	11436424			10246329
<b>Deferred Tax Assets</b>	<b>11436424</b>			<b>10246329</b>

### 7 Provisions

	Long-term		Short-term	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
<b>Provision for Employees Benefit</b>				
Provision for Gratuity	960599	767167	-	-
Provision for Leave Encashment	-	-	356249	273410
<b>Others</b>	<b>960599</b>	<b>767167</b>	<b>356249</b>	<b>273410</b>
Provision for Bonus	-	-	956812	693549
Provision for Wealth Tax	-	-	15899	-
Provision for Income Tax	-	-	7483237	6530611
			<b>8455948</b>	<b>7224160</b>
	<b>960599</b>	<b>767167</b>	<b>8812197</b>	<b>7497570</b>

### 8 Short-term Borrowings

Cash Credit from Punjab National Bank (Secured)*	<b>31-Mar-2014</b>	<b>31-Mar-2013</b>
Raw Material Assistance Scheme from NSIC (Secured)**	188550874	151222886
<b>Total</b>	<b>188550874</b>	<b>3869692</b>
		<b>155092578</b>

\*Cash Credit Limit from Punjab National Bank is secured against hypothecation of Raw Material, Finished Goods, Stock in Process, Store & Spares, Packing Material and book debts, mortgage over fixed assets of the Company & mortgage of certain fixed assets of the Directors & other related parties and personal guarantees of Directors and other related parties.

\*\*Raw Material Assistance Scheme from NSIC is secured against bank guarantee which is secured by counter indemnity of the Company.

### 9 Trade Payables

Sundry Creditors for Raw Material and Traded Goods	<b>31-Mar-2014</b>	<b>31-Mar-2013</b>
	78741200	78654240
	<b>78741200</b>	<b>78654240</b>

The Company has not received any intimation from suppliers regarding their status under the Micro, Small & Medium Enterprises Act 2006, hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said act could not be furnished, however the management does not anticipate any significant interest liability.

### 10 Other Current Liabilities

Trade Payable for expenses, capital goods & Others	<b>31-Mar-2014</b>	<b>31-Mar-2013</b>
Advances from customers	11270557	12274113
Statutory Liabilities	991938	131024
Current maturities of long-term borrowings	615077	529052
(Includes current maturities of deferred vehicle loans)		
Unpaid IPO over subscription	5940211	2552603
Outstanding Expenses	-	52705
Other Current Liabilities	1202441	1257805
	726864	644387
<b>Total</b>	<b>20747088</b>	<b>17441689</b>

**LAWRESHWAR POLYMERS LIMITED**
**Note No - 11  
Tangible Assets**

PARTICULARS	AS AT 01.04.2013		AS AT 31.03.2014		AS AT 31.03.2013		AS AT 31.03.2014		AS AT 31.03.2013		AS AT 31.03.2014	
	Additions During the Period	Deletions During the Period	AS AT	UP TO 31.03.2013	For the Period	Dep. Written Back	Upto 31.03.2014	As At 31.03.2014	As At 31.03.2013	As At 31.03.2013	As At 31.03.2014	As At 31.03.2013
Land*	-	-	57907296	-	-	-	-	57907296	36551830	36551830	-	-
Buildings*	-	-	39195959	4904805	961664	-	5866469	33329489	16216468	26243251	32876048	31992522
Plant & Machinery	538944	53461010	17803087	2781876	-	-	20584963	32876048	26243251	44046337	9953617	10132720
Dies & Moulds and Misc Assets	1932607	66850945	28331714	6548116	-	21407	34858423	31992522	30319119	580734	-	58650832
Furniture & Fixtures	-	580734	509321	7770	-	-	517091	63643	71412	1481690	2613498	14385231
Vehicles	1481690	15517039	2774842	1418923	821594	-	3372170	12144869	11610389	497125	3554318	3554318
Office Equipments	-	4051443	2111419	359118	-	-	2470537	1580906	1442899	62627112	3953241	237564426
<b>TOTAL</b>	18872448	615449	30860190	-	-	-	67669653	169894773	122455368	178890555	62627112	3953241
Capital Work-in-progress	12603191	18872448	615449	30860190	-	-	-	30860190	12603191	81499560	268424616	56435188
<b>Grand Total</b>	191493746	81499560	4568690	268424616	12077467	843001	67669653	200754963	135058559	158328656	23682917	3121018
Previous Reporting Period	158328656	23682917	178890555	46658588	11120654	1344054	56435188	122455368	111670067	17902577	41585494	10467523
Capital Work-in-progress	2047119	17902577	7346505	12603191	-	-	-	12603191	2047119	191493746	191493746	11120654
Total (Previous Reporting Period)	160375775	41585494	10467523	191493746	11120654	1344054	56435188	135058559	113717186	160375775	41585494	10467523

\* Note: Land & Building includes the amount of revaluation of Land of Rs. 24505423/- & Building of Rs. 8081911/- during the year 2004-05 as per valuation report dated 31.03.2005.

Historical Cost of Building

Rs.

 8220612  
1372377



## Lawreshwar Polymers Limited

### Notes on Financial Statements

	31-Mar-2014	31-Mar-2013
<b>12 Non-current Investments</b>		
Trade Investments (valued at cost unless stated otherwise)		
Quoted Equity Instruments	3185000	3185000
Investment in Associates		
245000 (31 March 2013: 245000) Equity Shares of Rs. 10/- each fully paid up in Lawreshwar Footcare Private Limited	4900000	4900000
490000 (31 March 2013: 490000) Equity Shares of Rs. 10/- each fully paid-up in M/s JMR Mobilink Limited		
<b>Total</b>	<b>8085000</b>	<b>8085000</b>
<b>13 Loans and Advances</b>		
Unsecured considered goods		
	Non-current	Current
	31-Mar-2014	31-Mar-2013
Capital Advances to related party	-	28008355
Security Deposit		
Related Parties	12000000	25000000
Others Parties	1103693	312000
Advance to Creditors/Suppliers	-	7728568
Loans and advances to related parties	-	23944730
Advance recoverable in cash/ kind or for value to be received	-	-
Other Loans & Advances		
Advance Income Tax	-	4499589
Loans to Employees	-	170230
Prepaid Expenses	-	335184
Other Loans & Advances (Unsecured, considered good)	-	9936081
<b>Total</b>	<b>13103693</b>	<b>45867331</b>
Capital Advances include Advances for showroom and advances for flats.		
<b>14 Trade Receivables</b>		
	Non-current	Current
	31-Mar-2014	31-Mar-2013
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payments		
Unsecured, considered good	-	15696978
Other Receivables		
Unsecured, considered good	-	152691369
<b>Total</b>	<b>-</b>	<b>168388367</b>
<b>Trade Receivables Includes</b>		
Due from enterprises in which Directors or their relatives are interested :		

## Lawreshwar Polymers Limited

### Notes on Financial Statements

#### 15 Other Assets

	Non-current		Current	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
Insurance Claim Receivable *				115511
Insurance Policies for Gratuity & Leave Encashment	18674521	18674521		
Miscellaneous Expenditure	1026507	768553	382110	294713
Non-current Bank Balances	26614	53229	-	-
	-	2056739	-	-
<b>Total</b>	<b>19727642</b>	<b>21553042</b>	<b>382110</b>	<b>410224</b>

\* There had occurred a fire on 24.02.2008 at the registered office & factory premises of the company. The Insurance Company has passed the claim of the company and there is a shortfall of Rs. 1,86,74,521 against the said claim. No provision is made for the same, as the company has not accepted the assessment of loss from insurances companies and has invoked the arbitration clause of the insurance contract and company is of opinion that they will receive the balance amount of Rs. 1,86,74,521 from the insurance companies.

Book debts, advances, creditors, unsecured loans from customers etc. have been taken at their book value and are subject to confirmations and reconciliation.

Loans and advances and debtors have been considered good and in respect of which the company holds no security other than the personal guarantee of the person concerned.

#### 16 Inventories (valued at lower of cost and net realizable value)

	31-Mar-2014	31-Mar-2013
Raw materials	48788510	41151092
Work-in-progress;	33747736	22733804
Finished goods;	91928323	62872485
Packing Material	3204862	2780597
Stock-in-trade (in respect of goods acquired for trading)	2772668	2519490
Stores and spares;	267800	333200
Diesel/LDO	171219	250494
<b>Total</b>	<b>180880918</b>	<b>132641162</b>

#### 17 Cash and Bank Balances

	Non-current		Current	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
<b>Cash and Cash Equivalents</b>				
<b>Balances with banks:</b>				
On current accounts	-	-	3754477	141846
FDR	-	-	-	-
Cash on Hand	-	-	7055143	6278479
Margin Money Deposit	-	2056739	1537210	-
	-	<b>2056739</b>	<b>12346830</b>	<b>6420325</b>
<b>Amount disclosed under non-current assets</b>	-	(2056739)	-	-
<b>Total</b>	-	-	<b>12346830</b>	<b>6420325</b>

#### 18 Revenue from Operations

	31-Mar-2014	31-Mar-2013
Sale of products		
Finished Goods	747743142	666804298
Traded Goods	22776040	17760161
Sale of services	-	-
Other Operating Revenue	-	-
<b>Revenue from Operation (Gross)</b>	<b>770519182</b>	<b>684564459</b>
Less: Excise Duty	-	-
<b>Revenue from Operation (Net)</b>	<b>770519182</b>	<b>684564459</b>

#### 19 Other Income

	31-Mar-2014	31-Mar-2013
<b>Interest Income on</b>		
Bank Deposits	129212	118245
Interest from Deposits	3228742	3276443
Other Interest	4257349	3852940
Interest on Income Tax Refund	-	-
Profit on sale of Investment	70025	14025
Profit on sale of Fixed Assets	621042	527512
Other non-operating Income	<b>8306370</b>	<b>7789165</b>
<b>Total</b>	<b>8306370</b>	<b>7789165</b>

## Lawreshwar Polymers Limited

### Notes on Financial Statements

#### 20 Cost of Materials Consumed

	31-Mar-2014	31-Mar-2013
<b>Raw Materials Consumed</b>		
Opening Stock	41151092	37704708
ADD: Purchases	525731712	458586161
	566882804	496290869
Less: Closing Stock	48788510	41151092
	<b>518094294</b>	<b>455139777</b>
<b>Packing Materials Consumed</b>		
Opening Stock	2780597	3382339
ADD: Purchases	42886303	40414469
	45666900	43796808
Less: Closing Stock	3204662	2780597
	<b>42462238</b>	<b>41016211</b>
	<b>560556532</b>	<b>496155988</b>
<b>Cost of Material Consumed Total [A+B]</b>		
<b>Details of Raw Material Consumed</b>		
Natural & Synthetic Rubber	100522279	97883011
Colours & Chemicals	27361203	25433445
Cloth	98243529	98192412
PU & PVC Material	286822962	221172866
Others	5144321	12458044
	<b>518094294</b>	<b>455139778</b>
<b>Details of Inventory</b>		
<b>Raw Material</b>		
Natural & Synthetic Rubber	6788358	4651240
Colours & Chemicals	3026744	3266203
Cloth	7764417	9818259
PU & PVC Material	24531763	22880894
Others	6677228	534496
	<b>48788510</b>	<b>41151092</b>

#### 21 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

	31-Mar-2014	31-Mar-2013
<b>Opening Stock</b>		
Finished Goods	62872485	34908279
Work-in-Progress	22733804	20148484
Stock-in-Trade	2519490	1350202
	<b>88125779</b>	<b>56406965</b>
<b>Closing Stock</b>		
Finished Goods	91928323	62872485
Work-in-Progress	33747736	22733804
Stock-in-Trade	2772668	2519490
	<b>128448727</b>	<b>88125779</b>
	<b>(40322948)</b>	<b>(31718814)</b>
<b>Change in inventories Total [I-II]</b>		
<b>Details of Inventory</b>		
<b>Finished Goods</b>		
Rubber Footwears	11369991	9867903
Eva Injection Footwear	324820	134054
Canvas Shoes	2372942	3628269
PVC Footwear	15729853	6808037
PU Footwear	60567297	39867034
Fabricated Footwear	1563420	2567188
	<b>91928323</b>	<b>62872485</b>
<b>Traded Goods Sold</b>		
Footwears	2772668	2519490
	<b>2772668</b>	<b>2519490</b>
<b>Work-in-Progress</b>		
Rubber Footwears	6041731	4795901
Eva Injection Footwear	8721	29,246
Canvas Shoes	1698502	1218530
PVC Footwear	2356584	1145661
PU Footwear	20412953	14066622
Fabricated Footwear	3229245	1477844
	<b>33747736</b>	<b>22733804</b>

## Lawreshwar Polymers Limited

### Notes on Financial Statements

#### 22 Employee Benefits Expense

	31-Mar-2014	31-Mar-2013
Salaries, wages and bonus	13325268	11384774
Contribution to provident and other funds	838946	586117
Gratuity Expenses & Leave Encashment	297162	380676
Staff Welfare Expenses	800482	629907
<b>Total</b>	<b>15261858</b>	<b>12981474</b>

#### 23 Finance costs

	31-Mar-2014	31-Mar-2013
Bank Charges	1709933	1794676
Interest on Term Loan	1751967	573501
Interest to Bank & others	21542209	19217621
<b>Total</b>	<b>25004109</b>	<b>21585798</b>

#### 24 Depreciation and Amortization Expense

	31-Mar-2014	31-Mar-2013
Depreciation	12077468	11120653
Less: Depreciation charged from Rev. Res.	159055	159055
	11918413	10961598
Preliminary Expenses Written Off	26614	26614
<b>Total</b>	<b>11945027</b>	<b>10988212</b>

#### 25 Other Expenses

	31-Mar-2014	31-Mar-2013
<b>Manufacturing Expenses</b>		
Cartage	315655	197215
Consumable stores	4347360	2843255
Designing Charges	32060	13460
Diesel / LDO consumption	4550024	4355248
Job Charges	49422748	43877396
Power & Electricity	11146599	9664924
Repairs & Maintenance ( P & M)	5129501	4084139
Strap Cutting Charges	435796	331978
Lease Rent (Plant & Machinery)	480000	480000
Work Shed Rent	1380000	1080000
<b>TOTAL [A]</b>	<b>77239743</b>	<b>66927615</b>

#### Administrative & Other Expenses

Annual Custodial Fees	67416	67416
Annual Listing Fees	44944	44944
Apprenticeship Fees	25161	46152
Conveyance Expenses	150323	218752
VAT	14887	56020
Directors Remuneration	3960000	3960000
Donation	626000	360411
Electricity Expenses	211617	150353
Entertainment Expenses	5862	114916
Exchange Fluctuation Gain/Loss	-	11869
Festival Expenses	495520	480923
Forward Contract Loss	86400	-
Gardening Exp.	14035	2700
General Expenses	27325	54442
Guest House Rent	389025	369000
Insurance Expenses	499857	451698
Interest on TDS	3712	18507
ISO Certification Expenses	40000	-
Legal Expenses	407860	192177
Loss on sale of Fixed Assets	95121	651964
Membership fees & Subscription Fees	29169	7303
News Papers & Periodicals	26224	12439
Office Expenses	137445	175345
Payment to Auditors (Refer details below)	240920	243370
Penalty & Fine	6101	2730
Postages & Telegrams	135577	227432
Printing & Stationery	394562	346226
Professional & Consultancy Fees	607529	343401
Research & Development Expenses	53528	-
Repairs & Maintenance (Building)	138770	215139
Repairs & Maintenance (Others)	1321086	1286320

## Lawreshwar Polymers Limited

### Notes on Financial Statements

Security Charges	733105	534384
Software Development Exp	56799	54368
Sundry Balances written off	55391	27224
Telephone Expenses	778507	753521
<b>Travelling Expenses</b>		
Director's Travelling	600789	893026
Director's Travelling( Foreign )	271556	413797
Others	1297154	728469
Vehicle Running & Maintenance	1351014	1291746
Water Exp.	133319	99671
Website Development Expenses	7984	37805
<b>TOTAL [B]</b>	<b>15541594</b>	<b>14945959</b>
<b>Payment to Auditors</b>		
Audit Fees	224720	224720
Reimbursement of Expenses	16200	18650
Income Tax Matters	-	-
<b>TOTAL</b>	<b>240920</b>	<b>243370</b>
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement & Publicity	325224	150728
Commission on Sales	1195381	931090
Discount Allowed	62800951	57358647
Freight Outward	111773	85994
Sales Promotion Expenses	641336	1522012
Bad Debts	938029	3342269
Loss of Goods Sold by Accident	-	-
Exhibition Expenses	1647296	89888
Godown Rent	27000	40000
Tender Fees	67686990	10250
<b>TOTAL [C]</b>	<b>67686990</b>	<b>63530878</b>
<b>GRAND TOTAL [A+B+C]</b>	<b>160468327</b>	<b>145404453</b>

#### 26

##### Earning Per Share (EPS)

The Company report Basic and Diluted earning per share (EPS) in accordance with Accounting Standard – 20 issued by the Institute of Chartered Accountants of India. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS have been computed using the weighted average number of equity shares and Diluted potential equity shares outstanding at the end of the year.

Particulars	2013-14		2012-13	
	2013-14	2012-13	2013-14	2012-13
Net Profit after tax (Rs.)	17025280	13724777	13678799	10
No. of paid-up Equity Shares (Weighted Average)	10	10	10	10
Amount per share (Rs.)	1.24	1.24	1.00	1.00
<b>Earning per Share (Rs.)</b>				
Basic	1.24	1.24	1.00	1.00
Diluted	1.24	1.24	1.00	1.00

#### 27

##### Disclosure under AS-15 (Revised) – Employee Benefits

Provision has been made for employee benefits gratuity, leave encashment and other benefits in accordance with AS-15 (Revised) on the basis of actuarial valuation.

##### Gratuity and Leave Encashment

The following table sets out the status of the defined gratuity plan and defined leave encashment plan:-

Particulars	Gratuity		Leave Encashment	
	2013-14	2012-13	2013-14	2012-13
<b>Change in the present value of the defined benefit obligation</b>				
Opening defined benefit obligation at 1 <sup>st</sup> April	754705	505939	273410	221351
Current Service Cost	132913	117030	56414	41108
Interest Cost	92538	170437	26425	39639
Actuarial loss/(gain)	19557	38701	-	28688
Benefit paid	960599	754705	356249	273410
Closing defined benefit obligation at 31 <sup>st</sup> March				

## Lawreshwar Polymers Limited

### Notes on Financial Statements

<b>Change in plan assets</b>				
Opening Fair Value of plan asset at 1 <sup>st</sup> April	768553	545100	294712	247164
Expected Return on Plan asset	65908	47598	25861	21302
Contribution by employer	211603	214556	61537	45203
Benefit paid	19557	38701	-	18957
Actuarial gain/loss				
Closing fair value of plan assets at 31 <sup>st</sup> March	1026507	768553	382110	294712
<b>Reconciliation of present value of the obligation and fair value of the Plan Assets</b>				
Present Value of funded obligation at 31 <sup>st</sup> March	960599	754705	356249	273410
Fair Value of Plan Assets at 31 <sup>st</sup> March	1026507	768553	382110	294712
Deficit/(Surplus)	(65908)	(13848)	(25861)	(21302)
Unrecognized past service cost	-	-	-	-
Net Liability/(Assets)	(65908)	(13848)	(25861)	(21302)

#### Principal Actuarial Assumptions

Particulars	Gratuity		Leave Encashment	
	2013-14	2012-13	2013-14	2012-13
Discount Rate	8.00%	8.00%	8.00%	8.00%
Expected Rate of Return	8.75%	9.00%	8.75%	9.00%
Salary Escalation	7.00%	7.00%	7.00%	7.00%

#### 28 Segment Information

The Board of Directors of the Company considers and maintains Footwear as the only Business Segment of the Company.

#### 29 Related Party Disclosures

The Company has made the following transactions with related parties as defined under the provisions of Accounting Standard-18 issued by the Institute of Chartered Accountants of India.  
List of related parties with whom transaction have taken place during the year along with the nature and volume of transaction is given below from 01.04.2013 to 31.03.2014.

S. No.	Particulars	Relations with Directors
<b>Directors &amp; Key managerial persons &amp; their associate concerns</b>		
1	Ramesh Chand Agarwal	Chairman of the company
2	Raj Kumar Agarwal	MD of the company
3	Naresh Kumar Agarwal	Executive Director of the company
<b>Relatives</b>		
1	Megha Agarwal	Wife of executive director
2	Megha Lodha	Daughter in law of MD
3	Sanjay Agarwal	Son of MD
4	Naveen Agarwal	Son of Chairman
5	Pramod Agarwal	Brother of Chairman of the company
6	Pankaj Agarwal	Son of MD
7	Shailly Agarwal	Daughter in law of MD
<b>Enterprises owned/controlled by directors &amp; their relatives</b>		
1	Lawreshwar Footcare Pvt Ltd.	49% shares of this company held by the company
2	JMR Mobilink Limited	49% shares of this company held by the company
3	Lawreshwar Footwear	Proprietorship concern of Chairman's son
4	Jai Narayan Mohan Lal & Sons	Proprietorship concern of Chairman's Brother
5	Krishan Kripa Creation	Chairman is partner in firm
6	Raj Shoe Palace	Proprietorship concern of MD
7	P.K. Shoes Co.	Proprietorship concern of Chairman's Brother
8	Ramesh Footwear	Proprietorship concern of Chairman
9	Naveen Footwear	Proprietorship concern of Chairman's son
10	N.K. Footwear	Proprietorship concern of EDs HUF
11	R.K. Boothouse	Proprietorship concern of MDs HUF
12	M.L. Boot House	Proprietorship concern of Chairman's Father's HUF
13	S. D. Footwear	Proprietorship concern of Mother of Chairman

## Lawreshwar Polymers Limited

### Notes on Financial Statements

Transaction with Group Company Nature of transaction	31/3/2014	Amount ( Rs in lacs ) 31/3/2013
Interest received	2700311	2404037
Loan Given (ICD)	45652100	78555364
Loan Repayment Received	72027110	69280992
Rent Paid	960000	960000
<b>Out of the above items, transactions in excess of 10% of the total related party transactions are as under:</b>		
<b>Interest received</b>		
Lawreshwar Footcare Pvt. Ltd.	2700311	2404037
<b>Loan Given (ICD)</b>		
Lawreshwar Footcare Pvt. Ltd.	45507100	55735325
JMR Mobilink Ltd.	-	22820039
<b>Loan Repayment Received</b>		
Lawreshwar Footcare Pvt. Ltd.	54641114	53912593
JMR Mobilink Ltd.	17385996	15368399
<b>Rent Paid</b>		
Lawreshwar Footcare Pvt. Ltd.	960000	960000

Transaction with key management persons Nature of transaction	31/3/2014	Amount ( Rs in lacs ) 31/3/2013
<b>Remuneration</b>	3960000	3960000
<b>Out of the above items, transactions in excess of 10% of the total related party transactions are as under:</b>		
Ramesh Chand Agarwal	1320000	1320000
Raj Kumar Agarwal	1320000	1320000
Naresh Kumar Agarwal	1320000	1320000

Transaction with relatives Nature of transaction	31/3/2014	Amount ( Rs in lacs ) 31/3/2013
<b>Salary</b>	3600000	3600000
<b>Out of the above items, transactions in excess of 10% of the total related party transactions are as under:</b>		
Megha Agarwal	420000	420000
Pankaj Agarwal	600000	600000
Pramod Agarwal	960000	960000
Sanjay Agarwal	720000	720000

#### Enterprises owned & controlled by the Directors and their relatives

Nature of transaction	31/3/2014	Amount ( Rs in lacs ) 31/3/2013
Interest Received	3228742	3276443
Rent Paid	900000	600000
Deposit Given	2000000	-
Deposit Received Back	9650000	2500000
Donation	621000	277000
Sales	17763552	12264578
Discount Allowed	1776356	1226458
<b>Out of the above items, transactions in excess of 10% of the total related party transactions are as under:</b>		
<b>Interest Received</b>		
Krishan Kripa Creation	3228742	3276443
<b>Rent Paid</b>		
Lawreshwar Footwear	900000	600000
<b>Deposit Given</b>		
Krishan Kripa Creation	2000000	-
<b>Deposit Received Back</b>		
Krishan Kripa Creation	7150000	-
Jai Narayan Mohan Lal & Sons	2500000	2500000
<b>Donation</b>		
Jai Narayan Mohan Lal Charitable Trust	621000	277000
<b>Sales</b>		
P. K. Shoe Co.	3164276	1963845
Ramesh Footwear	3143035	2318759
Naveen Footwear	2666935	2021331
R. K. Boot House	-	1673983
N.K. Footwear	2842622	1596432
M.L. Boot House	2317695	1512111
S.D. Footwear	2493139	-

## Lawreshwar Polymers Limited

### Notes on Financial Statements

Discount Allowed	31/3/2014	31/3/2013
P. K. Shoe Co.	316428	196385
Ramesh Footwear	314304	231876
Naveen Footwear	266693	202133
R. K. Boot House	-	167398
N.K. Footwear	284262	159643
M.L. Boot House	231770	151211
S.D. Footwear	249314	-

#### 30. CIF Value of imports

- a) Raw Material Purchased  
b) Traded Footweares Imported

<b>31/3/2014</b>	<b>31/3/2013</b>
Nil	Nil
1936581	Nil

#### 31. Expenditure in Foreign Currency

- a) Payment for Capital Goods  
b) Payment for travelling expenses

<b>31/3/2014</b>	<b>31/3/2013</b>
Nil	Nil
Nil	140,073

#### 32. Expenses charged in Profit & Loss Statement under various heads, include the following expenses related to prior period:

<b>31/3/2014</b>	<b>31/3/2013</b>
17000	24203

#### Repair & Maintenance (P&M)

#### Office Expenses

#### Printing & Stationery Expenses

#### Travelling Expenses

#### Water expenses

#### Advertisement Expenses

#### Legal Expenses

-	600
-	860
-	12558
-	1950
4200	-
88000	-
<b>109200</b>	<b>40171</b>

#### 33. Contingent Liabilities and Commitments

##### Contingent Liabilities

Income Tax Demand for the AY 2005-06 against which the company has filed an appeal before higher authority

Claims against the company / disputed liabilities not acknowledged as debts

104433

Nil

104433

Nil

##### Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for

Nil

Nil

#### 34. Utilisation of money raised through Public Issue

The Company has fully deployed IPO Proceeds as per the offer document and revised capital expenditure plan as passed is AGM held in 2010.

#### 35. Previous years figures have been regrouped and rearranged wherever considered necessary.

#### 36. Figures are rounded off to the nearest rupee.

As per our Report of even date

**For A. Bafna & Company**  
Chartered Accountants  
(FRN 0036660C)

**FOR LAWRESHWAR POLYMERS LTD.**

(CA Vivek Gupta)  
Partner

M.No. 400543

Date: 24th May, 2014

Place: Jaipur

Raj Kumar Agarwal  
(Managing Director)

Naresh Kumar Agarwal  
(Executive Director)

Rakesh Kumar Soni

(Chief Financial Officer)

Devyani Singh

(Company Secretary)



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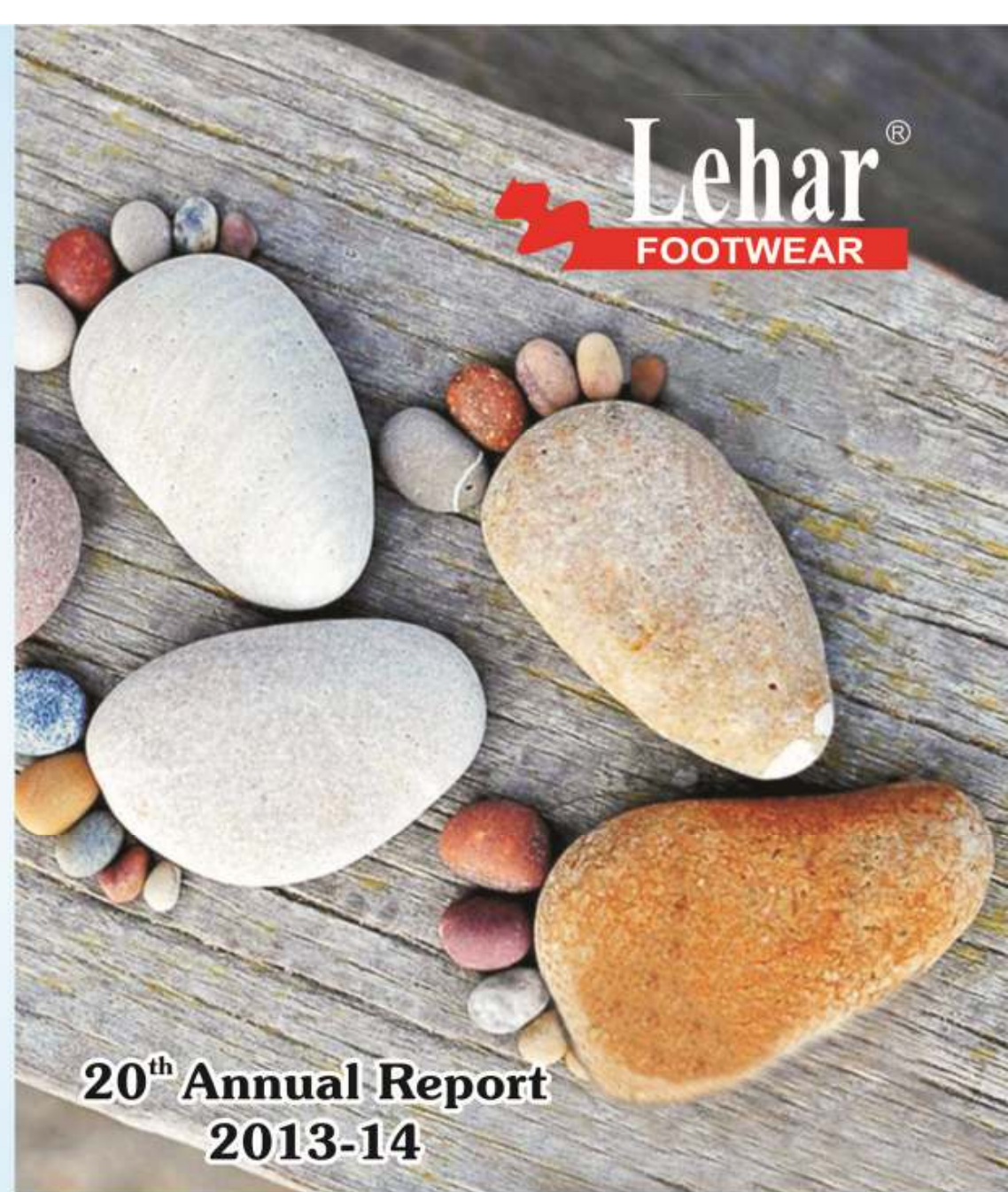
**Regd. Office & Works**

A-243(A) ROAD NO. 6, V. K. I. AREA, JAIPUR - 302 013

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URL : [www.leharfootwear.com](http://www.leharfootwear.com)



**20<sup>th</sup> Annual Report  
2013-14**

**LAWRESHWAR POLYMERS LIMITED**