

**Date: 03-09-2025**

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai-400001

*LWSKNIT/ Scrip- 531402 / ISIN- INE281M01013*

**Sub: Annual Report for FY 2024-25**

Dear Sir,

The company is submitting herewith the Annual Report for the FY 2024-25 along with the approved Notice for the Annual General Meeting to be held on **30<sup>th</sup> September 2025 at 10.30 AM** at 516-518, 4th Floor, Global Star Hosiery Complex, Near Chand Cinema, G.T. Road (W), Ludhiana-141008, Punjab.

Please take it in your records.

Thanks & Regards,  
**For L W S KNITWEAR LIMITED**

**(Girish Kapoor)**  
(Managing Director)  
(DIN: 01870917)

**CIN- L55101PB1989PLC009315**

*Registered Office: G.T. ROAD (W), LUDHIANA-141008 (INDIA)*

*Phone: +91-98778-15974, Email: [info@lwsknitwear.com](mailto:info@lwsknitwear.com), [lwsknitwear@gmail.com](mailto:lwsknitwear@gmail.com)*

*Website: [www.lwsknitwear.com](http://www.lwsknitwear.com)*

**2024-25**

**L W S KNITWEAR LIMITED**

**ANNUAL REPORT**

**2024-25**





## **MANAGEMENT**

<b>BOARD OF DIRECTORS</b>	
<b>Chairman-cum-Managing Director</b>	Girish Kapoor
<b>Wholetime Director</b>	Kusum Kapoor
<b>Chief Financial Officer</b>	Arjun Kapoor
<b>Directors (Independent)</b>	Ramesh Kumar Sharma Neelam Bahri Ashwani Kumar Sharma
<b>Company Secretary</b>	Laxmi Khatri
<b>Statutory Auditors</b>	M/s. Parmod G Gupta and Co., Chartered Accountants
<b>Secretarial Auditors</b>	M/s. Bhambri & Associates, Company Secretaries
<b>Registered Office</b>	G T Road (West), Ludhiana, Punjab-141008
<b>Registrar &amp; Share Transfer Agent</b>	Beetal Financial and Computer Services Private Limited, New Delhi, Tel. No.011-29961281-283, e-mail: beetalrta@gmail.com
<b>36<sup>th</sup> ANNUAL GENERAL MEETING</b>	<b>CONTENTS OF REPORT</b>
<b>Day : TUESDAY</b> <b>Date : 30<sup>th</sup> September, 2025</b> <b>Time : 10.30 A.M.</b> <b>Place : L W S KNITWEAR LIMITED,</b> 516-518, 4th Floor, Global Star Hosiery Complex, Near Chand Cinema, G.T. Road (W), Ludhiana- 141008, Punjab Email- info@lwsknitwear.com, lwsknitwear@gmail.com	<b>Notice</b> <b>Directors' Report</b> <b>Management Discussion &amp; Analysis Report</b> <b>Corporate Governance Report</b> <b>Auditors' Report</b> <b>Balance Sheet</b> <b>Profit &amp; Loss Statement</b> <b>Cash Flow Statement</b> <b>Notes on Accounts</b>



## **L W S KNITWEAR LIMITED**

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

CIN-L55101PB1989PLC009315, Email- info@lwsknitwear.com, lwsknitwear@gmail.com

website- www.lwsknitwear.com, Tele- 98778-15974

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### **NOTICE**

Notice is hereby given that the **36<sup>th</sup> Annual General Meeting** of the Company will be held on **Tuesday on 30<sup>th</sup> day of September, 2025 at 10.30 A.M.** in the premises of 516- 518, 4th Floor, Global Star Hosiery Complex, Near Chand Cinema, G.T. Road (W), Ludhiana-141008, Punjab to transact the following business:

### **ORDINARY BUSINESS**

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2025 and the Reports of the Board of Directors and the Auditors thereon. (Ordinary Resolution)
2. To appoint a Director in place of Mrs. Kusum Kapoor (DIN-07135383), who retires by rotation and being eligible, offers herself for reappointment. (Ordinary Resolution)

### **SPECIAL BUSINESS**

3. Reappointment of Mr. Girish Kapoor (DIN: 01870917) as Managing Director of the Company and Revision in the Remuneration Payable to him. (Special Resolution)

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with schedule V and any other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Consent of the members be and is hereby accorded to **re-appoint** Mr. Girish Kapoor (DIN: 01870917), as Managing Director of the Company for **a period of Five years w.e.f. 01.09.2026** upon terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment).

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 197 read with schedule V along with any other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Consent of the members be and is hereby accorded to **increase the remuneration** payable to Mr. Girish Kapoor (DIN: 01870917), as Managing Director of the Company to **Rs. 1,25,000/- per month w.e.f. 01.09.2025 with an increment of 10% per annum**, increment to be effective from 1<sup>st</sup> April every year, upon terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting and including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment.

***ANNUAL REPORT 2024-25***

**RESOLVED FURTHER THAT** notwithstanding anything to the contrary herein contained, where in any financial year, the Company incurs a loss or its profits are inadequate, the Company shall pay Mr. Girish Kapoor, Managing Director, the remuneration approved in this meeting as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary/alter, at any time, the remuneration in such manner as may be approved by the Board of Directors of the Company and acceptable to the Mr. Girish Kapoor, Managing Director of the Company as permissible under the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution and also to make necessary filings of any statutory forms or other documents and to do all such acts and things as may be necessary in this regard."

**4. To Change in the Remuneration Payable to Mrs. Kusum Kapoor (DIN: 07135383), Wholetime Director of the Company. (Special Resolution)**

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

**"RESOLVED THAT** pursuant to the provisions of Section 197 read with schedule V along with any other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Consent of the members be and is hereby accorded to **increase the remuneration payable to Mrs. Kusum Kapoor (DIN: 07135383), as Wholetime Director of the Company to Rs. 1,25,000/- per month w.e.f. 01.09.2025 with an increment of 10% per annum**, increment to be effective from 1<sup>st</sup> April every year, upon terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting and including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment.

**RESOLVED FURTHER THAT** notwithstanding anything to the contrary herein contained, where in any financial year, the Company incurs a loss or its profits are inadequate, the Company shall pay Mrs. Kusum Kapoor, Wholetime Director, the remuneration approved in this meeting as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary/alter, at any time, the remuneration in such manner as may be approved by the Board of Directors of the Company and acceptable to the Mrs. Kusum Kapoor, Wholetime Director of the Company as permissible under the Companies Act, 2013.

**5. To Enter into a Loan Agreement with the directors of the Company namely Girish Kapoor and Kusum Kapoor, with an option of conversion into equity shares. (Special Resolution)**

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

**"RESOLVED THAT** pursuant to Section 62(3) and other applicable sections and/or provisions, if any, of the Companies Act, 2013 and Rules made there under and in accordance with the Memorandum and Articles of Association of the Company and applicable regulations and subject to all such approval(s),if any, of appropriate authorities and subject to such condition(s) and modification(s) as may be prescribed,

the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board"), to enter into two individual agreements with Mr. Girish Kapoor, Managing Director and Mrs. Kusum Kapoor, Wholetime Director of the company (hereinafter referred to as the "Lender(s)") for availment of loan of **upto Rs 10,00,00,000/- (Rupees Ten Crores Only) each** on the terms and conditions contained therein, inter alia, to convert the whole or part of the loan availed by the Company under the lending arrangements, at the option of the Lender, the loans (hereinafter referred to as the "Financial Assistance"), into Fully/Partly paid up equity shares of the Company (As per the request of the Lender) on such terms and conditions as may be stipulated in the loan agreement and subject to applicable laws and in the manner specified in a notice in writing to be given by the Lenders to the Company (hereinafter referred to as the "Notice of Conversion"). The draft loan agreement as placed before the Board was duly initialled by the Chairman for identification and additionally in accordance with the following conditions:

- (i) The company shall avail financial assistance of **upto Rs 10,00,00,000/- (Rupees Ten Crores Only)** from Mr. Girish Kapoor, Managing Director and **upto Rs 10,00,00,000/- (Rupees Ten Crores Only)** from Mrs. Kusum Kapoor, Wholetime Director in one or more tranches as an unsecured loan to be disbursed as may be mutually agreed to between the parties;
- (ii) The Loan/ financial assistance shall be unsecured;
- (iii) The loan/ financial assistance shall not bear any interest.
- (iv) The conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions during the currency of the Financial Assistance;
- (v) In the event that the Lenders exercise the conversion right as aforesaid, which shall be pursuant to the date and time mutually agreed to by the company and the Lenders;
- (vi) Upon Notice of Conversion, the Company shall, subject to the provisions of the loan agreement, allot and issue the requisite number of Fully/Partly paid-up equity shares to the Lenders from the date of conversion, the lenders may accept the same in satisfaction of the part of the loans so converted;
- (vii) The equity shares so allotted and issued to the Lenders shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Company in all respects;
- (viii) The loans shall be converted into equity shares at a price to be determined in accordance with the all the applicable provisions at the time of such conversion;
- (ix) Such other terms as may be mutually agreed to between the parties and not detrimental to the interest of the company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize the terms and conditions for raising the Financial Assistance, from time to time, with an option to convert the Financial Assistance into equity shares of the Company any time during the currency of the Financial Assistance, on the terms specified in the loan agreement, including upon happening of an event of default by the Company in terms of the loan arrangements.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue, offer and allot from time to time to the Lenders such number of equity shares for conversion of the outstanding portion of the loans as may be desired by the Lenders.



**RESOLVED FURTHER THAT** the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions, mutually acceptable to both parties, as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection with or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval there to expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby also authorized to delegate all or any of the powers herein conferred by this resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution.”

6. Appointment of Secretarial Auditor. (Special Resolution)

To consider and approve, with or without modification, the appointment of secretarial auditor of the Company. (Special Resolution).

**“RESOLVED THAT** pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors of the Company, M/s Bhambri & Associates, Practicing Company Secretaries (FCS No.: 13356; CP No.: 22626), be and is hereby appointed as the Secretarial Auditor of the Company, for a term of five consecutive years from financial year 2025-26 to financial year 2029-30, on an annual fee of Rs. 1,00,000 plus applicable taxes and reimbursement of out of pocket expenses on actual basis, if any.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorised to settle any question, difficult, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and for matters concerned or incidental thereto.”

By order of the Board  
**For L W S KNITWEAR LIMITED**

Sd/-

Place: Ludhiana  
Date: 02.09.2025

**(Girish Kapoor)**  
Chairperson cum Managing Director  
DIN-01870917



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

Name	Mr. Girish Kapoor	Mrs. Kusum Kapoor
Age	70 years	63 years
DIN	01870917	07135383
Brief Resume	Working as Director in the company for the last 35 years	Rich Experience in textile industry
Nature of his expertise in specific functional areas	Knitted Cloth, Woolen Yarn and All kinds of Hosiery goods	Knitted Cloth, Woolen Yarn and All kinds of Hosiery goods
Initial Date of appointment on the Board,	09.05.1989	13.11.2024
Qualifications	Graduate	Graduate
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	As per resolution and explanatory Statement	As per resolution and explanatory Statement
Last drawn remuneration, if applicable	Rs 60,000/- per month	Rs 60,000/- per month
Shareholding in the company held either himself or on a beneficial basis for any other persons	34,07,900 Equity Shares	38,37,670 equity shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Father of CFO Arjun Kapoor Husband of Mrs Kusum Kapoor Promoter shareholder of the Company	Wife of MD – Girish Kapoor Mother of CFO - Arjun Kapoor Promoter Shareholder of the Company
Names of companies in which the person also holds the directorship and the membership/Chairman of Committees of the Board	Directorship: 1. Moksha Getaways Private Limited 2. Gee Kay Knitwear Pvt Ltd 3. Lws Exports Limited	NIL

By order of the Board  
**For L W S KNITWEAR LIMITED**

Sd/-

Place: Ludhiana  
Date: 02.09.2025

**(Girish Kapoor)**  
Chairperson cum Managing Director  
DIN-01870917



**NOTES:**

- i) A member entitled to attend and vote at the Annual General Meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.
- ii) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- iii) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- iv) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA, Beetal. Requisite forms and documents are available at this link:  
<https://www.lwsknitwear.com/kycforms.php>
- v) **The Register of Members and the Share Transfer Book of the company will remain closed from 24<sup>th</sup> September, 2025 to 30<sup>th</sup> September, 2025 (both days inclusive).**
- vi) In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Member whose email are not registered shall receive the copy of the Notice along with the hard copy of statement containing the salient features of all the documents. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website: <http://www.lwsknitwear.com> , website of the Stock Exchange, i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) . Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Gate of Venue of the AGM.
- vii) Any queries regarding the Annual Accounts or otherwise must be sent to Registered Office of the Company at least 10 days before the date of meeting.
- viii) Mr. Ansh Bhambri, Company Secretary in practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms received from members who do not have access to the e voting process). The scrutinizer shall upon the conclusion of General Meeting, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favour or against, if any, forthwith to the chairman of the Company.
- ix) The Results of the resolutions passed at the AGM of the Company will be declared within 48 working hours of the conclusion of AGM. The Results declared along with the Scrutinizer's

report shall be placed on Company's website of CDSL and will be communicated to the stock exchanges.

- x) **Voting through Electronic Means:** Pursuant to the Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management And Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to the Members a facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means.

- xi) **Special Window for Re-lodgement of Transfer Requests of Physical Shares**  
Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 2, 2025, a special window of six months has been introduced to facilitate investors in re-lodging transfer requests for physical shares.

This special window shall remain open from July 07, 2025 to January 06, 2026 and is available only for transfer deeds for physical shares that were originally lodged prior to April 01, 2019, and were rejected / returned / not attended to due to deficiency in the documents / process / or otherwise.

Link of the circular is: [https://www.sebi.gov.in/legal/circulars/jul-2025/ease-of-doing-investment-special-window-for-re-lodgement-of-transfer-requests-of-physical-shares\\_94973.html](https://www.sebi.gov.in/legal/circulars/jul-2025/ease-of-doing-investment-special-window-for-re-lodgement-of-transfer-requests-of-physical-shares_94973.html)

During this period:

- Shareholders may re-lodge such transfer deeds for physical shares.
- All re-lodged shares will be transferred only in dematerialised (demat) mode.

The due transfer-cum-demat process will be followed as per SEBI guidelines.

- xii) **The instructions for shareholders voting electronically are as under:**
- a. The voting period **begins on 27.09.2025 at 09.00 am and ends on 29.09.2025 at 05.00 pm.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date (record date) of 23.09.2025** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - b. Shareholders who have already voted prior to the meeting date through e-voting would not be entitled to vote at the meeting value.
  - c. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register

again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- d. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID</li> </ol>

	(i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

e. Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.



6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- f. After entering these details appropriately, click on “SUBMIT” tab.
- g. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- h. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- i. Click on the **EVSN <250902112>** for the relevant **<L W S KNITWEAR LIMITED>** on which you choose to vote.
- j. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- k. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- l. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- m. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- n. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- o. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- p. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [lwsknitwear@gmail.com](mailto:lwsknitwear@gmail.com) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

q. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES:**

1. **For Physical shareholders** - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company / RTA email id** ([beetalrta@gmail.com](mailto:beetalrta@gmail.com)).

2. **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).

3. **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022- 23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33

By order of the Board  
For **L W S KNITWEAR LIMITED**

Sd/-

DATE: 02-09-2025  
PLACE: LUDHIANA

(GIRISH KAPOOR)  
MANAGING DIRECTOR  
(DIN-01870917)





## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the Notice.

### **ITEM NO. 3 Reappointment of Mr. Girish Kapoor (DIN: 01870917) as Managing Director of the Company and Revision in the Remuneration Payable to him.**

Mr. Girish Kapoor (DIN: 01870917) had been serving as a Managing Director of the Company, was appointed w.e.f. 01.09.2023 for three years. The board has proposed the re-appointment for a term of Five years w.e.f. 01.09.2026

The revision of remuneration payable to Mr. Girish Kapoor has been recommended by the Board with effect from 01.09.2025 if approved by the shareholders at the following terms and conditions:

- a) A monthly salary: Rs. 1,25,000/- per month.
- b) Increment of 10% per annum.
- c) Increment to be effective from 1<sup>st</sup> April every year.

Notwithstanding anything to the contrary herein contained, where in any financial year, the Company incurs a loss or its profits are inadequate, the Company shall pay Mr. Girish Kapoor, Managing Director, the remuneration approved in this meeting as minimum remuneration.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Girish Kapoor (Himself), Mrs. Kusum Kapoor and Mr. Arjun Kapoor are concerned or interested, financially or otherwise, in the resolution. The Board recommends the said resolution for the approval of the members by way of **Special Resolution**.

### **ITEM NO. 4 To Change in the Remuneration Payable to Mrs. Kusum Kapoor (DIN: 07135383), Wholetime Director of the Company.**

Mrs. Kusum Kapoor has been serving as an Wholetime Director of the Company w.e.f. 13.11.2024. The revision of remuneration payable to Mrs. Kusum Kapoor has been recommended by the Board with effect from 01.09.2025 if approved by the shareholders at the following terms and conditions:

- a) A monthly salary: Rs. 1,25,000/- per month.
- b) Increment of 10% per annum.
- c) Increment to be effective from 1<sup>st</sup> April every year.

Notwithstanding anything to the contrary herein contained, where in any financial year, the Company incurs a loss or its profits are inadequate, the Company shall pay Mrs. Kusum Kapoor, Wholetime Director, the remuneration approved in this meeting as minimum remuneration.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Girish Kapoor, Mrs. Kusum Kapoor (Herself) and Mr. Arjun Kapoor are concerned or interested, financially or otherwise, in the resolution. The Board recommends the said resolution for the approval of the members by way of **Special Resolution**.

### **ITEM NO. 5 To Enter into a Loan Agreement with the directors of the Company namely Girish Kapoor and Kusum Kapoor, with an option of conversion into equity shares.**

In line with the regulatory changes in the recent past, the changes in the Companies Act from time to time and in pursuance of the loan agreement of the Company, the Company is required to pass a Special



Resolution under Section 62(3) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder to enable Mr. Girish Kapoor, Managing Director and Mrs. Kusum Kapoor, Wholetime Director of the company (hereinafter referred to as the “Lender(s)”) to convert the loan of **upto Rs 10,00,00,000/- (Rupees Ten Crores Only) each** (hereinafter referred to as the “Financial Assistance”), to be availed from the Lender, from time to time, at their option, into Fully/Partly paid equity shares of the Company (As per the request of the Lender) upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable laws at the time of such conversion.

Section 62(3) of the Companies Act, 2013, provides that nothing in Section 62 shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the loan raised by the company to convert such loans into Fully/Partly paid equity shares in the Company; provided that the terms of issue of such loan containing such an option have been approved before the raising of loan by a special resolution passed by the company in General Meeting.

Accordingly, the Board recommends the resolution as set forth in the item no. 5 of the Notice, to enable the Lender, in terms of the lending arrangements to be entered in respect of the Financial Assistance to be availed, at their option, to convert the whole or part of their respective Financial Assistance into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable regulations at the time of such conversion.

The Company hereby clarifies that this resolution is merely an enabling resolution and there are no proposals of conversion of loan into equity shares, either pending or envisaged currently.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Girish Kapoor (Himself), Mrs. Kusum Kapoor (Herself) and Mr. Arjun Kapoor are concerned or interested, financially or otherwise, in the resolution. The Board recommends the said resolution for the approval of the members by way of **Special Resolution**.

#### **ITEM NO. 6 – APPOINTMENT OF SECRETARIAL AUDITOR**

In accordance with the provisions of Regulation 24A of the SEBI Listing Regulations from financial year 2025-26 onwards, the appointment of Secretarial Auditor is required to be approved by the members in the AGM and a term of Secretarial Auditor shall be five years.

In compliance with the aforesaid provisions, on the recommendation of the Audit Committee, the Board of Directors recommends the appointment of M/s Bhambri & Associates, Practicing Company Secretaries (FCS No.: 13356; CP No.: 22626) as the Secretarial Auditors for a term of five (5) years i.e. from financial year 2025-26 to financial year 2029-30.

Pursuant to Regulation 36 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosures required for appointment / re-appointment of Secretarial Auditor as a part of the explanatory statement to the notice are given below:

Sr. No.	Particulars	Disclosure
1.	Name of Firm of Secretarial Auditors	M/s. Bhambri & Associates (CP: 22626)
2.	Name of Auditors	Ansh Bhambri
3.	Financial year for which appointment is	2025-26 to 2029-30, 5 Financial Years





	proposed	
4.	Proposed Fees payable	<p>The secretarial audit fees 2025-26 will be Rs.1,00,000/- (Rupees One lakh Only) plus applicable taxes and out-of-pocket expenses on actual basis, if any.</p> <p>In addition to the secretarial audit, M/s Bhambri &amp; Associates may provide such other permissible services from time to time as may be approved by the Board of Directors.</p>
5.	Terms of appointment	Five years
6.	In case of a new auditor any material change in the fee payable to such auditor from that paid to outgoing auditor along with rationale for such change.	Existing Secretarial Auditor is continuing.
7.	Basis for recommendation for appointment including the details in relation to and credentials of the statutory auditor proposed to be appointed.	<p>While recommending M/s Bhambri &amp; Associates for appointment, the Board and the Audit Committee evaluated various factors such as independence, industry experience, technical skills, geographical presence, audit team, audit quality reports, etc.,</p> <p>The firm is primarily engaged in areas of secretarial audit, corporate advisory services, transactional services, legal due diligence, mergers, compliance management etc.</p> <p>The firm is registered with the ICSI and hold a valid Peer Review Certificate. The firm has extensive experience of handling audits of large listed corporates.</p> <p>M/s Bhambri &amp; Associates have also confirmed their eligibility and independence under regulation 24A of SEBI Listing Regulations and have expressed their willingness to accept the appointment upon approval.</p>

Considering the experience of M/s Bhambri & Associates in handling audits of large listed companies, and its expertise the Board recommends the resolution as set out in item no. 6 for approval of the members as a Special Resolution.

None of the directors and key managerial personnel and/or their relatives are in any way, financially or otherwise, interested or concerned in this resolution.

By order of the Board  
For **L W S KNITWEAR LIMITED**

Sd/-

**DATE: 02.09.2025**  
**PLACE: LUDHIANA**

**(GIRISH KAPOOR)**  
**MANAGING DIRECTOR**  
**(DIN-01870917)**

**ANNUAL REPORT 2024-25**



## **BOARDS' REPORT**

To,  
The Members of  
**L W S KNITWEAR LIMITED**  
Ludhiana

The Directors of your company have pleasure in presenting the **36th Annual Report** together with Audited Accounts of the company for the financial year ended **31<sup>st</sup> March 2025**.

## **FINANCIAL HIGHLIGHTS**

<b>Particulars</b>	<i>(Rs. In Crores)</i>	
	<b>2024-25</b>	<b>2023-24</b>
Gross Income	108.69	75.13
Profit Before Interest and Depreciation	3.47	3.23
Finance expense	1.48	1.17
Depreciation and Amortization Expenses	0.09	0.09
Profit Before Tax	3.38	1.96
Tax expense	0.85	0.56
Net Profit After Tax	2.53	1.40

## **STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

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

## **IND AS**

The Company had adopted Indian Accounting Standards (Ind AS) and Annual Financial Statements in the previous financial year. The Annual Financial Statements in current year have also been prepared in accordance with the Indian Accounting Standards ("IND AS ") as prescribed under the Companies (Indian Accounting Standards) Rules as amended from time to time notified under Section 133 of the Companies Act, 2013.

## **CHANGE IN NATURE OF BUSINESS**

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

## **DIVIDEND**

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

## **AMOUNTS TRANSFERRED TO RESERVES**

The Board of the company has decided to carry **Rs. 2.53 Crores** to its reserves and surplus account.

## **CHANGES IN SHARE CAPITAL**

There has been no change in Share Capital of the Company during the current Financial Year except the company had issued 95,73,441 equity shares by way of right issue on 31.12.2024

### **INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY**

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

### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

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

### **MATERIAL CHANGES AND COMMITMENTS**

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

### **ANNUAL RETURN**

As required under sub-section (3) of section 92 of the Companies Act, 2013 as amended, copy of the annual return will be placed on website of the Company [www.lwsknitwear.com](http://www.lwsknitwear.com) after filing with MCA, web link- [https://www.lwsknitwear.com/downloads/annualReturns/Form\\_MGT-7%2023-24.pdf](https://www.lwsknitwear.com/downloads/annualReturns/Form_MGT-7%2023-24.pdf)

### **MEETINGS OF THE BOARD OF DIRECTORS**

During the current Financial Year, the Company held **10 (Ten)** meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings-

11-05-2024	13-11-2024
29-05-2024	31-12-2024
29-07-2024	11-01-2025
13-08-2024	17-01-2025
04-09-2024	13-02-2025

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **STATUTORY AUDITORS AND REPORT THEREON**

The shareholders had appointed of M/S. Parmod G Gupta & Associates, Chartered Accountants, (FRN 018870N) for five years in AGM 2024. The report of the Auditor is self-explanatory and does not need any explanation.

#### **SECRETARIAL AUDITORS AND REPORT THEREON**

M/s Bhambri and Associates, Company Secretaries (CP 22626) were appointed for the FY 2024-25. The reports of the Auditor are provided as annexure IV, which are self-explanatory and does not need any explanation.

The annual secretarial compliance report is available under:

<https://www.lwsknitwear.com/downloads/disclosures-under-regulation-46-and-62-of-SEBI/ASCR%20NA%20LWS%2031.03.2024.pdf>

Further M/s Bhambri and Associates, Company Secretaries (CP 22626) have been appointed by the Board for FY 2025-26 till 2029-30 subject to further approval of the Shareholders in the ensuing AGM.

#### **COMMENTS OF THE MANAGEMENT ON THE OBSERVATIONS/REMARKS BY THE AUDITORS**

There were no observation/comments by the auditors

#### **LOANS, GUARANTEES AND INVESTMENTS**

The Company is a partner in M/s. LWS Knitwear, a partnership firm in which Shri Girish Kapoor, Managing Director of the Company is also a partner. Total investment in the firm is **Rs. Nil** at the close of the financial year.

#### **RELATED PARTY TRANSACTIONS**

The Company has **NOT** entered into Related Parties Transaction under Section 188 of the Companies Act, 2013 with related parties as defined under Section 2 (76) of the said Act. Further all the necessary details are attached herewith in **Form No. AOC- 2** for your kind perusal and information.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO**

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



### **RISK MANAGEMENT**

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

### **DIRECTORS AND KMP**

During the current financial year no change had occurred in the constitution of Board of Directors and KMP of the company except Mrs Kusum Kapoor has been appointed as Wholtime Director of the Company w.e.f. 13.11.2024

### **DEPOSITS**

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

### **PERSONNEL**

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

### **ANNUAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee in its meeting held on 11.05.2024 and 13.02.2025. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department in their meeting held on 11.05.2024 and 13.02.2025 without the presence of non-independent directors.

### **CORPORATE GOVERNANCE**

The corporate governance provisions were not applicable to your company during the FY 2024-25 but still the Company had complied with some of the provisions on voluntary basis. The provisions of the Corporate Governance are now applicable to the Company for the financial year 2025-26 and onwards. The section on corporate governance forms a part of this annual report.

### **INDEPENDENT DIRECTORS AND DECLARATION**

Mr. Ramesh Kumar Sharma, Ms. Neelam Bahri and Mr. Ashwani Kumar Sharma are serving as Independent Directors. The Board of Directors of the Company hereby confirms that all the Independent Directors duly appointed by the Company have given the declaration and they

meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013. All the independent directors have cleared the proficiency test of the IICA.

### **AUDIT COMMITTEE**

According to Section 177 of the Companies Act, 2013 the company's Audit Committee comprised of three directors and Chairman of the committee is Non-Executive Independent Director. The details of committee, meetings and attendance of members is given in report on corporate governance attached with the report.

### **NOMINATION AND REMUNERATION COMMITTEE**

As per the section 178(1) of the Companies Act, 2013 the Company's Nomination and Remuneration Committee comprises of three Non-Executive independent Directors and Chairman of the committee is Non-Executive Independent Director. The details of committee, meetings and attendance of members is given in report on corporate governance attached with the report.

### **Terms of Reference**

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

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

### **REMUNERATION POLICY**

#### **Remuneration to Executive Directors**

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





experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

#### **Remuneration to Non-Executive Directors**

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

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Stakeholders Relationship Committee was reconstituted during the year and according to Section 178 of the Companies Act, 2013 which comprised of three Non-Executive Independent Directors and Chairman of the committee is Non-Executive Independent Director. The details of committee, meetings and attendance of members is given in report on corporate governance attached with the report.

#### **SECRETARIAL STANDARDS**

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

#### **VIGIL MECHANISM**

As per Section 177(9) and (10) of the Companies Act, 2013, and as per the Regulation 22 of the SEBI(LODR) Regulations, 2015, the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company.

#### **SHARES**

- a. **Buy Back of Securities**-The Company has not bought back any of its securities during the year under review.
- b. **Sweat Equity**-The Company has not issued any Sweat Equity Shares during the year under review.
- c. **Bonus Shares**- The Company has not issued any Bonus Shares during the year under review.
- d. **Employees Stock Option Plan**-The Company has not provided any Stock Option Scheme to the employees.

#### **ORDER OF COURT**

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

#### **DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Internal Financial Controls are adequate and are in consonance with the size and operations of the Company and such internal financial controls are operating effectively. The Company had also appointed Mr. Dayanand Sahu as Internal Auditor as required under Section 138 of the Companies Act, 2013.

**SHARES IN SUSPENSE ACCOUNT**

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

**SHARES IN UNCLAIMED SUSPENSE ACCOUNT**

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

**CORPORATE SOCIAL RESPONSIBILITY**

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

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

The Company has in place 'Prevention of Sexual Harassment Policy'. This Anti-Sexual Harassment policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The company has complied with provisions relating to the constitution of Internal Complaints Committee and an Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year,:

No. of complaints received: Nil,

No. of complaints disposed off: NA.

**COMPLIANCES OF ALL LAWS**

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

**COST RECORDS**

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





### **ONE TIME SETTLEMENT**

The Company had not entered into one time settlement with any financial institutions, banks etc

### **INSOLVENCY**

The company has not filed any insolvency proceedings against anyone. Further, there are no insolvency proceedings pending against the Company.

### **GENERAL DISCLOSURE**

- During the financial year 2024-25, no complaints were received by the Company under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- Further, the Company has also complied with all the applicable provisions relating to the Maternity Benefits Acts, 1961.
- All Policies, as applicable to the company, required under the Act or the SEBI LODR Regulations are available on the website of the Company
- No significant or material order was passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operation in the future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

- Details relating to Deposits covered under Chapter V of the Act.
- Issue of Equity Shares with Differential Rights, as to dividend, voting or otherwise.
- Issue of shares with including sweat equity shares to employees of the company under any scheme
- The Company has Complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- During the year under review, there were no case(s) filed pursuant to Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013.

### **ACKNOWLEDGEMENT**

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

By order of the Board  
**For L W S KNITWEAR LIMITED**

Sd/-

**(Girish Kapoor)**

Chairperson cum Managing Director  
DIN-01870917

Place: Ludhiana  
Date: 02.09.2025

**ANNUAL REPORT 2024-25**



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **1. Industry structure and development**

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralized power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

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

### **2. Opportunities and threats**

The company is engaged in the manufacture garments which is a consumer product and has a ready market in India and abroad. However, the company faces competition from other manufactures. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel.

India is the world's largest producer of cotton. Estimated production stood at 362.18 lakh bales during cotton season 2021-22. Domestic consumption for the 2021-22 cotton season is estimated to be at 338 lakh bales. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. In FY23, exports of readymade garments (RMG) including accessories stood at US\$ 16.2 billion. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally. Production of fibre in India reached 2.40 MT in FY21 (till January 2021), while for yarn, the production stood at 4,762 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$138 billion to US\$195 billion by 2025.

India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. During April-November in FY23, the total exports of textiles stood at US\$ 23.1 billion. India's textile and apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.



India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country

### **ADVANTAGE INDIA:**

#### **1. Competitive Advantage:**

- Abundant availability of raw materials such as cotton, wool, silk and jute.
- India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to other major textile producers.
- In July 2022, the Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution, and Textiles, Mr. Piyush Goyal, stated that the mantra of 5 F's - Farms to Fibre to Fabric to Fashion to Foreign export – will help make India a strong textile brand globally.

#### **2. Policy Support**

- 100% FDI (automatic route) is allowed in the Indian textile sector.
- Under Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US\$ 536.4 million). Out of this, Rs. 900 crores (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), Rs. 450 crores (US\$ 54.99 million) for National Technical Textiles Mission, and Rs. 60 crores (US\$ 7.33 million) for Integrated Processing Development Scheme.
- In October 2021, the government approved a PLI scheme worth Rs. 4,445 crores (US\$ 594.26 million) to establish seven integrated mega textile parks and boost textile manufacturing in the country.

#### **3. Increasing Investments**

- In order to attract private equity (PE) and employ more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.
- Total FDI inflows in the textiles sector between April 2000-March 2023 stood at US\$ 4.2 billion.

#### **4. Robust Demand**

- The Indian technical textiles market is expected to expand to US\$ 23.3 billion by 2027, driven by increased awareness of goods and higher disposable incomes.
- Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers.
- In FY23, exports of readymade garments including accessories stood at US\$ 16.2 billion. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6- 4.9% share globally.

### **ROAD AHEAD**

- The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on the rise. The government is supporting the sector through funding and machinery sponsoring.



- Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials.
- With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population and increasing demand by sectors like housing, hospitality, healthcare, etc.
- The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US\$ 209 billion by 2029.

**References:** Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau, Union Budget 2023-24

### **3. Segment wise or product wise performance**

Our Company is currently engaged in trading of knitted apparels and provides a multi-divisional approach to our customers' needs of knitted apparels by offering them design, development, sourcing and manufacturing. We source our products through third-party manufacturers. Further, we also sell knitted garments under our brand

Our product offerings include various kinds of winter wear and summer wear garments for men, women and children in diverse styles, which includes flat knit sweaters, circular knit t-shirts, hooded t-shirts sweatshirts, knitted bottoms, sweatshirts, knitted sleepwear, cardigans, wollen mufflers, joggers for men, women and kids under third party brands and also under our own brand 'LWS'. We get these products manufactured as per the requirement and specification of our customers. We generally use variety of fabrics such as 100% cotton to cotton lycra, 100% polyester, blended (cotton and polyester), mercerized to plain, washed to over dyed and other blended fabrics in the production of apparels. We in-house design our own brand products and also outsource some of the designing work

As per Fiscal 2025 financial results for period ended March 31, 2025, we have generated total income of Rs. 108.69 Crores and net profit after tax of Rs. 2.53 Crores, which shows our commitment towards development and profit earning capacity.

### **4. Outlook**

We believe our operating history in the knitted wear business has helped us gain significant expertise and makes us well-positioned in the knitted garments across segment. We believe that the following strengths enable us to compete successfully in our market. Company is exploring the possibility to export readymade garments and it is expected to earn good profits in the coming years. With Existing customer and supplier relationships and Diversified Product Portfolio, We believe that we are insulated to a degree against fluctuation in demand for a specific product because of the wide range of products that we currently offer across summer wear and winter wear garments and our ability to develop new products required by our customers. Such a comprehensive range helps us promote cross promotional sales whereby

our customer's buying behaviour leads us to anticipate the potential sale from our other product-mix. We believe our approach of presenting a portfolio of products for diversified customer profiles has helped us enhance our growth.

## **5. Risks and concern**

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment.

The company anticipates following risks for the future to name a few:

The company anticipates following risks for the future to name a few:

- a. Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.
- b. Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition
- c. A slowdown in economic growth in India could cause our business to suffer.
- d. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations
- e. Our results of operations may be materially adversely affected by our failure to anticipate and respond to changes in fashion trends and consumer preferences in a timely manner
- f. We have not entered into any long-term supply agreements with our vendors/suppliers. Our Business may be adversely affected if there is any disruption in the supply of trading material or due to non-availability of trading material
- g. We are dependent on third party transportation providers for delivery of our goods and materials to us from our suppliers and delivery of garments and materials to our clients. Any failure on part of such service providers to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.
- h. We face significant competition. Any failure to compete effectively may have a material adverse effect on our business and operations.

## **6. Internal control systems and their adequacy**

The company has a qualified and independent audit committee which reviews the adequacy of internal controls. The Company Secretary acts as the secretary of the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

The Role of Audit Committee, together with its powers, are as follows:

- oversight of our financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of our Company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
- matters required to be included in the director's responsibility statement to be included in the board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on exercise of judgment by the management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 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 purposes other than those stated in the Issue document / Red Herring Prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of our Company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of our Company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into 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;
- discussion 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;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;



- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- carrying out any other function as is mentioned in the terms of reference of the audit committee.
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

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

Our company is currently engaged in trading of knitted fabric of various textures and thereby catering to our customers' needs by offering knitted fabric of various design texture to suit the ingoing fashion trend and market demand. Knitted fabric is a textile that results from knitting, the process of inter looping of yarns or inter meshing of loops which may be used as for garments for men, women and children. Knitted fabrics are used for manufacturing of various garments such as dresses, skirts, tops, underwear, pajamas, t-shirts, scarfs, sweaters, cardigans, fitting dresses, leggings, cardigans, shirts, turtlenecks, cuffs, cardigans, etc. We source our products through third party manufacturers and traders. Further we are also engaged in trading of readymade knitted t-shirts.

The gross block of assets of the company stood at Rs. 0.81 Crores and net worth of the company is Rs. 30.36 Crores as at 31.03.2025.

## **8. Human Resources**

We consider our human resource as a critical factor to our success and engage in a human resource strategy that focuses on recruiting, training and retaining our employees, as well as offering them competitive compensation. Our employee policies aim to recruit a talented and qualified work force, facilitate their integration and encourage development of their skills in order to facilitate the growth of our operations. We are also committed to providing an empowering environment that motivates and facilitates growth and rewards contribution.

### **Cautionary Statement**

*The Annual Report including those which relate to the Directors' Report, Management Discussion and other reports may contain certain statements on the Company's intent expectations or forecasts that appear to be forward looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company bears no obligations to update any such forward looking statements.*

## Annexure I

### Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **As per rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

- a) Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year:

Median remuneration of all employees of the Company for the Financial Year 2024-25 per annum	1,98,000
The Percentage increase/decrease in the median remuneration of employees in the Financial Year	0.32
The number of permanent employees on the Roll of the Company as on 31 <sup>st</sup> March, 2025	8

Name of Director	Remuneration of Director/KMP for the FY 2024-25.	Ratio of Remuneration to median remuneration of all employees.	% increase in remuneration in the FY 2024-25
<b>INDEPENDENT DIRECTORS</b>			
RAMESH KUMAR SHARMA	Nil	N.A.	Nil
NEELAM BAHRI	Nil	N.A.	Nil
ASHWANI KUMAR SHARMA	Nil	N.A.	Nil
<b>EXECUTIVE DIRECTORS/KMPS</b>			
Sh. Girish Kapoor, (Chairman-cum-Managing Director)	6,20,000/-	3.1:1	158.33%
Smt. Kusum Kapoor (Wholetime Director)	2,76,000/-	1.39:1	NA
Sh. Arjun Kapoor (CFO)	3,00,000/-	1.5:1	Nil
Mrs. Laxmi Khatri (Company Secretary)	1,80,000/-	0.9:1	Nil

- b) Average percentage increase/decrease made in the salaries of employees other than the managerial personnel from the last financial year is 32 % whereas the increase/decrease in the managerial remuneration for the same financial year is 158 %.
- c) No employee of the company has been drawn remuneration more than One crore and Two Lakh rupees.
- d) It is hereby affirmed that remuneration paid is as per the remuneration policy of the Company.





## **Annexure II**

### **FORM NO. AOC -2**

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

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

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

**NIL**

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

**NIL**

### **Annexure III**

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

##### **A. Conservation of energy:-**

(i)	The steps taken or impact on conversation of energy;	NIL
(ii)	The steps taken by the company for utilizing alternate sources of energy;	
(iii)	The Capital investment on energy conservation equipments;	

(IV) Total energy consumption and energy consumption per unit of production in respect of industries specified in the schedule thereto.

<b>Power &amp; Fuel Consumption</b>	<b>2024-25</b>	<b>2023-24</b>
Electricity		
a) Purchased Unit (KWH) Total Amount (Rs. In Lakh) Rate per Unit (Rs./kwh)	NIL	NIL
b) Own Generation through Diesel Generator (Units in Lakh) Diesel Purchased Qty. Unit (Liters) Cost Per Unit (Rs.)	NIL	NIL

##### **B. Technology Absorption:**

(i)	The efforts made towards technology;	NIL
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	NIL
(iii)	The expenditure incurred on Research and Development;	NIL

The Company has brought and successfully absorbed the conventional technology.

##### **C. Foreign exchange earnings and outgo:**

- There were no exports during the year 2024-25 but efforts are being made by the Company to develop export markets for its produce.

(In Lakh)

<b>Total foreign exchange used and earned</b>	<b>Current Year</b>	<b>Previous Year</b>
Earned	NIL	NIL
Used	NIL	NIL



## **ANNEXURE IV**

### **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2025**

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**The Members,**

**L W S KNITWEAR LIMITED,**

G.T. Road (W), Ludhiana-141008 (India)

CIN- L55101PB1989PLC009315

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **L W S KNITWEAR LIMITED (CIN - L55101PB1989PLC009315)** (hereinafter called the **Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification, on test basis, of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended on 31<sup>st</sup> March, 2025** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined, on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2025, to the extent applicable and according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - (h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with laws relating to, inter alia:
  - Environmental Laws

**ANNUAL REPORT 2024-25**



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

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

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

**We further report that**

The Board of Directors of the Company is duly constituted. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or by the majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

**We further report that** during the audit period the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**Place: Ludhiana**

**Dated: 22.08.2025**

**(Ansh Bhambri)**

**Bhambri & Associates**

**Company Secretary in whole time practice**

**C.P. No. 22626**

**UDIN: F013356G001062624**

**Peer review number: 2971/2023**

***Note: This report is to be read with our letter of even date which is annexed as Annexure-1 and forms an integral part of this report.***

**'ANNEXURE-1'**

**The Members,**

**L W S KNITWEAR LIMITED,**

G.T. Road (W), Ludhiana-141008 (India)

CIN- L55101PB1989PLC009315

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected. Our report of even date is to be read along with this letter.

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

**ANNUAL REPORT 2024-25**



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

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

**Place: Ludhiana**  
**Dated: 22.08.2025**

**(Ansh Bhambri)**  
**Bhambri & Associates**  
**Company Secretary in whole time practice**  
**C.P. No. 22626**

**UDIN: F013356G001062624**  
**Peer review number: 2971/2023**



### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

The Members of,  
**L W S KNITWEAR LIMITED,**  
G.T. Road (W), Ludhiana-141008 (India)  
CIN- L55101PB1989PLC009315

I / We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **L W S KNITWEAR LIMITED** having CIN: L55101PB1989PLC009315 and having registered office at G.T. Road (W), Ludhiana-141008 (India) (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my / our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the **Financial Year ending on 31<sup>st</sup> March, 2025** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Directors Details			
Sr. No.	DIN/PAN	Name	Date of appointment / Cessation
1	01870917	Girish Kapoor	09/05/1989
2	09545798	Ramesh Kumar Sharma	09/04/2022
3	09545848	Neelam Bahri	09/04/2022
4	07135383	Kusum Kapoor	13/11/2024
5	10277499	Ashwani Kumar Sharma	12/08/2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For BHAMBRI & ASSOCIATES**

**(Ansh Bhambri)**  
Membership No. F13356  
C.P. No. 22626  
Peer review Number: 2971/2023

Date: 22.08.2025  
Place: Ludhiana  
**UDIN: F013356G001062723**

**ANNUAL REPORT 2024-25**



## **CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

**(Under Schedule V of the SEBI (LODR) regulations, 2015)**

**The Members,**  
**L W S KNITWEAR LIMITED,**  
G.T. Road (W), Ludhiana-141008 (India)  
CIN- L55101PB1989PLC009315

I have examined the compliance of conditions of Corporate Governance by **L W S KNITWEAR LIMITED** ('the Company'), for the year ended on **31<sup>st</sup> March, 2025**, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015" as amended from time to time).

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (LODR) regulations, 2015 for the year ended on **March 31, 2025**.

I further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Place: Ludhiana**  
**Dated: 22.08.2025**

Peer review number: 2971/2023  
UDIN: F013356G001062998

**(Ansh Bhambri)**  
Bhambri & Associates  
Company Secretary in whole time practice  
C.P. No. 22626



## **L W S KNITWEAR LIMITED CODE OF CONDUCT**

### **Person to whom the Code is applicable**

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

- All the Board Members.
- The Entire Core Group Members of the Company and heads of the department

### **I GENERAL STANDARD OF CONDUCT**

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

### **II APPLICABLE LAWS**

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

### **III CONFLICT OF INTEREST**

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

### **IV PROTECTING CONFIDENTIAL INFORMATION**

The Company's confidential information is a vital asset. It may relate to product, product formula, process, product plans and road maps, cost and financial information, information as to customers, suppliers, dealers and employees, business arrangements and agreements as well





as to patents, trademarks, copyrights and trade secrets. For the purpose of this Code, confidential information would also include the information obtained by the Company from a third party under a Non-Disclosure Agreement. Such confidential information should be protected and safeguarded against unauthorized/ personal use and should not be disclosed to any one expect (i) with prior authorization (ii) in the ordinary course of carrying on the business of the Company. In the course of conducting the Company's Business, Officers may come in possession of confidential information about its employees, customers, suppliers, etc. Officers should handle the same with utmost responsibility and prevent its misuse.

#### **V PREVENTION OF INSIDER TRADING**

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

#### **VI COMPANY'S ASSETS**

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

#### **VII NON COMPLIANCE**

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

#### **VIII ANY AMENDMENTS OR MODIFICATION TO THE CODE OF CONDUCT**

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

#### **IX ACKNOWLEDGEMENT OF RECEIPT OF CODE OF CONDUCT AND ETHICS**

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

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## **CORPORATE GOVERNANCE REPORT**

Corporate Governance is a set of systems, processes and principles which ensure that a Company is governed in the best interest of all stakeholders. It is about promoting fairness, equity, transparency, accountability and respect for laws. It provides a structure that works for the benefit of everyone concerned, by ensuring that the Company adheres to ethical standards, laws and accepted best practices.

### **1. COMPANY PHILOSOPHY ON CODE OF GOVERNANCE**

The report on Corporate Governance is requirement under Listing Agreement entered into with stock Exchange and forms part of the report of the Board of Directors to the shareholders of the Company. This report gives an insight into the organizational structure of the Company. The vision of the company is to be a financially sound, profitable, growth-oriented company committed to building and maximizing sustainable value for all the shareholders. In its endeavor to attain the goal visualized, the company is laying maximum emphasis on the effective system of Corporate Governance.

### **2. BOARD OF DIRECTORS**

#### **Composition**

The present strength of Board of Directors of the Company is Five directors comprising of Two Promoter Directors and Three Non-Executive Independent Directors having diversified professional experience. The present composition of Board of Directors is as under –

S.N.	Name	DIN	Designation	Nature of Directorship
1	Shri. Girish Kapoor	01870917	Managing Director	Promoter / Executive
2	Ms. Neelam Bahri	08632086	Director	Non-Executive Independent Director
3	Mr. Ramesh Kumar Sharma	09545848	Director	Non-Executive Independent Director
4	Mr. Ashwani Kumar Sharma	10277499	Director	Non-Executive Independent Director
5.	Mrs. Kusum Kapoor	07135383	Wholetime Director	Promoter / Executive

Mrs Kusum Kapoor has been appointed w.e.f. 13.11.2024

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

S.N.	Name of Director	No. of Board Meeting attended	No. of Other Directorship	Membership in other Committees	Attendance at last AGM
1	Shri. Girish Kapoor	10	3	-	Yes
2	Mr. Ashwani Kumar Sharma	10	-	3	Yes
3	Mr. Ramesh Kumar Sharma	10	-	3	Yes
4	Ms. Neelam Bahri	10	-	3	Yes
5.	Mrs. Kusum Kapoor	4	-	-	NA

Mrs Kusum Kapoor has been appointed w.e.f. 13.11.2024

Shri Girish Kapoor, Managing Director of the Company, Mrs Kusum Kapoor, Wholetime Director and Mr. Arjun Kapoor, CFO on the Board of Directors are related to each other.



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

11-05-2024	13-11-2024
29-05-2024	31-12-2024
29-07-2024	11-01-2025
13-08-2024	17-01-2025
04-09-2024	13-02-2025

The detail of number of shares and convertible instruments held by Non-Executive directors as on **the close of Financial Year** is given as below,

SN	Name of non – executive Director	No. of Equity Shares Held	No. of convertible instruments Held
1	Ms. Neelam Bahri	Nil	NA
2	Mr. Ramesh Kumar Sharma	Nil	NA
3	Mr. Ashwani Kumar Sharma	Nil	NA

The familiarization programme imparted to independent directors is disclosed on web link [www.lwsknitwear.com](http://www.lwsknitwear.com) of the Company.

#### **Skills matrix for the board of directors**

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

Name of the Director	Corporate Governance	Financial Management	Industry Experience	Business Management
Girish Kapoor	√	√	√	√
Ramesh Kumar Sharma	√	√	√	√
Neelam Bahri	√	√	√	√
Kusum Kapoor	√	√	√	√
Ashwani Kumar Sharma	√	√	√	√

#### **Confirmation as regards skills / competence / expertise of the Board of Directors:**

The Board believes that the above-mentioned skills / competencies/expertise are required for the business of the Company and the Directors of the Company possess these skills / competencies / expertise, which helps the company to function effectively.

#### **Independence of the Directors**

The board has also confirmed that, the independent directors fulfill the conditions specified in SEBI LODR 2015 and are independent of the management.

There was no resignation by the independent directors during the year.

### 3. AUDIT COMMITTEE

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

#### Composition and Meetings

In compliance with the provisions of Section 177(2) of the Companies Act, 2013, present Audit Committee comprises of three Non-Executive Independent Directors. **Five meetings of Audit Committee** were held during the year under consideration on following dates-

29-05-2024	13-08-2024	04-09-2024	13-11-2024	13-02-2025
------------	------------	------------	------------	------------

The details of members of the audit committee as on **the close of Financial year** and their attendance during the year is as under-

SN	Name of the Director	Position held in the Committee	Category of the Director	Meetings	
				Held	Attended
1	Mr. Ramesh Kumar Sharma	Chairperson	Non-Executive - Independent Director	5	5
2	Ms. Neelam Bahri	Member	Non-Executive - Independent Director	5	5
3	Mr. Ashwani Kumar Sharma	Member	Non-Executive - Independent Director	5	5

### 4. NOMINATION AND REMUNERATION COMMITTEE

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

#### Composition and Meetings.

In compliance with the provisions of Section 178(1) of the Companies Act, 2013, present Nomination and Remuneration Committee comprises of three Non-Executive Independent Directors. **Two** meetings of Nomination and Remuneration Committee was held on **04-09-2024 and 13-11-2024** during the year under consideration.

The details of members of the Nomination and Remuneration Committee as on **the close of Financial year** and their attendance during the year is as under-

SN	Name of the Director	Position held in the Committee	Category of the Director	Meetings	
				Held	Attended
1	Mr. Ramesh Kumar Sharma	Chairperson	Non-Executive - Independent Director	2	2
2	Ms. Neelam Bahri	Member	Non-Executive - Independent Director	2	2
3	Mr. Ashwani Kumar Sharma	Member	Non-Executive - Independent Director	2	2

#### Remuneration policy

Remuneration policy ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully and that relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that remuneration to directors, key managerial personnel and senior management involves a balance

between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

## 5. REMUNERATION TO DIRECTORS

There is no pecuniary relationship or transaction of the company with its independent directors other than payment of sitting fee to them for attending Board and Committee meetings. Mr. Girish Kapoor, Managing Director of the Company is paid Rupees 6.20 lakhs during the year as Salary, Mrs. Kusum Kapoor, Wholetime Director of the Company has been paid 2.76 lakhs during the year and no commission on profits/ bonus/ pension is paid to him. No stock option has been given to any of the Directors, including Executive Directors.

## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

### Composition

In compliance with the requirement of Section 178(5) of The Companies Act, 2013, present Stakeholder Relationship Committee comprises of three Non-Executive Independent Directors to consider and resolve the grievances of security holders of the company. **One meeting** of Stakeholders' Relationship Committee was held during the year under consideration on 04-09-2024.

The details of members of the Nomination and Remuneration Committee as on **the close of Financial year** and their attendance during the year is as under-

SN	Name of the Director	Position held in the Committee	Category of the Director	Meetings	
				Held	Attended
1	Mr. Ramesh Kumar Sharma	Chairperson	Non-Executive - Independent Director	1	1
2	Ms. Neelam Bahri	Member	Non-Executive - Independent Director	1	1
3	Mr. Ashwani Kumar Sharma	Member	Non-Executive - Independent Director	1	1

## 7. Complaints

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

## 8. Related Party Transactions

There are no materially significant related party transactions that may have potential conflict with the interests of company at large. There were **NO** transactions with related parties, Form AOC – 2 attached herewith. The policy on dealing with related party transactions is available on web link [www.lwsknitwear.com](http://www.lwsknitwear.com) of the Company

## 9. Vigil Mechanism

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

## 10. Whistle Blower Policy

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

## 11. Management

The Management Discussion and Analysis Report have been included in this Annual Report and include discussion on the matters specified in the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 12. Weblinks

Familiarisation Programmes imparted to independent directors – NA in the current year as no new independent director has joined the company, the policy is available on the website of the Company.

<https://www.lwsknitwear.com/downloads/disclosures-under-regulation-46-and-62-of-SEBI/POLICY%20FOR%20FAMILIARISATION%20PROGRAMME%20FOR%20INDEPENDENT%20DIRECTORS.pdf>

Policy on dealing with related party transactions

<https://www.lwsknitwear.com/downloads/disclosures-under-regulation-46-and-62-of-SEBI/7%20Policy%20on%20dealing%20with%20related%20party%20transactions.pdf>

Policy for determining 'material' subsidiaries – Not Applicable as there are no subsidiaries

## 13. Code of Conduct

The Board has laid down a code of conduct for all Board members and Senior Management of the Company. All Board Members and Senior Management Personnel have complied with the Code of Conduct. Declaration to this effect signed by the Chairman Cum Managing Director is enclosed with this Annual Report.

## 14. SHAREHOLDERS

### a) Disclosures regarding appointment or re-appointment of Directors

According to the Articles of Association of the Company, one third of such of the Directors for the time being are liable to retire by rotation shall retire and, if eligible, offer themselves for re-election at the Annual General Meeting. Accordingly, Mrs. Kusum Kapoor, Wholtime Director of the company hereby retires by rotation in the ensuing Annual General Meeting and being eligible offered herself for re-appointment.

### b) Communication to Shareholders

The quarterly, half yearly and annual results are generally published in English and Punjabi Language.

### Compliance Officer and Investor Grievance

Ms. Laxmi Khatri is the Compliance Officer of the Company. She can be contacted for any investor's related matter relating to the Company. Her contact number is 0161-2744500, and e-mail ID is lwsknitwear@gmail.com.

### c) General Body Meetings

The last three Annual General Meetings were held as per the details given below:

Financial Year	Date	Time	Venue
2021-22	10.06.2022	9.30 A M	# B-XXXII-933 Village Bhura, G.T. Road (West), Ludhiana-141008
2022-23	28.09.2023	9.30 A M	# B-XXXII-933 Village Bhura, G.T. Road (West), Ludhiana-141008
2023-24	30.09.2024	9.30 A M	516- 518, 4th Floor, Global Star Hosiery Complex, Near Chand Cinema, G.T. Road (W), Ludhiana-141008, Punjab



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

10.06.2022	Appointment Of Mr. Ramesh Kumar Sharma As An Independent Director Appointment Of Ms. Neelam Bahri As An Independent Director
28.09.2023	Revision In Overall Borrowing Powers Of The Company (Special Resolution)
	Change In The Limits Of Section 180 (1) (A) And Creation Of Mortgage / Charge On The Assets Of The Company (Special Resolution)
	Increase In Authorised Capital Of The Company (Special Resolution)
	Amendment In Object Clause Of The Company (Special Resolution)
	Adoption Of New Articles Of Association (Special Resolution)
	Appointment/Re-Appointment Of Managing Director And Fixing Remuneration Payable To Him (Special Resolution)
30.09.2024	Change In Remuneration Payable To Mr. Girish Kapoor (Din: 01870917), Managing Director Of The Company

#### d) Postal Ballot or EGM

During the year under review, the Company has not passed any resolution through postal ballot

EGM was held on 12.02.2025

Agenda: 1. To consider and approve the Appointment/Change in designation of Mrs. Kusum Kapoor (DIN: 07135383) to Wholetime Director of the Company. (Special Resolution)

2. To consider and approve the Continuation of Mr. Girish Kapoor (DIN: 01870917) as Managing Director of the Company upon attaining the age of 70 years. (Special Resolution)

#### e) Means of Communication

Timely disclosure of consistent, comparable, relevant & reliable information on corporate financial performance is at the core of good governance. Towards this end:

- Quarterly/ Half Yearly/ Annual Results:** Quarterly, half yearly and annual results of the company are sent to the stock exchanges immediately after they are approved by the Board.
- Publication of Quarterly/Half Yearly/Annual Results:** Quarterly, half yearly and annual results of the company are published in the prescribed format within 48 hours of the conclusion of the meeting of the Board, at least in one English national newspaper and in one vernacular newspaper of Punjab, where the registered office of the company is situated.

Quarterly financial results during the financial year 2024-25 were published as detailed below:

Quarter Ended as on	Date of Board Meeting	Date of Publication	Name of Newspapers
30.06.2024	13-08-2024	15-08-2024	<ul style="list-style-type: none"> <li>Financial Express (English)</li> <li>Punjabi Jagran (Punjabi)</li> </ul>
30.09.2024	13-11-2024	16-11-2024	
31.12.2024	13-02-2025	15-02-2025	
31.03.2025	30-05-2025	31-05-2025	

- Website:** Quarterly, half yearly and annual results of the company are sent to the stock exchanges as well are displayed on the Company's website [www.lwsknitwear.com](http://www.lwsknitwear.com) at the time of its release to the media.

#### 14. General Shareholders Information

The following information would be useful to our shareholders:



**a) 36th Annual General Meeting**

Date & Time	30.09.2025 at 10.30 A.M.
Venue	516-518, 4th Floor, Global Star Hosiery Complex, Near Chand Cinema, G.T. Road (W), Ludhiana-141008, Punjab
Financial Year	1 <sup>st</sup> April 2024 to 31 <sup>st</sup> March 2025

**b) Financial Calendar 2025-26**

Last financial year of the Company was of twelve months from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025. Tentative financial calendar of the Company for the year 2025-26 shall be as follows:

Board Meetings to take on record	Schedule
Financial Results for the quarter ending 30 <sup>th</sup> June, 2025	During August, 2025
Financial Results for the quarter ending 30 <sup>th</sup> September, 2025	During November, 2025
Financial Results for the quarter ending 31 <sup>st</sup> December, 2025	During February, 2026
Financial Results for the quarter ending 31 <sup>st</sup> March, 2026	During May, 2026

**c) Date of Book Closure:**

**24<sup>th</sup> September, 2025 to 30<sup>th</sup> September, 2025** (both days inclusive)

**d) The shares of the Company are listed on the following Stock Exchanges:**

Name and Address of Stock Exchanges	Scrip Code
The Bombay Stock Exchange Limited, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001.	<b>531402</b>

There are no pending dues with Bombay Stock Exchange.

**e) Registrar & Transfer Agent**

Beetal Financial and Computer Services Private Limited,  
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Center,  
Near Data Harsukhdas Mandir, New Delhi- 110062,  
Ph: 011-29961281/82, Fax: 011-29961284  
e-mail: [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

**f) Share transfers**

Share transfers are done by the Company's Registrar and Share Transfer agents M/s Beetal Financial & Computer Services Private Ltd, New Delhi. Share transfers are registered and returned within the requisite period from the date of receipt.

**g) Dematerialization of Shares**

91.09 % of Equity Shares (13327941 shares) of the Company are in dematerialized form as on 31<sup>st</sup> March, 2025. The shares of the company are available for dematerialization with both the depositories i.e. NSDL and CDSL vide ISIN No. INE281M01013.



**h) Outstanding Convertible Instruments**

The Company has no outstanding convertible instruments.

**i) Shareholding Pattern:**

i) Shareholding pattern of L W S KNITWEAR LIMITED as on 31.03.2025 is given as under:

Sr. No.	Category of shareholders	No. of Shares	%
1.	Promoters/Promoters Group	8550574	58.44
<b>Public</b>			
1.	HUF	170290	1.16
2.	Body Corporates	116743	0.8
3.	NRIs	22077	0.15
4.	Others (incl Individuals etc.)	5772157	39.45
	<b>TOTAL</b>	<b>14631841</b>	<b>100.00</b>

ii) Distribution of Shareholding as on 31.03.2025

Share or Debenture holding Nominal Value (Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
Up To 5,000	3965	80.70	798458	5.46
5001 To 10,000	467	9.51	384683	2.63
10001 To 20,000	187	3.81	289055	1.98
20001 To 30,000	84	1.71	211279	1.44
30001 To 40,000	36	0.73	129448	0.88
40001 To 50,000	48	0.98	227770	1.56
50001 To 1,00,000	50	1.02	363814	2.49
1,00,000 and Above	76	1.55	12227334	83.57
<b>Total</b>	<b>4913</b>	<b>100.00</b>	<b>146318410</b>	<b>100.00</b>

**j) Address for Correspondence / Grievance**

L W S KNITWEAR LIMITED,  
G T Road (West), Ludhiana, Punjab, 141008  
0161-2744500

lwsknitwear@gmail.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

By order of the Board  
**For L W S KNITWEAR LIMITED**

Sd/-

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

Place: Ludhiana  
Date: 02.09.2025



**Declaration by Chief Executive Officer (CEO) under Regulation 34(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015**

I, Girish Kapoor, Chairman-cum-Managing Director of the Company hereby declare that members of Board of Directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management for the financial year ended 31<sup>st</sup> March 2025.

By order of the Board  
**For L W S KNITWEAR LIMITED**

Sd/-

Place: Ludhiana  
Date: 02.09.2025

**(Girish Kapoor)**  
Chairperson cum Managing Director  
DIN-01870917



**CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2016)

We, Girish Kapoor, Chairman-cum-Managing Director and Arjun Kapoor, Chief Financial Officer of L W S KNITWEAR LIMITED, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2025 and that to the best of my knowledge and belief:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishment and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or purpose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee
  - a) significant changes in internal controls during the year.
  - b) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements, and
  - c) instances of significant fraud of which we have become aware and involvement therein, if any of the management or other employees who have a significant role in the company's internal controls systems.
5. We further declare that all board members and senior managerial personal have affirmed compliance with the code of conduct for the financial year 31<sup>st</sup> March, 2025.

For **L W S KNITWEAR LIMITED**

Sd/-

Sd/-

**(Arjun Kapoor)**  
CFO

Place: Ludhiana  
Date: 02.09.2025

**(Girish Kapoor)**  
Chairman-cum-Managing Director  
DIN: 01870917

**ANNUAL REPORT 2024-25**

## **INDEPENDENT AUDITORS' REPORT**

To the Members of **LWS KNITWEAR LIMITED**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **LWS KNITWEAR LIMITED** ("the Company"), which comprise the Balance Sheet as at **31<sup>st</sup> March 2025**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at **31<sup>st</sup> March 2025**, its profit and loss (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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

## **Other Information**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Board's Report including Annexure to Board's Report and Shareholder's information, Management Discussion and Analysis and Corporate Governance but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure - A** statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books except for the matters stated in paragraph 2(h)(vi) below on reporting under Rule 11(g);

- c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**' to this report;
- g) The managerial remuneration for the year ended 31<sup>st</sup> March, 2025 has been paid / provided by the company to its directors in accordance with the provisions of section 197 read with schedule V to the Act.
- h) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 –
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements; Refer Note 31 to the Financial Statement.
  - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
  - (iv)
    - a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the

Ultimate Beneficiaries.

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
- (v) The company has neither declared nor paid any dividend during the year previous year as well as current year.
- (vi) Based on our examination which included test checks, performed by us, the Company has used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For Parmod G Gupta & Associates**

*Chartered Accountants*

*Firm’s Registration No. – 018870N*

**Parmod Gupta**

*Partner*

*Membership No. – 096109*

*UDIN – 25096109BMIBSG4142*

*Ludhiana*

*May 30, 2025*

## **“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT**

**Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended 31<sup>st</sup> March, 2025 –**

i)

a)

A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and the company has no Right-of-Use Asset.

B. The Company has not capitalised any Intangible Assets in the books and accordingly, the requirement to report Clause 3(i)(a)(B) of the Order is not applicable to the Company.

b) All property, plant and equipment have not been physically verified by the management during the year but there is 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 verification.

c) According to the information and explanations given by the management, the company has no immoveable property during the year 2024-25, hence reporting under clause 3(i) (c) of the Order is not applicable.

d) The Company has not re-valued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31<sup>st</sup> March, 2025.

e) According to the information and explanations given by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii)

(a) The management has conducted physical verification of inventories and in our opinion, the frequency of verification is reasonable and the coverage and procedure for such verification is appropriate. The company is in process of reconciling the difference with the books of accounts and therefore, we are unable to comment on the discrepancies, if any.

- (b) According to the information and explanations given to us by the management, the company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and / or financial institutions during the year on the basis of security of current assets of the company, hence reporting under clause 3(ii) (b) of the Order is not applicable.

iii)

- (a) During the year the Company has not provided loans or advances in the nature of loans, stood guarantees or provided security to companies, firms, limited liability partnerships or any other parties. Therefore, the requirement to report Clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Therefore, the requirement to report Clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Therefore, the requirement to report Clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Therefore, the requirement to report Clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans and advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties. Therefore, the requirement to report Clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Therefore, the requirement to report Clause 3(iii)(f) of the Order is not applicable to the Company.

- iv) There are no loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable. Therefore, the requirement to report Clause 3(iv) of the Order is not applicable to the Company.
- v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii)

(a) Undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Cess and any other statutory dues have generally been regularly deposited with the appropriate authorities though there has been delay in few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except of TDS of Rs. 0.09 Lac and Income Tax for A.Y. 2010-11 Rs.5.70 Lac ( including interest 3.57 Lac ).

(b) According to the information and explanations given by the management, there are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues except as mentioned below which have not been deposited on account of any dispute –

(c) (₹ in Lakhs)

Name of the Statute	Nature of Dues	Amount Involved	Period to which amount relates	Forum where dispute is pending	Remarks if any
Goods & Service Tax Act	GST Demand ( Penalty)	4.59	FY 19-20	Commissioner (Appeals)	--

\*FY – Financial Year

viii) According to the information and explanations given by the management, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix)

(a) According to the information and explanations given by the management, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given by the management, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



- (c) According to the information and explanations given by the management, the company has obtained term loans and the same has been applied for the purpose for which the loan was obtained.
- (d) According to the information and explanations given by the management, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given by the management, the Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given by the management, The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

x)

- (a) In our opinion and according to the information and explanations given to us, the Company has utilised the money raised by way of right issue offer for the purposes for which they were raised. There were no funds raised by way of further public offer (including debt instruments).
- (b) According to the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi)

- (a) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according the information and explanation given by the management, no fraud / material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given by the management, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given by the management, there are no whistleblower complaints received by the Company during the year.

- xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order is not applicable to the Company.
- xiii) In our Opinion, the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv)
- (a) In our opinion and according to the information and explanations given by the management, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The report of internal audit provide to us was considered for the finalization of the preparation of the financial statements.
- xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi)
- (a) According to the information and explanations given by the management, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given by the management, the Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There are no such CICs part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii) In the current financial year, the Company has not incurred cash losses in current financial year and in the immediately preceding financial year.

- xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix) On the basis of the financial ratios disclosed in Note 39 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx)
- (a) As the Section 135 of the Companies Act 2013 provides the threshold limit for applicability of the CSR to a Company: (a) net worth of the company to be Rs 500 crore or more; or (b) turnover of the company to be Rs. 1000 crore or more; or (c) net profit of the company to be Rs 5 crore or more., So the provision of Corporate Social Responsibility not applicable to the company. Accordingly reporting under clause 3(xx) of the Order is not applicable for the year.
- (b) There are no unspent amounts in on going projects that are required to be transferred to fund specified in Schedule VII of the Companies Act, 2013 in compliance with the second proviso to the sub-section 5 of section 135 of the Act.

**For Parmod G Gupta & Associates**

*Chartered Accountants*

*Firm Registration No. – 018870N*

**Parmod Gupta**

*Partner*

*Membership No. – 096109*

*Ludhiana*

*May 30, 2025*

## **“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to Financial Statements of **LWS KNITWEAR LIMITED** (“the Company”) as of 31st March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

### **Meaning of Internal Financial Controls with Reference to these Financial Statements**

A company's internal financial controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **For Parmod G Gupta & Associates**

*Chartered Accountants*

*Firm's Registration No. – 018870N*

### **Parmod Gupta**

*Partner*

*Membership No. – 096109*

*Ludhiana*

*May 30, 2025*



**LWS KNITWEAR LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2025**  
*(All Amount in ₹ Lakhs, unless otherwise stated)*

S. No.	Particulars	Notes	As at 31.03.2025	As at 31.03.2024
<b>I</b>	<b><u>ASSETS</u></b>			
<b>1</b>	<b><u>Non-Current Assets</u></b>			
(a)	Property, Plant & Equipment and Intangibles Assets			
	(i) Property, Plant and Equipment	3	10.07	23.46
	(ii) Other Intangible Assets	4	-	15.11
(b)	Financial Assets			
	(i) Investments			
	(ii) Loan	5	4.50	4.50
	(iii) Other Financial Assets			
(c)	Deferred tax assets	6	3.25	1.44
(d)	Other Non-Current Assets	7	189.26	521.31
	<b>Sub-Total</b>		<b>207.08</b>	<b>565.82</b>
<b>2</b>	<b><u>Current Assets</u></b>			
(a)	Inventories	8	1,366.79	1,483.67
(b)	Financial Assets			
	(i) Trade Receivables	9	3,382.46	1,772.16
	(ii) Cash & Cash Equivalents	10	16.29	41.36
	(iii) Loans and Advances	11	217.89	435.62
(c)	Current Tax Assets (Net)		-	-
(d)	Other Current Assets	12	24.04	18.28
	<b>Sub-Total</b>		<b>5,007.47</b>	<b>3,751.09</b>
	<b>Total Assets</b>		<b>5,214.55</b>	<b>4,316.91</b>
<b>II</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b><u>Equity</u></b>			
(a)	Equity Share Capital	13	1,463.18	505.84
(b)	Other Equity	14	1,572.73	712.74
	<b>Sub-Total</b>		<b>3,035.91</b>	<b>1,218.58</b>
<b>2</b>	<b><u>Liabilities</u></b>			
<b>(a)</b>	<b><u>Non-Current Liabilities</u></b>			
(i)	Financial Liabilities			
	(1) Borrowings	15	767.29	1,392.08
	(2) Other Financial Liabilities		-	-
(ii)	Provisions		-	-
(iii)	Other Non-Current Liabilities		-	-
(iv)	Deferred Tax Liabilities (Net)		-	-
	<b>Sub-Total</b>		<b>767.29</b>	<b>1,392.08</b>
<b>(b)</b>	<b><u>Current Liabilities</u></b>			
(i)	Financial Liabilities			
	(1) Borrowings	16	657.12	555.80
	(2) Trade Payables	17		
	(A) Due to MSME		583.79	367.14
	(B) Due to Other than MSME		25.90	708.16
	(3) Other Financial Liabilities	18	24.33	0.02
(ii)	Provisions			
(iii)	Other Current Liabilities	19	41.90	24.26
(iv)	Current Tax Liabilities (Net)	20	78.31	50.87
	<b>Sub-Total</b>		<b>1,411.35</b>	<b>1,706.25</b>
	<b>Total Equity &amp; Liabilities</b>		<b>5,214.55</b>	<b>4,316.91</b>
	<b>Summary of Significant Accounting Policies</b>	2		
The accompanying notes are the integral part of the Financial Statements			-	(0.00)
<b>For Parmod G Gupta &amp; Associates</b> Chartered Accountants Firm Registration No. - 018870N			For and on behalf of the Board of Directors <b>LWS Knitwear Limited</b>	
<b>Parmod Gupta</b> Partner Membership No. - 096109  Date : May 30, 2025 Place : Ludhiana UDIN : 25096109BMIBSG4142			<b>Girish Kapoor</b> Managing Director DIN - 01870917  <b>Arjun Kapoor</b> CFO PAN:***0232F	
			<b>Kusum Kapoor</b> Whole Time Director DIN - 07135383  <b>Laxmi Khatri</b> Company Secretary M.No. **** 0880H	



# LWS KNITWEAR LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2025

(All Amount in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	Notes	For the year ended 31.03.2025	For the year ended 31.03.2024
	<b>Continuing Operations</b>			
<b>I</b>	<b>Income</b>			
1	Revenue from Operations (Gross)	21	10,869.14	7,513.45
2	Other Income	22	-	0.02
	<b>Total Income</b>		<b>10,869.14</b>	<b>7,513.47</b>
<b>II</b>	<b>Expenses</b>			
1	Purchase of Stock in Trade	23	10,179.47	7,759.63
2	Change in Inventory and Stock In Trade	24	116.88	(614.38)
3	Employee Benefits Expenses	25	23.36	14.10
4	Finance Costs	26	148.15	117.34
5	Depreciation and Amortization Expense	27	8.79	9.23
6	Other Expenses	28	54.68	31.59
	<b>Total Expenses</b>		<b>10,531.33</b>	<b>7,317.51</b>
<b>III</b>	<b>Profit before Tax &amp; Exceptional Items from Continuing Operations (I - II)</b>		<b>337.81</b>	<b>195.96</b>
<b>IV</b>	Exceptional Items		-	-
<b>V</b>	<b>Profit before Tax from Continuing Operations (III - IV)</b>		<b>337.81</b>	<b>195.96</b>
<b>VI</b>	<b>Tax Expense for Continuing Operations</b>			
1	Current Tax	30	86.88	55.63
2	Deferred Tax	6	(1.81)	0.38
	<b>Total Tax Expense</b>		<b>85.07</b>	<b>56.01</b>
<b>VII</b>	<b>Profit for the year from Continuing Operations(V - VI)</b>		<b>252.74</b>	<b>139.95</b>
<b>VIII</b>	<b>Other Comprehensive Income</b>			
1	<b>Items that will not to be reclassified to Statement of Profit or Loss</b>			
(a)	Re-Measurement Gain / (Losses) on Defined Benefit Plans		-	-
(b)	Re-Measurement Gain / (Losses) on PPE		-	-
(c)	Income Tax Effect		-	-
	<b>Net Comprehensive Income not to be reclassified to Statement of Profit or Loss in the Subsequent Periods</b>		<b>-</b>	<b>-</b>
2	<b>Other Comprehensive Income for the Year, net of Tax</b>		<b>-</b>	<b>-</b>
<b>IX</b>	<b>Total Comprehensive Income of the Year, net of Tax (VII + VIII)</b>		<b>252.74</b>	<b>139.95</b>
<b>X</b>	<b>Earnings per Share for Continuing Operations</b>			
1	Basic (In ₹)	29	3.41	2.77
2	Diluted (In ₹)	29	3.41	2.77
	<b>Summary of Significant Accounting Policies</b>	2		
The accompanying notes are the integral part of the Financial Statements				
<b>For Parmod G Gupta &amp; Associates</b>		For and on behalf of the Board of Directors		
Chartered Accountants		<b>LWS Knitwear Limited</b>		
Firm Registration No. - 018870N				
<b>Parmod Gupta</b>		<b>Girish Kapoor</b>	<b>Kusum Kapoor</b>	
Partner		Managing Director	Whole Time Director	
Membership No. - 096109		DIN - 01870917	DIN - 07135383	
Date : May 30,2025				
Place :Ludhiana				
UDIN :25096109BMIBSG4142		<b>Arjun Kapoor</b>	<b>Laxmi Khatri</b>	
		CFO	Company Secretary	
		PAN:***0232F	M.No. **** 0880H	

**LWS KNITWEAR LIMITED**  
**CASH FLOW STATEMENT**  
*(All Amount in ₹ Lakhs, unless otherwise stated)*

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
I	Cash Flow from Operating Activities		
	Profit before Tax from Continuing Operations	337.81	195.96
A	Adjustment to Reconcile Profit before Tax to Net Cash Flows		
	Non-Cash Adjustments		
a.	Depreciation and Amortisation Expenses	8.79	9.23
b.	Interest Cost	134.55	113.60
B	Operating Profit before Working Capital Changes	481.15	318.79
	Adjustments		
a	Increase in Inventories	116.88	(614.37)
b	Increase in Trade Receivables	(1,610.30)	424.98
c	Increase in Loans & Advances	217.73	391.94
d	Increase in Other Current Assets	(5.76)	(10.38)
e	Increase in Current Liabilities and Provisions	(396.22)	(1,208.14)
C	Cash Generated from Operations	(1,196.52)	(697.17)
a	Interest Paid	(134.55)	(113.60)
b	Prov. for Tax	(85.07)	(56.01)
D	Cash Flow Before extraordinary items	(1,416.14)	(866.78)
a	Previous Year tax adjustments	(8.63)	
E	Net Cash Generated from Operating Activities (I)	(1,424.77)	(866.78)
II	Cash Flows from Investing Activities		
a	Purchase of Fixed Assets (Net of Sale)	4.60	(2.73)
b	Increase in Non Current Assets	347.16	471.73
	Net Cash Generated / (Used In) Investing Activities (II)	351.76	469.00
III	Cash Flows from Financing Activities		
1	Increase in Share Capital and Share Premium	1,573.22	0.00
2	Increase in Deffered Tax Liability	(1.81)	0.38
3	Increase in Long Term Borrowings Including Current Maturity (Net) (Refer to Note No.35.2 )	(624.79)	353.40
4	Increase in Short Term Borrowings	101.32	(2.50)
	Net Cash Generated / (Used In) Financing Activities (III)	1,047.94	351.27
D	Net Increase in Cash and Cash Equivalents (I + II + III)	(25.07)	(46.51)
E	Cash and Cash Equivalents at the beginning of the year	41.36	87.86
F	Cash and Cash Equivalents at year end	16.29	41.36
S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
	Components of Cash and Cash Equivalents		
1	Balances with banks -		
	In Current Account	0.99	0.31
2	Cheques Under Clearing	9.80	16.44
3	Cash In Hand	5.50	24.61
	Total cash and cash equivalents	16.29	41.36
<div>For Parmod G Gupta &amp; AssociatesChartered AccountantsFirm Registration No. - 018870N</div> <div>For and on behalf of the Board of DirectorsLWS Knitwear Limited</div> <div><div>Parmod GuptaPartnerMembership No. - 096109</div><div>Girish KapoorManaging DirectorDIN - 01870917</div><div>Kusum KapoorDirectorDIN - 07135383</div></div> <div><div>Date : May 30,2025Place :LudhianaUDIN :25096109BMIBSG4142</div><div>Arjun KapoorCFOPAN:***0232F</div><div>Laxmi KhatriCompany SecretaryM No **** 0880H</div></div>			

**LWS KNITWEAR LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
*(All Amount in ₹ Lakhs, unless otherwise stated)*

**A Equity Share Capital**

S. No.	Particulars	No of Equity Shares	Amount
1	As at April 1, 2023	5,058,400	505.84
2	Issued during the year	-	-
3	Deletions during the year	-	-
4	As at March 31, 2024	5,058,400	505.84
5	Issued during the year	9,573,441	957.34
6	Deletions during the year	-	-
7	As at March 31, 2025	14,631,841	1,463.18

**B Other Equity**

S. No.	Particulars	Retained Earnings	Security Premium	Total Other Equity
1	As at April 1, 2023	552.79	20.00	572.79
2	Add - Profit for the year	139.95	-	139.95
3	Add - Adj of Tax	-	-	-
4	Less - Additional Depreciation Charged during the year	-	-	-
5	As at March 31, 2024	692.74	20.00	712.74
6	Add - Profit for the year	252.74	-	252.74
7	Add - Share Security Premium on right issue	-	765.88	765.88
8	Less - Tax adj	(8.63)	-	(8.63)
9	Less - Right Issue Expenses	-	(150.00)	(150.00)
10	As at March 31, 2025	936.85	635.88	1,572.73

**For Parmod G Gupta & Associates**  
Chartered Accountants  
Firm Registration No. - 018870N

For and on behalf of the Board of Directors  
**LWS Knitwear Limited**

**Parmod Gupta**  
Partner  
Membership No. - 096109

**Girish Kapoor**  
Managing Director  
DIN - 01870917

**Kusum Kapoor**  
Director  
DIN - 07135383

Place : Ludhiana  
UDIN : 25096109BMIBSG4142

**Arjun Kapoor**  
CFO

**Laxmi Khatri**  
Company Secretary  
M.No. \*\*\*\* 0880H

# LWS Knitwear Limited

## Notes to the Financial Statements

(All Amount in ₹ Lakhs, unless otherwise stated)

### 1. CORPORATE INFORMATION

LWS Knitwear Limited ("the Company") is a **Public Limited Company** domiciled in India and incorporated on **May 09, 1989** under the provision of **Companies Act, 1956** vide **CIN - L17115PB1989PLC009315** and is listed on the **Bombay Stock Exchange** of India vide ISIN – INE281M01013. The Registered Office of the Company is located at **G.T. Road (West), Ludhiana – 141 008**. The Company is presently engaged in activities trading of knitted cloth, hosiery goods and readymade garments.

The Company has raised funds by way of Right issue Offer during the year and issued the 9573441 equity shares at Rs.18/- each including premium of Rs. 8/- per share accordingly.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation and compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Financial Statement.

These Financial Statements include Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows and Notes, comprising a summary of significant accounting policies and other explanatory information and comparative information in respect of the preceding period.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,
- Certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The Financial Statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest **Lakha** except wherever otherwise stated.

#### 2.2 Summary of Significant Accounting Policies

##### (A) Current versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

##### **An asset is treated as current when it is:**

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

##### **A liability is treated as current when:**

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified **twelve months** as its operating cycle.

##### (B) Fair Value Measurement

# LWS Knitwear Limited

## Notes to the Financial Statements

(All Amount in ₹ Lakhs, unless otherwise stated)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that entity can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **(C) Foreign Currency**

#### **(i) Functional and Presentation Currency**

The financial statements of the Company are presented using Indian Rupee (Rs.), which is also our functional currency i.e. currency of the primary economic environment in which the company operates.

#### **(ii) Transactions and Balances**

Foreign currency transactions are translated into the respective functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

### **(D) Property, Plant and Equipment**

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, Plant and Equipment acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital Work-in-Progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions).

# LWS Knitwear Limited

## Notes to the Financial Statements

(All Amount in ₹ Lakhs, unless otherwise stated)

Depreciation is recognised using **Straight Line Method** so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic-benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to / deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar assets.

Freehold land is not depreciated.

### (E) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

Intangible assets are amortised on Straight-Line Basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

### (F) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely, independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI upto the amount of any previous revaluation surplus.

# LWS Knitwear Limited

## Notes to the Financial Statements

(All Amount in ₹ Lakhs, unless otherwise stated)

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate; and when circumstances indicate that the carrying value may be impaired.

### **(G) Non-Current Assets Held For Sale**

The Company classifies non-current assets and disposal groups as 'Held For Sale' if their carrying amounts will be recovered principally through a sale rather than through continuing use and sale is highly probable i.e. actions required to complete the sale indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, Plant and Equipment and intangible assets once classified as held for sale are not depreciated or amortised.

### **(H) Earnings per Share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### **(I) Cash and Cash Equivalents**

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### **(J) Contingent Liabilities and Contingent Assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

### **(K) Investment Property**

Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

# LWS Knitwear Limited

## Notes to the Financial Statements

(All Amount in ₹ Lakhs, unless otherwise stated)

Depreciation is recognised using Straight-Line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

### (L) Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value.

The basis of determining costs for various categories of inventories is as follows:

#### (i) Raw materials, Components and Stores and Spares

Lower of cost and net realizable value. Cost ascertained on Weighted Average basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other expenditure directly attributable to the acquisition. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

#### (ii) Stores and Spares

It includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

#### (iii) Work-In-Progress and Manufactured Finished Goods

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

#### (iv) Traded Goods

Lower of cost and net realizable value. Cost ascertained on Weighted Average basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other costs incurred in bringing to their present location and condition.

Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### (M) Leases

#### (i) Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### 1) Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line basis from the commencement date to the end of lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.



# LWS Knitwear Limited

## Notes to the Financial Statements

(All Amount in ₹ Lakhs, unless otherwise stated)

The right-of-use assets are also subject to impairment as mentioned in the Impairment of non-financial assets section of the accounting policies of the company.

### 2) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### 3) Short Term Leases and Leases of Low Value of Assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### (ii) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

## (N) Financial Instruments

### (i) Initial Recognition

Financial instruments i.e. Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial instruments, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial instruments assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

### (ii) Financial Assets

#### Subsequent Measurement

All recognised financial assets are subsequently measured at amortized cost using effective interest method except for financial assets carried at fair value through Profit and Loss (FVTPL) or fair value through Other Comprehensive Income (FVOCI).

### 1) Equity Investments in Subsidiaries, Associates and Joint Venture

The Company accounts for its investment in subsidiaries, joint ventures and associates and other equity investments in subsidiary companies at cost in accordance with Ind AS 27 - 'Separate Financial Statements'.

Investment in Compulsory Convertible Debentures of subsidiary company is treated as equity investments, since they are convertible into fixed number of equity shares of subsidiary.

# LWS Knitwear Limited

## Notes to the Financial Statements

(All Amount in ₹ Lakhs, unless otherwise stated)

Investment made by way of Financial Guarantee contracts in subsidiary, associate and joint venture companies are initially recognised at fair value of the Guarantee.

Interest free loans given by the Company to its subsidiaries associates and joint venture are in the nature of perpetual debt which are repayable at the discretion of the borrowers. The borrower has classified, the said loans as equity under **Ind AS-32** 'Financial Instruments Presentation'. Accordingly the Company has classified this investment as Equity Instrument and has accounted at cost as per **Ind AS-27** 'Separate Financial Statements'.

### 2) **Equity Investments (other than investments in subsidiaries, associates and joint venture)**

All equity investments falling within the scope of **Ind-AS 109** are mandatorily measured at Fair Value through Profit and Loss (FVTPL) with all fair value changes recognized in the Statement of Profit and Loss.

The Company has an irrevocable option of designating certain equity instruments as FVOCI. Option of designating instruments as FVOCI is done on an instrument-by-instrument basis. The classification made on initial recognition is irrevocable.

If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument are recognized in Statement of Other Comprehensive Income (SOCI). Amounts from SOCI are not subsequently transferred to profit and loss, even on sale of investment.

### 3) **Investment in Preference Shares**

Investment in preference shares are classified as debt instruments and carried at amortised cost if they are not convertible into equity instruments and are not held to collect contractual cash flows. Other Investment in preference shares which are classified as debt instruments are carried at FVTPL.

Investment in convertible preference shares of subsidiary, associate and joint venture companies are treated as equity instruments and carried at cost. Other Investment in convertible preference shares which are classified as equity instruments are mandatorily carried at FVTPL.

### 4) **De-recognition**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement; and with that –

- a) the Company has transferred substantially all the risks and rewards of the asset, or
- b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### 5) **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. **Ind AS 109** requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## (iii) **Financial Liabilities**

### **Classification**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### **Subsequent measurement**

# LWS Knitwear Limited

## Notes to the Financial Statements

(All Amount in ₹ Lakhs, unless otherwise stated)

The company have all the borrowings at floating interest rate. Being variable interest rate, it is not possible to estimate future cash flows. Borrowings are recognised initially at an amount equal to the principal receivable or payable on maturity. So, re-estimating the future cash flows has no significant impact on the carrying value of Borrowings. Transaction costs are not material to be included in the EIR calculation. So the carrying value is being considered as amortised cost for all the borrowings bearing a floating interest rate. For trade and other payables maturing within one year from the balance sheet date, the carrying are Amortised Cost.

Financial Liabilities recognised at FVTPL, including derivatives, are subsequently measured at fair value.

### 1) **Compound Financial Instruments**

Compound financial instruments issued by the company is an instrument which creates a financial liability on the issuer and which can be converted into fixed number of equity shares at the option of the holders.

Such instruments are initially recognised by separately accounting the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequently.

### 2) **Financial Guarantee Contracts**

Financial guarantee contracts are initially recognised as a liability at fair value. The liability is subsequently measured at carrying amount less amortization or amount of loss allowance determined as per impairment requirements of **Ind AS 109**, whichever is higher. Amortisation is recognised as finance income in the Statement of Profit and Loss.

### 3) **De-Recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### **Re-classification of Financial Instruments**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets, such as equity instruments designated at FVTPL or FVOCI and financial liabilities or financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

## O) **Revenue Recognition**

### (i) **Revenue**

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

### 1) **Sale of Products**

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Company collects Goods & Service Tax (GST) on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue.

# LWS Knitwear Limited

## Notes to the Financial Statements

(All Amount in ₹ Lakhs, unless otherwise stated)

Variable consideration includes trade discounts, volume rebates and incentives, etc. The Company estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Company adjusts estimate of revenue at the earlier of when the most likely amount of consideration we expect to receive changes or when the consideration becomes fixed.

### 2) Insurance & Other Claims

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

### (ii) Contract Balances

#### 1) Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets represent revenue recognized in excess of amounts billed and include unbilled receivables. Unbilled receivables, which represent an unconditional right to payment subject only to the passage of time, are reclassified to accounts receivable when they are billed under the terms of the contract.

#### 2) Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

#### 3) Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Contract liabilities include unearned revenue which represent amounts billed to clients in excess of revenue recognized to date and advances received from customers. For contracts where progress billing exceeds, the aggregate of contract costs incurred to date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as unearned revenue. Amounts received before the related work is performed are disclosed in the balance sheet as contract liability and termed as advances received from customers.

### P) Interest Income

For all debt instruments measured at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head "**Other Income**" in the statement of profit and loss.

Interest income on bank deposits and advances to vendors 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 the statement of profit and loss.

### Q) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

#### (i) Borrowing Cost under Service Concession Arrangements

# LWS Knitwear Limited

## Notes to the Financial Statements

(All Amount in ₹ Lakhs, unless otherwise stated)

Borrowing costs attributable to the construction of qualifying assets under service concession arrangement classified as intangible asset, are capitalised to the date of its intended use.

Borrowing costs attributable to concession arrangement classified as financial assets are charged to Statement of Profit and Loss in the period in which such costs are incurred.

- (ii) Other borrowing costs are charged to Statement of Profit and Loss in the period in which they are incurred.

### R) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated as at the balance sheet date. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### Other Litigation Claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

### Onerous Contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognises impairment on the assets with the contract.

### S) Taxes

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate and changes in deferred tax assets and liabilities attributable to temporary differences. The current income tax charge is calculated in accordance with the provisions of the Income Tax Act 1961.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and brought forward losses only if it is probable that future taxable profit will be available to realise the temporary differences.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### T) Employee Benefits

#### (i) Short-Term obligations

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. These are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### (ii) Post-Employment obligations i.e.

- Defined benefit plans and
- Defined contribution plans

#### Defined Benefit Plans

# LWS Knitwear Limited

## Notes to the Financial Statements

*(All Amount in ₹ Lakhs, unless otherwise stated)*

The present value of obligation is determined based on actuarial valuation carried out as at the end of each financial year using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

### **Defined Contribution Plans**

The Company's contribution to provident fund, employee state insurance scheme, superannuation fund and National Pension Scheme (NPS) are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employee.

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

## 3 Property, Plant & Equipment and Intangible Assets

### 3.1 The details of Property, Plant & Equipment (Net)

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Furniture and Fixture	1.08	1.21
2	Vehicles	7.54	15.30
3	Plant & Machinery	-	4.61
4	Office Equipments	0.25	0.51
5	Computers	1.20	1.83
	<b>Total</b>	<b>10.07</b>	<b>23.46</b>

### 3.2 Property, Plant & Equipment

S. No.	Particulars		Furniture & Fixture	Vehicles	Plant & Machinery	Office Equipments	Computer	Total
<b>A</b>	<b>GROSS BLOCK</b>							
1	<b>As at April 1, 2023</b>		<b>0.43</b>	<b>76.37</b>	<b>52.61</b>	<b>1.44</b>	<b>0.14</b>	<b>130.99</b>
2	Additions		<b>0.89</b>	-	-	-	<b>1.84</b>	2.73
3	Disposals / Adjustment		-	-	-	-	-	-
4	<b>As at March 31, 2024</b>		<b>1.32</b>	<b>76.37</b>	<b>52.61</b>	<b>1.44</b>	<b>1.98</b>	<b>133.72</b>
5	Additions		-	-	-	-	-	-
6	Disposals / Adjustment		-	-	52.61	-	-	52.61
7	<b>As at March 31, 2025</b>		<b>1.32</b>	<b>76.37</b>	<b>-</b>	<b>1.44</b>	<b>1.98</b>	<b>81.11</b>

<b>B</b>	<b>ACCUMULATED DEPRECIATION</b>							
1	<b>As at April 1, 2023</b>		-	<b>53.31</b>	<b>47.05</b>	<b>0.65</b>	<b>0.01</b>	<b>101.02</b>
2	Charge for the year		0.11	7.76	0.95	0.27	0.14	9.23
3	Charge for the year in Revaluation Surplus		-	-	-	-	-	-
4	Disposals / Adjustments		-	-	-	-	-	-
5	<b>As at March 31, 2024</b>		<b>0.11</b>	<b>61.07</b>	<b>48.00</b>	<b>0.92</b>	<b>0.15</b>	<b>110.26</b>
6	Charge for the year		0.13	7.76	-	0.27	0.63	8.79
7	Charge for the year in Revaluation Surplus		-	-	-	-	-	-
8	Disposals / Adjustments		-	-	48.00	-	-	48.00
9	<b>As at March 31, 2025</b>		<b>0.24</b>	<b>68.83</b>	<b>-</b>	<b>1.19</b>	<b>0.78</b>	<b>71.04</b>

<b>C</b>	<b>NET BLOCK</b>							
1	<b>As at March 31, 2025</b>	-	<b>1.08</b>	<b>7.54</b>	<b>-</b>	<b>0.25</b>	<b>1.20</b>	<b>10.07</b>
2	<b>As at March 31, 2024</b>	-	<b>1.21</b>	<b>15.30</b>	<b>4.61</b>	<b>0.52</b>	<b>1.83</b>	<b>23.46</b>
3	<b>As at April 1, 2023</b>	-	<b>0.43</b>	<b>23.06</b>	<b>5.56</b>	<b>0.79</b>	<b>0.13</b>	<b>29.97</b>

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31 ,2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

## 4 Other Intangible Assets

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Preliminary Exp.		
a.	Op. Balance	15.11	
b.	Add: addition during the year	-	15.11
c.	Less: Amt .trfd.	15.11	
	<b>Total</b>	<b>-</b>	<b>15.11</b>

## 5 Loan and Advances

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Loans and Adv. (other than related party)	4.50	4.50
	<b>Total</b>	<b>4.50</b>	<b>4.50</b>

## 6 Deferred Tax Liabilities / (Assets) (Net)

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	<b><u>Deferred Tax Liability</u></b>		
(a)	Opening Balance	-	-
(i)	<b><u>On Account of Depreciation on Property, Plant &amp; Equipment</u></b>		
A	Recognised in Statement of Profit & Loss	-	-
	<b>Closing Balance</b>	<b>-</b>	<b>-</b>
2	<b><u>Deferred Tax Asset</u></b>		
(a)	Opening Balance	1.44	1.06
(i)	<b><u>On Account of Depreciation on Property, Plant &amp; Equipment</u></b>		
A	Recognised in Statement of Profit & Loss	1.81	0.38
	<b>Sub-Total</b>	<b>1.81</b>	<b>0.38</b>
	<b>Closing Balance</b>	<b>3.25</b>	<b>1.44</b>
	<b>Deferred Tax Liabilities / (Assets) (Net)</b>	<b>3.25</b>	<b>1.44</b>

## 7 Other Non - Current Assets

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
A	Trade Receivable	189.26	521.31
	<b>Total</b>	<b>189.26</b>	<b>521.31</b>

### 7.1 Trade Receivables Ageing Schedule

#### (a) As at 31.03.2025

S. No.	Particulars	Outstanding for following period from due date of					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	<b><u>Undisputed Receivables</u></b>						
(a)	Unsecured but Considered Good	-	-	37.24	-	152.02	189.26
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
2	<b><u>Disputed Receivables</u></b>						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>37.24</b>	<b>-</b>	<b>152.02</b>	<b>189.26</b>



# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31 ,2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

## (b) As at 31.03.2024

S. No.	Particulars	Outstanding for following period from due date of					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
<b>1</b>	<b><u>Undisputed Receivables</u></b>						
(a)	Considered Good	-	-		145.81	375.50	521.31
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
<b>2</b>	<b><u>Disputed Receivables</u></b>						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	<b>Total</b>	-	-	-	145.81	375.50	521.31

## 8 Inventories

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Finished /Traded Goods	1,366.79	1,483.67
	<b>Total</b>	<b>1,366.79</b>	<b>1,483.67</b>

8.1 The closing stock has been valued at cost or net realisable value whichever is less.

## 9 Trade Receivables

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Trade Receivables	3,382.46	1,772.16
2	Receivables from Related Parties	-	-
	<b>Total</b>	<b>3,382.46</b>	<b>1,772.16</b>

### 9.1 Trade Receivables Ageing Schedule

#### (a) As at 31.03.2025

S. No.	Particulars	Outstanding for following period from due date of					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
<b>1</b>	<b><u>Undisputed Receivables</u></b>						
(a)	Unsecured but considered Good	3,263.31	119.15	-	-	-	3,382.46
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
<b>2</b>	<b><u>Disputed Receivables</u></b>						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	<b>Total</b>	<b>3,263.31</b>	<b>119.15</b>	-	-	-	<b>3,382.46</b>

#### (b) As at 31.03.2024

S. No.	Particulars	Outstanding for following period from due date of					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
<b>1</b>	<b><u>Undisputed Receivables</u></b>						
(a)	Unsecured but Considered Good	1,769.92	2.24	-	-	-	1,772.16
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
<b>2</b>	<b><u>Disputed Receivables</u></b>						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	<b>Total</b>	<b>1,769.92</b>	<b>2.24</b>	-	-	-	<b>1,772.16</b>

**LWS KNITWEAR LIMITED**

Notes to the Standalone Financial Statement for the year ended March 31 ,2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

**10 Cash and Cash Equivalents**

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Balances with Banks		
(a)	In Current Account	0.99	0.31
2	Cheques in hand	9.80	16.44
3	Cash In Hand	5.50	24.61
	<b>Total</b>	<b>16.29</b>	<b>41.36</b>

**11 Loans**

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Advances Recoverable in cash or kind or value to be received Advances to suppliers	217.89	435.62
	<b>Total</b>	<b>217.89</b>	<b>435.62</b>

**12 Other Current Assets**

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	GST Receivable	16.18	17.24
2	Misc. including prepaid exp.	7.86	1.04
	<b>Total</b>	<b>24.04</b>	<b>18.28</b>

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

## 13 Share Capital

### 13.1 Details of Share Capital

S. No.	Particulars	As at 31.03.2025		As at 31.03.2024	
		No. of Shares	Amount	No. of Shares	Amount
1	<b>Authorised Share Capital</b>				
(a)	Equity Shares of ₹10/- each	15,500,000	1,550.00	15,500,000	1,550.00
2	<b>Issued, Subscribed &amp; Fully Paid up</b>				
(a)	Equity Shares of ₹10/- each	14,631,841	1,463.18	5,058,400	505.84
		<b>14,631,841</b>	<b>1,463.18</b>	<b>5,058,400</b>	<b>505.84</b>

### 13.2 Reconciliation of authorised, issued, subscribed and paid up share capital:

#### (a) Reconciliation of Authorised Share Capital as at year end

S. No.	Particulars	Equity Shares	
		No. of shares	Amount
1	<b>As at April 1, 2023</b>	<b>15,500,000</b>	<b>1,550.00</b>
(a)	Increase / (Decrease) during the year	-	-
2	<b>As at March 31, 2024</b>	<b>15,500,000</b>	<b>1,550.00</b>
(a)	Increase / (Decrease) during the year	-	-
3	<b>As at March 31, 2025</b>	<b>15,500,000</b>	<b>1,550.00</b>

#### (b) Reconciliation of Issued, Subscribed and Paid up share capital as at year end

S. No.	Particulars	Equity Shares	
		No. of shares	Amount
	<b>Equity Shares of ₹1 each Issued, Subscribed and Fully Paid</b>		
1	<b>As at April 1, 2023</b>	<b>5,058,400</b>	<b>505.84</b>
(a)	<b>Add</b> - Issued during the year	-	-
(b)	<b>Less</b> - Shares cancelled or buyback during the year	-	-
2	<b>As at March 31, 2024</b>	<b>5,058,400</b>	<b>505.84</b>
(a)	<b>Add</b> - Issued during the year (Right Issue)	9,573,441	957.34
(b)	<b>Less</b> - Shares cancelled or buyback during the year	-	-
3	<b>As at March 31, 2025</b>	<b>14,631,841</b>	<b>1,463.18</b>

### 13.3 Terms / Rights attached to Equity Shares

- (a) The Company has issued only one class of equity shares at present having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote
- (b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 13.4 Details of Shareholders holding more than 5% Shares in the Company

S. No.	Name of the Shareholder	As at 31.03.2025		As at 31.03.2024	
		No. of Shares	%	No. of Shares	%
1	Sh. Girish Kapoor	3,407,900	23.29%	774,700	15.32%
2	Mrs. Kusum Kapoor	3,837,670	26.23%	2,059,900	40.72%
3	Mr. Arjun Kapoor	1,192,903	8.15%	34,803	0.69%

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

13.5 As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

## 13.6 Details of shares held by promoters

(a) As at 31.03.2025

S. No.	Name of the Promoter	No. of shares as at 01.04.2025	% of Total Shares	No. of shares as at 31.03.2024	% of Total Shares	% change during the year
1	Sh. Girish Kapoor	3,407,900	23.29%	774,700	15.32%	7.98%
2	Mrs. Kusum Kapoor	3,837,670	26.23%	2,059,900	40.72%	-14.49%
3	Mr. Arjun Kapoor	1,192,903	8.15%	34,803	0.69%	7.46%
4	Sh. Charanjev Kapoor	100	0.00%	100	0.00%	0.00%
5	Sh. Gopal Kapoor	21,600	0.15%	21,600	0.43%	-0.28%
6	Mrs. Jyoti Thapar	100	0.00%	100	0.00%	0.00%
7	Mr. Munish Sunda	100	0.00%	100	0.00%	0.00%
8	Mrs. Ritu Malhotra	100	0.00%	100	0.00%	0.00%
9	Mr. Sunish Sunda	90,101	0.62%	90,105.00	1.78%	-1.17%

13.7 There are no shares issued under the Employee Stock Option Plan or by way of bonus shares or pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the balance sheet date.

13.8 There are no Equity shares which are bought back by the company during the period of five years immediately preceding the balance sheet date.

13.9 Number of shares are in absolute figures.

## 14 Other Equity

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	<b><u>Reserves and Surplus</u></b>		
(a)	Retained Earnings	936.85	692.74
(b)	Security Premium	635.88	20.00
	<b>Total</b>	<b>1,572.73</b>	<b>712.74</b>

### 14.1 Nature and Purpose of Reserves

#### (a) Retained Earnings

Retained earnings are the profits (loss) that the Company has earned suffered till date, less any transfer to dividends or other distributions paid to the shareholders.

#### (b) Security Premium:- Security Premium Reserve is the additional amount changed on the face value of any shares issued.

The company has raised money by way of Right issue Offer ( i.e 19 shares against the 10 shares hold by existing shareholder) and issued 9573441 equity shares in response to the right issue offer subscribed by the applicant of face value Rs. 10/- each at Rs. 18/- per share including premium of Rs.8/- each only during the F.Y. 2024-25

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31 ,2025

(All Amount in ₹ Lakhs, unless otherwise stated)

15 Borrowings - Non-Current			
S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	<b>Term Loans</b>		
(a)	<b>Secured Loans</b>		
(i)	From Banks/NBFCs	700.55	478.13
(b)	<b>Unsecured Loans</b>		
(i)	From Banks/NBFC	228.91	-
(ii)	From Others ( from directors and their relatives)	-	969.58
	<b>Sub-Total</b>	<b>929.46</b>	<b>1,447.71</b>
(c)	<b>Less</b> - Current Maturities of Long Term Debt	162.17	55.63
	<b>Sub-Total</b>	<b>767.29</b>	<b>1,392.08</b>
	<b>Total</b>	<b>767.29</b>	<b>1,392.08</b>

## 15.1

- (a) Car Loan from Axis Bank Ltd. is secured by Car & Personal guarantee of Directors repayable in 59 Monthly Instalment @15.01%
- (b) Loan against property from Deutsche Bank Ltd. sanctioned for Rs. 369.00 Lac repayable in 235 monthly instalments @ 9.50% and top up loan of Rs. 300.00 Lac repayable in 180 monthly instalments @ 9.50%. Both secured by residential property msg. 1670 Sq. yards situated at Mall Road, Ludhiana owned by Mrs. Kusum Kapoor , director of the company and personal guarantee of the directors.
- (c) Business Loan from Aditya Birla Fin. Ltd. repayable in 36 months @ 17.50% P.A. secured by Personal guarantee of the directors.
- (d) Business Loan from Fedbank Financial Ser. Ltd. repayable in 12 months @ 17% P.A. secured by Personal guarantee of the directors.
- (e) Business Loan from Hero Fincorp Ltd. repayable in 24 months @ 18% P.A. secured by Personal guarantee of the directors.
- (f) Business Loan from Kisetu Saison Fin Ltd. repayable in 24 months @18% P.A. secured by Personal guarantee of the directors.
- (g) Business Loan from Incred Financial Services Ltd. repayable in 15 months @15% P.A. secured by Personal guarantee of the directors.
- (h) Business Loan from Moneywise Fin. Ser. Pvt. Ltd. repayable in 36 months @18% P.A. secured by Personal guarantee of the directors.
- (i) Business Loan from Neogrowth Credit Pvt. Ltd. repayable in 30 months @24.75% P.A. secured by Personal guarantee of the directors.
- (j) Business Loan from Poonawala Fincorp Ltd. repayable in 36 months @17% P.A. secured by Personal guarantee of the directors.
- (k) Business Loan from Tata capital Fin. Ltd. repayable in 24 months @17% P.A. secured by Personal guarantee of the directors.
- (l) Unsecured loan from directors and their relatives during P.Y. 2023-24 has been squared up during F.Y. 2024-25..

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025

(All Amount in ₹ Lakhs, unless otherwise stated)

## 16 Borrowings - Current

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	<b><u>Secured Loans and Term Loan</u></b>		
(a)	<b><u>Overdraft Facilities</u></b>		
(i)	From Banks*	494.95	500.17
(b)	Current Maturities of Long Term Debt	162.17	55.63
2	<b><u>Unsecured Loans</u></b>		
(a)	From Directors	-	-
	<b>Total</b>	<b>657.12</b>	<b>555.80</b>

16.1 \*Overdraft Credit Limit from Deutsche Bank Ltd. is repayable on demand @ 9.85% P.A. secured by collateral security i.e. residential property, Msg. 1670 Sq. yards situated at Mall Road, Ludhiana owned by Mrs. Kusum Kappor, director of the company. Further secured by personal guarantee of the directors.

## 17 Trade Payables

### 17.1 Details of Trade Payables

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Due to MSME	583.79	367.14
2	Due to Other than MSME	25.90	708.16
	<b>Total</b>	<b>609.69</b>	<b>1,075.30</b>

### 17.2 Trade Payables Ageing Schedule

#### (a) As at 31.03.2025

S. No.	Particulars	Outstanding for following period from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	<b><u>Undisputed Trade Payables</u></b>					
(a)	Micro, Small and Medium Enterprises	583.79	-	-	-	583.79
(b)	Others	9.90	-	-	16.00	25.90
2	<b><u>Disputed Trade Payables</u></b>					
(a)	Micro, Small and Medium Enterprises	-	-	-	-	-
(b)	Others	-	-	-	-	-
	<b>Total</b>	<b>593.69</b>	<b>-</b>	<b>-</b>	<b>16.00</b>	<b>609.69</b>

#### (b) As at 31.03.2024

S. No.	Particulars	Outstanding for following period from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	<b><u>Undisputed Trade Payables</u></b>					
(a)	Micro, Small and Medium Enterprises	367.14	-	-	-	367.14
(b)	Others	405.33	-	-	302.83	708.16
2	<b><u>Disputed Trade Payables</u></b>					
(a)	Micro, Small and Medium Enterprises	-	-	-	-	-
(b)	Others	-	-	-	-	-
	<b>Total</b>	<b>772.47</b>	<b>-</b>	<b>-</b>	<b>302.83</b>	<b>1,075.30</b>

## 18 Other Financial Liabilities - Current

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Advance from Customers	24.33	0.02
	<b>Total</b>	<b>24.33</b>	<b>0.02</b>

## 19 Other Current Liabilities

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Due to Statutory Authorities	17.66	-
2	Other Payable	16.75	24.26
3	Cheques Issued but not presented	7.49	-
	<b>Total</b>	<b>41.90</b>	<b>24.26</b>

## 20 Current Tax Liabilities (Net)

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Provision for Income Tax	86.88	55.63
2	<b><u>Less</u></b> - Advance Taxes, TDS & TCS	8.57	4.76
	<b>Total</b>	<b>78.31</b>	<b>50.87</b>

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**LWS KNITWEAR LIMITED**

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

**21 Revenue from Operations (Gross)**

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	Revenue from Sale of Goods	10,869.14	7,513.45
	<b>Total</b>	<b>10,869.14</b>	<b>7,513.45</b>

**21.1 Analysis of Revenues**

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	Sale of Material	10,869.14	7,513.45

**21.2 Income based on Timing of Recognition**

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	Income Recognition over period of time	10,869.14	7,513.45

**21.3 Reconciling the amount of Revenue Recognised with the Contracted Price**

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
(a)	Revenue as per Contracted Price	10,869.14	7,513.45
(b)	Adjustments		
	<b>Revenue from Contract with Customers</b>	<b>10,869.14</b>	<b>7,513.45</b>

**22 Other Income**

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
A	<u>Interest Income on financial assets carried at Cost / Amortised Cost</u>	-	-
B	<u>Other Non Operating Income</u>		
1	Freight	-	0.02
	<b>Total</b>	<b>-</b>	<b>0.02</b>

**23 Purchase of Stock in Trade**

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	<u>Purchases</u>		
i	Purchases	10,179.47	7,759.63
		<b>10,179.47</b>	<b>7,759.63</b>
	<b>Purchases of Stock In Trade</b>	<b>10,179.47</b>	<b>7,759.63</b>

**24 Change in inventory of Stock In Trade**

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	Finished/Trading Stock	1,483.67	869.29
	<b>TOTAL A.</b>	<b>1,483.67</b>	<b>869.29</b>
2	Finished/Trading Stock	1,366.79	1,483.67
	<b>TOTAL B.</b>	<b>1,366.79</b>	<b>1,483.67</b>
	<b>CHANGE IN INVENTORY (A- B).</b>	<b>116.88</b>	<b>(614.38)</b>

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

## 25 Employee Benefits Expense

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	Salaries and Allowances	14.40	11.70
2	Director Remuneration	8.96	2.40
	<b>Total</b>	<b>23.36</b>	<b>14.10</b>

## 26 Finance Costs

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	Interest Cost*	134.55	112.14
2	Bank Charges	13.60	3.74
3	Interest to others	-	1.46
	<b>Total</b>	<b>148.15</b>	<b>117.34</b>

### 26.1 Interest Cost\*

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	Interest on Overdraft Limit	57.61	50.48
2	Interest on Term Loan	76.52	61.66
3	Interest to others	0.42	-
	<b>Total</b>	<b>134.55</b>	<b>112.14</b>

## 27 Depreciation and Amortization Expense

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	Depreciation on Tangible Assets (Refer Note 3)	8.79	9.23
	<b>Total</b>	<b>8.79</b>	<b>9.23</b>

## 28 Other Expenses

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	Audit Fees (Refer Note 28.1)	0.93	1.00
2	Advertisement Expenses	1.13	0.68
3	Brokerage & Commission	-	2.09
4	Conveyance Expenses	-	0.25
5	Computer Repair & Maintenance	0.05	-
6	Entertainment Expenses	0.15	0.10
7	Fees & Taxes	14.80	5.96
8	Freight & Shipment	7.92	4.58
9	Insurance	6.64	0.95
10	Taxes of earlier years	-	1.25
11	Loss on Sale of Fixed Assets	3.01	-
12	Misc Expenses	0.36	-
13	Meeting Expenses	-	0.09
14	Postage & Courier Expenses	1.30	0.89
15	Printing & Stationery	0.12	1.97
16	Professional Expenses	8.51	3.94
17	Rent	3.60	2.16
18	Rebate & Discount	2.87	4.68
19	Round Off	0.01	0.13
20	Telephone Exp.	0.48	0.53
21	Vehicle Repair & Maint	2.80	0.33
22	Fine & Penalty	-	0.01
	<b>Total</b>	<b>54.68</b>	<b>31.59</b>

### 28.1 Payment made to Auditors is as follows

S. No.	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
1	<b>As Auditor</b>		
i	Statutory Audit Fee	0.50	0.50
ii	Tax Audit Fee	0.25	0.25
iii	Misc. Fees	0.18	0.25
	<b>Total</b>	<b>0.93</b>	<b>1.00</b>



## LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31 ,2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

### 29 Earnings Per Share (EPS)

29.1 The following reflects the income and share data used in the basic and diluted EPS computations:

S. No.	Particulars	For the period ended 31.03.2025	For the period ended 31.03.2024
1	<b>Profit attributable to the Equity Share Holders</b>		
(a)	Continuing Operations	252.74	139.95
(b)	Weighted Average number of Equity Shares for Basic and Diluted EPS ( in Lakhs)	74.19	50.58
(c)	<b>Basic and Diluted Earnings per Share (Face Value ₹10 per share) for Continuing Operations</b>	<b>3.41</b>	<b>2.77</b>

29.2 There have been no transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

### 30 Income Tax

#### 30.1 Components Of Income Tax Expense

(a) Tax Expense recognized in Statement of Profit and Loss:

S. No.	Particulars	For the period ended 31.03.2025	For the period ended 31.03.2024
1	<b>Current Tax</b>		
(a)	Current Year Income Tax Expense	86.88	55.63
(b)	Adjustments relating to Previous Years	-	-
	<b>Sub-Total</b>	<b>86.88</b>	<b>55.63</b>
2	<b>Deferred Tax</b>		
(a)	Relating to origination and reversal of Temporary Differences	(1.81)	0.38
(b)	Adjustments relating to Previous Years	-	-
	<b>Sub-Total</b>	<b>(1.81)</b>	<b>0.38</b>
	<b>Income Tax Expense reported in the Statement of Profit and Loss</b>	<b>85.07</b>	<b>56.01</b>

(b) Reconciliation of Tax Expense to the Accounting Profit is as follows -

S. No.	Particulars	For the period ended 31.03.2025	For the period ended 31.03.2024
1	<b>Accounting Profit before Income Tax</b>	337.81	195.96
(a)	Enacted Tax Rate (%)	25.168%	25.168%
(b)	Tax on Accounting Profit at above rate	85.02	49.32
(c)	Tax Effect of amounts which are not deductible (taxable) in calculating Taxable Income	0.05	6.69
(d)	<b>Income Tax Expense reported in the Statement of Profit and Loss</b>	<b>85.07</b>	<b>56.01</b>

### 31 Commitments and Contingent Liabilities

#### 31.1 INCOME TAX

(a) A demand of Income Tax for A.Y. 2010-11 for Rs.5.70 Lac ( including interest 3.57 Lac ) is outstanding.

#### 31.2 GOODS AND SERVICE TAX

(a) A Penaltily notice for Rs. 4.59 Lac issued for the F.Y. 2019-20 and the appeal has been filed with the Commissioner (Appeal) which is pending for adjudication

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

## 32 Details of dues to Micro Small and Medium Enterprises as defined under the MSMED Act, 2006

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
(a)	Principal amount due to micro and small enterprises	583.79	367.14
(b)	Interest due on above	-	-
	<b>I:</b>	<b>583.79</b>	<b>367.14</b>
2	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

## 33 Related Party Disclosures - As per IND AS 24

### 33.1 List of Related Parties where control exist and related parties with whom transactions have taken place and relationships

S. No.	Name of Related Party	Nature of Relationship
1	Sh. Girish Kapoor	Managing Director (DIN:- 01870917 )
2	Mrs. Kusum Kapoor	Whole Time Director (w.e.f. 13.11.2024) (Din:-07135383)
3	Mr. Arjun Kapoor	Chief Financial Officer (PAN:- ****0232F)
4	Sh. Ramesh K Sharma	Independent Director (DIN:- 09545798)
5	Mrs. Neelam Bahri	Independent Director (DIN:-09545848)
6	Sh. Ashwani Kumar Sharma	Independent Director (DIN:-10277499)
7	Laxmi Khatri	Company Secretary (M.No. :-***** 0880H)
8	LWS Knitwear	Enterprise over which KMP or their Relatives are able to exercise significant influence
9	LWS Exports Ltd.	
10	Gee Kay Knitwear P. Ltd.	
11	ABC Inc.	
12	Dee Enn Knitwear	
13	Gopal Knitwear Traders	
14	Kay Dee Garments	

### 33.2 Related Party Transactions -

S. No.	Particulars	For the Period / Years Ended		
		31.03.2025	31.03.2024	
1	<b><u>Key Managerial Personnel</u></b>			
(a)	<b><u>Remuneration</u></b>			
(i)	Sh. Girish Kapoor	6.20	2.40	
(ii)	Mrs. Kusum Kapoor	2.76	-	
(iii)	Mr. Arjun Kapoor	3.00	3.00	
(iv)	Laxmi Khatri	1.80	1.80	
(b)	<b><u>Loan Taken</u></b>			
(i)	Sh. Girish Kapoor	187.63	319.60	
(ii)	Mrs. Kusum Kapoor	320.00	85.60	
(iii)	Mr. Arjun Kapoor	-	313.00	
(c)	<b><u>Loan Repaid</u></b>			
(i)	Sh. Girish Kapoor	376.23	313.22	
(ii)	Mr. Arjun Kapoor	129.50	6.00	
(iii)	Mrs. Kusum Kapoor	-	85.60	
(d)	<b><u>Allotment of Shares (Right Issue)</u></b>			
(i)	Sh. Girish Kapoor	473.98	-	
(ii)	Mrs. Kusum Kapoor	320.00	-	
(iii)	Mr. Arjun Kapoor	208.46	-	
2	<b><u>Relatives of Key Managerial Personnel</u></b>			
(a)	<b><u>Advance Taken</u></b>			
(i)	Sh. Gopal Kapoor	2.50	106.00	
(b)	<b><u>Loan Repaid</u></b>			
	Sh. Gopal Kapoor	2.50	106.00	
3	<b><u>Closing Balances</u></b>			
(a)	<b><u>Key Managerial Personnel</u></b>			
(i)	Sh. Girish Kapoor (Remuneration, Cr. balance)	-	0.09	
(ii)	Mr. Arjun Kapoor (Remuneration, Cr. balance)	-	0.80	
(iii)	Sh. Girish Kapoor (Unsecured Loan , Cr. balance)	-	662.58	
(iv)	Mr. Arjun Kapoor (Unsecured Loan, Cr. balance)	-	307.00	
(b)	<b><u>Associate Concerns</u></b>			
(i)	Dee Enn Knitwear	-	153.73	
(ii)	Gopal Knitwear Traders	-	78.39	

## LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

### 34 Segment Information

Ind AS-108 establishes standards for the way that the Company report information about operating segments and related disclosures about products and services, geographical areas, and major customers. The Company has only one business segment primarily trading of textile/hosiery items. Based on the "Management Approach" as defined in Ind AS-108. The management also reviews and measure the operating results taking the whole business as one segment and accordingly make decision about the resources allocation. In view of the same, segment reporting information is not required to be given as per the requirements of Ind AS-108 on "Operating Segments". The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the significant accounting policies.

### 35 Capital Management

35.1 For the purpose of the Company's capital management, capital includes issued equity capital, all equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholders' value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

S. No.	Particulars	31.03.2025	31.03.2024
1	Borrowings (Non-Current and Current)	1,424.41	1,947.88
2	Less - Cash and Cash Equivalents	(16.29)	(41.36)
3	Net Debt	1,408.12	1,906.52
4	Equity	3,035.91	1,218.58
5	Gearing Ratio	46%	156%

In order to achieve this overall objective, the capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest - bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 & March 31, 2024.

### 35.2 Changes in Liabilities arising from Financing Activities

- (a) The major changes in the Company's liabilities arising from financing activities are due to financing cash flows and accrual of financial liabilities. The Company did not acquire any liabilities arising from financing activities during business combinations effected in the current period or comparative period.
- (b) The Company disclosed information about its interest-bearing loans and borrowings. There are no obligations under finance lease and hire purchase contracts. Reconciliation of movements of current and non-current borrowings to cash flows arising from financing activities:

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024
1	Borrowings at the beginning of the year	1,947.88	1,596.98
2	Proceeds from non-current borrowings	611.05	984.83
3	Repayments of non-current borrowings	1,129.30	587.58
4	Repayments of current borrowings (net)	5.22	46.36
5	Borrowings at the end of the year	1,424.41	1,947.88

### 36 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

#### 36.1 Fair Value of Financial Assets

S. No.	Particulars	Carrying Values		Fair Values	
		As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
	Financial assets whose fair value approximate their carrying value				
1	Trade Receivables	3,382.46	1,772.16	3,382.46	1,772.16
2	Cash and Cash Equivalents	16.29	41.36	16.29	41.36
3	Other Financial Assets	435.69	979.71	435.69	979.71
	Total	3,834.44	2,793.23	3,834.44	2,793.23

#### 36.2 Fair Value of Financial Liabilities

S. No.	Particulars	Carrying Values		Fair Values	
		As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
A	Financial liabilities whose fair value approximate their carrying value				
1	Trade Payables & Other Payables	626.44	1,099.56	626.44	1,099.56
2	Long-Term Borrowings	767.29	1,392.08	767.29	1,392.08
3	Short-Term Borrowings	657.12	555.80	657.12	555.80
	Total	2,050.85	3,047.44	2,050.85	3,047.44

Management has assessed that carrying amount of all financial instruments are reasonable approximation of the fair value.

## LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

### 36.3 Discount Rate used in determining Fair Value

- The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.
- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

### 37 Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

**Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

**Level 3:** Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's Assets and Liabilities

#### 37.1 Fair Value Measurement Hierarchy for Assets as at 31.03.2025

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>A</b>	<b>Financial Assets whose Fair Value approximate their Carrying Value</b>				
1	Trade Receivables	3,382.46	-	-	3,382.46
2	Cash and Cash Equivalents	16.29	-	-	16.29
3	Other Financial Assets	435.69	-	-	435.69
	<b>Total</b>	<b>3,834.44</b>	<b>-</b>	<b>-</b>	<b>3,834.44</b>

#### 37.2 Fair Value Measurement Hierarchy for Liabilities as at 31.03.2025

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>A</b>	<b>Financial Liabilities whose Fair Value approximate their Carrying Value</b>				
1	Trade payables & Other Payables	626.44	-	-	626.44
2	Long-Term Borrowings	767.29	-	-	767.29
3	Short-Term Borrowings	657.12	-	-	657.12
	<b>Total</b>	<b>2,050.85</b>	<b>-</b>	<b>-</b>	<b>2,050.85</b>

#### 37.3 Fair Value Measurement Hierarchy for Assets as at 31.03.2024

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>A</b>	<b>Financial Assets whose Fair Value approximate their Carrying Value</b>				
1	Trade Receivables	1,772.16	-	-	1,772.16
2	Cash and Cash Equivalents	41.36	-	-	41.36
3	Other Financial Assets	979.71	-	-	979.71
	<b>Total</b>	<b>2,793.23</b>	<b>-</b>	<b>-</b>	<b>2,793.23</b>

#### 37.4 Fair Value Measurement Hierarchy for Liabilities as at 31.03.2024

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>A</b>	<b>Financial Liabilities whose Fair Value approximate their Carrying Value</b>				
1	Trade payables & Other Payables	1,099.56	-	-	1,099.56
2	Long-Term Borrowings	1,392.08	-	-	1,392.08
3	Short-Term Borrowings	555.80	-	-	555.80
	<b>Total</b>	<b>3,047.44</b>	<b>-</b>	<b>-</b>	<b>3,047.44</b>

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

## 38 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise of trade and other payables, borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### 38.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

The sensitivity analysis in the following sections relate to the position as at March 31, 2025 & March 31, 2024.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

#### (a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt and short term debt obligations with floating interest rates. The company is carrying its borrowings primarily at variable rates. For floating rates borrowings the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point Increase or decrease is used when reporting interest rate risk internally to Key management personnel and represents management's assessment of the reasonably possible change in interest rates.

S. No.	Particulars	31.03.2025	31.03.2024
1	Variable Rate Borrowings	1,424.41	1,947.88

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

S. No.	Particulars	Effect on Profit before Tax	
		31.03.2025	31.03.2024
1	Increase by 50 basis points	(71.22)	(97.39)
2	Decrease by 50 basis points	71.22	97.39

#### (b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company transacts business in local currency only. The Company does not have foreign currency trade payables and receivables and is therefore, not exposed to foreign exchange risk. The Company need not to use currency swaps or forward contracts towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate as per the risk management policy.

#### (c) Price Risk

As the company has no investments in securities, so no price risk. Further mgt is taking care of price of stock.

### 38.2 Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to our Company. Our Company is dealing with various customers. Financial instruments that are subject to concentration of credit risk, principally consist of balance with banks, investments in bonds, trade receivables and loans and advances. Financial assets are written off when there is no reasonable expectation of recovery. Our Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which we operate. Loss rates are based on actual credit loss experience and past trends.

#### (a) Trade Receivables

Customer credit risk is managed by each Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The management believes that no provisions is required in respect of trade receivable based on historical trends of the customers.

The movement in the loss allowance in respect of trade receivables during the year is as follows:

S. No.	Particulars	31.03.2025	31.03.2024
1	Opening Balance	3,382.46	1,772.16
2	Impairment Loss recognised during the year	-	-
	<b>Closing Balance</b>	<b>3,382.46</b>	<b>1,772.16</b>

### 38.3 Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

S. No.	31.03.2025	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
1	Trade Payables & Other Payables	-	626.44	-	-	626.44
2	Long-Term Borrowings	-	162.17	96.61	670.38	929.16
3	Short-Term Borrowings	494.95	-	-	-	494.95
	<b>Total</b>	<b>494.95</b>	<b>788.61</b>	<b>96.61</b>	<b>670.38</b>	<b>2,050.55</b>

S. No.	31.03.2024	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
1	Trade Payables & Other Payables	-	1,099.56	-	-	1,099.56
2	Long-Term Borrowings	-	1,025.21	23.81	398.70	1,447.71
3	Short-Term Borrowings	500.17	-	-	-	500.17
	<b>Total</b>	<b>500.17</b>	<b>2,124.77</b>	<b>23.81</b>	<b>398.70</b>	<b>3,047.44</b>

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

## 39 Ratio Analysis

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024	% Change from March 31, 2024 to March 31, 2025	
1	<b><u>Current Ratio (Times)</u></b>				
(a)	Current Assets	5,007.47	3,751.09		
(b)	Current Liabilities	1,411.35	1,706.25		
(c)	(Current Assets / Current Liabilities)	3.55	2.20	61.39	
2	<b><u>Debt - Equity Ratio (Times)</u></b>				
(a)	Total Debt	1,424.41	1,947.88		
(b)	Total Equity	3,035.91	1,218.58		
(c)	(Debt / Equity)	0.47	1.60	(70.65)	
3	<b><u>Debt Service Coverage Ratio (Times)</u></b>				
(a)	Earnings before Interest, Taxes, Depreciation & Amortisation (EBITDA) - Taxes	423.12	266.85		
(b)	Principal Repayment + Interest Cost#	1,205.82	649.24		
(c)	{(EBITDA - Taxes) / (Principal Repayment + Interest Cost)}	0.35	0.41	(14.63)	
4	<b><u>Return on Equity Ratio (%)</u></b>				
(a)	Profit After Tax	252.74	139.95		
(b)	Average Shareholder's Equity	2,127.25	1,148.60		
(c)	(Profit After Tax / Average Shareholder's Equity)	11.88%	12.18%	(2.49)	

S. No.	Particulars	As at 31.03.2025	As at 31.03.2024	% Change from March 31, 2024 to March 31, 2025	
5	<b><u>Inventory Turnover Ratio (Times)</u></b>				
(a)	Revenue from Operations (Net of GST)	10,869.14	7,513.45		
(b)	Average Inventories	1,425.23	1,176.48		
(c)	(Revenue from Operations / Average Inventories)	7.63	6.39	19.41	
6	<b><u>Trade Receivables Turnover Ratio (times)</u></b>				
(a)	Revenue from Operations	10,869.14	7,513.45		
(b)	Average Trade Receivables	2,577.31	1,984.65		
(c)	(Revenue from Operations / Average Trade Receivables)	4.22	3.79	11.40	
7	<b><u>Trade Payables Turnover Ratio (times)</u></b>				
(a)	Net Purchases	10,179.47	7,759.63		
(b)	Average Trade Payables	842.50	1,705.58		
(c)	(Net Purchases / Average Trade Payables)	12.08	4.55	165.57	
8	<b><u>Net Capital Turnover Ratio (times)</u></b>				
(a)	Revenue from Operations	10,869.14	7,513.45		
(b)	Average Working Capital	2,820.48	1,558.86		
(c)	(Revenue from Operations / Average Working Capital)	3.85	4.82	-20.05	
9	<b><u>Return on Capital Employed (%)</u></b>				
(a)	Earning before Interest & Taxes (EBIT)	472.36	308.10		
(b)	Capital Employed	4,460.32	3,166.46		
(c)	(EBIT / Capital Employed)	10.59%	9.73%	8.84	
10	<b><u>Net Profit Ratio (%)</u></b>				
(a)	Profit After Tax	252.74	139.95		
(b)	Revenue from Operations	10,869.14	7,513.45		
(c)	(Profit After Tax / Revenue from Operations)	2.33%	1.86%	24.84	
11	<b><u>Return on Investment (%)</u></b> (Return / Amount of Investment)	N.A.	N.A.	--	

# Repayment of loan includes unsecured loan from directors

\* Ratios variances have been explained for any change by more than 25% as compared to the previous year.

# LWS KNITWEAR LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2025  
(All Amount in ₹ Lakhs, unless otherwise stated)

## 39.1 Notes to Analytical Ratios

### (a) % Change from March 31, 2024 to March 31, 2025

- (i) Variation in the Current ratio is due to increase in current assets during the F.Y. 2024-25 as compared to previous year on account of right issue proceedings
- (ii) Variation in Debt Equity Ratio is on account of decrease in debt and increase in total Equity due to addition of Right issue proceeds
- (iii) Variation in Trade payable turnover ratio is due to decrease in trade payable and increase in purchase during the year as compared to F.Y. 2023-24.

## 40 Other Statutory Information

- 40.1 The company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 40.2 The Company do not have any transactions with companies struck off.
- 40.3 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 40.4 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 40.5 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 40.6 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 40.7 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- 40.8 The Company has not been declared wilful defaulter by any bank and financial institution or government or any government authority.
- 40.9 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017
- 40.10 The Company has not revalued its property, plant and equipment during the financial year.
- 40.11 The Company has no immovable property.

## 41 RIGHT ISSUE

During the year ended 31st March, 2025 the Company has completed right issue of 95,73,441 equity shares of face value of ₹10 each at an issue price of ₹18 per share (including a share premium of ₹ 8 per share). The equity shares of the Company were listed on BSE Limited (BSE) on 9th January, 2025.

Consequent to allotment of right issue, the paid-up equity share capital of the Company stands increased from ₹ 505.84 Lakhs consisting of 50,58,400 equity shares of ₹10 each to ₹ 1463.18 Lakhs consisting of 1,46,31,841 equity Shares of ₹10 each.

The total right issue expenses are estimated to be ₹ 150.00 Lakhs (excluding taxes) as per the prospectus. The utilisation of proceeds from right issue is summarised below:

Objects of the issue as per Prospectus	Original Allocation as per Prospectus( Rs. Lacs)	Modified Allocation, if any (Rs. Lacs)	Utilized Amount till 31st March 2025	Un-utilized Amount till 31st March 2025
Repayment/prepayment, in full or part, of certain borrowings availed of by the company*	971.48	0.00	971.48	0.00
Funding of working capital requirements of the Company	200.00	0.00	200.00	0.00
Public Issue Exp.	150.00	0.00	150.00	0.00
General corporate purposes**	408.49	401.74	401.74	0.00
<b>TOTAL</b>	<b>1729.97</b>	<b>401.74</b>	<b>1723.22</b>	<b>0.00</b>

\* The shares have been allotted to the persons from whom the unsecured loan were already taken , so the same is shown as utilisation for repayment of loan.

\*\* Due to short subscribed of right issue , the amount of GCP has been revised from 408.49 Lac to 401.78 Lac . ( as per the letter of offer)

## 42 Events After Reporting Date

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

## 43 OTHER INFORMATION

- 43.1 In the opinion of the Directors, Trade Receivables, Short Term Loans & Advances and Other Current Assets have been valued at which they are shown in the Balance Sheet if realised in the ordinary course of business.
- 43.2 Previous Year Figures have been regrouped and recasted wherever necessary.
- 43.3 No provision has been made for Gratuity. The number of employees is less than the requirement so not paying any contribution towards ESI and Provident Fund.  
GST Inputs and Outputs are considered in the books of accounts w.r.t. the purchases / inputs and sales / outputs made during the year on which the assessee is eligible / liable by the management. However difference if any, resulting at the time of GST Audit or any other development or information later on, is provided for in the year in which such difference is pointed out.
- 43.5 The Financial Statements has been approved for issue by Company's Board of Directors on May 30, 2025.

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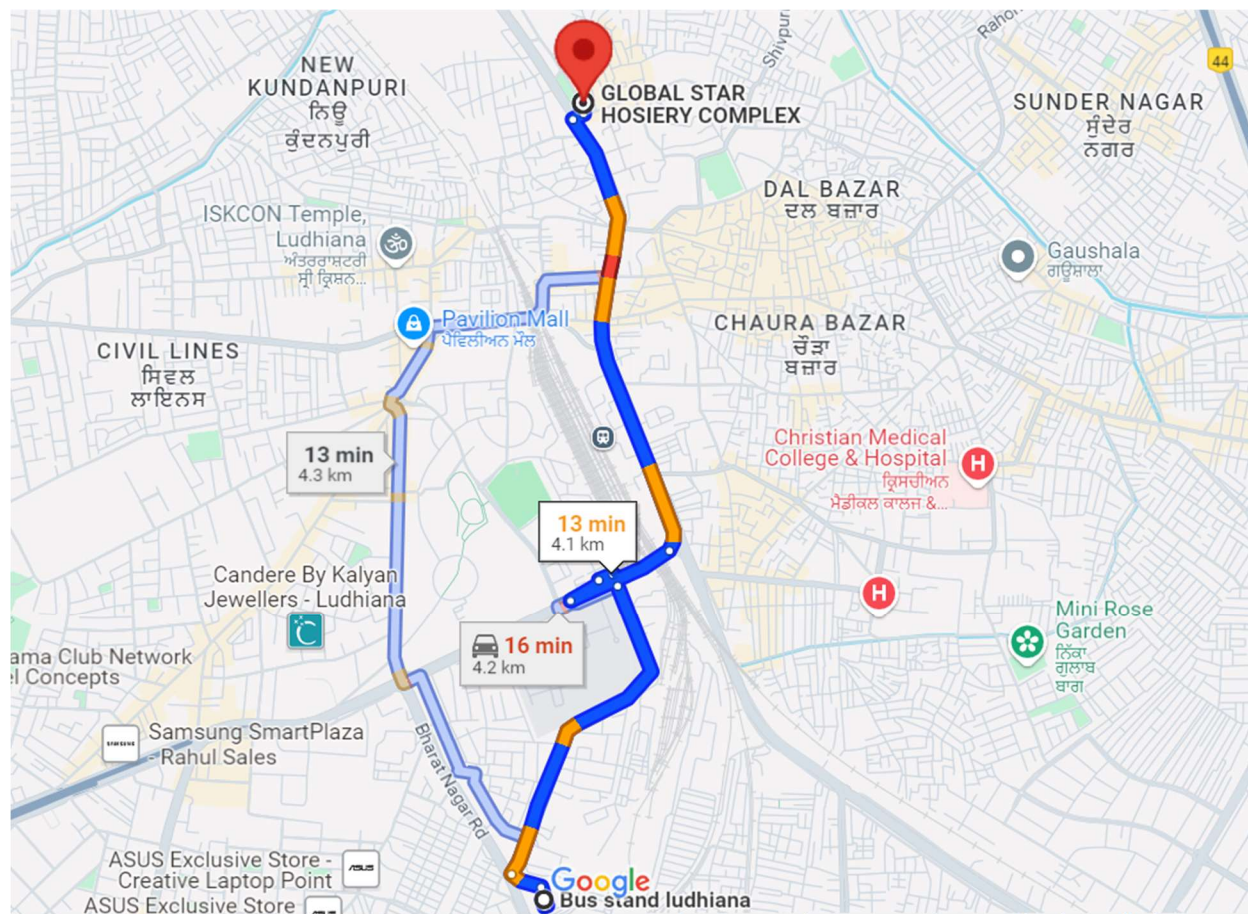




## VENUE OF ANNUAL GENERAL MEETING

OF

## L W S KNITWEAR LIMITED



GPS Coordinates: 30.924536592206312, 75.8476989693115





**L W S KNITWEAR LIMITED**

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

L55101PB1989PLC009315

**ATTENDANCE SLIP**

Member's Folio No .....

Client ID No. ....

DP ID No. ....

Name of the Member .....

Name of Proxy holder .....

No of shares held .....

I hereby record my presence at the **36th Annual General Meeting** of the Company held on **Tuesday on 30<sup>th</sup> day of September, 2025** at **10.30 A.M.** in the premises of 516-518, 4th Floor, Global Star Hosiery Complex, Near Chand Cinema, G.T. Road (W), Ludhiana-141008, Punjab

\_\_\_\_\_  
Signature of Member/Proxy

**Notes :**

- 1. Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.**



**L W S KNITWEAR LIMITED**

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

**L55101PB1989PLC009315**

**PROXY FORM**

Member's Folio No : \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member/members of **L W S KNITWEAR LIMITED**, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the **36th Annual General Meeting** of the Company held on **Tuesday on 30<sup>th</sup> day of September, 2025 at 10.30 A.M.** in the premises of 516-518, 4th Floor, Global Star Hosiery Complex, Near Chand Cinema, G.T. Road (W), Ludhiana-141008, Punjab and at any adjournment thereof.  
Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

Affix Re. 1/-  
Revenue Stamp  
here

**Note :**

1. **A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself / herself.**
2. **If it is intended to appoint a proxy, the form of proxy should be deposited at the Registered Office of the Company at least 48 hours before the commencement of meeting.**

No.	Resolution	For	Against
1.	To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2025 and the Reports of the Board of Directors and the Auditors thereon. (Ordinary Resolution)		
2.	To appoint a Director in place of Mrs. Kusum Kapoor (DIN-07135383), who retires by rotation and being eligible, offers herself for reappointment. (Ordinary Resolution).		
3.	Reappointment of Mr. Girish Kapoor (DIN: 01870917) as Managing Director of the Company and Revision in the Remuneration Payable to him. (Special Resolution)		
4.	Change in the Remuneration Payable to Mrs. Kusum Kapoor (DIN: 07135383), Wholetime Director of the Company. (Special Resolution)		
5.	Entering into a Loan Agreement with the directors of the Company namely Girish Kapoor and Kusum Kapoor, with an option of conversion into equity shares. (Special Resolution)		
6.	Appointment of Secretarial Auditor (Special Resolution)		

\_\_\_\_\_  
Signature of Member/Proxy

**ANNUAL REPORT 2024-25**



## **L W S KNITWEAR LIMITED**

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

*CIN-L17115PB1989PLC009315,*

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