



**22 nd
ANNUAL REPORT
2014 - 2015**

LIPPI SYSTEMS LIMITED

(CIN: L22100GJ1993PLC020382)

AHMEDABAD

LIPPI SYSTEMS LIMITED

BOARD OF DIRECTORS

Mr. Nandlal J. Agrawal	Managing Director
Mr. Kunal N. Agrawal	Director
Mr. Sanjaybhai C. Agrawal	Director
Mr. Minesh C. Shah	Director
Mr. Kamlesh S. Sharma	Director
Mr. Tirthraj A. Pandya	Director
Mr. Mahendra S. Patel	Director
Ms. Jeshalben P. Shah	Director
Mr. Gopal D. Sharma	CFO

Company Secretary

Mr. Darshan B. Shah

AUDITORS

Ashok Dhariwal & Co.
Chartered Accountants
A/602, Nar Narayan Complex,
Navrangpura,
Ahmedabad - 380 009.

BANKERS

Indian Overseas Bank.
Stadium Road Branch,
Ahmedabad - 380 009.

REGISTERED OFFICE

3rd Floor, Satya Complex,
Opp. IOC Petrol Pump,
132ft Ring Road, Satellite,
Ahmedabad - 380 015.

LIPPI SYSTEMS LIMITED

NOTICE TO MEMBER

Notice is hereby given that 22nd Annual General Meeting of the members of the company will be held on Wednesday, 30th September, 2015 at 11:30 a.m. at the registered office of the company at 3rd Floor, Satya Complex , Nr. Ashwamegh IV , 132 Feet Ring Road, Satellite , Ahmedabad – 380015, to transact the following business:-

ORDINARY BUSINESS

1. To receive and adopt the Audited Balance Sheet as at 31st March ,2015, Profit and Loss account for the year ended on that date together with the directors report and auditor's report thereon.
2. To appoint Mr. Minesh C Shah (DIN:00045178), who retires by rotation and being eligible offers himself for re-appointment.
3. To reappoint Auditors of the company to hold office from the conclusion of this AGM until the conclusion of the second consecutive AGM and to fix their remuneration and to pass the following resolution thereof;

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, M/s. Ashok Dhariwal & Co., Chartered Accountants (Registration No. 100648W), be and are hereby reappointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the second consecutive annual General Meeting of the Company (subject to ratification of the appointment by the members at every AGM held after this AGM) on such remuneration as may be determined by the Board of Directors of the Company on a year to year basis".

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Jesal P. Shah (DIN: 01755395), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 14th April, 2015 pursuant to Section 161 of the Companies Act, 2013 ('Act') and Whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member in terms of Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company pursuant to Section 149 of the Act to hold office for a term of five consecutive years."

Place: Ahmedabad

By order of the Board of Directors

Date: 14/08/2015

Nandlal J. Agrawal

Chairman & Managing Director

(DIN : 00336556)

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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 and a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The proxies in order to be effective must be lodged with the company not less than 48 hours before the commencement of the meeting.
3. As per clause 49 of the listing agreement(s), information regarding appointment/re-appointment of Directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business to be transacted are annexed hereto.
4. The Register of Members and Share Transfer books of the company will remain close from Thursday, the 24th September, 2015 to Wednesday, the 30th September, 2015 (both days inclusive).
5. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
7. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
8. Voting through electronic means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

The instructions for e-voting are as under:

SECTION A - E-VOTING PROCESS-

Step 1 : Open your web browser during the voting period and log on to the e-Voting Website: www.evotingindia.com.

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Step 2 : Click on “Shareholders” to cast your vote(s)

Step 3 : Select the Electronic Voting Sequence Number (EVSN) i.e "150709007" along with “COMPANY NAME” i.e. “Lippi Systems Limited” from the drop down menu and click on “SUBMIT”.

Step 4 : Please enter User ID –

- a. For account holders in CDSL :- Your 16 digits beneficiary ID
- b. For account holders in NSDL :- Your 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.

Step 5 : Enter the Image Verification as displayed and Click on Login.

Step 6 : 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.

Step 7 : If you are a first time user follow the steps given below:

7.1 Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. For members who have not updated their PAN with the 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.

7.2 Enter the Date of Birth (DOB) recorded in the demat account or registered with the Company for the demat account in DD/MM/YYYY format#

7.3 Enter your Dividend Bank details (Account Number) recorded in the demat account or registered with the Company for the demat account#

Any one of the details i.e. DOB or Dividend Bank details should be entered for logging into the account. If Dividend Bank details and Date of Birth are not recorded with the Depository or Company please enter the number of shares held by you as on the cutoff date (record date) i.e. September 24, 2015 in the Dividend Bank details field.

Step 8 : After entering these details appropriately, click on “SUBMIT” tab.

Step 9 : First time user holding shares in Demat form will now reach Password Generation menu wherein they are required to create their login password in the password field. Kindly note that this password can also be used by the Demat holders for voting for resolution 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.

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If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

Members holding shares in physical form will then directly reach the Company selection screen.

Step 10 : Click on the EVSN of the Company i.e. "150709007" to vote.

Step 11 : On the voting page, you will see Resolution description and against the same the option 'YES/NO' for voting. Select the relevant option as desired YES or NO and click on submit.

Step 12 : Click on the Resolution File Link if you wish to view the Notice.

Step 13 : 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.

Step 14 : Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS

- i. The e-Voting period commences on September 26, 2015 (9.00 a.m.) and ends on September 29, 2015 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date (record date) of September 24, 2015 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of shareholders shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.
- iii. CS Nitesh Shah, Practicing Company Secretary (Membership No.: ACS 35681; CP No: 13222) (Address: 1, Padmavati Apartment, Satyanarayan Society, Ramnagar, Sabarmati, Ahmedabad-380005, Gujarat, India) has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- iv. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any and submit forth with to the Chairman of the Company.
- v. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.lippi.com and on the website of CDSL www.evotingindia.co.in within two days of the passing of the resolutions at

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the AGM of the Company and communicated to the BSE Limited, where the shares of the Company are listed.

- vi. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
- vii. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- viii. 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 Corporate, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com. They should also upload a scanned copy of the Board Resolution / 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 vote.
- ix. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- x. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

Contact Details:

Company : Lippi Systems Limited (CIN: L22100GJ1993PLC020382),
3rd Floor, Opp. IOC Petrol Pump, Nr. Ashwamegh-IV, 132ft Ring Road,
Satellite, Ahmedabad-380015, Gujarat, India.
E-mail ID : officelippi@gmail.com, cs@lippisystems.com

Registrar and Transfer Agent: Cameo Corporate Services Limited
"Subramanian Building", 1, Club House Road, Chennai-600002

Phone number : 044-28460390, Fax: 044-28460129

E-mail : investor@cameoindia.com.

e-Voting Agency : Central Depository Services (India) Limited

E-mail ID : helpdesk.evoting@cdslindia.com

Scrutinizer : CS Nitesh Shah,
(Practicing Company Secretary)

E-mail ID : niteshshah16@gmail.com

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ANNEXURE TO NOTICE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

For Item no: 4

Ms. Jesal P Shah was appointed as an Additional Director by the Board of Directors in its meeting held on 14th April, 2015. Pursuant to Section 161 of the Companies Act, 2013 ('Act'), Ms. Jesal P Shah is entitled to hold office upto the date of this Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Act from a member along with the deposit of requisite amount proposing the candidature of Ms. Jesal P Shah for the office of Woman Independent Director. Ms. Jesal P Shah, aged 45 years, is Arts Graduates have experience of about 20 years. The Company has received from Ms. Jesal P Shah (i) consent in writing to act as Director in Form DIR- 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under Section 164(2) of the Act; and (iii) declaration to the effect that he meets the criteria of independence as provided in Section 149 of the Act. The Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that Ms. Jesal P Shah proposed to be appointed as Woman Independent Director fulfils the conditions specified in the Act and Rules made thereunder and that she is Independent of the management. A copy of the draft letter of appointment of Ms. Jesal P Shah as an Independent Director setting out the terms and conditions is available for inspection at the registered office of the Company during normal business hours on all working days upto the date of Annual General Meeting. Except Ms. Jesal P Shah, no other Director or key managerial personnel of the Company or their relatives is concerned or interested in the proposed resolution. The resolution seeks approval of the members for the appointment of Ms. Jesal P Shah as an Independent Director of the Company for a term of five consecutive years pursuant to Section 149 and other applicable provisions of the Act and Rules made thereunder and that he shall not be liable to retire by rotation nor required to hold any qualification shares as per Articles of Association of the Company. The Board recommends the resolution set forth in item No.4 for the approval of the members.

Place: Ahmedabad

For and on Behalf Of Board Of Directors

Date: 14/08/2015

Nandlal J. Agrawal

Chairman & Managing Director

(DIN : 00336556)

LIPPI SYSTEMS LIMITED

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THE
22ND ANNUAL GENERAL MEETING OF THE COMPANY PURSUANT TO CLAUSE 49 OF
THE LISTING AGREEMENT**

MINESH C SHAH - Director

Name of Director	Minesh C Shah DIN : 00045178
Date of Birth	01.01.1967
Date of Appointment	03.03.2003
Relationship with other Directors Inter se	None
Profile & Expertise in Specific functional Areas	Production
Qualification	Diploma in Production
No. of Equity Shares held in the Company	330000
List of other Companies in which Directorships are held	Nil
List of committees of Board of Directors (across all other Companies) in which Chairmanship/Membership is held	Nil

JESAL P SHAH - Woman Independent Director

Name of Director	JESAL P SHAH DIN: 07155395
Date of Birth	26.08.1969
Date of Appointment	14.04.2015
Relationship with other Directors Inter se	None
Profile & Expertise in Specific functional Areas	HR Services
Qualification	Graduation in Arts
No. of Equity Shares held in the Company	Nil
List of other Companies in which Directorships are held	Nil
List of committees of Board of Directors (across all other Companies) in which Chairmanship/Membership is held	Nil

LIPPI SYSTEMS LIMITED

DIRECTORS REPORT

To,
The Members of,
LIPPI SYSTEM LIMITED

Your directors have pleasure in presenting their Annual Report together with the Audited Annual accounts for the year ended on 31st March, 2015.

FINANCIAL RESULTS:

Amt. (Rs in Lacs)

Particulars:	2014-15	2013-14
Net Sales	2290.80	2839.28
Other Income	97.36	30.16
Finance Cost	142.85	102.71
Depreciation	131.67	143.87
Income Tax Provision	13.15	7.56
Deferred Tax Liability	9.98	12.04
Net Profit	53.65	23.17

OPERATIONS:

Your directors are pleased to report that for the year under review, your Company has been able to achieve a net turnover of Rs. 22.91 crores as compared to Rs. 28.39 crores for the previous year. However, in spite of fall in turnover, your company could achieve a net profit of Rs. 53.65 lacs as against a net profit of Rs. 23.17 lacs for the preceding year.

Your directors expect some better results for the current year.

DIVIDEND:

In view of the marginal profits for the year under review, your directors have not recommended any dividend for the year under report.

FIXED DEPOSITS:

During the year under review your company has not accepted any fixed deposits from the public and therefore no information is required to be furnished in respect of outstanding deposits.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to Section 177(9) of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Company has formulated a Whistle Blower Policy to establish a vigil mechanism for directors and employees of the Company. The purpose and objective of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects the employees wishing to raise a concern about serious irregularities within the Company. The details of the Whistle Blower Policy are posted on the website (www.lippiSYSTEMS.com) of the Company. (Link: http://www.lippiSYSTEMS.com/images/code_of_conduct/WhistleBlowerPolicy.pdf).