

BOOK POST

If undelivered, please return to :

LAWRESHWAR POLYMERS LIMITED

Regd. Office & Works

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

Ph.: 0141-4157777 (30 Lines), Fax : 0141-4157766

e-mail : info@leharfootwear.com

URL : www.leharfootwear.com



19th Annual Report
2012-13



National Award For Quality

ISO 9001 QMS

ISO 14001 (EMS)

ISO 18001 (OHSAS)

REGISTERED FIRM

LAWRESHWAR POLYMERS LIMITED

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

Lehar[®] **FOOTWEAR**

National Award Winner 2000

National Award Winner 2003

National Award Winner 2003 (For Quality)

(From Govt. of India)

Hawai ❖ Canvas Shoes ❖ EVA Wave ❖ PU-Bliss

❖ Sports Shoes ❖ School Shoes ❖ Belly ❖ Casual Shoes



Contents	Page No.
Notice	2
Director's Report	7
Reports on Corporate Governance	14
Management Discussion and Analysis	23
Report of The Statutory Auditors	26
Balance Sheet	30
Profit & Loss Account	31
Cash Flow Statement	32
Schedules	33
Proxy Form	47

CORPORATE INFORMATION**Board of Directors**

Ramesh Chand Agarwal
Chairman

Raj Kumar Agarwal
Managing Director

Naresh Agarwal
Executive Director

G.S. Kandoi

Independent Directors
Sidharth Singh

Radhey Shyam Mangal

Audit**Committee**

Radhey Shyam Mangal
Rakesh Akar Upto 31.03.2013
G.S. Kandoi W.E.F 30.05.2013
Sidharth Singh

Remuneration**Committee**

Radhey Shyam Mangal
Rakesh Akar Upto 31.03.2013
G.S. Kandoi W.E.F 30.05.2013
Sidharth Singh

Shareholders' / Investors**Grievance Committee**

Radhey Shyam Mangal
Rakesh Akar Upto 31.03.2013
G.S. Kandoi W.E.F 30.05.2013
Sidharth Singh

Statutory Auditor

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

Internal Auditor

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

Banker

Punjab National Bank
SSI Branch,
Sikar Road, V.K.I.A.,
Jaipur-302 016 (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

Regd. Office & Works

A-243 (A), Road No. 6, V. K. I. Area, Jaipur – 302 013
e-mail: info@leharfootwear.com, URL: www.leharfootwear.com

Notice

Notice is hereby given that the NINETEENTH 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 Wednesday the 25th September, 2013 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, 2013 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 Ramesh Chand Agarwal, who retire by rotation and being eligible, offers him for reappointment.
3. To appoint a director in place of Shri Sidharth Singh, 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 a Special Resolution:
“**RESOLVED THAT** G.S. Kandoi who was appointed as an additional Director of the company under Section 260 of the Companies Act, 1956, and who holds office upto the date of the Annual General Meeting and in respect of whom the company has received a notice under sec. 257 of the Companies Act, 1956 from a member, be and is hereby appointed as a Director liable to retire by rotation.”
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a ordinary resolution:
“**RESOLVED THAT** pursuant to the provisions of section 198, 269, 309, 310 and Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and/or any statutory modification or re-enactments thereof from time to time and in force and subject to such other approvals as may be necessary, if any, consent of the Company be and is hereby accorded for re-appointment of Shri Naresh Agarwal as Executive Director of the Company for a period of five years with effect from 30th September 2013, upon the terms and conditions as furnished in the Explanatory Statement to this resolution annexed herewith.”
- “**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to amend/alter the terms and conditions relating to remuneration subject to the provisions of section I of Part II of Schedule XIII and other applicable provisions of the Companies Act, 1956.”
- “**RESOLVED FURTHER THAT** in absence of or inadequacy of profits in any financial year during the aforesaid period, the remuneration will be paid as minimum remuneration subject to the provisions of Section II of Part II of Schedule XIII of the Companies Act, 1956 or such other amount as may be provided in Schedule XIII as may be amended from time to time or any equivalent statutory re-enactments thereof.”
- “**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to appoint such person amongst themselves to file all documents with the Registrar of Companies, Rajasthan and to do all such acts, deeds and things as may be required and to complete all formalities that may be necessary to give effect to this resolution.”

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

sd

**PLACE: Jaipur
DATED: 02.09.2013**

**(Ramesh Chand Agarwal)
Chairman**

Notice

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THEN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 18th September to Wednesday, 25th September 2013 (both days inclusive).
3. 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.
4. 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.
5. Members are requested to:
 - i) Intimate change in their Registered Addresses, if any, in respect of Equity Shares held in electronic form (Dematerialized form) to their Depository Participant(s).
 - ii) Intimate the Registrar & Share Transfer Agent about any change in their Registered Addresses in respect of equity shares held in physical form.
 - iii) Quote the registered folio number / DP-ID and CL-ID in all future correspondence.
 - iv) To address their grievances to the Company Secretary, if they require at the Registered Office of the Company.
6. Members are requested to please bring their copies of Annual Report at the meeting.
7. Members and Proxies attending the meeting should bring the attendance slip duly filled in for attending the meeting.
8. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special business mentioned under item No. 5 & 6 of the Notice is annexed hereto.
9. 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.
10. 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.
11. 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".

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF COMPANIES ACT, 1956

Item No. 5

The Board of Directors of the company (The Board) , under section 260 of the Companies Act, 1956 (The Act) and Article 95 of the Articles of Association of the company appointed Shri G.S. Kandoi as an Additional Director as Non Executive Independent Director of the company with effect from 30th May, 2013.

In Terms of Section 260 of the Act, Shri G.S. Kandoi holds office upto the date of this Annual General Meeting.

The Company has received a notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Shri G.S. Kandoi for the office of Director of the company under sec. 257 of the Companies Act, 1956.

Shri G.S. Kandoi is not disqualified from being appointed as a Director under section 274 (1) (g) of the Act and has complied with obtaining the Director Identification Number in terms of Section 266A of the Act. The Company has received the requisite form "DD –A" from Shri G.S. Kandoi in terms of Companies (Disqualification of Directors under section 274 (1) (g) of the Companies Act, 1956) Rules 2003, confirming his eligibility for such appointment.

A brief resume of Shri G.S. Kandoi, nature of his expertise in specific functional areas and names of companies in which he holds directorship and membership / chairmanships of Board Committees, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange in India, are provided in Annexure "A" forming part of the Annual Report.

None of the Directors except Shri G.S. Kandoi, being appointee interested in the resolution.

Item No. 6

The Board of Directors of the Company in their meeting held on 14th August, 2013, subject to the approval of the shareholders in the Annual General Meeting under the applicable provisions of the Companies Act, 1956, have sought to re-appoint Shri Naresh Agarwal as Executive Director of the Company for a period of five years with effect from 30th September, 2013.

The tenure of present appointment of Shri Naresh Agarwal as Executive Director will expire on 30th September, 2013. The terms and conditions of remuneration as approved by the remuneration committee and applicable to the Executive Director are as under given below and your directors have confirmed that the proposed remuneration is strictly in conformity with part II of Schedule XIII of the Companies Act, 1956.

Remuneration:

(I) Basic Salary: Rs. 1,10,000/- per month.

(II) Perquisites:

In addition to Basic Salary, the following Perquisites not exceeding the overall ceiling prescribed under Schedule XIII, annexed to the Companies Act, 1956 will be provided to the Executive Director:

- (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.
- (i) Reimbursement of entertainment, traveling and all other expenses, actually and properly incurred for the business of the Company.
- (ii) 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 XIII annexed to the Companies Act, 1956 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, Executive Director, by way of salary/ perquisites, as specified above, shall be limited to the amount laid down under Schedule XIII annexed to the Companies Act, 1956.

(III) Other terms & Conditions:

- (i) Shri Shri Naresh Agarwal 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 said re-appointment of Shri Naresh Agarwal on the terms and conditions as set above is subject to the approval of the shareholders in their General Meeting.

This may be treated as an abstract required under section 302 of the Companies Act, 1956.

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**

sd

**PLACE: Jaipur
DATED: 02.09.2013**

**(Ramesh Chand Agarwal)
Chairman**

ANNEXURE "A "TO THE NOTICE CALLING 19TH 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 25th, 2013:

Name of Director	NARESH AGARWAL	SIDHARTH SINGH	G.S.KANDOI
Age	42 Years	39 Years	70 Years
Date of Appointment/re-appointment	31.03.1994	03.07.2010	30.05.2013
Designation	Executive Director	Non Executive Independent Director	Non Executive Independent Director
Expertise in specific functional area	He is a commerce graduate. His expertise in the field of Finance 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 Commerce Graduate. His expertise in the fields of finance, Accounts & Marketing has always been of immense value and help to the company. He has more than 13 years of experience in the footwear business and is well aware of each and every aspect of business and is handling them well.	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.COM	B.Tech
Directorship in other Public Limited Companies as on 31/03/2013	JMR Mobilink Limited	NIL	K.G.PetroChem Ltd.
Member/Chairman of the Committees of the Board of other Companies as on 31/03/2013	NIL	NIL	NIL

DIRECTORS REPORT

To,

All the Shareholders,

Your Directors have pleasure in presenting the Nineteenth Annual Report of the company together with the Audited financial accounts for the financial year ended on 31st March 2013.

FINANCIAL RESULTS:

Particulars	Rs. (in Lacs)	
	2012-2013 (Audited)	2011-2012 (Audited)
Sales	6845.64	5280.48
Profit before Depreciation & Tax	324.72	277.53
Profit before Tax	215.09	186.72
Provision for Tax (Current & Deferred Tax)	77.85	64.96
Net Profit	137.24	121.75
Appropriation		
Dividend	NIL	NIL
Balance b/f from the previous year	563.18	441.43
Transferred to General Reserve	NIL	NIL
Transferred to Reserve & Surplus	700.42	563.18

Operational Review

Your Company has achieved turnover of Rs. 6845.64 Lacs as against Rs. 5280.48 Lacs in the previous year. The Net Profit of the Company is Rs 137.24 Lacs as against Rs. 121.75 Lacs in the previous year due to increase of turnover of the Company.

Directors

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

Appointment of Mr. G.S. Kandoi as regular Director [Independent Non Executive Director] on the Board of the Company from the date of this Annual General meeting

Directors Responsibility Statement

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

- 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.
- 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, 2013 and of the Profit of the Company for the year ended on that date.
- 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.
- 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 prescribed limit u/s 224 (1B) of the Companies Act, 1956 and also that they are not otherwise disqualified within the meaning of section 226 (3) of the Companies Act, 1956.

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

Subsidiary

The Company has sold its holding of its subsidiary Company [Swastik Polyblend Private Limited] in the State of New Delhi as on 30.03.2013.

Hence, The Company has no subsidiary company.

Dividen

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 2012-2013.

Public Deposits

During the year ended March 31st 2013, your Company has not accepted any deposits from the public.

Future Plans

The company has made a Contract for purchase of a Factory Land & Building measuring about 14325.00 Sq. Mtrs. situated at Plot No.SD41, RIIICO Industrial Area, Kaladera, Tehsil Chomu, District Jaipur, Amounting Rs. 3.25 Crores. The possession of Factory Land & Building is under process, soon after the possession; Company is to planning to set up a manufacturing unit for its products to meet the demand and to enter in the new Market as well as existing Market so that stakeholders get benefitted.

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.

Acknowledgment

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.

By the order of the Board
For Lawreshwar Polymers Limited

sd

PLACE: Jaipur

DATED: 30.05.2013

(Ramesh Chand Agarwal)
Chairman

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 Nil

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.

3. 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 N.A.

this 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: Rs. 140073/-

Earned: Rs. NIL

For and on behalf of the Board

PLACE: Jaipur
DATED: 30.05.2013

sd

(Ramesh Chand Agarwal)
Chairman

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, 2013 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
DATED: 30.05.2013**

sd

**(Raj Kumar Agarwal)
Managing Director**

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

sd
(Raj Kumar Agarwal)
Managing Director

For Lawreshwar Polymers Ltd

sd
(CA 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 31st March, 2013 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

sd

Vivek Gupta
(Partner)
Memb. No: 400543

Place: Jaipur
Date: 30.05.2013

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, Fifteen Board Meetings were held on 2.4.2012, 30.05.2012, 24.07.2012, 14.08.2012, 16.08.2012, 19.08.2012, 01.09.2012, 27.09.2012, 19.10.2012, 05.11.2012, 12.11.2012 19.12.2012, 10.01.2013, 14.02.2013, and 30.03.2013 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	Member
Ramesh Chand Agarwal	Non ID / ED	Yes	15	1	-	-	-
Raj Kumar Agarwal	Non ID / ED	Yes	15	2	-	-	-
Naresh Agarwal	Non ID / ED	Yes	15	2	-	-	-
Rakesh Akar	ID / Non ED	Yes	15	3	-	-	-
Siddharth Singh	ID / Non ED	Yes	15	2	-	-	-
Radhe Shyam Mangal	ID / Non ED	Yes	15	-	-	-	-

@ 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. Radhe Shyam Mangal is the Chairman of the Audit Committee. He is a Practicing Chartered Accountant. The Other Members of the Audit Committee are Mr. Rakesh Akar 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.
 - 5 (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.

12. 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 2012-2013 the Committee met 4 times on 30.05.2012, 14.08.2012, 12.11.2012 and 14.02.2013.

Name of Directors	Position held in the Committee	No. of meetings attended
Mr. Radhe Shyam Mangal	Chairman	4
Mr. Rakesh Akar *	Member	4
Mr. Siddharth Singh	Member	4

* **W.e.f. 30.05.2013 Mr. G.S. Kandoi has taken the charge in place of Mr. Rakesh Akar.**

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 redressal 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 two times on 19.11.2012 and 08.03.2013 during the year 2012-2013. 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. Radhe Shyam Mangal	Chairman	2
Mr. Rakesh Akar *	Member	2
Mr. Siddharth Singh	Member	2

* **W.e.f. 30.05.2013 Mr. G.S. Kandoi has taken the charge in place of Mr. Rakesh Akar.**

The Company Secretary of the Company is the Compliance Officer of the Company.

In the Financial Year 2012-2013, the Company had received only one investor complaint which was resolved immediately.

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

The Committee meeting not been carried out during the year 2012-2013. 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. Radhe Shyam Mangal	Chairman	N.A
Mr. Rakesh Akar *	Member	N.A
Mr. Siddharth Singh	Member	N.A

* **W.e.f. 30.05.2013 Mr. G.S. Kandoi has taken the charge in place of Mr. Rakesh Akar.**

REMUNERATION POLICY

A. (I) Executive Directors

The details of the remuneration paid during the year 2012-2013 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 2012-2013.

c) No Sitting fees were paid to the Non-Executive Directors for attending Board Meetings or Committee Meetings during the Financial Year 2012-2013.

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, 2013 are as follows:

Name	No. of Shares
Ramesh Chand Agarwal	1714328
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
2011-12	A-243 A Road No 6 V. K. I. Area, Jaipur - 302 013.	28 th September 2012 at 10.00 A.M.	Special Resolution was passed u/s 314(1)(b)
2010-2011	A-243 A Road No 6 V. K. I. Area, Jaipur - 302013.	30 th September 2011 at 10.00 A.M.	NOT APPLICABLE
2009-2010	A-243 A Road No 6 V. K. I. Area, Jaipur - 302 013.	30 th September 2010 at 11.30 P. M.	Special Resolution was passed u/s 61

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 2012-2013.

D. Subsidiary

The Company DOES NOT have any subsidiary Company as on March 31, 2013.

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, 2013.

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 launched its Web Site i. e. www.leharfootwear.com and uploaded the quarterly and annual results till date. 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

19 th Annual General Meeting Day, Date and Time	Wednesday, September 25th, 2013 at 10.00 A.M.
Venue	A-243 (A) Road No: 6 V.K.I.Area, Jaipur 302013
Financial Year	April 1, 2012 to March 31, 2013
Book Closure	September 18th, 2013 to September 25th, 2013
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 Sock Exchange(s)	The Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400 001.

Note: The Company has paid listing fees, as applicable for the financial year 2013-2014 to the BSE.

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 2012	17,664.10	17,010.16	57,559	8.09	6.00
May 2012	17,432.33	15,809.71	71,111	7.30	5.77
June 2012	17,448.48	15,748.98	26,295	7.29	6.12
July 2012	17,631.19	16,598.48	1,19,526	8.25	5.20
August 2012	17,972.54	17,026.97	56,192	7.63	6.00
September 2012	18,869.94	17,250.80	91,020	8.98	6.22
October 2012	19,137.29	18,393.42	58,814	8.25	6.30
November 2012	19,372.70	18,255.69	1,77,552	8.8	5.60
December 2012	19,612.18	19,149.03	87,362	7.99	6.25
January 2013	20,203.66	19,508.93	1,19,789	7.57	6.01
February 2013	19,966.69	18,793.97	47,164	7.42	6.26
March 2013	19,754.66	18,568.43	34,723	6.88	4.71

*Source: 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 2013

Particulars	No. of Shares held	% of shareholding
Promoters	8465729	61.89
Financial Institutions, Banks and Mutual Funds	NIL	NIL
Trusts / Clearing Members	3718	0.03
Pvt. Corporate Bodies	638861	4.67
Indian Public	4550593	33.26
NRI's / OCBs	19878	0.15
Total	13678799	100.00

Distribution of shareholding as on 31st March 2013

Range	Total Holders	% of Total Holders	Total Holding	% of Shareholding
001-500	2590	63.90	8203360	5.99
501-1000	501	12.36	4348380	3.17
1001-2000	673	16.60	8267260	6.04
2001-3000	80	1.97	2003960	1.46
3001-4000	44	1.08	1536800	1.12
4001-5000	43	1.06	2085090	1.52
5001-10000	51	1.25.	3912570	2.86
10001 & above	71	1.75	106430570	77.80
	4053	100.00	13678799	100.00

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 31st March, 2013 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. Plant Location

- 01. A-243 (A) Road No. 6
V. K. I. Area,
Jaipur - 302 013 (Rajasthan)
- 02. G1-685, Road No: 9F2. V.K.I.Area,
Jaipur - 302 013 (Rajasthan)
- 03. F-263, Road No. 13,
V. K. I. Area,
Jaipur - 302013 (Rajasthan)

K. 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: nanda@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: info@leherfootwear.com

L) Outstanding GDRs /ADRs/Warrants or any convertible instruments

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

M) 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 nonleather 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 unfavorable 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 it's objectives of growth, profitability and maximization of shareholders wealth.

Turnover of the Company for the year under review has been increased by 30.21 % from Rs. 5280.48 Lacs to Rs. 6845.64 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. 137.24 Lacs as against Rs. 121.75 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 31/03/2013 is 183 including the contract labour.

Future Plans

The company has made a Contract for purchase of a Factory Land & Building measuring about 14325.00 Sq. Mtrs. situated at Plot No.SD41, RIICO Industrial Area, Kaladera, Tehsil Chomu, District Jaipur, Amounting Rs. 3.25 Crores. The possession of Factory Land & Building is under process, soon after the possession; Company is to planning to set up a manufacturing unit for its products to meet the demand and to enter in the new Market as well as existing Market so that stakeholders get benefitted.

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,
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, 2013, 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"). 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view subject to **Note No. 15 of Notes on Financial Statements regarding loss by fire** 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, 2013;
- 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, 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, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, 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: 0036660C

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

Place: Jaipur
Date: 30th May 2013

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 it's 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 end balance of such loans as on 31.03.2013 is Rs. 2,39,44,730/-. The maximum balance outstanding at a point of time during the year was Rs. 6,30,29,975/-.
 - (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 31st March 2013 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. However according to information & explanation given to us the same is not yet fully utilized.
- (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: 0036660C

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

Lawreshwar Polymers Limited
Balance Sheet as at 31 March 2013

Particulars	Note No.	Figures as at 31.03.2013	(In Rupees) Figures as at 31.03.2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
Share capital	3	136787990	136787990
Reserves and surplus	4	174102620	160536895
		310890610	297324885
(2) Non-current liabilities			
Long-term borrowings	5	4180573	2271221
Deferred tax liabilities (Net)	6	10246329	9730254
Other Long term liabilities		-	-
Long-term provisions	7	767167	505939
		15194069	12507414
(3) Current liabilities			
Short-term borrowings	8	155092578	103847158
Trade payables	9	78654240	66511316
Other current liabilities	10	17441689	15595433
Short-term provisions	7	7497570	6780677
		258686077	192734584
		584770755	502566883
		TOTAL	
II. ASSETS			
(1) Non-current assets			
Fixed assets			
Tangible assets	11	122455368	111670068
Intangible assets		-	-
Capital work-in-progress	11	12603191	2047119
Non-current investments	12	8085000	8139000
Long-term loans and advances	13	45867331	45540848
Trade Receivable	14	-	-
Other non-current assets	15	21553042	20378156
		210563932	187775191
(2) Current assets			
Current investments	16	-	-
Inventories	14	132641162	98005060
Trade receivables	17	184322236	166782207
Cash and cash equivalents	13	6420325	9217840
Short-term loans and advances	13	50412876	40394104
Other current assets	15	410224	392481
		374206823	314791692
		584770755	502566883
		TOTAL	

Significant accounting Policies
Notes on Financial Statements
As per our Report of even date

For A. Bafna & Company
Chartered Accountants
(FRN 003660C)

sd
(CA Vivek Gupta)
Partner
M.No. 400543
Date: 30th May 2013
Place: Jaipur

FOR LAWRESHWAR POLYMERS LTD.

sd
Ramesh Chand Agarwal
(Chairman)

sd
Raj Kumar Agarwal
(Managing Director)

sd
Devyani Singh
(Company Secretary)

Lawreshwar Polymers Limited
Statement of Profit & Loss for the period ended on 31 March 2013

Particulars	Note No.	Figures as at 31.03.2013	(In Rupees) Figures as at 31.03.2012
I. Revenue from operations	18	684564459	528048624
II. Other income	19	7789165	7515166
III. Total Revenue (I + II)		692353624	535563790
IV. Expenses:			
Cost of Materials Consumed	20	496155988	372373498
Purchases of Stock-in-Trade		15446731	2800945
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	(31718814)	(11026421)
Employee Benefits Expense	22	12981474	10190052
Finance costs	23	21585798	14627847
Depreciation and amortization expense	24	10988212	11077049
Other expenses	25	145404453	116683170
Total expenses		670843842	516726138
V. Profit before exceptional and extraordinary items and tax (III-IV)		21509782	18837651
VI. Exceptional items		-	(166001)
VII. Profit before extraordinary items and tax (V - VI)		21509782	18671650
VIII. Extraordinary items		-	-
IX. Profit before tax (VII- VIII)		21509782	18671650
X. Tax expense:			
(1) Current tax	6530611	5981784	6496078
(2) Earlier Tax	738319	537636	-
(3) Deferred tax	516074	7785004	(23342)
XI Profit (Loss) for the period from continuing operations (IX-X)		13724778	12175572
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		13724778	12175572
XVI Earnings per equity share:			
(1) Basic		1.00	0.89
(2) Diluted		1.00	0.89
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)

(CA Vivek Gupta)
Partner

M.No. 400543

Date: 30th May 2013

Place: Jaipur

FOR LAWRESHWAR POLYMERS LTD.

Ramesh Chand Agarwal
(Chairman)

Raj Kumar Agarwal
(Managing Director)

Devyani Singh
(Company Secretary)

Lawreshwar Polymers Limited
Cash Flow Statement for the year ended 31st March, 2013

Particulars	March 31, 2013	March 31, 2012
A. Cash flow from Operating Activities		
Profit before taxes and exceptional items	21509782	18837653
Non-cash adjustment to reconcile profit before tax to net cash flows :		
Depreciation	10961598	9081433
Interest expenses	21585798	14627847
Preliminary Expenses written off	26614	1995616
Loss on sale of Fixed Assets	651964	220889
Profit on sale of Fixed Assets	(14025)	(142983)
Interest income	(7775140)	(7372183)
Bad Debts	3342269	1973051
Operating profit before working capital changes	50288860	39221321
Movements in Working capital :		
Inventory	(34636101)	(20866927)
Trade Receivables	(17540029)	(38386440)
Other Receivables	(2095124)	10624239
Trade and other Payables	13399480	24220857
Bad Debts	(3342269)	(1973051)
Other Current Assets	(241196)	(227301)
Cash generated from operating activities	5833621	12612692
Prior Period Adjustments	-	(166001)
Taxes paid	(6720103)	(7768453)
Net cash flow from/ (used in) operating activities	(886482)	4678238
B. Cash flow from Investing Activities		
Purchase of fixed assets	(23682917)	(27955161)
Sale of fixed assets	1776964	1737106
(Increase)/Decrease in CWIP	(10556072)	(2047119)
Sale of Investments	54000	-
Share Application money (investment) refunded	-	(3500000)
Capital Advances	(2948799)	(14870937)
Inter Corporate Deposits (net)	(5301332)	1913992
Profit on sale of Fixed Assets	14025	142983
Profit on sale of Investments	(651964)	(220889)
Loss on sale of Assets	7775140	7372183
Interest received	-	-
Net cash flow from/ (used in) investing activities	(33520955)	(37427842)
C. Cash flow from financing activities		
Increase in Short Term Borrowings	51245420	28482343
Increase in Long Term Borrowings	2928347	2552069
Margin Money with Banks	(978047)	(1078692)
Interest paid	(21585798)	(14627847)
Increase in Reserves	1	1
Net cash flow from/ (used in) financing activities	31609923	15327874
Net increase / (decrease) in cash (A+B+C)	(2797514)	(17421730)
Cash and cash equivalents at the beginning of the year	9217839	26639569
Cash and cash equivalents at the end of the year	6420325	9217839

As per our Report of even date

For A. Bafna & Company
Chartered Accountants
(FRN 003660C)

sd
(CA Vivek Gupta)
Partner

M.No. 400543

Date: 30th May 2013

Place: Jaipur

sd
Ramesh Chand Agarwal
(Chairman)

sd
Raj Kumar Agarwal
(Managing Director)

sd
Devyani Singh
(Company Secretary)

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**A. Presentation 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.

B. 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.

C. 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.

D. 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.

E. 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.

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.

H. 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.

I. 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.

J. 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.

K. 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.

L. 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.

Notes on Financial Statements

- 3 Share capital
 Authorised
 1500000 Equity Shares of Rs. 10 each
Issued, Subscribed & Paid-up
 (1,36,78,799 Equity Shares
 of Rs. 10/- fully paid up)

	31-Mar-2013	31-Mar-2012
	150000000	150000000
	136787990	136787990
	136787990	136787990

3.

- 1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
 Equity Shares

	31-Mar-2013		31-Mar-2012	
	Number	Amount	Number	Amount
At the beginning of the period	13678799	136787990	13678799	136787990
Issued during the period	-	-	-	-
Bought back during the period	-	-	-	-
Outstanding at the end of the period	13678799	136787990	13678799	136787990

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-13		31-Mar-12	
	Number	% Holding	Number	% Holding
Promoters and Promoter Group				
Naresh Agarwal	1195552	8.740	1027606	7.512
Raj Kumar Agarwal	1267500	9.266	1267500	9.266
Mohan Lal Agarwal	-	-	987500	7.219
Santra Devi Agarwal	1137813	8.318	-	-
Pramod Kumar Agarwal	1070715	7.828	1066965	7.800
Ramesh Chand Agarwal	1714328	12.533	1603035	11.719
	6385908	46.685	5952606	43.516

4

- Reserves and Surplus**

	31-Mar-2013	31-Mar-2012
Securities Premium Reserve	66052794	66052794

Revaluation Reserve

Balance as per the last Financial Statements
 Less: Amount transferred to statement of profit and loss as reduction from depreciation

	28154171	28313226
	159055	159055

General Reserve
Surplus/(deficit) in the statement of Profit and Loss

Balance as per the last Financial Statements

Add: Profit for the year

	56318214	44142642
	13724778	12175572

Total

	174102620	160536895
--	------------------	------------------

5

- Long-term Borrowings**

	31-Mar-2013		31-Mar-2012	
	Non-current portion	Current maturities	Non-current portion	Current maturities
	31-Mar-2013	31-Mar-2012	31-Mar-2013	31-Mar-2012

Deferred Vehicle Loans

	4180573	2271221	2552603	1533610
	4180573	2271221	2552603	1533610

The above amount includes

Notes on Financial Statements

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
Tata Capital Ltd.	9-May-2010	9-Apr-2013	9.43	14286
Tata Capital Ltd.	9-Apr-2011	9-Apr-2014	9.43	210095
ICICI Bank Ltd.	15-Nov-2011	15-Oct-2014	11.48	258452
ICICI Bank Ltd.	1-Jan-2012	1-Dec-2014	10.02	1783712
HDFC Bank Ltd.	07-Aug-2012	07-Jun-2017	10.75	2358283
ICICI Bank Ltd.	07-Dec-2012	07-Nov-2015	12.76	378253
ICICI Bank Ltd.	15-Dec-2012	9-Mar-2014	10.18	811404
ICICI Bank Ltd.	15-Dec-2012	9-Mar-2014	10.18	918691

6 Deferred Tax Liability (Net)

	31-Mar-2013	31-Mar-2012
Deferred Tax Liability		
Related to Fixed Assets	10246329	9730254
Deferred Tax Assets		
	10246329	9730254

7 Provisions

	Long-term		Short-term	
	31-Mar-2013	31-Mar-2012	31-Mar-2013	31-Mar-2012
Provision for Employees Benefit				
Provision for Gratuity	767167	505939	-	-
Provision for Leave Encashment	-	-	273410	221351

Others

Provision for Bonus	-	-	693549	577542
Provision for Income Tax	-	-	6530611	5981784
	-	-	7224160	6559326
	767167	505939	7497570	6780677

8 Short-term Borrowings

	31-Mar-2013	31-Mar-2012
Cash Credit from Punjab National Bank (Secured)*	151222886	99954042
Raw Material Assistance Scheme from NSIC (Secured)**	3869692	3893116
Total	155092578	103847158

*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

	31-Mar-2013	31-Mar-2012
Sundry Creditors for Raw Material	78654240	66511316
	78654240	66511316

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

	31-Mar-2013	31-Mar-2012
Trade Payable for expenses, capital goods & Others	12274113	10757536
Advances from customers	131024	977996
Statutory Liabilities	529052	719512
Current maturities of long-term borrowings (Includes current maturities of deferred vehicle loans)	2552603	1533610
Unpaid IPO over subscription	52705	52705
Outstanding Expenses	1257805	1060356
Other Current Liabilities	644387	493718
Total	17441689	15595433

LAWRESHWAR POLYMERS LIMITED

Note No - 11
Tangible Assets

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	AS AT 01.04.2012	Additions During the Period	UP TO 31.03.2012	For the Period Dep. Written Back	Upto 31.03.2013	As At 31.03.2013
Land*	36544152	7678	-	-	-	36551830
Buildings*	15932870	5188403	21121273	4318445	586360	16216468
Plant & Machinery	39890067	4156270	-	15465709	2337377	26243251
Dies & Moulds and Misc Assets	51244421	7406411	-	58650832	21647866	30319119
Furniture & Fixtures	580734	-	580734	489104	20218	71412
Vehicles**	11062916	6443333	3121018	14385231	2879414	11610389
Office Equipments	3073496	480822	-	3554318	1858050	1442899
TOTAL	158328656	23682917	3121018	178890555	46658588	122455368
Capital Work-in-progress	2047119	17902577	7346505	12603191	-	12603191
Grand Total	160375775	41585494	10467523	191493746	46658588	135058559
Previous Reporting Period	149748869	27955161	19375374	158328655	55056369	111670066
Capital Work-in-progress	-	7960665	5913546	2047119	-	2047119
Total (Previous Reporting Period)	149748869	35915826	25288920	160375774	55056369	94692499

* 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.
Note: Historical Cost of Building Rs. 8220612
Historical Cost of Land Rs. 1372377

Note: One of the vehicle is in the name of the directors, which are yet to be transferred in the name of the company.

Notes on Financial Statements

	31-Mar-2013	31-Mar-2012
12 Non-current Investments		
Trade Investments (valued at cost unless stated otherwise)		
Quoted Equity Instruments		
Investment in Subsidiaries	-	51000
Nil (31 March 2012: 5100) Equity Shares of Rs. 10 each fully paid-up in Swastik Polyblends Private Limited		
Investment in Associates	3185000	3185000
245000 (31 March 2012: 245000) Equity Shares of Rs. 10/- each fully paid up in Lawreshwar Footcare Private Limited		
490000 (31 March 2012: 490000) Equity Shares of Rs. 10/- each fully paid-up in M/s JMR Mobilink Limited	4900000	4900000
Non-trade Investments	-	-
Government and Trust Securities (Unquoted)		
N.S.C. (Pledged with Sales Tax Authority)	3000	8139000
Total	8085000	8139000
13 Loans and Advances		
Unsecured considered goods		
Capital Advances to related party	30252487	27303688
Security Deposit		
Related Parties	14500000	17000000
Others Parties	1114844	1237160
Advance to Creditors/Suppliers	-	-
Loans and advances to related parties	11300284	7967890
Advance recoverable in cash/ kind or for value to be received	-	-
Other Loans & Advances		
Advance Income Tax	2534448	1175628
Loans to Employees	155761	108865
Prepaid Expenses	271216	291886
Other Loans & Advances (Unsecured, considered good)	9706437	13679477
Total	45867331	45540848
Capital Advances include Advances for showroom and advances for flats.		
14 Trade Receivables		
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payments		
Unsecured, considered good	15689691	41097594
Other Receivables		
Unsecured, considered good	168632545	125684613
Trade Receivables Includes	184322236	166782207
Due from enterprises in which Directors or their relatives are interested :	-	16544562

Notes on Financial Statements
15 Other Assets

	Non-current		Current	
	31-Mar-2013	31-Mar-2012	31-Mar-2013	31-Mar-2012
Insurance Claim Receivable *	18674521	18674521	115511	145317
Insurance Policies for Gratuity & Leave Encashment	768553	545100	294713	247164
Miscellaneous Expenditure	53229	79843	-	-
Non-current Bank Balances	2056739	1078692	-	-
Total	21553042	20378156	410224	392481

* 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-2013	31-Mar-2012
Raw materials	41151092	37704708
Work-in-progress;	22733804	20148484
Finished goods;	62872485	34908279
Packing Material	2780597	3382339
Stock-in-trade (in respect of goods acquired for trading)	2519490	1350202
Stores and spares;	333200	485850
Diesel/LDO	250494	25198
Total	132641162	98005060

17 Cash and Bank Balances

	Non-current		Current	
	31-Mar-2013	31-Mar-2012	31-Mar-2013	31-Mar-2012
Cash and Cash Equivalents				
Balances with banks:				
On current accounts	-	-	141846	26222259
FDR	-	-	-	-
Cash on Hand	-	-	6278479	6595581
Margin Money Deposit	2056739	1078692	-	-
	2056739	1078692	6420325	9217840
Amonut disclosed under non-current assets	(2056739)	(1078692)	-	-
Total	-	-	6420325	9217840

18 Revenue from Operations

	31-Mar-2013	31-Mar-2012
Sale of products		
Finished Goods	666804298	526029577
Traded Goods	17760161	2019047
Sale of services	-	-
Other Operating Revenue	-	-
Revenue from Operation (Gross)	684564459	528048624
Less: Excise Duty	-	-
Revenue from Operation (Net)	684564459	528048624
Other Income		
Interest Income on		
Bank Deposits	118245	94773
Interest from Deposits	3276443	2676785
Other Interest	3852940	4059644
Interest on Income Tax Refund	-	113924
Profit on sale of Investment	14025	-
Profit on sale of Fixed Assets	-	142983
Other non-operating income	527512	427057
Total	7789165	7515166

19 Other Income

Interest Income on
Bank Deposits
Interest from Deposits
Other Interest
Interest on Income Tax Refund
Profit on sale of Investment
Profit on sale of Fixed Assets
Other non-operating income

Notes on Financial Statements

20 Cost of Materials Consumed
Raw Materials Consumed

Opening Stock	37704708	27568942
ADD: Purchases	458586161	352202487
	496290869	379771429
Less: Closing Stock	41151092	37704708
	455139777	342066721

Packing Materials Consumed

Opening Stock	3382339	3568568
ADD: Purchases	40414469	30120548
	43796808	33689116
Less: Closing Stock	2780597	3382339
	41016211	30306777
	496155988	372373498

Cost of Material Consumed Total [A+B]
Details of Raw Material Consumed

Natural & Synthetic Rubber	9783011	75903462
Colours & Chemicals	25433445	19922322
Cloth	98192412	83683496
PU & PVC Material	221172866	157636901
Others	12458044	4920537
	455139778	342066718

Details of Inventory
Raw Material

Natural & Synthetic Rubber	4651240	11166940
Colours & Chemicals	3266203	4609914
Cloth	9818259	5915776
PU & PVC Material	22880894	15501211
Others	534496	510867
	41151092	37704708

21 Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade
Opening Stock

Finished Goods	34908279	26086108
Work-in-Progress	20148484	19139036
Stock-in-Trade	1350202	155400
	56406965	45380544

Closing Stock

Finished Goods	62872485	34908279
Work-in-Progress	22733804	20148484
Stock-in-Trade	2519490	1350202
	88125779	56406965
	(31718814)	(11026421)

Change in inventories Total [I-II]
Details of Inventory
Finished Goods

Rubber Footwears	9867903	5114254
Eva Injection Footwear	134054	2129452
Canvas Shoes	3628269	2277339
PVC Footwear	6808037	4532528
PU Footwear	39867034	18843334
Fabricated Footwear	2567188	2011372
	62872485	34908279

Traded Goods Sold
Footwears

	2519490	1350202
	2519490	1350202

Work-in-Progress

Rubber Footwears	4795901	5955520
Eva Injection Footwear	29246	-
Canvas Shoes	1218530	1118531
PVC Footwear	1145661	1318066
PU Footwear	14066622	7639361
Fabricated Footwear	1477844	4117006
	22733804	20148484

Lawreshwar Polymers Limited
Notes on Financial Statements
22 Employee Benefits Expense

Salaries, wages and bonus	31-Mar-2013	31-Mar-2012
Contribution to provident and other funds	11384774	8960222
Gratuity Expenses & Leave Encashment	586117	461009
Staff Welfare Expenses	380676	173434
	629907	595387
Total	12981474	10190052

23 Finance costs

Bank Charges	31-Mar-2013	31-Mar-2012
Interest on Term Loan	1794676	876397
Interest to Bank & others	573501	196129
	19217621	13555321
Total	21585798	14627847

24 Depreciation and Amortization Expense

Depreciation	31-Mar-2013	31-Mar-2012
Less: Depreciation charged from Rev. Res.	11120653	9240488
	159055	159055
	10961598	9081433
Preliminary Expenses Written Off	26614	1995616
	10988212	11077049

25 Other Expenses
Manufacturing Expenses

Cartage	31-Mar-2013	31-Mar-2012
Consumable stores	197215	140230
Designing Charges	2843255	2926585
Diesel / LDO consumption	13460	4200
Job Charges	4355248	4349299
Power & Electricity	43877396	33583585
Repairs & Maintenance (P & M)	9664924	8114529
Strap Cutting Charges	4084139	3474444
Lease Rent (Plant & Machinery)	331978	231834
Work Shed Rent	480000	480000
	1080000	1080000
TOTAL (A)	56927615	54384706

Administrative & Other Expenses

Annual Constodial Fees	67416	66180
Annual Listing Fees	44944	44120
Apprenticeship Fees	46152	-
Conveyance Expenses	218752	283532
VAT	56020	84255
Directors Remuneration	3960000	3960000
Donation	360411	400000
Electricity Expenses	150353	77521
Entertainment Expenses	114916	122830
Exchange Flactuation Gain/Loss	11869	7764
Festival Expenses	480923	345488
Gardening Exp.	2700	10800
General Expenses	54442	37553
Guest House Rent	369000	547810
Insurance Expenses	451688	329102
Interest on TDS	18507	48955
Legal Expenses	192177	263373
Loss on sale of Fixed Assets	651964	220889
Membership fees & Subscription Fees	7303	11515
News Papers & Periodicals	12439	9325
Office Expenses	175345	87043
Payment to Auditors (Refer details below)	243370	258253
Penalty & Fine	2730	1210
Postages & Telegrams	227432	116363
Printing & Stationery	346226	292158
Professional & Consultancy Fees	343401	613863
Repairs & Maintenance (Building)	215139	256594
Repairs & Maintenance (Others)	1286320	254543
Security Charges	534384	455496

Lawreshwar Polymers Limited
Notes on Financial Statements

Software Development Exp	54368	51563
Sundry Creditors Written Back	-	679000
Sundry Balances written off	27224	-
Telephone Expenses	753521	725235
Travelling Expenses		
Director's Travelling	893026	336146
Director's Travelling(Foreign)	413797	202930
Others	728469	451892
Vehicle Running & Maintenance	1291746	1201885
Water Exp.	99671	54133
Website Development Expenses	37805	7783
TOTAL [B]	14945959	12917102
Payment to Auditors		
Statutory Audit Fees	224720	176480
Reimbursement of Expenses	18650	25520
Income Tax Matters	-	56253
TOTAL	243370	258253
SELLING & DISTRIBUTION EXPENSES		
Advertisement & Publicity	150728	301909
Commission on Sales	931090	670688
Discount Allowed	57358647	45251285
Freight Outward	85994	55685
Sales Promotion Expenses	1522012	927038
Bad Debts	3342269	1973051
Loss of Goods Sold by Accident	-	117496
Exhibition Expenses	89888	84210
Godown Rent	40000	-
Tender Fees	10250	-
TOTAL [C]	63530878	49381362
GRAND TOTAL [A+B+C]	145404453	116683170

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	2012-13		2011-12	
	2012-13	2011-12	2012-13	2011-12
Net Profit after tax (Rs.)	13724778	12175572	13678799	10
No. of paid-up Equity Shares (Weighted Average)	13678799	13678799	10	10
Amount per share (Rs.)	10	10	0.89	0.89
Earning per Share (Rs.)				
Basic	1.00	1.00	0.89	0.89
Diluted	1.00	1.00	0.89	0.89

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	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Change in the present value of the defined benefit obligation						
Opening defined benefit obligation at 1 st April	505939	416987	221351	199148		
Current Service Cost	117030	88601	41108	45264		
Interest Cost						
Actuarial loss/(gain)	170437	45437	39639	(5868)		
Benefit paid	38701	45086	28688	17193		
Closing defined benefit obligation at 31 st March	754705	505939	273410	221351		

Notes on Financial Statements

Change in plan assets

Opening Fair Value of plan asset at 1 st April	545100	449782	247164	260498
Expected Return on Plan asset	47598	39161	21302	22390
Contribution by employer	214556	101243	45203	-
Benefit paid	38701	45086	18957	35724
Actuarial gain/loss				
Closing fair value of plan assets at 31 st March	768553	545100	294712	247164

Reconciliation of present value of the obligation and fair value of the Plan Assets

Present Value of funded obligation at 31 st March	754705	505939	273410	221351
Fair Value of Plan Assets at 31 st March	768553	545100	294712	247164
Deficit/(Surplus)	(13848)	(39161)	(21302)	(25813)
Unrecognized past service cost	-	-	-	-
Net Liability/(Assets)	(13848)	(39161)	(21302)	(25813)

Principal Actuarial Assumptions

Particulars	Gratuity		Leave Encashment	
	2012-13	2011-12	2012-13	2011-12
Discount Rate	8%	8%	8%	8%
Expected Rate of Return	9%	9%	9%	9%
Salary Escalation	7%	7%	7%	7%

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 along with the nature and volume of transaction is given below from 01.04.2012 to 31.03.2013.

S. No.	Particulars	Relations with Directors	
	Directors & Key managerial persons & their associate concerns		
1	Ramesh Chand Agarwal	Chairman of the company	
2	Raj Kumar Agarwal	MD of the company	
3	Naresh Agarwal	Executive Director of the company	
	Relatives	Relations with Directors	
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	Shally Agarwal	Daughter in law of MD	
	Enterprises owned/controlled by directors & their relatives	Relations with Directors	
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	Jai Narayan Mohan Lal Charitable Trust	MD is trustee of the trust	
4	Lawreshwar Footwear	Proprietorship concern of Chairman's son Brother	
5	Jai Narayan Mohan Lal & Sons	MD of the company is director in company	
6	Jeetish Properties (P) Ltd.	Chairman is partner in firm	
7	Sankhala Investors	Chairman is partner in firm	
8	Krishan Kripa Creation	Chairman is partner in firm	
9	Krishan Kripa - 3	MD is partner in firm	
10	Krishan Kripa - 4	MD is partner in firm	
11	Shree Constructions	MD is partner in firm	
12	Shiv Kripa Builders	MD is partner in firm	
13	Krishna Developers	Chairman's Brother is partner in the firm	
14	Raj Shoe Palace	Proprietorship concern of MD	
15	P.K. Shoe Co.	Proprietorship concern of Chairman's	
16	Ramesh Footwear	Proprietorship concern of Chairman	
17	Naveen Footwear	Proprietorship concern of Chairman's son	
18	N.K. Footwear	Proprietorship concern of EDs HUF	
19	R.K. Boothouse	Proprietorship concern of MDs HUF	
20	M.L. Boot House	Proprietorship concern of Chairman's	
21	Lawreshwar Mahadev Mandir Trust	Chairman's HUF Trustee	

Notes on Financial Statements

Transaction with Group Company

Nature of transaction	Amount (Rs in lacs)	
	3/31/2013	3/31/2012
Interest received	2404037	395380
Loan Given (ICD)	78555364	29335551
Loan Repayment Received	69280892	24265197
Rent Paid	960000	960000
Share Capital	Nil	3500000
Share Application	Nil	Nil
Sales Promotion Expenses	Nil	183909

Transaction with key management persons

Nature of transaction	Amount (Rs in lacs)	
	3/31/2013	3/31/2012
Remuneration	3960000	3960000

Transaction with relatives

Nature of transaction	Amount (Rs in lacs)	
	3/31/2013	3/31/2012
Salary	3600000	2232000

Enterprises owned & controlled by the Directors and their relatives

Nature of transaction	Amount (Rs in lacs)	
	3/31/2013	3/31/2012
Interest Received	3276443	2676785
Rent Paid	600000	600000
Deposit Received Back	2500000	2500000
Donation	277000	200000
Sales	12264578	9589301
Discount Allowed	1226458	958929
Advances for Showroom Purchase	Nil	12500000

30 CIF Value of Imports

a) Raw Material Purchased	3/31/2013	3/31/2012
b) Traded Footwears Imported	Nil	Nil
	Nil	2800945

31 Expenditure in Foreign Currency

a) Payment for Capital Goods	3/31/2013	3/31/2012
b) Payment for travelling expenses	Nil	Nil
	140073	Nil

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

	3/31/2013	3/31/2012
Repair & Maintenance (P&M)	24203	-
Office Expenses	600	-
Printing & Stationery Expenses	860	-
Travelling Expenses	12558	-
Water expenses	1950	-
	40171	-

33 Contingent Liabilities and Commitments

	3/31/2013	3/31/2012
--	-----------	-----------

Contingent Liabilities

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

	104433	104433
--	--------	--------

Claims against the company / disputed liabilities not acknowledged as debts

	Nil	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 deployed the major part of IPO Proceeds as per the offer document and revised capital expenditure plan as passed in AGM held in 2010. Balance Proceeds will be utilized in the next financial year in accordance with the details as per offer document and revised capital expenditure program. Pending such utilization, Unutilized money has been deposited with bank as FDR or given as Inter Corporate Deposit to corporates for short term on interest.

Notes on Financial Statements

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 003660C)

sd
(CA Vivek Gupta)
Partner

M.No. 400543

Date: 30th May 2013

Place: Jaipur

sd
Ramesh Chand Agarwal
(Chairman)

sd
Raj Kumar Agarwal
(Managing Director)

sd
Devyani Singh
(Company Secretary)

FOR LAWRESHWAR POLYMERS LTD.

THIS PAGE IS KEEP BLANK INTENTIONALLY



Lehar[®]

FOOTWEAR

National Award Winner 2000
 National Award Winner 2003
 National Award Winner 2003 (For Quality)
 (From Govt. of India)



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

ATTENDANCE SLIP

LAWRESHWAR POLYMERS LIMITED

REGISTERED OFFICE: A-243 (A) ROAD NO.6 V. K. I. AREA, JAIPUR-302013 (RAJ.)

(Please fill this attendance slip and hand it over at the entrance of the meeting hall)

I hereby record my presence at the 19th Annual General Meeting of the Company to be held at A-243(A) Road No: 6 V.K.I.Area, Jaipur -302013 on Wednesday the 25th September, 2013 at 10.00 A. M.

Folio No. # _____ DP ID* _____

No. of shares held _____ CLIENT ID* _____

Member's / Proxy's name (in Block Letters)

Signature

Applicable for shares held in physical form.

* Applicable for shares held in dematerialized form.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

PROXY FORM

LAWRESHWAR POLYMERS LIMITED

REGISTERED OFFICE: A-243 (A) ROAD NO.6 V. K. I. AREA, JAIPUR-302013 (RAJ.)

I/We _____ of _____ in the district of _____ being

member(s) of LAWRESHWAR POLYMERS LTD. hereby appoint Mr. / Mrs. _____

of _____ in the district of _____ or failing him/her Mr./ Mrs. Of _____ in

the district of _____ as my/our proxy to attend and vote for me/us and on my/our behalf at the

19th Annual General Meeting of the Company to be held at A-243(A) Road No: 6 V.K.I.Area, Jaipur -302013 on

Wednesday the 25th September 2013 at 10.00A. M.

Folio No. # _____ DP ID* _____

No. of shares held _____ CLIENT ID* _____

Signed this _____ day of _____, 2013

Signature

Affix Rs. One
Revenue Stamp



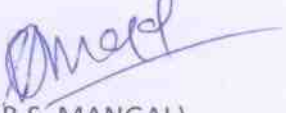

Applicable for shares held in physical form.

* Applicable for shares held in dematerialized form.


Note: This form in order to be effective should be duly stamped, completed, signed and must be deposited at the registered office of the company not less than 48 hrs. before the time for holding the meeting.




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

<u>S.NO.</u>	<u>PARTICULARS</u>	<u>DETAILS</u>
1.	NAME OF THE COMPANY	LAWRESHWAR POLYMERS LIMITED
2.	ANNUAL STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED	31ST MARCH, 2013
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 & 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.</p>
4.	FREQUENCY OF OBSERVATION	Fifth Year

5.	TO BE SIGNED BY : <ul style="list-style-type: none">• MANAGING DIRECTOR • CFO • CHAIRMAN OF AUDIT COMMITTEE • AUDITOR OF THE COMPANY	 <p>(RAJ KUMAR AGARWAL)</p>  <p>(RAKESH KUMAR SONI)</p>  <p>(R.S. MANGAL)</p> <p>REFER OUR AUDIT REPORT DATED 30TH MAY, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF THE COMPANY</p> <p>FOR A.BAFNA & COMPANY CHARTERED ACCOUNTANTS FRN : 003660C</p>  <p>(CA VIVEK GUPTA) PARTNER M.NO. 400453</p>
----	--	---

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

S.NO.	PARTICULARS	DETAILS
1.	NAME OF THE COMPANY	LAWRESHWAR POLYMERS LIMITED
2.	ANNUAL STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED	31ST MARCH, 2013
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 st 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 : • MANAGING DIRECTOR	 (RAJ KUMAR AGARWAL)

	<ul style="list-style-type: none">• CFO • CHAIRMAN OF AUDIT COMMITTEE • AUDITOR OF THE COMPANY	<p> (RAKESH KUMAR SONI)</p> <p> (R.S. MANGAL)</p> <p>REFER OUR AUDIT REPORT DATED 30TH MAY,2013 ON THE STANDALONE FINANCIAL STATEMENTS OF THE COMPANY</p> <p>FOR A.BAFNA & COMPANY CHARTERED ACCOUNTANTS FRN : 003660C</p> <p> (CA VIVEK GUPTA) PARTNER M.NO. : 400453</p>
--	--	--