



ASHAPURA INTIMATES FASHION LIMITED

ANNUAL REPORT 2013-14

Message from the Chairman

The Indian Economy has faced challenges in fiscal 2014 including regulatory overhangs, slow growth, higher inflation, reduced investment in capital and infrastructure. However our economy remains resilient and with new government, there is renewed hope that the economy will reverse the trend.

I am happy to report that we have sustained and improved our performance during the fiscal 2014 despite economic pressures, low growth and significant market volatility. We have adopted a balanced approach to growth, profitability and risk management which has enabled to strength our business.

During the fiscal 2014 we have been able to further our distribution network and have increased our e-commerce presence via our e-commerce portal www.valentineloungeweweargroup.com and tie ups with portals such as Myntra, Jabong, Home Shop 18, Snapdeal, Flipkart etc.

Building strong capabilities in Intimate garment industry is the important agenda for Valentine. Towards this end your company has invested in building world class Brand.

In furtherance to the last years scaling up of operations, in the current year we have commissioned 1 dispatch unit. Our subsidiary i.e. the major production unit of the Company Momai Apparels Limited has received ISO 9001:2008 accreditation.

We have improved our distribution network by not only empanelling ourselves with ecommerce portals but also increasing the number of distributors to 125. Our distributor have reposed their faith with us and it takes me great pleasure to inform you that we have opened our first pilot franchisee owned franchisee operated exclusive business outlet in Bengaluru and it has been of great success. We plan to open about 10 EBO's in and around Mumbai in the fiscal ended 2015.



Harshad Hirji Thakkar
Chairman and Managing Director

"We can't fight on border like soldiers serving our nation, however we can via our hardwork and effort develop a good Company that will generate employment, provide quality products and assist in nation building."

The customer tastes and preferences are changing fast and more so in India. And we need to understand, the need to identify change use it to our advantage. Whilst change presents an opportunity it also comes with risks that need to be addressed. Our organization structure and the mix of youth and experience in our ranks has helped us to be a change driver.

In conclusion we believe that our company is a strong, stable company and that our core business has good potential.

I would like to take the opportunity to explain my sincere gratitude to all the employees and our trade partners for their continued contribution for the past year.

Thank you for your confidence and I look forward to your continued support.

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Go Green Today

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, enabling the Company to effect electronic delivery of documents. The above initiative will go a long way in conserving paper which is a natural resource as also result in substantial savings on printing and posting of annual reports and other documents of your Company sent to Members. Members are requested to support this Green Initiative by updating their email addresses with their respective Depository Participants, in case of electronic shareholding; or registering their email addresses with the Company's Registrar and Transfer Agents, in case of physical shareholding. Join this cause and make the world a cleaner, greener and healthier place to live in.

Note:

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

CORPORATE INFORMATION**BOARD OF DIRECTORS:**

Mr. Harshad H. Thakkar
Chairman & Managing Director

Mr. Dinesh C. Sodha
Whole Time Director

Mr. Hitesh S. Punjani
Additional Director

Mr. Ramakant M. Nayak
Independent Director

Mr. Shrikant Maheshwari
Independent Director

Mr. Sunil Manocha
Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER
Ms. Sonali K. Gaikwad

STATUTORY AUDITORS:

M/s. JDNG & Associates
Chartered Accountants

Warehouse:

Gala No. 101 to 115, Building No. D-6, HariHar Corporation Village, Dapode, Taluka Bhiwandi,
Dist. Thane – 421 302, Maharashtra, India.

COMPANY IDENTIFICATION NO (CIN) : U17299MH2006PLC163133

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S Marg, Bhandup (West), Mumbai

BANKERS:

Bank of Baroda

REGISTERED OFFICE & CORPORATE OFFICE:

Unit No. 3-4, Ground Floor, Pacific Plaza, Plot No. 570, TPS IV, Off Bhawani Shankar Road, Mahim Division, Dadar
(West), Mumbai – 400 028, Maharashtra, India

VISIT US AT

www.valantineloungegroup.com
Email: ipo@valantineloungegroup.com

NOTICE OF 8th ANNUAL GENERAL MEETING

Notice is hereby given that the 8th Annual General Meeting of the Members of **ASHAPURA INTIMATES FASHION LIMITED** will be held at **SHOP NO 3-4 GROUND FLOOR, PACIFIC PLAZA PLOT, NO 507 TPS IV OFF B.S.ROAD MAHIM DIVISION DADAR-W, MUMBAI- 400028**, on Friday, the 26th day of September, 2014 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS:-

1. To consider and, if thought fit, to pass, with or without modifications, if any, the following as an Ordinary Resolution:
“RESOLVED that the Company’s audited Balance sheet as at 31st March, 2014 and the audited Profit & Loss Account and the audited Cash flow statement for the financial year ended on that date together with Directors’ and the Auditors’ Report thereon be and hereby approved and adopted.”
2. To consider and, if thought fit, to pass, with or without modifications, if any, the following as an Ordinary Resolution:
“RESOLVED THAT A FINAL DIVIDEND of Rs 0.75 (i.e. 7.5% of FV Rs. 10/-) per equity share on the equity paid up of the company as recommended by the Board be and is hereby declared.”
3. To appoint a Director in place of Mr. Dinesh C. Sodha (DIN: 02836240), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modifications, if any, the following as an Ordinary Resolution:
“RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof for the time being in force) read with rules under the Companies (Audit and Auditors) Rules, 2014, the Company’s Auditors, M/s. JDNG & ASSOCIATES, Chartered Accountants (Firm Registration No. 104315W), who shall hold office up to the date of this Annual General Meeting (AGM) but, being eligible, offer themselves for re-appointed as Auditors of the Company for holding office from the conclusion of this Meeting until the conclusion of the 11th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, travelling expenses, other out-of-pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS:-

5. To consider, review and if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION** in respect of which Notice, as required under Section 160 of the Companies Act, 2013 has been received:
“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, **Mr. RAMAKANT MADHAV NAYAK (DIN : 00129854)**, who was appointed as an Director of the Company pursuant to Section 161 (1) of

the Companies Act, 2013 who holds office only up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for five consecutive years for a term up to 25th September, 2019, not liable to retire by rotation.”

6. To consider, review and if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION** in respect of which Notice, as required under Section 160 of the Companies Act, 2013 has been received:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 **Mr. SUNIL KUMAR MANOCHA (DIN : 01888466)**, who was appointed as an Additional Director of the Company pursuant to Section 161 (1) of the Companies Act, 2013 with effect from 15th November, 2013 and who holds office only up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for five consecutive years for a term up to 25th September, 2019, not liable to retire by rotation.”

7. To consider, review and if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION** in respect of which Notice, as required under Section 160 of the Companies Act, 2013 has been received:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 **Mr. SHRIKANT RADHEYSHYAM MAHESHWARI (DIN : 02618472)**, who was appointed as an Additional Director of the Company pursuant to Section 161 (1) of the Companies Act, 2013 with effect from 13th February, 2014 and who holds office only up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for five consecutive years for a term up to 25th September, 2019, not liable to retire by rotation.”

8. To consider, review and if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION** in respect of which Notice, as required under Section 160 of the Companies Act, 2013 has been received:

“RESOLVED THAT **Mr. Hitesh S. Punjani** (holding DIN 03268480) who was appointed as an Additional Director of the Company pursuant to Section 161 (1) of the Companies Act, 2013, with effect from November 15, 2013, and who holds office only up to the date of this Annual General Meeting, be and is Hereby appointed as a Director of the Company, liable to retire by rotation.”

9. To consider and, if thought fit, to pass, with or without modification(s), if any, the following resolution as SPECIAL RESOLUTION:

RESOLVED THAT in supersession of earlier resolutions passed in this regard, consent of the Company be and is hereby accorded pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company to mortgage, hypothecate or charge all or any part of immovable or movable properties of the Company, wheresoever's situated, both present and future, and whole or part of the undertakings of the Company of any nature and kind whatsoever and/or creating a floating charge in all or any immovable properties of the Company, to or in favour of Bank(s), Financial Institution(s), Insurance Companies, Companies or any other entities for the due payment of the principal monies together with the interest payable by the Company in respect of such borrowings and to secure any debentures for an aggregate amount not exceeding Rs. 300 Crores (Rupees Three Hundred Crores) at any point of time including the existing borrowings

10. To consider and, if thought fit, to pass, with or without modification(s), if any, the following resolution as an SPECIAL RESOLUTION:

RESOLVED THAT in supersession of earlier resolutions passed in this regard, pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of monies on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/ monies so borrowed by the Board shall not at any time exceed the limit of Rs. 300 Crores (Rupees Three Hundred Crores)

11. To consider and, if thought fit, to pass, with or without modification(s), if any, the following resolution as SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 14 and other relevant provisions, if any, of the Companies Act, 2013, the existing Articles of Association of the Company be and is hereby replaced, altered, modified and revised with the new set of Articles of Association, a copy of which is placed before the meeting and duly initialed by the Chairman for the purposes of identification and that the Regulations contained in the new set of Articles be and are hereby approved and adopted as the Articles of Association of the Company and they be the Regulations of the Company in place, in substitution and to the entire exclusion of the existing Articles of Association.

RESOLVED FURTHER THAT the Board of Directors or the Company Secretary be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Mumbai By Order of the Board of Directors

for Ashapura Intimates Fashion Limited

August 30th, 2014

SD/-

Registered Office:

Unit No. 3-4, Ground Floor, Pacific Plaza,

Sonali K. Gaikwad

Plot No. 570, TPS IV, Off Bhawani Shankar Road,

Company Secretary

Mahim Division, Dadar (West), Mumbai – 400 028,

Maharashtra, India

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON BEHALF OF HIM AND THE PROXY NEED NOT BE A MEMBER.

The enclosed proxy form should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the AGM.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from September 22nd, 2014 to September 26th, 2014 (both days inclusive) in connection with the AGM and for The purpose of dividend.
3. Dividend 0.75 per share (i.e., at the rate of 7.5% on face value of 10) for the year ended 31st March, 2014 as recommended by the Board, if declared at the AGM, will be paid on or after 26th September, 2014 to those persons or their mandates:
 - a) Whose names appear as Beneficial Owners as at the end of the business hours on September 20th, 2014 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - b) Whose names appear as Members in the Register of Members of the Company on September 20th, 2014 after giving effect to valid share transfers in physical form lodged with the Company / Registrar and Share Transfer Agents on or before the aforesaid date.
4. An Explanatory Statement pursuant to provisions of **Section 102 of the Companies Act, 2013**, Is annexed hereto.
5. Members/Proxies are requested to bring their copies of the Annual Report to the AGM and the attendance slip duly filled in for attending the AGM. Copies of Annual Report will not be provided at The AGM.

6. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
7. Members are requested to opt for NECS (National Electronic Clearance Service) for receipt of dividend. Members may please update their bank account details with their Depository Participants for receiving the dividend in a hassle free manner. Opting for NECS is cost effective and also saves time.
8. Members holding shares in dematerialized form are requested to provide their latest bank account details (Core Banking Solutions enabled account numbers, 9 digit MICR and 11 digit IFS code) with their Depository Participants to the Company's Registrar and Share Transfer Agents, Link In Time India Pvt. Ltd.
9. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Members holding shares in multiple folios in the same name or in the same order of names are requested to consolidate their holding into a single Folio.
11. Voting through electronic means:
In case of members receiving e-mail:
 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records

	for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.