

LS INDUSTRIES LIMITED

(Formerly Known as Lifestyle Fabrics Ltd.)

17th
ANNUAL REPORT
& ACCOUNTS
2010-11

Board of Directors

Mr. Yogesh Thakur, Whole Time Director
Mr. Kulbhushan Sharma, Director
Mr. Kwangsoo Kim, Director
Mr. Joel Anthony Stead, Director
Mr. Yasunobu Kuramoto, I Director

Statutory Auditors

M/s. Doogar & Associates, Chartered Accountants
New Delhi

Bankers

AXIS BANK LIMITED

Registered Office & Corporate Office

Village Bairsen, P.O. Manjholi,
Tehsil Nalagarh, Distt. Solan,
Himachal Pradesh-174101
Contact Person : Mr. Yogesh Thakur, Whole Time Director
Email : yogesht@lsilglobal.co

Registered and Transfer Agents (RTA)

Beetel Financial & Computer Services Pvt. Ltd.
99, Madangir, New Delhi - 110062
Phone : 011-29961281-283, Fax 011-29961284

Demat Connectivity

Central Depository Services (India) Limited
(CDSL)
National Securities Depository Limited (NSDL)

ISIN Details

INE345D01023

Stock Exchange Listing

Bombay Stock Exchange Limited

Stock Code

514446

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LS INDUSTRIES LIMITED

(Formerly Known as Lifestyle Fabrics Ltd.)

Regd. Office : Village Bairsen, P.O. Manjholi, Tehsil Nalagarh,
Distt. Solan, Himachal Pradesh-174101.

Notice of annual general meeting

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Shareholders of the Company will be held on Saturday, 31st December, 2011, at Village Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh-174101 at 10.30 am to transact the following businesses.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statements of Account for the financial year ended on 31st March, 2011 and Reports of the Directors and Auditors thereon.
2. To appoint M/s Doogar & Associates, Chartered Accountants as Statutory Auditor for the financial year 2011-12 and to fix their remuneration
3. To appoint a Director in placed of **Mr. Kwangsoo Kim**, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“Resolved That Mr. Kulbhushan Sharma, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 27th May, 2011 in respect of whom the Company has received a notice in Writing under Section 257 of the Companies Act, 1956 together with a deposit of S 500 as required under the Act, be and is hereby appointed as Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation”

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

“Resolved That Pursuant to Schedule XIII and other relevant provisions of the Companies Act, 1956 the appointment of Mr. Yogesh Thakur as Whole time Director of the Company for a period of Five (5) years with effect from 27.05.2011, without any remuneration, for the time being, be and is hereby approved.”

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956,

1. The Company hereby agrees to provide a guarantee (the “Guarantee”) upto S\$ 4,800,000 (4.8 Millions Singapore Dollars) to DBS Bank Ltd., Singapore (the “Bank”) as security for payment of all monies and liabilities owing by Ezy Infotech Pte Ltd., Singapore (the “Borrower”), (chain subsidiary) to the Bank including but not limited to all monies owing or payable (whether actual or contingent) to the Bank under the terms and conditions of the Bank’s facility letter dated 1st November, 2011 (the “Facility Letter”) to the Borrower (as amended, varied, supplemented and/or replaced from time to time),
2. The Company is solvent and it is in the interests of and for the commercial benefit of the Company to undertake the obligations to be undertaken by it under the Guarantee, and to execute the Guarantee.
3. The Directors of the Company be instructed to consider, resolve upon and ratify all matters in connection with the provision of the Guarantee which they consider appropriate.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary in relation to the above and generally authorized to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

By Order of the Board,

Place : Nalagarh
Date : 14th November, 2011

Yogesh Thakur
Whole Time Director

NOTES :

- (1) **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the PROXY need not be a member of the Company. The proxy form, in order to be effective, must be deposited with the Company so as to reach the registered office of the company not less than 48 hours before the time fixed for commencement of the Meeting.**
- (2) Members holding shares in physical form are requested to notify their change of address, if any, to the Company / Registrar and Transfer Agent (RTA). In case, shares are held in electronic form, the change of address, if any, may have to be communicated to their respective DPs.
Registrar and Transfer Agent (RTA) :
The contact details of Registrar and Transfer Agent is are as under :
Beetal Financial & Computer Services Pvt Ltd
99, Madangir, New Delhi 110 062
011-2996 1281-283 Fax 011-2996 1284
The shareholders may contact for matters relating to dematerialization of shares to RTA directly.
- (3) The Register of Members and Share Transfer Books of the Company will remain closed from the 24th December, 2011 to 31st December, 2011 (Both days inclusive).
- (4) Members are requested to bring their copies of the Annual Report to the Meeting.
- (5) The Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
- (6) Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the commencement of the Meeting.
- (7) Requisition of information on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the Meeting so that the information may be readily available at the Meeting.
- (8) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed to this Notice as Annexure I.
- (9) Information and Disclosures pursuant to Clause 49 IV (G) of the Listing Agreement for the Directors who are being appointed is annexed as Annexure II to the Notice.
- (10) Members holding shares in single name may avail nomination facility.

ANNEXURE I

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

Item No. 3

Mr. Kwangsoo Kim is 43 years old. He did B.A Degree from Yonsei University in Korea and MBA from Korea Advanced Institute of Science and Technology. He has experience of more than 19 years in distribution and has worked at different levels of management positions in different MNCs. He is not holding directorship in any other Bodies Corporate.

The Company has received notice in writing alongwith the necessary amounts as a deposit from a member proposing candidature of Director in accordance with the requirements of Section 257 of the Companies Act, 1956.

None of Directors of the Company except Mr. Kwangsoo Kim, is in any way concerned or interest in this resolution.

The Board commends the resolution at item No. 3 for approval of members.

Item No. 4

Mr. Yogesh Thakur (40 years) is Bachelor of Science and did post graduate diploma in Marketing Management. He is result oriented professional with over 16 years of experience in Marketing. He is keen strategist and planner with skills in conceptualizing and effecting process initiatives to enhance efficiency. He is skillful in enhancing systems to bring greater cost efficiency levels & operational excellency. He has worked with ZEE network (education wing) and Aptech Computer education.

Mr. Yogesh Thakur was appointed as a Whole time Director of the Company for a period of 5 years with effect from 27th May ,2011 at a remuneration of S Nil. He has himself indicated that he would not like to draw any remuneration

for the time being from this Company on account of negligible operations. The board thanked him for the same. He is presently Director in Miracle leasing Limited, Additional Director in Victor Leasing Limited and in other various private companies. He hold Nil Equity shares of the Company. He is also member of Audit Committee of Victor Leasing Limited and Miracle Leasing & Finance Limited.

He is neither Chairman nor member of any committee of the company. He is holding Nil shares in the Company. None of Directors of the company except Mr. Yogesh Thakur, is in any way concerned or interest in this resolution.

Item No. 5

Kulbhushan Sharma (47) is B.Com and did post graduate diploma in Personnel Management and Labour Welfare and MBA in Human Resource. He is having over 20 years of experience in HR and Administration. He possess good communication skills and laisoning ability and is conversant of laws applicable for establishment of Industry in Himachal Pardesh and has experience of obtaining various statutory approvals / clearances for implementation of new projects in Baddi from state government.

Mr. Kulbhushan Sharma was appointed as an Additional Director of the Company with effect from 27th May ,2011. He is member of Audit committee of the company. He is holding Nil shares in the Company.

He is presently Additional Director in Miracle Leasing & Finance Limited, Victor Leasing Limited and in other various private companies. He is also Chairman of Audit Committee of Victor Leasing Limited and Miracle Leasing & Finance Limited.

None of Directors of the company except Mr. Kulbhushan Sharma, is in any way concerned or interest in this resolution.

Item No. 6

TO PROVIDE GUARANTEE TO DBS BANK LIMITED FOR AND ON BEHALF OF EZY INFOTECH PTE LTD. , SINGAPORE

The Board of Directors of the Company decided to provide guarantee upto \$ 4,800,000 (4.8 millions Singapore Dollars) to DBS Bank Limited, Singapore as security for payment of all monies and liabilities owing by Ezy Infotech Pte Ltd., Singapore, chain subsidiary of the Company, including but not limited to all monies owing or payable (whether actual or contingent) to the Bank under the terms and conditions of the Bank's facility letter dated 1 November, 2011 (the "Facility Letter") to the Borrower (as amended, varied, supplemented and/or replaced from time to time).

It is expected that the total amount of loans, investments and guarantee/security already made together with guarantees and/or securities that is proposed to be made by the company as mentioned above in the ordinary course of business from time to time, to be funded out of internal sources of the company, is likely to exceed the limits prescribed under Section 372A of the Companies Act, 1956, therefore, consent of shareholders is required by way of special resolution.

Section 192A read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 require that the said Special Resolution be approved by the shareholders through Postal Ballot.

Accordingly, the enclosed draft Special Resolution for issue of guarantee under Section 372A of the Companies Act, 1956, is submitted for consideration of the shareholders and the Board commends that the resolution be passed.

The Register of Inter-Corporate Loans and Investments containing the details required to be mentioned therein is open for inspection during the office hours on any working day at the Registered Office of the Company.

None of Directors of the company is interested in the passing of the resolution.

By Order of the Board,

Place : Nalagarh
Date : 14th November, 2011

Yogesh Thakur
Whole Time Director

ANNEXURE II

Brief resume and name of the Companies in which the Directors who are being appointed as a Directors, having directorship in other companies is given below :

Mr. Yogesh Thakur

Mr. Yogesh Thakur (40 years) is B.Sc and Post Graduate in Commerce and diploma in Marketing Management. He is having about 16 years versatile experience in the fields involving business management, human resources management, Plants Operations and general administration. He has worked in APTECH and ZILS in Marketing and as management consultant with MGHC group for commercial and manufacturing projects.

He is additional Director in Miracle Leasing and Finance Limited and Victor Leasing Limited. He is also director in various private limited companies.

Mr. Kwangsoo Kim

Mr. Kim Kwang Soo is 43 years old. He did B.A Degree from Yonsei University in Korea and MBA from Korea Advanced Institute of Science and Technology. He has experience of more than 19 years in distribution and has worked at different levels of management positions in different MNCs. He is not holding directorship in any other Bodies Corporate.

He is neither director nor members of any Committee in any other Company. He is holding Nil shares in the Company.

Mr. Kulbhushan Sharma

Kulbhushan Sharma (47) is B.Com and did post graduate diploma in Personnel Management and Labour Welfare and MBA in Human Resource. He is having over 20 years of experience in HR and Administration. He possess good communication skills and laisoning ability and is conversant of laws applicable for establishment of Industry in Himachal Pardesh and has experience of obtaining various statutory approvals / clearances for implementation of new projects in Baddi from state government.

He is presently Additional Director in Miracle Leasing and Finance Limited and Victor Leasing Limited. He is also Chairman of Audit Committee of Victor Leasing Limited and Miracle Leasing and Finance Limited. He is also director in various private limited companies.

Mr. Joel Anthony Stead

Joel Anthony Stead (48) is Independent and Non Executive Director. He is citizen of United States of America. He is Master of Business Administration. He has worked at different level of top management. He has worked as Vice President of Seagate.

He is neither director nor member of any committee in India. He is holding Nil Equity Shares in the Company.

Mr. Yasunobu Kuramoto

Yasunobu Kuramoto (65) is foreign national and citizen of Japan. He is presently Lecturer at Hitotsubashi University, Japan. He is also member of the Board of Environments, Energy and Agricultures and Forest Net Works for developing ECO PARK business model in UK.

He was appointed the Senior Researcher at Tokyo University, Policy Alternatnatives Research Institute and he will be guest professor at Kyoto University, Office of Society-Academia collaboration for Innovation from 1st Sept., 2010.

He has more than 35 years of working experience and has held various levels of executive management positions in Fujitsu Head Quarter. He used to be a Director -Planning in Fujitsu America and CEO of FDK America Inc. and after Fujitsu engagement, he was head-hunted to take on the position of Genaeral Manager at South West of England Regional Development Agency(SWERDA), part of UK Government Body but base out of Japan, to attract and oversee investments into UK. His achievements include development of new businesses in Fujitsu and attracted many Japanese investments into UK through his wide network.

He is neither director nor member of any committee in India. He is holding Nil Equity Shares in the Company.

LS INDUSTRIES LIMITED
(Formerly Known as Lifestyle Fabrics Ltd.)

Directors' Report

TO

THE MEMBERS,

Your Directors present their Seventeenth Annual Report along with the audited Financial Statements for the year ended on 31st March, 2011.

1. FINANCIAL RESULTS (₹ in lacs)

	2010-11	2009-10
Sales & Other Income	13334.99	258.51
Profit/(Loss) before Depreciation, Interest and taxation	387.56	(46.92)
Less: Net Interest	Nil	Nil
Profit / (Loss) after Interest but before Depreciation and Taxation	387.56	(46.92)
Less: Depreciation	51.80	3.05
Profit/(Loss) before tax	335.76	(49.97)
Less : Current Tax	7.18	Nil
Less : Deferred Tax	10.33	1.57
Profit / (Loss) for the year	318.25	(51.54)
Balance as per last year's Balance Sheet	(706.60)	(655.06)
Adjustment on account of reduction of capital	440.00	Nil
Balance carried to Balance Sheet	51.65	(706.60)

2. OPERATIONS

Your directors inform you that since company was taken over by new management and immediate after takeover, the management has taken lots of steps and initiatives for long term survival and growth of the Company. The Company has taken up factory premises on rent and started manufacturing of garments in Ludhiana in Punjab. The company has made capital expenditure on installation of garment machines imported from abroad. The Company has also set up another garment manufacturing unit at Nalagarh in Himachal Pradesh in the area notified by Government for receiving various subsidies and benefits.

The year saw a increase in sales in both the Domestic and Export Markets. During the financial year under review, the Company achieved sales of ₹13334.99 Lacs against ₹258.51 lacs in the previous year. The performance in terms of net profit was

substantially below expectations mainly because of appreciation of rupee

The Company is on horizon of expansion track and wish to set international quality standards to mark its presence worldwide in garment business. The Company is also planning to get heights in wholesale distributorship business of Computer hardware, software, papers, etc. Your directors are confident that operations would bring positive results in near future.

3. SUB DIVISION OF EQUITY SHARES

In order to improve liquidity position and easy tradability of shares, shareholders in Extra Ordinary General Meeting held on 21.08.2010 has approved the sub division of Equity shares capital of the Company by sub dividing the Equity Shares of face value of ₹10 each to ₹1 each, however it is approved and all formalities is completed and the company equity shares face value of ₹10 each to ₹1 each w.e.f 15.06.2011.

4. SUBSIDIARIES

As required under section 212 of the Companies Act, 1956, the audited statements of accounts, alongwith the Reports of the Board of Directors and Auditors thereon of M/s EZY Infosoft Pvt. Ltd. is annexed.

5. DIVIDEND

In view of the loss for the year and carried forward losses of the Company, your Directors do not recommend any dividend for the year under review.

6. DIRECTORS

During the year, Mr. Yogesh Thakur was appointed as Whole Time Director of the Company on 27.5.2011 and Mr. Kulbhushan Sharma was appointed as Additional Director of the Company on 27.05.2011 and 28.05.2011 and Mr. Vikash Shekhar, Mr. Birendra Kumar, Mr. Akash Deep Sharma and Ms. Chay Suet Meng resigned from directorship of the Company w.e.f 20.01.2011, 27.05.2011, 14.11.2011 and 14.11.2011 respectively.

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr Kwangsoo Kim, director of the Company is liable to retire by

rotation and being eligible offers himself for re-appointment. The board recommends the appointment of Mr Kwangsoo Kim.

7. FIXED DEPOSITS

The Company have not accepted any Fixed Deposits from the Public in the Financial Year 2010-2011.

8. INTERNAL CONTROL SYSTEM

The Company has a proper and adequate system of internal control. An extensive programme of internal audits and management reviews supplement the process of internal control. Properly documented policies, guidelines and procedures are laid down for this purpose. The Company has an Audit Committee comprising of majority of Independent, Non Executive and professionally qualified Directors, who interact with the statutory auditors and internal auditors in dealing with matters within its terms of reference. During the year under review, the Committee met five times.

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed Report on Management Discussion and Analysis, pursuant to Clause 49 of the Listing Agreement is annexed to this report.

10. CORPORATE GOVERNANCE

The Company has been practicing the principles of good Corporate Governance over years. The Board of Directors supports the broad principles of Corporate Governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

The Company has been in compliance with all the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchange and a Certificate from the Auditors to this effect is enclosed as a part of the Corporate Governance Report.

In terms of sub-clause (v) of Clause 49 of the Listing Agreement, Whole Time Director have confirmed the correctness of the financial statements, adequacy of the internal control measures and reporting of matters to the Audit Committee in terms of the said Clause.

11. DEPOSITORY SYSTEM

As members are aware, your Company's shares are tradable compulsorily in electronic form and the Company has established connectivity with both the depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository System, members are requested to avail the facility of dematerialization of the Company's shares on either of the Depositories as aforesaid.

12. AUDITORS

M/s. Doogar & Associates, Chartered Accountants, Statutory Auditors of the Company, retires at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received the letter from them to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956.

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

13. TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the declared dividends and interest on fixed deposits which remained unpaid or unclaimed for a period of seven years, if any, have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the said Act.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to "Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo" is annexed and forms an integral part of this Report.

15. PARTICULARS OF EMPLOYEES

Particulars of employees as required under section 217(2A) of the Companies Act, 1956,

read with the Companies (Particulars of Employees) Rules, 1975, as amended is annexed and forms an integral part of this Report.

16. PERSONNEL

Your Directors place on record their appreciation for the significant contribution made by all the employees, who through their competence, hard work, solidarity and co-operation, have enabled the Company to cross new milestones.

17. TRADE RELATIONS

The Board desires to place on record its appreciation for the support and co-operation that the Company received from its suppliers, distributors, retailers and other associates. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be Company's endeavor to build and nurture strong links based on mutuality, respect and co-operation with each other and consistent with customer interest.

18. LISTING WITH STOCK EXCHANGE

The shares of the Company are presently listed at Bombay Stock Exchange Limited. The Listing fee for the year 2011-12 has been paid to the Bombay Stock Exchange Limited.

19. AUDITORS' REMARKS

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

20. CEO/CFO CERTIFICATION

The Certificate addressed to the Board of Directors of the Company required under

Corporate Governance concerning the annual financial statement is annexed to the Corporate Governance Report.

21. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 217 (2AA) of the Companies Act, 1956, the Directors state that :

1. In the preparation of the annual accounts for the year ended 31st March, 2011, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards.
2. Such accounting policies have been selected and applied consistently and such judgments and estimates have been made as 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 ended on and loss of the Company for the year.
3. Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. The Annual Accounts has been prepared on a going concern basis.

22. ACKNOWLEDGEMENT

Your Directors record their appreciation of support and co-operation extended by all shareholders, banks, government authorities and business associates towards growth of the Company.

For and on behalf of the Board
for LS Industries Limited

Place : Nalagar
Date : 14th November, 2011

Yogesh Thakur
Whole Time Director

Kulbhushan Sharma
Additional Director

ANNEXURE TO THE DIRECTORS' REPORT

Conservation of Energy, Technology Absorption, Foreign Exchange earning and Outgo in accordance with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

I. Conservation of energy :-

(a) Energy conservation measures taken :

The Company's operations involve low energy consumption in the absence of any heavy machinery involved in the manufacturing process. However, the company has taken special care to see that the plant gets adequate sunlight. Wherever feasible, CFLs have been used.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy : - N.A.-

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

Above efforts will reduce the energy consumption and consequent impact on cost of production of goods.

(d) Total energy consumption and energy consumption per unit of production as per prescribed Form A.

FORM A (See rule 2)

A.	Power and fuel consumption		
1.	Electricity :		
(a)	Purchased	2010-11	2009-10
	Unit (Kwh)	92250	26075
	Total amount	473931	146233
	Rate/unit	5.14	5.61
(b)	Own generation		
(i)	Through diesel generator		
	Unit (Kwh)	125812	10116
	Units per ltr. of diesel oil	2.68	2.99
	Cost/unit	14.20	11.16
(ii)	Through steam turbine/generator		
	Units	-	-
	Units per ltr. of fuel oil/gas	-	-
	Cost/units	-	-
2.	Coal		
	Quantity (tonnes)	-	-
	Total cost	-	-
	Average rate	-	-
3.	Furnace oil		
	Quantity (LTRS)	-	-
	Total cost (₹)	-	-
	Average rate (₹.)	-	-
4.	Others/internal generation		
	Quantity (LTRS)	-	-
	Total cost (₹)	-	-
	Rate/unit (₹)	-	-
B.	Consumption per unit of production		
	Electricity (Units/Pcs.)	0.63	0.34

II) Technology Absorption

Efforts made in Technology Absorption are furnished in FORM-B as under:-

FORM B

Form for disclosure of particulars with respect to absorption.

(a) Research and development (R & D)

1. Specific areas in which R & D carried out by the company :
Research & Development is carried out for development of new products and for improvement in the production process and quality of products.
2. Benefits derived as a result of the above R&D :
-The company has been continuously improving the quality of its products.
3. Future plan of action
- Management is committed to strengthen R & D activities further to improve its competitiveness in time to come.
4. Expenditure on R & D: At present, this is a general process improvement programme, does not entail specific budget.

	2010-11	2009-10
Capital	-	-
Recurring	-	-
Total	-	-
Total R & D expenditure as a percentage of total turnover is	Nil	Nil

Technology, absorption, adaptation and innovation

1. Efforts made:
The company is continuously making efforts for adaptation of latest technology.
2. Particulars of technology imported in the last five years.
 - a) Technology imported Nil
 - b) Year of import N.A
 - c) Has technology been fully absorbed N.A

III. Foreign Exchange Earning and outgo

- a) Participation in various exhibitions :
- b) Activities relating to export initiatives taken to increase exports, development of new export markets for product and export plans.:
- Made entry into new markets.
- c) Total foreign Exchange earned and used. (S in Lacs)

	2010-11	2009-10
i) Earned	4754.82	65.01
ii) Used	938.02	61.01

For and on behalf of the Board

Place : Nalagarh
Date : 14.11.2011

Yogesh thakur
Whole Time Director

Kulbhusan Sharma
Additional Director

LS INDUSTRIES LIMITED
(Formerly Known as Lifestyle Fabrics Ltd.)

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy of Corporate Governance is aimed at assisting the top management of the Company in the efficient conduct of business and in meeting its obligations to shareholders. The Board supports the broad principles of corporate governance and lays strong emphasis on transparency and accountability.

2. BOARD OF DIRECTORS

Composition of the Board

The Board consist of 1 Executive Director and 5 Non-Executive Directors, who bring in Independent Judgment to the Board's discussions and deliberations.

The following was the composition of the Board as at 31st March, 2011 :

Name of the Director	Business Relationship	Category of Directorship	No. of Directorships in Public Companies	No. of Committee Membership	
				Chairman	Member
Mr. Akash Deep Sharma	Director	Independent-Non Executive	Nil	2	Nil
Mr. Kwangsoo Kim	Director	Independent-Non Executive	2	Nil	2
Ms. Chay Suet Meng	Director	Independent-Non Executive	Nil	Nil	Nil
Mr. Joel Anthony Stead	Director	Independent-Non Executive	Nil	Nil	Nil
Mr. Birender Kumar	Chairman	Executive-Non Independent	2	Nil	2
Mr. Vikash Shekhar	Director	Independent-Non Executive	Nil	Nil	Nil
Mr. Yasunobu Kuramoto	Director	Independent-Non Executive	Nil	Nil	Nil

* Directorship in private companies, foreign companies and associations are excluded.

** As per Clause 49 of Listing Agreement, Chairmanship/membership of the Audit Committee and the Shareholders' Grievance Committee alone have been considered.

§ Mr. Vikash Shekar Non Executive Director resigned from the Directorship of the Company w.e.f 20.01.2011

Since the Chairman of the Board is an Executive Chairman, the Board of Directors comprises of more than 50% of Directors who are Independent.

Independent Director means a Non-Executive Director of the Company who:

- a) apart from receiving director's remuneration, does not have any material/pecuniary relationship or transaction with the Company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of the director;
- b) is not related to promoters or persons occupying management positions at the Board level or at one level below the Board;
- c) has not been an executive of the Company in the immediately preceding three financial years;
- d) is not a partner or an executive or was not partner or an executive during the preceding three years, of any of the following:
 - (i) the statutory audit firms or the internal audit firm that is associated with the company; and
 - (ii) the legal firm(s) and consulting firm(s) that have a material association with the Company.
- e) is not a material supplier, service provider or customer or a lessor or lessee of the Company, which

- may affect independence of the director;
- f) is not a substantial shareholder of the Company, i.e., owning two percent or more of the block of voting shares;
- g) is not less than 21 years of age.

BOARD MEETINGS

During the financial year the Board of Directors met 19 (Nineteen) times on 13.4.2010, 30.04.2010, 06.5.2010, 14.5.2010, 18.5.2010, 21.5.2010, 14.6.2010, 20.07.2010, 23.7.2010, 13.08.2010, 31.08.2010, 30.10.2010, 12.11.2010, 12.1.2011, 21.01.2011, 04.2.2011, 14.2.2011, 22.03.2011, 31.03.2011. The dates of Board Meetings were generally decided in advance.

The attendance of Directors at these Board Meetings and at the last Annual General Meeting was as under:

Sr. No.	Name of Director	Number of Board Meetings attended	Whether present at the previous AGM
1.	Mr. Birendra Kumar	19	Yes
2.	Mr. Vikash Shekhar *	14	Yes
3.	Mr. Akash Deep Sharma	19	No
4.	Mr. Kwangsoo Kim	NIL	No
5.	Mr. Yasunobu Kuramoto	NIL	No
6.	Mr. Joel Anthony Stead	NIL	No
7.	Ms. Chay Suet Meng	NIL	No

* Resigned as Director w.e.f. 20.01.2011

3. AUDIT COMMITTEE

The Audit Committee comprises of **3 members, which were Non-Executive and Independent Directors** as on 31st March, 2011. The terms of reference of the Committee are same as are described in Clause 49 of the Listing Agreement.

MEETINGS AND ATTENDANCE

During the year, 5 Audit Committee meetings were held on 14.5.2010, 13.08.2010, 31.08.2010, 12.11.2010, 14.02.2011.

The Attendance of Members at meetings was as under :

Sr. No.	Name	Position	No. of Meetings held during the relevant period	No. of Meetings attended
1.	Mr. Vikash Shekhar *	Chairman	4	4
2.	Mr. Kwangsoo Kim	Member	5	Nil
3	Mr. Akash Deep Sharma	Member	5	5
4	Mr. Birendra Kumar	Member	5	5

* Ceased as members of the Committee w.e.f. 21th January 2011.

4. SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE

The Board reconstituted and redesignated the 'Investor Grievance Committee' as Shareholders/Investors Grievance Committee as per Clause 49 of listing agreement to specifically look into the redressal of shareholder and investors complaints.

During the period from 1st April, 2010 to 31st March, 2011 Company has not received any complaint from shareholders.

During the year, meeting was held on 14.05.10.

5. REMUNERATION COMMITTEE AND REMUNERATION OF DIRECTORS

Remuneration Committee was constituted to determine and recommend to the Board and the Members, compensation payable to Whole Time Directors/Managing Director, to determine and advise the Board for the payment of annual increments and commission to Whole Time Directors and to determine and recommend policy for the retirement benefits payable to its whole Time Director/Managing Director.

6. MANAGEMENT DISCUSSION AND ANALYSIS

Upon change in management and control, new management has wiped off past accumulated losses to the tune of ₹4.40 Crores by way of reduction of share capital of the Company, on receipt of orders of reduction of capital passed on 12.04.2010 & 17.12.2009 by Hon'ble High Court of Gujarat at Ahmedabad.

The Company has raised long term funds through preferential allotment by issue of convertible warrants and mandatorily convertible preference shares. The same were converted into equity share of the Company.

The Management has setup of manufacturing unit at Ludhiana and Nalagarh, Himachal Pardesh.

5. Information required under Clause 49 of the Listing Agreement with respect to the Directors seeking appointment at the ensuing Annual General Meeting is as under:

Name of the Director	Mr. Kulbhushan Sharma
Date of Birth	23rd May, 1964
Date of Appointment	27.05.2011
Expertise in specific functional areas	Human Resource & Administration
Qualifications	Post graduate diploma in Personnel Management and Labour Welfare and MBA in Human Resource.
Other Public Companies in which Directorship Held in India	Miracle leasing & Finance Limited and Victor leasing Limited
Other Public Companies in which Membership of Committees of Directors Held in India	Miracle leasing & Finance Limited and Victor leasing Limited

9. Secretarial Audit Report

As Stipulated by the Securities & Exchange Board of India, the Secretarial Audit to reconcile the total admitted capital with Central Depository Services (India) Limited and the total issued and listed capital is carried at the end of each quarter and report thereto is submitted to the stock exchanges after it is placed before the Board of Directors. The audit, inter-alia, confirm that the total listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form and total number of shares in physical form.

10. CEO/CFO Certification

As required by Clause 49 of the listing agreement, the certificate duly signed by Mr. Yogesh Thakur, Whole Time Director and Mr. Surinder Nath Dhawan, G.M-Accounts was placed before the Board of Directors at its meeting held on 30th August, 2011 as annexed at the end of corporate governance report.

11. Whole Time Director's Declaration on Code of Conduct and Ethics

The Board of Directors of the Company has adopted the following codes :

a. PREVENTION OF INSIDER TRADING

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 1992, the Board has adopted the code for Prevention of Insider Trading. Under this code, obligations are cast upon Directors and Officers to preserve Price Sensitive Information, which is likely to have a bearing on share price of the Company. Procedures are prescribed to ensure that such information is not misused for any personal advantage.

b. Code of Conduct for Directors and Senior Management Personnel

In terms of para No. 1 - D of Clause 49, the Board of Directors of the Company has laid down a code of conduct for all Board Members and Senior Management Personnel of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the code.

Mr. Yogesh Thakur, Whole Time Director has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the code in respect of financial year ended 31st March, 2011.

The newly constituted Board decided to place the compliances received from time to time under the above codes before Shareholders/Investors Grievance Committee Meeting for its noting.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

This is to confirm that the Company has adopted a Code of Conduct for Directors and Senior Management Personnel.

We confirm that the Company has in respect of the Financial year ended March 31st, 2011, received from the Members of the Board and Senior Management Personnel a declaration of compliance with the Code of Conduct as applicable to them.

Place :Nalagarh

Date : 14th November,2011

Yogesh Thakur

Whole Time Director

12. DISCLOSURE:

- i) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or relatives etc. that may have potential conflicts with the interest of the Company at large.

Transactions with related parties are disclosed in detail in Note No. 2 in Schedule B "Notes forming part of the Accounts" annexed to the financial statements for the year. There were no related party transactions having potential conflict with the interest of the Company at large.

- ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or other authority on any matter related to capital markets, during last three years : Nil

- iii) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Clause 49.

The Company has complied with the mandatory requirements relating to strengthening the responsibilities of Audit Committee, improving the quality of financial disclosures, including related party transactions, calling upon Company Board to adopt formal code of conduct, clearly setting out the position of nominee directors and improving disclosure relating to the compensation of non-executive directors and securing the approval of shareholders for this compensation, setting the procedure for legal compliance and periodical review by the Board. Company has not adopted the non-mandatory requirements.

The Company has not made whistle blower policy, as it is non mandatory requirement of the listing agreement.

13. SHAREHOLDERS' INFORMATION

- a. Name and Designation of Compliance Officer

Mr. Yogesh Thkur, Compliance Officer

Email id : Yogesht@lsilglobal.com

Contact No. : 09316880794(M)

b. Details of Complaints Received and redressed during 1st April, 2010 to 31st March, 2011 : NIL

c. Investors' Grievances :

The Registrars and Transfer Agents, under supervision of the Company look after investors' grievances. At each Meeting of Investors' Grievance Committee, all matters pertaining to investors including their grievances and redressal are reported.

e. Information on General Body Meetings :

The last 3 Annual General Meetings of the Company were held as under:

Date	Time	Venue
th September, 2010	10:30 a.m.	Auditorium of Ahmedabad Textile Mills Association, Ashram Road, Navrangpura, Ahmedabad-380009.
28th August, 2009	4:00 p.m.	Auditorium of Ahmedabad Textile Mills Association, Ashram Road, Navrangpura, Ahmedabad-380009.
2nd August, 2008	11.00 a.m.	Registered Office of the Company at Anup Engineering Limited Premises, Behind 66 KV Electric Sub Station, Odhav Road, Ahmedabad 382 415

Whether special resolutions were put through postal ballot last year, details of voting pattern :

Date of EGM	Item of Special Resolution	No .of Postal Ballots received	Voting in Favour of resolution	Voting Against resolution	Result
28.10.2010	To consider granting loan, guarantees or securities, investments in excess of limits u/s 372A of the Companies Act, 1956	5	5	NIL	Passed
28.10.2010	For Shifting of Registered Office from State of Gujarat to the State of Himachal Pradesh	5	5	NIL	Passed
14.01.2011	Making further loan, guarantees or securities, investments in excess of limits u/s 372A of the Companies Act, 1956	9	9	NIL	Passed

Special Resolutions passed in last 3 AGMs :

Date of AGM	Item	Result
28.08.2009	To carry on 'Other Objects' in clause 164 of Articles of Association of the Company	Carried unanimously
30.09.2010	Amendment in Articles of Association of the Company	Carried unanimously

Resolutions at above Annual General Meeting was passed by show of hands. None of the Resolutions placed before the previous AGM required a postal ballot under Section 192A of the Companies Act, 1956.

Means of Communication :

- (i) Half-Yearly Report is not being sent to each household of shareholders as half yearly results are intimated to Stock Exchanges.
- (ii) The Quarterly Results are usually published in Financial Express in English in National daily and in the newspaper of vernacular language i.e Jansatta- Hindi Daily edition.

- (iii) Information released to the press at the time of declaration of results is also sent to all Stock Exchanges where the shares of the Company are listed for the benefit of investors.
- (iv) Management Discussion and Analysis forms part of the Annual Report.

g. Annual General Meeting :

Date & Time : 31st December, 2011 at 10.30 a.m.

Venue : Village Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan, Himachal Pardesh-174101.

h. Financial Calendar :

The financial year of the Company is for a period of 12 months from 1st April to 31st March.

First Quarter results	:	by end of August, 2011
Second Quarter results	:	by end of November, 2011
Third Quarter results	:	by end of February, 2012
Fourth Quarter results / Year end results	:	by end of May, 2012

i. Book Closure

Saturday, the 24th December, 2011 to Saturday, the 31st December, 2011 (both days inclusive).

j. Dividend Payment Date :

Not applicable as the Board has not recommended any dividend for the financial year.

k. Listing on Stock Exchanges :

Shares of the Company are listed on the Bombay Stock Exchange Limited.

Scrip Code : 514446

Address : 25th Floor, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001

The Company has paid Annual Listing Fees for the year 2010-11 to the above Stock Exchange.

l. Market Price Data:

The data on price of equity shares of the Company are as under :

High, Low during each month in last financial year and performance in comparison to broad based BSE Sensex.

Month	Share Price BSE		Volumes No of shares
	High (₹)	Low (₹)	
Apr-10	11.18	9.70	4700
May-10	10.29	8.50	5100
Jun-10	-	-	-
Jul-10	26.78	18.15	1140
Aug-10	43.35	28.10	1200
Sep-10	60.80	45.50	2000
Oct-10	132.05	63.80	8400
Nov-10	119.00	95.25	8900
Dec-10	158.95	108.35	13500
Jan-11	155.25	115.00	25900
Feb-11	142.80	130.00	10500
Mar-11	138.40	138.40	100

m. Registrars and Transfer Agents

The address of Registrar & Transfer Agent is given below :

Mr. S P GUPTA, Vice President

Beetal Financial & Computer Services Pvt Ltd.

99 Madangir, New Delhi 110062

Phone -011-29961281-283, Fax 011-29961284

n. Delegation of Share Transfer Formalities

The Board has delegated the power to approve share transfer in physical form under the signatures of any director or Company Secretary and confirmation of shares in demat mode to depositories / depositories participants by M/s Beetal Financial & Computer Services Pvt. Ltd., Registrar & Share Transfer Agent (RTA) of the Company.

There are no transfers pending as on 31st March, 2011.

o.E-mail ID for redressal of Investor Grievances

As per Listing Agreement Clause 47(f), Company has a separate E-mail ID for redressal of Investor Complaints and Grievances. The E-mail ID for redressal of Investor Grievances is yogesht@lsilglobal.com

p. Shareholding Pattern as on 31st March, 2011:

Sr. No.	Category	No. of Shares held	Percentage of Shareholding
1	Holding of Promoter Group("Group" as per MRTP Act, 1969) :		
	Strategybot Finance Pvt. Ltd.	63,04,70,580	74.28%
	Total Promoter Group Holding	63,04,70,580	74.28 %
	Public Shareholding:		
2	Mutual Funds and UTI	8,400	0.00%
3	Banks, Financial Institutions, Insurance Companies	1,46,409	0.02%
4	Foreign Institutional Investors, NRIs/OCBs	21,56,18,700	25.40%
5	Private Corporate Bodies / Clearing Member	2,65,043	0.03%
6	Indian Public	23,09,568	0.27%
	Total Public Shareholding	21,83,48,120	25.72%
	GRAND TOTAL	84,88,18,700	100.00%

q.Distribution of shareholding as on 31st March, 2011 :

No. of shares	No. of shareholders	No. of Shares	%
1 to 5000	4079	18,96,011	98.84
5001 to 10000	26	1,76,109	0.63
10001 to 20000	10	1,41,600	0.24
20001 to 30000	1	22,600	0.02
30001 to 40000	-	-	-
40001 to 50000	-	-	-
50001 to 100000	5	4,60,100	0.12
Above 100001	6	84,61,22,280	0.15
Total	4127	84,88,18,700	100.0%

r. Dematerialisation of Shares and Liquidity :

Shares of the Company are available for dematerialisation on National Securities Depositories Limited (NSDL) and Central Depository Securities Limited (CDSL). As on 31st March, 2011, 8,35,99,197 Equity Shares representing 98.494% of the issued capital have been dematerialised by investors.

s. Plant Locations :

The Company has taken plant premises on leasehold basis at the following locations :

Ludhiana Factory : Hosiery Complex, Noor wala Road, Ludhiana, Punjab.

Nalagarh Factory : Village Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan, Himachal Pardesh-174101.

t. Nomination Facility :

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956 are requested to submit the prescribed Form 2B for this purpose. Shareholders may write to the Company or its Registrars and Transfer Agents for a copy of the Form.

u. Address for correspondence :

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrars and Transfer Agents of the Company:

LS Industries Limited Registered Office : Village Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan, Himachal Pardesh-174101	Mr. S P GUPTA, Vice President Beetal Financial & Computer Services Pvt Ltd. 99 Madangir, New Delhi - 110062 Phone -011-29961281-283 Fax:011-29961284
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The above Report has been placed before the Board at its meeting held on 31st August, 2010 and the same was approved.

For and on behalf of the Board

Place : Nalagarh

Date : 14th November, 2011

Yogesh Thakur
Whole Time Director

Kulbhushan Sharma
Director

LS INDUSTRIES LIMITED
(Formerly Known as Lifestyle Fabrics Ltd.)

AUDITORS' REPORT

To the Members of LS Industries Limited (formerly known as Lifestyle Fabrics Limited)

1. We have audited the attached balance sheet of LS Industries Limited (formerly known as Lifestyle Fabrics Limited), as at March 31, 2011, the profit and loss account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards Generally Accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order 2004 (together the "order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comment in the annexure referred to above, we report that:
 - (i) a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - c) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (ii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iii) On the basis of written representations received from the directors, as on March 31, 2011 and taken on record by the board of directors, we report that none of the director is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
5. In our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with the significant accounting policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the Accounting Principles Generally Accepted in India:
 - (a) In the case of the balance sheet, of the state of affairs of the Company as at March 31, 2011;
 - (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date and;
 - (c) In the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

For Doogar & Associates
(Reg. No. 000561N)
Chartered Accountant
Vikas Modi
(Partner)
M. No.505603

Place : Panchkula
Dated : 30.08.2011

ANNEXURE TO THE AUDITORS' REPORT

Annexure to the Auditor's Report of even date to the members of LS Industries Limited (formerly known as Lifestyle Fabrics Limited) on the Financial Statements for the year ended 31st March 2011

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals, which in our opinion, is considered reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company has not disposed off substantial part of fixed assets during the year, and accordingly, going concern is not affected.
- (ii) (a) The inventories have been physically verified during the year by the management. In our opinion, frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (iii) As informed, the company has not granted / taken any loan to / from any party which is covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii) of the Companies (Auditors Report) Order, 2003 are not applicable in the case of the Company.
- (iv) In our opinion and according to the Information and explanation given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. Further, on the basis of our examination of the books & records of the company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control systems.
- (v) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction which needs to be entered into the register required to be maintained in pursuance of section 301 of The Companies Act, 1956. Therefore, the provisions of clause 4(iv) of the Companies (Auditors Report) Order, 2003 are not applicable in the case of the Company.
- (vi) The Company has not accepted any deposits from the public hence the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 including the Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the company.
- (vii) The Company has an internal audit system which in our opinion is commensurate with the size of the Company and the nature of its business.
- (viii) We have broadly reviewed the records including the Books of Accounts made and maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, and are of the opinion that prima-facie the prescribed accounts and records have been made and maintained.
- (ix) (a) According to the records of the company and other information and explanation given to us, the company is generally regular in depositing statutory dues such as provident fund, Employee's State Insurance, income tax, sales tax, vat, service tax, custom duty and other material undisputed statutory dues with the appropriate authorities. Further there are no arrears of outstanding statutory dues as at the last date of the financial year concerned, for a period of more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, there are no statutory dues outstanding as at 31st March, 2011 which have not been deposited on account

of any dispute.

- (x) The company has no accumulated losses at the end of the financial year. Further the company has not incurred cash losses in the current financial year. In the immediately preceding financial year the company had incurred cash losses.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not taken any loan or borrowing from any financial institution or bank or has not issued any debentures therefore comment on any default on repayment of any dues is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or nidhi/mutual benefit fund / society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- (xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has given guarantees for loans, taken by others from bank or financial institutions, the terms and conditions whereof in our opinion are not prima facie prejudicial to the interest of the company.
- (xvi) According to the information and explanation given to us and records examined by us, the company has not taken any term loan, therefore comment on application of term loan is not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the Cash Flow Statement of the Company for the year, we report that no funds raised on short-term basis have been used for long term investment.
- (xviii) The Company has not made preferential allotment of shares to the parties covered in register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) During the course of the audit carried and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor we have been informed of such case by the management.

For Doogar & Associates
(Reg. No. 000561N)
Chartered Accountant
Vikas Modi
(Partner)
M. No.505603

P l a c e : P a n c h k u l a
D a t e d : 3 0 . 0 8 . 2 0 1 1

LS INDUSTRIES LIMITED
(Formerly Known as Lifestyle Fabrics Ltd.)

Regd. Office : Village Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh-174101

Balance Sheet as at March 31, 2011

	Schedule	As at March 31, 2011 (₹)	As at March 31, 2010 (₹)
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	848,818,700	55,000,000
Application Money	2	-	519,682,814
Reserves & Surplus	3	199,316,688	9,831,129
		1,048,135,388	584,513,943
Loan funds			
Unsecured loan	4	-	1,794,900
Deferred Tax Liability		1,190,227	157,044
TOTAL		1,049,325,615	586,465,887
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	83,850,060	11,288,611
Less: Depreciation		5,484,817	305,062
Net Block		78,365,243	10,983,549
Capital Work-in-Progress		101,850	202,021
		78,467,093	11,185,570
Investments		1,131,333	-
Current assets, loans and advances			
Inventory	7	107,732,293	10,279,067
Sundry Debtors	8	407,443,120	19,735,334
Cash and bank balances	9	85,951,102	2,834,376
Loans & Advances	10	625,932,480	489,115,026
		1,227,058,995	521,963,803
Less : Current liabilities and provisions			
Current Liabilities	11	249,969,051	17,252,859
Provisions		7,362,755	90,462
		257,331,806	17,343,321
Net current assets		969,727,190	504,620,482
Profit & Loss Account		-	70,659,835
TOTAL		1,049,325,615	586,465,887
Accounting policies and notes on accounts	19		

The Schedules referred to above form an integral part of the Balance Sheet

As per our report of even date attached

For and on behalf of
Doogar & Associates
Chartered Accountants
(Regd. No.000561N)

For and on behalf of the Board of Directors

Vikas Modi
(Partner)
Membership No.: 505603

Yogesh Thakur
DIN No. 03141773
(Whole Time Director)

Kulbhushan Sharma
DIN No. 03527720
(Director)

Place: Panchkula
Date: 30th August, 2011

LS INDUSTRIES LIMITED
(Formerly Known as Lifestyle Fabrics Ltd.)

Regd. Office : Village Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh-174101

Profit and Loss Account for the year ended March 31, 2011

	Schedule	Year ended March 31, 2011 (₹)	Year ended March 31, 2010 (₹)
INCOME			
Sales	12	1,285,671,865	25,172,045
Other Income	13	47,827,771	679,171
Increase/(Decrease) in Stock	14	78,758,601	905,500
TOTAL		1,412,258,237	26,756,716
EXPENDITURE			
Raw materials and components consumed	15	73,231,178	5,936,208
Cost of Trade goods for resale		823,643,415	9,649,565
Manufacturing Expenses	16	25,839,203	5,816,806
Personnel Expenses	17	84,144,332	5,774,114
Administration and other expenses	18	126,643,878	4,271,773
Depreciation		5,179,755	305,062
TOTAL		1,138,681,761	31,753,528
Profit/ (Loss) before tax and exceptional items		273,576,476	(4,996,812)
Exceptional items (refer note no. 14 of schedule19)		240,000,000	-
Profit (loss) before tax		33,576,476	(4,996,812)
Provision for tax			
-Current		718,013	-
-Deferred		1,033,183	157,044
		1,751,196	157,044
Profit/ (Loss) after tax		31,825,280	(5,153,856)
Balance brought forward from Previous year		(70,659,835)	(65,505,979)
Adjustment on account of reduction in capital (refer note no. 13 of schedule 19)		44,000,000	-
Balance carried to balance sheet		5,165,445	(70,659,835)
Basic and diluted earning per share		0.05	(0.09)
Accounting policies and notes on accounts	19		

The Schedules referred to above form an integral part of the profit and loss account

As per our report of even date attached

For and on behalf of
Doogar & Associates
Chartered Accountants
(Regd. No.000561N)

For and on behalf of the Board of Directors

Vikas Modi
(Partner)
Membership No.: 505603

Yogesh Thakur
DIN No. 03141773
(Whole Time Director)

Kulbhushan Sharma
DIN No. 03527720
(Director)

Place: Panchkula
Date: 30th August, 2011

LS INDUSTRIES LIMITED
(Formerly Known as Lifestyle Fabrics Ltd.)

Regd. Office : Village Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh-174101

Cash Flow Statement for the year ended March 31, 2011

	Year ended March 31, 2011 (₹)	Year ended March 31, 2010 (₹)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	33,576,476	(4,996,812)
Adjustments for :		
Depreciation	5,179,755	305,062
Interest income on fixed deposit	(953,003)	(38,926)
Unrealised foreign exchange fluctuations	3,012,472	2,745
Share in LLP losses	111,578	-
Bad debts	10,157,055	-
Advance Balance written off	240,000,000	-
Operating profit	291,084,333	(4,727,931)
Adjustments for:		
(Increase)/ Decrease in trade & other receivables	(779,196,674)	(508,846,655)
(Increase)/ Decrease in inventories	(97,453,226)	(10,279,067)
Increase/ (Decrease) in trade & other payables	240,782,806	17,308,292
Cash generated from Operations	(344,782,761)	(506,545,361)
Direct Taxes paid	(122,005)	(3,705)
Net cash flow from Operating Activities (a)	(344,904,766)	(506,549,066)
B CASH FLOW INVESTING ACTIVITIES		
Purchase of fixed assets	(72,461,278)	(11,490,632)
Investment made	(1,131,333)	-
Interest income	953,003	38,926
Net Cash used in Investing Activities (b)	(72,639,608)	(11,451,706)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Unsecured Loans	-	1,794,900
Re-payment of Unsecured Loans	(1,794,900)	(650,056)
Proceeds from Share Capital (Including Share Premium)	502,456,000	-
Proceeds from Share Application Money	-	519,682,814
Net Cash Flow from/ (used in) Financing Activities (c)	500,661,100	520,827,658
NET INCREASE IN CASH & CASH EQUIVALENTS (a+b+c)	83,116,726	2,826,886
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,834,376	7,490
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	85,951,102	2,834,376
Notes:		
(i) The cash flow statement has been prepared under the indirect method as set out in the Accounting Standard- 3 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India.		
(ii) Components of cash and cash equivalents	As at March 31, 2011	As at March 31, 2010
	(₹)	(₹)
Cash on hand	1,595,624	5,433
Balances with scheduled banks		
- in current accounts	29,967,478	1043943
- in fixed deposit accounts	54,388,000	1785000
Total	85,951,102	2834376

As per our report of even date attached

For and on behalf of
Doogar & Associates
Chartered Accountants
(Regd. No.000561N)

Vikas Modi
(Partner)
Membership No.: 505603

Place: Panchkula
Date: 30th August, 2011

For and on behalf of the Board of Directors

Yogesh Thakur
DIN No. 03141773
(Whole Time Director)

Kulbhushan Sharma
DIN No. 03527720
(Director)

LS INDUSTRIES LIMITED
(Formerly Known as Lifestyle Fabrics Ltd.)

Schedules to and forming part of balance sheet

Particulars	As at March 31, 2011 (S)	As at March 31, 2010 (S)
Schedule 1 : Share capital		
Authorised capital		
910,000,000 (7,000,000) equity shares of s1 (s10) each	910,000,000	70,000,000
22,000,000 (Nil) Preference shares of s10 each	220,000,000	
-		
Issued, subscribed and paid up		
848,818,700 (5,500,000) equity shares of s1 (s10) each fully paid up (refer note no. 13 of schedule 19)	848,818,700	55,000,000
Total	848,818,700	55,000,000
Schedule 2 : Application Money		
In respect of Convertible Warrants		
Strategybot Finance Pvt. Ltd.	-	256,750,000
In respect of Mandatrily Convertible Preference Shares		
A to Z Technology Holding Inc.	-	13,698,294
Liew Chee	-	123,718,419
Chay Suet Meng	-	125,516,101
Total	-	519,682,814
Schedule 3 : Reserves and Surplus		
Capital Reserve	9,831,129	9,831,129
Securities premium account		
At the beginning of the year	-	-
Addition during the year	184,320,114	-
Utilized during the year	-	-
At the end of the year	184,320,114	-
Profit & Loss Account	5,165,445	-
Total	199,316,688	9,831,129
Schedule 4 : Unsecured loan		
Intercompany loan	-	1,794,900
Total	-	1,794,900

LS INDUSTRIES LIMITED
(Formerly Known as Lifestyle Fabrics Ltd.)

Schedules to and forming part of balance sheet

Particulars	Gross Block			Depreciation			Net Block (WDV)	
	As at April 1, 2010	Additions during the year	As at March 31, 2011	Opening Balance	For the Period	Deletions/ Adjustments	As at March 31, 2011	As at March 31, 2010
Plant & Machinery	9,699,044	67,646,225	77,345,269	177,931	3,750,078	-	73,417,260	9,521,113
Furniture & Fixtures	732,644	1,977,006	2,709,650	66,823	853,468	-	1,789,359	665,821
Computers	730,578	1,695,202	2,425,780	59,474	488,814	-	1,877,492	671,104
Office Equipments	7,293	397,504	404,797	665	47,020	-	357,112	6,628
Vehicles	119,052	845,511	964,563	169	40,375	-	924,019	118,883
Total	11,288,611	72,561,448	83,850,060	305,062	5,179,755	-	78,365,243	10,983,549
Previous Year	-	11,288,611	11,288,611	-	305,062	-	10,983,549	-

Particulars	As at March 31, 2011 (S)	As at March 31, 2010 (S)
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Schedule 6 : Investments

(Long term, trade, unquoted, at cost)

in wholly owned subsidiary companies

-100,000 (Nil) equity shares of s10 each fully paid up of Ezy infosoft Pvt.Ltd.	1,000,000	-
-1,000 (Nil) equity shares of SG \$1 each fully paid up of LSIL Singapore Pte Ltd.	41,333	-
Capital balance with limited liability partnership namely LSI Textile LLP	90,000	-
Total	1,131,333	-

Schedule 7 : Inventories

Raw Materials	26,668,838	9,261,996
Work in Process	205,376	523,067
Finished Goods	9,512,875	382,434
Traded Goods	69,945,850	-
Packing Materials	1,251,846	106,932
Store & Spares	143,528	4,640
Waste	3,980	-
Total	107,732,293	10,279,067

Schedule 8 : Sundry Debtors

(Unsecured, Considered good except to the extent stated otherwise)

a) Debts outstanding for a period exceeding six months		
(i) Considered Good	3,513,070	-
(ii) Considered Doubtful	-	-
b) Other Debts: Considered Goods	403,930,050	19,735,334
Total	407,443,120	19,735,334

Schedule 9 : Cash & Bank Balances

Cash on hand	1,595,624	5,433
Balances with scheduled banks:		
- in current accounts	29,967,478	1,043,943
- in fixed deposit accounts (pledged with banks)	54,388,000	1,785,000
Total	85,951,102	2,834,376

Schedule 10 : Loans and Advances

(Unsecured, considered good except to the extent stated otherwise)

Advances recoverable in cash or in kind or for value to be received	622,229,723	488,264,106
SAD Recoverable	790,352	
Staff Advance	356,445	430,215
Security Deposits	1,698,500	417,000
Interest accrued and due on fixed deposits	857,461	-
Advance Income Tax	-	3,705
Total	625,932,480	489,115,026

Particulars	As at March 31, 2011 (S)	As at March 31, 2010 (S)
Schedule 11 : Current Liabilities and Provisions		
(A) Current Liabilities		
Sundry Creditors		
- Dues of Micro, Small and Medium Enterprises	-	-
- Others	213,894,033	14,581,824
Other liabilities	36,075,018	2,671,035
	249,969,051	17,252,859
(B) Provisions		
-Losses of LLP	111,578	
-		
-Provision for Tax (net of advance tax of s122,005/-)	596,008	-
-Gratuity	4,597,372	46,096
-Leave Encashment	2,057,797	44,366
	7,362,755	90,462
Total (A+B)	257,331,806	17,343,321
<u>Schedules to and forming part of profit and loss account</u>		
Schedule 12 : Sales		
Sale - Domestic	803,650,148	18,620,628
Sale - Export	482,021,716	6,551,417
	1,285,671,865	25,172,045
Schedule 13 : Other Income		
Interest on fixed deposit (TDS - S 94,730 (Previous Year - S 3,705))	953,003	38,926
Export Incentives	44,122,674	637,045
Services Charges	2,726,681	-
Miscellaneous Income	25,413	3,200
	47,827,771	679,171
Schedule 14 : Increase in stocks		
Opening stocks		
- Finished goods	382,434	-
- Work in Process	523,067	-
	905,500	-
Closing stocks		
- Finished goods	9,512,875	382,434
- Traded Goods	69,945,850	-
- Work in Process	205,376	523,067
	79,664,101	905,500
Total	78,758,601	905,500
Schedule 15 : Cost of Raw Material Consumed		
Opening Stock	9,373,567	-
Add: Purchases	91,925,803	15,309,775
	101,299,370	15,309,775
Less: Closing Stock	28,068,192	9,373,567
Total	73,231,178	5,936,208

Particulars	As at March 31, 2011 (s)	As at March 31, 2010 (s)
Schedule 16 : Manufacturing Expenses		
Job Work Charges	11,056,006	2,799,230
Factory Rent	11,188,800	2,456,000
Power & Fuel	2,579,699	259,660
Machinery Repair & Maintenance	381,110	218,703
Freight & Cartage Inward	608,013	83,213
Miscellaneous	25,575	-
Total	25,839,203	5,816,806
Schedule 17 : Personnel Expenses		
Salaries, Wages and Bouns	79,959,315	5,477,261
Contribution to Provident and other funds	3,189,046	173,387
Workmen and Staff Welfare	995,971	123,466
Total	84,144,332	5,774,114
Schedule 18 : Administration and other expenses		
Rent	3,236,056	104,036
Fees, Rates & Taxes	6,328,152	1,762,670
Advertisement & Business Promotion	3,092,321	282,819
General Repair & Maintenance	340,488	116,043
Insurance	238,345	-
Travelling & Conveyance (includes directors travelling - sNil (sNil))	2,330,342	159,595
Telephone & Internet	299,682	60,501
Printing & Stationery	422,222	115,808
Postage & telegram	607,478	85,288
Brokerage & Commission	181,796	-
Rebate & Discount	74,372,493	-
Legal & Professional	1,993,286	891,536
Auditor's Remuneration:		
Audit Fee	187,510	110,300
Tax Audit Fee	33,090	16,545
Reimbursement of Expenses	9,888	935
In other capacity (Certification)	-	67,283
AGM/EGM Expenses	37,974	132,331
Donation	500,000	-
Exchange Rate Fluctuation	7,750,251	2,745
Bank Charges	426,551	137,885
Share in losses of LLP	111,578	-
Freight & Cartage Outward	10,492,170	92,382
Bad Debts	10,157,055	-
Miscellaneous	3,495,150	133,071
Total	126,643,878	4,271,773

Schedule 19: Accounting policies and Notes on account

A Statement of Significant Accounting Policies

1 (a). Basis of Preparation: -

The accounts are prepared on accrual basis under the historical cost convention in accordance with the applicable accounting Standards issued by the Institute of Chartered Accountants of India referred to in Section 211(3C) of the companies Act, 1956 and other relevant provisions of the Companies Act, 1956.

(b). Use of Estimates: -

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as of the date on the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which results materialize.

2. Revenue recognition:-

(a) Sales:-

Sales comprise sale of goods, services and export incentives. Revenue from sale of goods is recognized:-

- i) When all the significant risk and rewards of ownership are transferred to the buyer and the company retains no effective control of the goods transferred to a degree usually associated with ownership; and
- ii) No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

(b) Benefit under Drawback Scheme:

Revenue in respect of drawback benefit is recognized on post export basis.

3. Fixed Assets: -

(a) Fixed assets are stated at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

(b) Capital work in progress comprises of outstanding advances paid to acquire fixed assets and the cost of fixed assets that are not yet ready for their intended use at the balance-sheet date.

4. Depreciation: -

(a) Depreciation on fixed assets is provided on Written down value method in accordance with and in the manner specified in schedule XIV to the Companies Act, 1956.

(b) Depreciation on assets costing ₹5000 or below is charged @ 100% per annum on proportionate basis.

5. Investments

Long-term investments are stated at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognize a decline, other than of a temporary nature.

Current investments are stated at lower of cost or market value.

6. Borrowing costs

Borrowing cost that is directly attributable to the acquisition or construction of a qualifying asset is considered as part of the cost of the asset. All other borrowing costs are treated as period cost and charged to the profit and loss account in the year in which incurred.

7. Impairment of assets

The Company assesses at each Balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account.

8. Operating Leases: -

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor, are recognized as operating lease. Operating lease payments are recognized as an

expense in the profit & loss account on a straight-line basis over the lease term.

9. Inventories: -

The inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various item of inventory is computed as under:

- In case of raw material, at weighted average cost.
- In case of work-in-process, at raw material cost plus conversion cost, depending upon the stage of completion.
- In case of finished goods, at raw material cost plus conversion cost, packing cost and other overheads incurred to bring the goods to their present location & condition.
- In case of stores & spares, at weighted average cost.
- In case of traded goods, at first-in-first-out basis.
- In case of waste & scrap, at net realizable value.

10. Employee benefits:-

- (a) The company's contribution to Employees Provident Fund is charged to revenue on accrual basis.
- (b) The company has Defined Benefit plans namely Leave Encashment and Gratuity for all employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year.

11. Foreign Currency transaction:-

(a) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

(b) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(c) Exchange Differences:

Exchange differences arising on the settlement of monetary items except fixed assets or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise. Exchange differences relating to acquisition of imported fixed assets are adjusted in the carrying cost of the fixed assets.

12. Accounting for Taxes on Income:-

The accounting treatment followed for taxes on income is to provide for Current Tax and Deferred Tax. Current tax is the aggregate amount of income tax determined to be payable in respect of taxable income for a period. Deferred tax is the tax effect of timing difference between taxable income & accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

13. Segment Disclosure: -

Segment Information is prepared in conformity with the accounting policies adopted for preparing and presenting the Financial Statements of the enterprise as a whole in line with Accounting Standard - 17.

14. Earning per share: -

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period for the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

15. Provisions, Contingent Liabilities and Contingent Assets: -

(a) Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect

the current best estimate.

(b) A disclosure for a contingent liability is made when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources.

(c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

B. Notes to Accounts

1. Commitments and Contingent Liabilities not provided for:

(a) Bank guarantee in favour of vendors / Govt. authorities is ss66.88 Lac (Previous Year- ss15.75 Lac).

(b) Standby letter of credit issued by bank on behalf of direct / step down subsidiary company ss477.00 Lac (Previous Year Nil).

(c) Corporate guarantees on behalf of step down subsidiary companies ss3572 Lacs equivalent to US\$ 8 million.

(d) Import duty saved against EPCG licenses is ss130.68 Lac (Previous Year ss4.64 Lac).

2. Related party transactions :-

(a) Disclosure of related parties and relationship between the parties:-

Holding Company	: Strategybot Finance Private Limited, India
Wholly Owned Subsidiaries	: EZY Infosoft Pvt. Ltd., India LSIL Singapore Pte. Ltd., Singapore
Fellow Subsidiaries	: Miracle Leasing & Finance Limited., India Victor Leasing Limited., India
Limited Liability Partnership	: LSI Textile LLP., India (Share - 90%)
Step down Subsidiary Companies	: EZY Global Infotech FZE, UAE EZY APAC Limited, Marshall Islands EZY Infotech America Inc, Seychelles EZY EMEA Limited, Belize EZY Central Purchasing Limited, Marshall Islands Esys Distribution(Korea) Ltd, Korea Esys Central Purchasing Limited, Marshall Islands Esys Pakistan Private Limited, Pakistan EZY Infotech (USA) Inc, Miami, USA EZY Infotech (Canada) Inc, Toronto, Canada EZY Infotech (M) Sdn.Bhd. Malaysia EZY Infotech (Hong Kong) company Limited, Hongkong EZY Infotech Private Limited, Bangladesh EZY Infotech Private Limited, Sri Lanka EZY Infotech Private Limited, Pakistan EZY Infotech FZE, UAE EZY Infotech GmbH, Germany Esys Technologies Lanka Private Limited, Sri Lanka Esys D.O.O., Croatia EZY Infotech Pte Limited, Singapore EZY Infotech B.V., The Netherlands Esys Technologies Jsc , Vietnam EZY Logistics Private Limited, India
Key Management Personnel	: Mr. Birendra Kumar, Akashdeep Sharma

(b) Description of the nature of transaction with the related parties and outstanding balance of year end :

(All amount in s)

Sr. No	Name of party/Country	Relationship	Sale of goods	Purchase of goods	Capital assets purchase	Allotment of equity share	Advance received	Rent received	Guarantees		Loan given	Loan repayment	Loan receive	Trade & other payable	Trade & other receivable
									Corporate guarantees	Standby letter of credit					
1	EZY Infotech Pte Ltd., Singapore	Subsidiaries	-	4,848,202	13,902,874	-	13,458,711	-	-	-	-	-	-	18,307,913	-
			(-)	(-)	(3,563,038)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
2	EZY Infotech FZE, UAE	Step down Subsidiaries (6,551,398)	388,039,165	19,642,943	48,803,835	-	-	-	-	-	-	-	-	20,672,696	162,748,214
			(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
3	Victor Leasing Limited, India	Fellow Subsidiaries	-	-	-	-	-	9,600	-	-	-	50,000	-	-	2,400
			(-)	(-)	(-)	(-)	(-)	(1,600)	(-)	(50,000)	(-)	(-)	(-)	(-)	(-)
4	Miracle Leasing & Finance Limited, India	Fellow Subsidiaries	-	-	-	-	-	9,600	-	-	50,000	-	-	-	2,400
			(-)	(-)	(-)	(-)	(-)	(1,600)	(-)	(50,000)	(-)	(-)	(-)	(-)	(-)
5	Strategybot Finance Private Limited, India	Holding Company	-	-	-	759,206,000*	-	-	-	-	-	1,794,900	-	-	-
			(-)	(-)	(-)	(4,085,293)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
6	Esys Pakistan Pvt. Ltd., Pakistan	Step down Subsidiaries	-	-	-	-	-	-	133,950,000	-	-	-	-	-	-
			(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
7	Ezy Infotech Pte. Ltd., Singapore/ Esys Pakistan Pvt. Ltd, Pakistan/ Esys Technologies Lanka Pvt. Ltd., Sri Lanka/ Ezy Infotech Pvt. Ltd, Bangladesh	Step down Subsidiaries	-	-	-	-	-	-	223,250,000	-	-	-	-	-	-
			(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
8	Ezy Infotech Pte. Ltd., Singapore/ Lsl Singapore Pte. Ltd., Singapore	Step down Subsidiaries/ Subsidiaries	-	-	-	-	-	-	-	47,700,000	-	-	-	-	-
			(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

* Includes securities premium contributing in s 136,906,000/-

3. Detail of Directors' Remuneration: -

Particulars	Current Year Amount (S)	Previous Year Amount (S)
Salary and Allowances	-	-
Contribution to Provident And other Fund	-	-
Total	-	-

4. Employee Benefits:-

(i) Post Retirement Employee Benefits

(a) Defined Contribution Plans:

The company has Defined Contribution plans for post retirement employment benefits namely Provident Fund and Employee State Insurance Scheme. Expense for the same is being charged to Profit and Loss account for the year. During the year, the company has recognized an expenses of Ss1,935,103/- (Previous Year Ss135,692/-) in respect of contribution to Provident Fund.

(b) Defined Benefit Plans:

a) Gratuity: The liability for gratuity is determined on the basis of an actuarial valuation at the end of the year. Gains and losses arising out of actuarial valuations are recognized in the Profit and Loss Account for the year.

b) Leave encashment: Liabilities for compensated absences which is a defined benefit plan are determined based on independent year end actuarial valuation and the resulting charge is being accounted in Profit and Loss account. Expected short term liability as assessed by actuary is accounted for on accrual basis.

(i) Expenses recognized in profit and loss account during the year as at March 31, 2011:

(Amount in Ss)

PARTICULARS	LEAVE ENCASHMENT/ COMPENSATED ABSENCE (UNFUNDED)		GRATUITY LIABILITY (UNFUNDED)	
	Current Year	Previous Year	Current Year	Previous Year
Current service cost	999,932	44,366	1,431,107	46,096
Interest cost	3,090	-	3,918	-
Expected return on plan assets	-	-	-	-
Net actuarial (gain)/ loss recognized during the year	824,896	-	3,116,251	-
Total expense to be recognized in profit and loss account	1,827,918	44,366	4,551,276	46,096
Add: Short term expected liability on the basis of actuary report	201,546	-	-	-
Less- Amount recovered *	(1,803,183)	-	(3,941,260)	-
Total expense recognized in profit and loss account*	226,281	-	610,016	-

*During the year, 117 employees were transferred from a vendor company to the rolls of the company. Accumulated liability pertaining to the services rendered with the vendor company, as derived on the basis of actuary valuation up to the date of appointment has been recovered.

(ii) **Change in the present value of defined benefit obligations during the year ended March 31, 2011:**

(Amount in S)

PARTICULARS	LEAVE ENCASHMENT/ COMPENSATED ABSENCE (UNFUNDED)		GRATUITY LIABILITY (UNFUNDED)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligation as at the beginning of the Year	44,366	-	46,096	-
Interest cost	3,090	-	3,918	-
Current service cost	999,932	44,366	1,431,107	46,096
Benefits paid	(16,033)	-	-	-
Actuarial (gain) / loss on obligations	824,896	-	3,116,251	-
Present value of long term obligation as at the end of the year	1,856,251	44,366	4,597,372	46,096
Add: Short term expected liability on the basis of actuary report	201,546	-	-	-
Obligation as at the end of the year	2,057,797	44,366	4,597,372	46,096

(iii) **Amount recognized in Balance Sheet as at March 31, 2011:**

(Amount in Ss)

PARTICULARS	LEAVE ENCASHMENT/ COMPENSATED ABSENCE (UNFUNDED)		GRATUITY LIABILITY (UNFUNDED)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of Defined Benefit Obligation	2,057,797	44,366	4,597,372	46,096
Fair value of plan assets	-	-	-	-
Funded status (Surplus/(Deficit))	(2,057,797)	(44,366)	(4,597,372)	(46,096)
Unfunded net asset/ (liability) recognized in balance sheet	2,057,797	44,366	4,597,372	46,096

Actuarial assumptions:

In accordance with Accounting Standard-15 (Revised 2005), an actuarial valuation was carried out on the basis of "Projected unit credit method" in respect of the aforesaid defined benefit plans based on the following assumptions:

PARTICULARS	LEAVE ENCASHMENT/ COMPENSATED ABSENCE (UNFUNDED)		GRATUITY LIABILITY (UNFUNDED)	
	Current Year	Previous Year	Current Year	Previous Year
Discount rate (per annum)	8.5%	8.5%	8.5%	8.5%
Rate of increase in compensation levels (per annum)	10%	5%	10%	5%
Rate of return on plan assets (per annum)	N.A	N.A	N.A	N.A
Expected average remaining working lives of employees (years)	30.26	30.52	30.26	30.52
Mortality table	LIC (1994-96) Ultimate			

The Company is not maintaining any fund for payment of leave encashment and gratuity.

5. Earning Per Share

The basic and diluted Earning Per Share (EPS) have been calculated by dividing Net Profit for the year attributable to equity shareholders by the weighted average number of Equity Shares as per AS 20 as under:-

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Net Profit After Tax	31,825,280	(5,153,856)
Numerator used for calculating basic and diluted earnings per share	31,825,280	(5,153,856)
No. of equity share outstanding as at year end	848,818,700	55,000,000
Weighted average number of shares used as denominator for calculating basic & diluted earnings per share*	596,325,393	55,500,000
Nominal value per share (₹)	1/-	1/-
Basic and diluted earning per share	0.05	(0.09)

*Since the share split is without consideration, it is treated as if it had occurred prior to the beginning of the previous financial year 2009-2010, the earliest period reported.

6. Segment Reporting

On the basis of assessment of the risk and return differential in terms of AS-17, the Company has identified 'Wholesale Trading' and 'Manufacturing' as primary reportable business segments. Further, the geographical segments have been considered as secondary segment and bifurcated into 'Within India' and 'outside India'. The accounting policy in respect of segments is in conformity with the accounting policies of the enterprise as a whole. The revenue and expenditure in relation to the respective segments have been identified and allocated to the extent possible. Other item i.e. corporate office expenses, etc. not allocable to specific segments are being disclosed separately as unallocated and adjusted directly against the total Income of the company.

(a) Primary Segment Information:-

(Amount in ₹)

Particulars	Whole Sale Trading		Manufacturing		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue						
External Sales	784,698,818	9,658,092	500,973,047	16,150,998	1,285,671,865	25,809,090
Other Income	3,331,099	1,248	44,496,672	40,878	47,827,771	42,126
Total Revenue	788,029,917	9,659,340	545,469,719	16,191,876	1,333,499,636	25,851,216
Result						
Segment Result	(296,410,608)	(1,333,028)	330,098,662	(3,663,784)	33,688,054	(4,996,812)
Un-Allocated expenditure	-	-	-	-	(111,578)	-
Provision for taxation	-	-	(17,51,196)	(157,044)	(17,51,196)	(157,044)
Profit After Taxation	(296,410,608)	(1,333,028)	328,347,466	(3,820,828)	31,825,280	(5,153,856)
Other Information						
Segment Assets	937,909,682	500,765,499	367,616,406	32,383,874	1,305,526,088	533,149,373
Un-Allocated Assets	-	-	-	-	1,131,333	-
Total Assets	937,909,682	500,765,499	367,616,406	32,383,874	1,306,657,421	533,149,373
Segment Liabilities	216,864,718	2,995,337	40,355,510	16,142,884	257,220,228	19,138,221
Un-Allocated Liabilities	-	-	-	-	111,578	-
Total Liabilities	216,864,718	2,995,337	40,355,510	16,142,884	257,331,806	19,138,221
Depreciation	3,428	-	5,176,327	305,062	5,179,755	305,062
Non Cash Items Un-Allocated	-	-	-	-	111,578	-

b. Secondary Segment Information:-**(Amount in ₹)**

Particulars	Current Year	Previous Year
Segment Revenue - External Turnover		
With India	803,650,148	19,257,673
Outside India	482,021,716	6,551,417
Total Revenue	1,285,671,865	25,809,090

7. Deferred Tax Liability (net)**(Amount in ₹)**

Particulars	As at 31.03.2010	Change During the Year	As at 31.03.2011
Deferred Tax Liability			
-on account of depreciation	157,044	2,255,514	2,412,558
Deferred Tax Asset			
-on account of preliminary exp u/s 35D	-	885,983	885,983
-on account of retirement benefits	-	212,876	212,876
-on account of expense allowed on payment basis	-	123,472	123,472
Total deferred tax assets	-	1,222,331	1,222,331
Deferred tax liability (net)	157,044	1,033,183	1,190,227

8. The Information required by Para 3 & 4 of part II of schedule VI to the Companies Act, 1956:-

(a) Capacity*	Unit	31.03.2011	31.03.2010
Licensed Capacity	PCS.	N.A.	N.A.
Installed Capacity	PCS.	12,000,000	600,000

*as certified by management

(b) Details of Manufactured Goods:-

Particulars	Garments			
	Current Year		Previous Year	
	Qty (Pcs)	Amount (₹)	Qty (Nos)	Amount (₹)
Opening Stock	4,909	382,434	-	-
Production	1,431,119	-	101,460	-
Sales	1,314,300	500,408,745	96,551	15,179,333
Closing Stock	121,728	9,512,875	4,909	382,434

(c) Detail of Raw Material

Particulars	Yarn			
	Current Year		Previous Year	
	Qty (Pcs)	Amount (₹)	Qty (Nos)	Amount (₹)
Opening Stock	48,645	8,553,868	-	-
Purchase	466,353	69,274,663	72,583	12,039,510
Consumption	402,457	57,553,646	21,398	3,150,523
Sale	-	-	2,540	334,620
Closing Stock	112,541	20,274,884	48,645	8,553,868

Particulars	Fabrics			
	Current Year		Previous Year	
	Qty (Kgs)	Amount (₹)	Qty (Nos)	Amount (₹)
Opening Stock	12,883	194,725	-	-
Purchase	205,052	5,675,518	19,606	1,552,911
Consumption	54,765	436,153	6,724	1,358,186
Sale	-	564,302	-	-
Closing Stock	163,170	5,434,090	12,883	194,725

Particulars	Others*			
	Current Year		Previous Year	
	Qty	Amount (₹)	Qty	Amount (₹)
Opening Stock	-	620,335	-	-
Purchase	-	11,284,274	-	1,717,355
Consumption	-	9,545,392	-	1,097,020
Sale	-	-	-	-
Closing Stock	-	2,359,217	-	620,335

*Includes number of ancillary items used in production in different unit of measurement, therefore, quantitative details are not given.

Note: Purchase amount is excluding direct expenses

(d) Detail of goods purchased for resale:-

S. No	Particulars	Unit	Opening Stock		Purchase*		Sale		Closing Stock	
			Qty	Amount (₹)	Qty	Amount (₹)	Qty	Amount (₹)	Qty	Amount (₹)
1	Ray Light	Nos.	- (-)	- (-)	280,122 (-)	19,251,181 (-)	221,420 (-)	18,402,877 (-)	58,702 (-)	4,065,677 (-)
2	Flex Paper	Rolls	- (-)	- (-)	98,493 (3,270)	86,220,820 (8,829,388)	76,873 (3,270)	87,959,438 (8,837,572)	21,620 (-)	5,532,324 (-)
3	Desktop & Laptop	Nos.	- (-)	- (-)	13,948 (-)	98,280,772 (-)	13,616 (-)	101,439,750 (-)	332 (-)	1,713,064 (-)
4	Monitor & LCD	Nos.	- (-)	- (-)	15,939 (-)	64,442,523 (-)	15,071 (-)	61,996,311 (-)	868 (-)	4,102,008 (-)
5	Printer	Nos.	- (-)	- (-)	12,732 (-)	173,817,567 (-)	10,454 (-)	154,224,474 (-)	2,278 (-)	12,253,540 (-)
6	UPS	Nos.	- (-)	- (-)	99,820 (-)	168,768,374 (-)	90,003 (-)	157,427,284 (-)	9,817 (-)	14,846,423 (-)
7	Other IT Component			- (-)		248,762,438 (820,177)		203,248,684 (820,520)		27,432,814 (-)
	Total		- (-)	- (-)	521,054 (3,270)	859,543,675 (9,649,565)	427,437 (3270)	784,698,818 (9,658,092)	93,617 (-)	69,945,850 (-)

*excluding direct expenses incurred and rebate and discount received.

9. Value of Raw Material, Components & Spare Parts Consumed:-

Particulars	Current Year		Previous Year	
	Amount (₹)	%	Amount (₹)	%
Raw Material				
Indigenous	67,510,079	99.95	5,605,729	100
Imported	29,751	0.05	-	-
Total	67,539,830	100	5,605,729	100
Components & Spares				
Indigenous	5,691,348	100	239,513	100
Imported	-	-	-	-
Total	5,834,875	100	239,513	100

10. CIF Value of Import:-

Particulars	Current Year (₹)	Previous Year (₹)
Capital Items	53,959,981	6,101,335
Trading Items	39,583,184	-
Total	93,543,165	6,101,335

11. Earning In Foreign Currency:-

Particulars	Current Year (₹)	Previous Year (₹)
Export of Goods (FOB Value)	475,482,304	6,501,026
Total	475,482,304	6,501,026

12. Expenditure in Foreign Currency:-

Particulars	Current Year (₹)	Previous Year (₹)
Travel Expenses	258,920	Nil
Total	258,920	Nil

13. Changes in Capital Structure:-

During the year, the company has reduced its equity share capital with ₹44,000,000/- correspondingly reducing the accumulated losses. Initially, the company had reduced face value of equity shares from ₹10/- each to ₹2/- each pursuant to the order of Hon'ble high court of Gujarat and further reconsolidated the same to ₹10/- each by reducing number of shares from 5,500,000 to 1,100,000 with necessary approval of members and other regulatory bodies.

Subsequent to this the company has issued and allotted 83,781,870 equity shares of ₹10/- each at a premium of ₹2.20 per share in lieu of 62,230,000 convertible warrants issued to promoters and 21,551,870 mandatory convertible preference shares issued to non promoters. The company has received full value of consideration of ₹1,022,138,814/- in cash on these warrants and preference shares.

Subsequent to this, the company has divided paid up equity share capital of ₹848,818,700 consisting of 84,881,870 equity shares of ₹10/- each into 848,818,700 equity shares of ₹1/- each subject to requisite approval of Bombay Stock Exchange as on 31-03-11 which has since been received.

14. The company had advanced money for acquiring a running Wholesale Distribution business of an existing established player under an agreement with them. Apart from the transfer of fixed assets, the seller was required to facilitate and shift the business agreements of various reputed manufacturers in favour of the company. In the case of one of such instance, the seller has claimed that because the company was not able to manage banking facilities in time to convince and show adequate financial

strength to their existing business associate in order for them to transfer business agreements in favour of the company, they have incurred huge losses and thus, they have debited the company by ₹24.00 Crore. This has been reviewed by the Board of Directors of the company thoroughly, and based on circumstances of the whole situation; it decided to take this as a one time acquisition cost of the running established business. However, without prejudice to any accounting treatment, the company has filed a legal suit in the proper court of law for defending its claim.

15. Micro, Small Scale Business Entities

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid / payable under this Act has not been given.

16. Balances of sundry debtors, sundry creditors, advances given, advances received are subject to reconciliation and confirmation from respective parties. The balance of said sundry debtors, sundry creditors, and advances given and received are taken as shown by the books of accounts. The ultimate outcome of such reconciliation and confirmation cannot presently be determined; therefore no provision for any liability that may result out of such reconciliation and confirmation has been made in the financial statement.
17. The loans & advances, debtors and other current assets are reviewed annually and their value in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet as assessed by the management.
18. Previous year figures have been regrouped and reclassified, wherever material and considered necessary to conform to current year's classification.
19. Figures in bracket indicate deductions / previous year as the case may be.
20. Schedules 1 to 19 form an integral part of the Balance Sheet and Profit & Loss A/c for the year ended 31st March 2011.

As per our report of even date attached

For and on behalf of
Doogar & Associates
Chartered Accountants
(Regd. No. 000561N)

For and on behalf of the Board of Directors

Vikas Modi
(Partner)
Membership No.: 505603

Yogesh Thakur
DIN No. 03141773
(Whole Time Director)

Kulbhushan Sharma
DIN No. 00035987
(Director)

Place: Panchkula
Date: 30.08.2011

LS INDUSTRIES LIMITED (Formerly Known as Lifestyle Fabrics Ltd.)
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No.
 Balance Sheet Date State Code

II Capital Raised during the year (Rs. In Thousands)

Public Issue	<input type="text" value="NIL"/>	Rights Issue	<input type="text" value="NIL"/>
Bonus Issue	<input type="text" value="NIL"/>	Private Placement	<input type="text" value="50247"/>

III Position of Mobilisation and Deployment of Funds (Amount in - s Thousands)

Total Liabilities	<input type="text" value="1306657"/>	Total Assets	<input type="text" value="130665"/>
Sources of Funds			
Paid up Capital	<input type="text" value="848819"/>	Reserves & Surplus	<input type="text" value="19931"/>
Secured Loans	<input type="text" value="NIL"/>	Unsecured Loans	<input type="text" value="NIL"/>
Deferred Tax Liability	<input type="text" value="1190"/>	Application Money	<input type="text" value="NIL"/>
Application of Funds			
Net Fixed Assets	<input type="text" value="78467"/>	Investments	<input type="text" value="113"/>
Net Current Assets	<input type="text" value="969727"/>	Misc. Expenditure	<input type="text" value="NIL"/>
Accumulated Losses	<input type="text" value="NIL"/>	Deferred Tax Assets	<input type="text" value="NIL"/>

IV Performance of Company (s In Thousands)

Turnover (Including other income)	<input type="text" value="1412258"/>	Total Expenditure	<input type="text" value="113868"/>
Profit/Loss before Tax	<input type="text" value="33578"/>	Profit/Loss after Tax	<input type="text" value="3182"/>
Earning per share in s	<input type="text" value="0.05"/>	Dividend Rate %	<input type="text" value="NIL"/>

V Generic Names of Three Principal Products/Services of Company (as per Monetary terms)

Product Description:	Item Code No.
<input type="text" value="KNITTED SHIRTS"/>	<input type="text" value="61.05"/>
<input type="text" value="CPU"/>	<input type="text" value="84.71"/>
<input type="text" value="FLEX PAPER"/>	<input type="text" value="39.21"/>

For and on behalf of the Board of Directors of
 LS Industries Limited

Yogesh Thakur
 DIN NO 3141773
 (Whole Time Director)

Kulbhushan Sharma
 DIN NO 3527720
 (Director)

Place: Panchkula
 Date: 30 August, 2011

LS INDUSTRIES LIMITED
(Formerly Known as Lifestyle Fabrics Ltd.)

Regd., Office:

Village Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh-174101

ATTENDANCE SLIP

Name of the Shareholder (in Block Letters) :

Ledger Folio Number/DP ID/Client ID :

Name of the Proxy(s) (in block letters) :
(to be filled in, if a proxy attends instead of a member)

No. of Shares held :

I hereby record my presence at the Annual General Meeting of LS Industries Limited held on Saturday, 31st December, 2011, at 10.30 am at Village Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh-174101.

Shareholder / Proxy Signature.....

Notes :

1. You are requested to sign and hand over this slip at the entrance of the Meeting venue.
2. If you intend to appoint a proxy to attend the meeting instead of yourself, the Form of Proxy must be deposited at the Registered Office of the Company not later than 48 hours before the time for holding the meeting.



LS INDUSTRIES LIMITED
(Formerly Known as Lifestyle Fabrics Ltd.)

Regd., Office: Village Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan,
Himachal Pradesh-174101

PROXY FORM

I/We.....
..... being a member / members of the above
named Company hereby appoints Mr.
of or failing him Mr.
of as my/our proxy to vote for me/us on my/our behalf at the 7th
Annual General Meeting of the company to be held on 31st December, 2011, at 10.30 am at Village
Bairsen, P.O. Manjholi, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh-174101.

Signed this _____ day of _____ 2011.

Reference Folio No./DPID/Client ID : _____.

No. of Shares Held:

- Notes :** 1. The proxy, to be effective, should be deposited at the Registered Office of the Company not later than FORTY EIGHT HOURS before the commencement of the aforesaid meeting.
2. A proxy need not be a Member of the Company.

Affix ₹ 1/- Revenue Stamp
--

BOOK POST

If undelivered, please return to :

LS INDUSTRIES LIMITED

(Formerly known as Lifestyle Fabrics Limited)

Regd., Office:

Village Bairsen, P.O. Manjholi,

Tehsil Nalagarh, Distt. Solan,

Himachal Pradesh-174101