

LAWRESHWAR POLYMERS LIMITED



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15th Annual Report
2008-09

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

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CORPORATE INFORMATION

Board of Directors

Ramesh Chand Agarwal
Chairman
 (w.e.f.26.06.2009)

Raj Kumar Agarwal
Chairman & Managing Director
 (up to 25.06.2009)

Rakesh Akar
K.K.Gupta
K.P.Singh
Radhe Shyam Mangal
Independent Directors

Naresh Agarwal
Executive Director

Board Committees

Audit Committee

Radhe Shyam Mangal
Rakesh Akar
K. P. Singh

Remuneration Committee

Radhe Shyam Mangal
Rakesh Akar
K. P. Singh

Shareholders' / Investors Grievance Committee

Radhe Shyam Mangal
Rakesh Akar
K. P. Singh

Rakesh Kumar Soni
Chief Financial Officer

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 -302003

Cost Auditor

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

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
URL: www.bigshareonline.com

Banker

AXIS Bank Limited
Green House, Ashok Marg,
C-Scheme
Jaipur-302 001. (Raj)

Regd. Office & Works

A-243 (A), Road No.6, V.K.I.Area,
Jaipur - 302013
e-mail: info@leharfootwear.com
URL: www.leharfootwear.com

Notice

Notice is hereby given that the Fifteenth Annual General Meeting of the Members of Lawreshwar Polymers Ltd. will be held at Registered Office at A-243(A) Road No: 6 V.K.I.Area, Jaipur-302013 on Wednesday the 30th September, 2009 at 2.30 P. M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2009 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 Rakesh Akar, who retire by rotation and being eligible, offers himself for reappointment.
3. To appoint a director in place of K.K.Gupta, who retire by rotation and being eligible, offers himself 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 an ordinary resolution:
"RESOLVED THAT Shri Ramesh Chand Agarwal who was appointed as an Additional Director of the Company under section 260 of the Companies Act, 1956, and who holds office up to the date of this 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 an ordinary resolution:
"RESOLVED THAT pursuant to section 198, 269, 309, 310, Schedule XIII and all other applicable provisions, if there any, of the Companies Act, 1956, Shri Ramesh Chand Agarwal, be and is hereby appointed as Director of the Company subject to the terms and conditions as being furnished in the Explanatory Statement to this resolution annexed herewith.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be required to give effect to this resolution."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special-resolution:
RESOLVED THAT pursuant to the provisions of sec 314(1) (b) & other applicable provisions of the Companies act, 1956 & subject to the approval of the Shareholders of the company in the ensuing General Meeting, Mr. Pankaj Agarwal (Relative of Managing Director) be & is hereby appointed on a Monthly Remuneration of Rs. 18000/- per month (Rupees Eighteen Thousand Only) w.e.f. 01st July, 2009 as per the terms & conditions decided by the Board of Directors & approved by the Shareholders in the next General Meeting.

RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to increase the remuneration of Mr.Pankaj Agarwal as the Board may decide from time to time with in the permissible limits of sec 314 of the company act, 1956.

RESOLVED FURTHER THAT Shri Naresh Agarwal, Executive Director of the Company is hereby authorized to do all such acts, deeds, Matter & things as may required to give complete effect to this transaction on behalf of the Company.

By the order of the Board

PLACE: Jaipur

(Ramesh Chand Agarwal)

DATED: 04.09.2009

Chairman

NOTES

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 Friday, 25th September, 2009 to Wednesday, 30th September, 2009 (both days inclusive).
3. Non-Resident Indian Shareholders are requested to inform M/s Big Share Services Private Limited, the Registrar and 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, 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 Ramesh Chand Agarwal as an Additional Director of the Company with effect from May 11, 2009.

In terms of Section 260 of the Act, Shri Ramesh Chand Agarwal holds office up to 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 Ramesh Chand Agarwal for the office of Director of the Company under section 257 of the Act.

Shri Ramesh Chand Agarwal is not Disqualified from being appointed as Director under Section 274(1) (g) of the Act and has complied with the requirement of obtaining the Director Identification Number in terms of Section 266A of the Act. The Company has received the requisite form "DD-A" from Shri Ramesh Chand Agarwal, 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 Ramesh Chand Agarwal, nature of his expertise in specific functional areas and names of companies in which he holds directorship and memberships/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 Ramesh Chand Agarwal, being the appointee and Mr. Naresh Agarwal, Executive Director and Mr. Raj Kumar Agarwal, Managing Director, being relative are interested in the resolution.

Item No: 6

The Board of Directors, in their meeting held on 11/05/2009 has resolved to propose to the shareholders for their approval in the ensuing Annual General Meeting for Appointment of Ramesh Chand Agarwal for a monthly Remuneration for Rs 100000.00 (Rs One Lacs per Month)

Shri Ramesh Chand Agarwal is a Commerce Graduate. His expertise in the field of Finance, Accounts & Marketing has always been of immense value and help to the Company and has more than 20 years of experience in footwear business and is well aware of each and every aspect of business and handling them at well. Your Board of Directors recommends that from the terms and conditions for appointment of Shri Ramesh Chand Agarwal, Director of the Company, as furnished here in below, your directors confirm that the remuneration proposed is strictly in conformity with part II of Schedule XIII.

The proposed remuneration of Shri Ramesh Chand Agarwal and other terms and conditions related thereto are being furnished here in below:

Remuneration:

(I) Basic Salary: Rs. 100000/- 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 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 Director.
- (iii) Reimbursement of entertainment, traveling and all other expenses, actually and properly incurred for the business of the Company.
- (iv) No sitting fees shall be payable to the Director for attending the Meetings of the Board of Directors or Committee thereof.
- (v) Personal Accident / Medical Insurance: Appropriate Insurance covering the Director against accidental risks upto Rs. 20000/- as premium per annum.

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 Ramesh Chand Agarwal, 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 Ramesh Chand 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 appointment of Shri Ramesh Chand 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 annexed resolution for your approval

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

Item No: 7

The Board of Directors, in their meeting held on 01/06/2009 has resolved to propose to the shareholders for their approval in the ensuing Annual General Meeting for Appointment of Pankaj Agarwal (relative of Managing Director) as a CEO (operation) for a monthly Remuneration for Rs 18000.00 (Rs Eighteen Thousand per Month)

Shri Pankaj Agarwal is Commerce Graduate along with MBA. His expertise in the filed of Finance, Accounts & Marketing has always been of immense value and help to the Company and is well aware of each and every aspect of business and handling them at well. Your Board of Directors recommend that Appointment of Mr. Pankaj Agarwal will greatly enhance the value of the Company.

Your Directors recommend the annexed resolution for your approval.

None of the Directors except Mr. Naresh Agarwal, being the Executive Director and Mr. Raj Kumar Agarwal, Managing Director and Mr. Ramesh Chand Agarwal, Director- Chairman of the Company, being relative is interested in the resolution.

By the order of the Board

PLACE: Jaipur

DATED: 04.09.2009

(Ramesh Chand Agarwal)
Chairman

ANNEXURE "A" "TO THE NOTICE CALLING 15TH 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 30, 2009:

Name of Director	Rakesh Akar	K.K.GUPTA	Ramesh Chand Agarwal
Age	46years	43 years	57years
Date of Appointment	23.07.2005	23.07.2005	11.05.2009
Designation	Non Executive Independent Director	Non Executive Independent Director	Non Independent Executive Director
Expertise in specific functional area	He is a Commerce Graduate is an innovative and young entrepreneur, having an expertise of almost 25 years interest in diversified industries	He is Chartered Accountants by profession and a Commerce Graduate having post qualification experience of 19 Years. He is started his carrier with jayshree insulators as Commercial Executive at Halol. His expertise in the filed of finance has always been of Immense value and help to the Company.	Shri Ramesh Chand Agarwal is a Commerce Graduate. His expertise in the filed of finance, Accounts & Marketing has always been of immense value and help to the Company and has more than 20 years of experience in footwear business and is well aware of each and every aspect of business and handling them at well
Qualification	B.COM	B.COM,F.C.A	B.COM
Directorship in other Public Limited Companies as on 31/03/2009	01.MRK PIPES LIMITED 02.GARIMA OVERSEAS LIMITED 03.SHANTI KRIPA INDUSTRY LIMITED	NIL	NIL
Member/Chairman of the Committees of the Board of other Companies as on 31/03/2009	NIL	NIL	NIL

DIRECTOR'S REPORT

To,

All the Shareholders,

Your Directors have pleasure in presenting the Fifteenth Annual Report of the company together with the Audited financial accounts for the financial year ended on 31st March, 2009.

FINANCIAL RESULTS:

Particulars	(Rs. In lacs)	
	2008-2009 (Audited)	2007-2008 (Audited)
Sales	2836.13	2319.91
Profit before Depreciation & Tax	85.76	182.75
Profit before Tax	9.40	126.88
Provision for Tax (Current & Deferred Tax)	8.23	60.78
Net Profit	15.27	74.97
Appropriation		
Dividend	NIL	NIL
Balance b/f from the previous year	201.33	126.36
Transferred to General Reserve	NIL	NIL
Transferred to Reserve & Surplus	216.60	201.34

Operational Review

Your Company has achieved turnover of Rs. 28.36 Crores as against Rs. 23.19 Crores in the previous year. The Net Profit of the Company is Rs 0.15 Crores as against Rs 0.75 Crores in the previous year.

Tribute to Mohan Lal Agarwal

The Board of Directors noted with deep regret the sad demise of the Company's founder Chairman, Mohan Lal Agarwal on August 24, 2008. Mr. Mohan Lal Agarwal was a visionary, philanthropist, apart from being a leading industrialist. Spiritual strength and moral values were part of his personal credo. Shri Mohan Lal Agarwal was known for his dignified unassuming personality, intellect, meticulous planning, deep regard for punctuality, business acumen and dynamic leadership.

Directors

As per Article 107 and 108 of Article of Association of the Company Shri Rakesh Akar and Shri K.K.Gupta, Directors of the Company are liable to retire by rotation in the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment

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 to material departure 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, 2009 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 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 Auditor to the effect that the 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 in its Board meeting held on 18.11.2008 has approved to sell out 10000 No. of equity shares at very attractive price @ Rs.18.00 per share to the applicant of its subsidiary Company of Lawreshwar Footcare Private Limited. Hence the requirement of published of the consolidated statement of the Company need not arise.

Dividend

To conserve the resources of the Company for its future growth, the Board of Directors of the Company are not recommending any dividend for the financial year 2008-2009

Public Deposits

During the year ended March 31st, 2009, your Company has not accepted any deposits from the public.

Management Discussion and Analysis

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

CONSERVATION OF ENERGY, TECHNOLOGY, FOREIGN EXCHANGE EARNINGS AND OUTGO

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

Acknowledgement

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

The Directors also thank 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

PLACE: Jaipur
 DATED: 04.09.2009

(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.

FORM 'B'**Form for Disclosure of particulars with respect to Technology Absorption:****A. RESEARCH & DEVELOPMENT (R & D):****1. Specific areas in which R & D carried out by the Company:**

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

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

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

3. Future plan of action:

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

4. Expenditure on R & D:

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

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**1. Efforts in brief, made towards Technology absorption, adaptation and innovation:**

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

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

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

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

For and on behalf of the Board

PLACE: Jaipur
 DATED: 04.09.2009

(Ramesh Chand Agarwal)
 Chairman