

VALENTINE 🖉

🕗 tricci

Annual Report

MAKING A BOLD STATEMENT

CONTENTS

02	MAKING A BOLD STATEMENT
04	YOUNG AND BOLD. INTEGRATED AND FASHIONABLE. ASHAPURA INTIMATES.
06	BUILDING A BOLD PORTFOLIO
08	FROM THE DESK OF THE CHAIRMAN AND MANAGING DIRECTOR
10	PERFORMANCE THAT EXEMPLIFIES OUR BOLDNESS
12	PREPARED TO TAKE THE BOLDNESS TO NEXT LEVEL
14	BOARD OF DIRECTORS
15	CORPORATE INFORMATION
18	DIRECTORS' REPORT
40	CORPORATE GOVERNANCE REPORT
53	MANAGEMENT DISCUSSION AND ANALYSIS
62	MERGED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2017
78	STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016
88	CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

Forward-looking statements

This Annual Report contains statements that may constitute forward-looking statements involving risks and uncertainties. These forward-looking statements reflect the Company's current analysis of existing information as of the date of this Annual Report and are subject to various risks and uncertainties. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, interest rates, changes in Government regulations, tax laws and other factors such as litigation and industrial relations. As a result, caution must be exercised in relying on forward-looking statements. Due to known and unknown risks, the Company's actual results may differ materially from our expectations or projections. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.



Check the online version of this report at www.ashapurafashion.com



WE HAVE TAKEN BOLD STEPS IN THE LAST 12 MONTHS[#]

...LAUNCHING A NEW BRAND AS WELL AS CREATING A NEW PRODUCT CATEGORY

...INTEGRATING BACKWARD THROUGH A MERGER, BRINGING IN COST EFFICIENCIES

...BUILDING A ROBUST PRODUCT PIPELINE, ENSURING FRESHNESS IN FASHION

OUR BOLD STEPS HAVE LAID STRONG FOUNDATIONS TO EXTEND OUR LEADERSHIP AS WE PREPARE TO CATAPULT INTO THE NEXT ORBIT OF GROWTH.

THE SUCCESS OF OUR BOLD STEPS IN THE PAST, GIVES US THE CONFIDENCE OF MAKING A BOLD STATEMENT.

refers to April 2016 to March 2017.

Financial Statements

02

New towns and cities added

79* New retail fronts added

MAKING

TRICCI** MALE-ORIENTED BRAND LAUNCHED

886.63% Growth in market capitalisation

200^{*} designs added every month

Ashapura Intimates Fashion Limited

ANNUAL **2016-17**



YOUNG AND BOLD. INTEGRATED AND FASHIONABLE. ASHAPURA INTIMATES.

A Company credited for creating, developing and branding the niche segment of intimate and relax wear in India.

A Company reputed for setting trends and redefining the what, where and how of dressing up from comfortable nightwear for better sleep to relaxing loungewear for outings & travel to tantalising innerwear for special occasions to smart sportswear for gym and yoga.

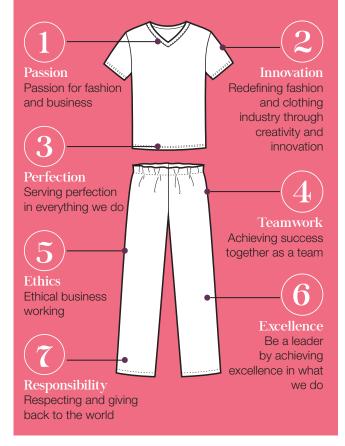
Incorporated in 2006, Ashapura Intimates Fashion Limited (AIFL) is an end-to-end integrated fashion company. It engages in designing, manufacturing, branding, marketing, and retailing intimate and relax wear for the entire family. Within just a decade's time, it has emerged as India's leading branded player in the segment. Its shares are traded on the BSE Ltd. and the National Stock Exchange.



ANNUAL **2016-17**

Seven corporate values

Embedded at the core of our aspirations and achievements, these values form our DNA, guiding all thoughts and actions. They unify us towards a shared vision and goal, and is a crucial driving force enabling us accelerate faster in our journey.



Growing presence

AIFL has consistently grown its presence across India, while foraying into international markets of the Middle East and Asia. Today, our products are sold through Multi-Brand Outlets (MBOs), Shop in Shops (SISs), Large Format Stores (LFSs), Exclusive Brand Outlets (EBOs) and E-commerce platform.



*all the above numbers pertain to March 31, 2017

Few of our Partners

MBOs

Fashion Lounge, Stanmax, Pragati Fashion, Kapsons, Bindals, Shree Shivam, Big Shop, Today's Selection, Body Basics, Dress Land etc.

LFS

Vijay Stores, Globus, Central, Chunmun, Big Life, La Lingerie etc.

E-commerce

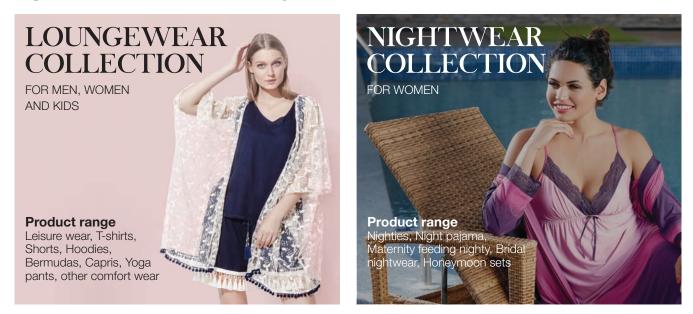
Myntra, Jabong, Amazon, Paytm, Flipkart, eBay, Snapdeal, Firstcry, Limeroad, Nykaa, Tatacliq, Homeshop18, Valentine Mobile App and our Website: www.valentineclothes.com etc.

Financial Statements

06

BUILDING A BOLD PORTFOLIO

With the changing lifestyle of Indians, intimate and relax wear that was once just a matter of privacy and used for covering body has evolved its own unique style. We have been pioneering this evolution by bringing into play our extensive collection of comfortable and fashionable products that cater to the preferences and everyday requirements of diverse customer segment.





FOR WOMEN

Product range Slips, Camisoles, Bathrobes, Maternal wear, Brassieres, Panties, Corsets, Other Lingerie

SPORTSWEAF COLLECTION

FOR MEN AND WOMEN -

Product range Gym wear, Yoga wear, Sports bra, Track pants, T-shirts

*0*7

Ashapura Intimates Fashion Limited

ANNUAL 2016-17

WEARING UNCOMFORTABLE OUTFITS FOR OUTFINGS AND TRAVELS IS SUCH AN AGONY. WE SEEK MORE.

> WEARING GRANDMOTHER-STYLE INTIMATE WEAR, SERVING THE PURPOSE OF PRACTICALITY AND DURABILITY IS SUCH A TURN-OFF. WE DESIRE MORE.

SLIPPING ON AN OLD AND FADED OUTFIT AS A NIGHTWEAR OR SPORTSWEAR IS SUCH A PASSÉ. WE ASPIRE MORE.



Our brands

💙 VALENTINE

Our flagship women-oriented brand resonating with the strongest human emotion – Love. All our brands, 'Valentine Secret', 'Valentine Pink', 'Night & Day', and 'N-Line', are sold under this umbrella brand.

🕭 tricci

Our newly launched male-oriented brand reflecting style statement, and the lifestyle and attitude of jetsetters, who desire fun and are always up for extraordinary. *Valentine brand awarded the prestigious 'The Economic Times Best Brands Award 2017'*

08

FROM THE DESK OF THE CHAIRMAN AND MANAGING DIRECTOR



Ashapura Intimates is revolutionising the intimate and relax wear segment by banking on the shape & fit, brand, and fabric quality factor Dear Shareholders,

I am pleased to present the Annual Report 2016-17 of your Company. It has been nearly two decades since we first conceptualised this non-existent segment of intimate and relax wear, in a country like India where it was literally a taboo to speak of intimate wear and the markets were primarily operated by diverse small unorganised players. Having pioneered the evolution of this segment, today we stand as a much mature organisation.

Quite a few realities greatly excite me about the future of the Company.

The fact, that we are the only dedicated branded player in the segment with no major competitor.

That, the industry segment we operate in, is headed for a robust growth.

That, our dealings with super distributors enables us to operate at low working capital.

That, our integration across the value chain and operational efficiency leads to higher returns generated on every rupee invested.

That, our designing competencies makes us an industry trendsetter.

While the financial performance was great, initiatives at the operational front were even better, strengthening our capabilities for stronger and sustainable performance. The year saw us actively reaching out to more customers and promoting brand as we focussed on adding more Exclusive Business Outlets (EBOs) and initiating the Shop-in-Shops (SISs) concept, compared to thrust on existing Multi-Brand Outlet (MBO) model that we followed earlier. This shift in focus from MBO to EBO and SIS shall assist us in building brand, having better control over stock and inventory, and improving margins. We launched 4 EBOs and 75 SISs during the year with a targeted 100 and 500 new launches, respectively, over the next five years.