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# ANNUAL REPORT 2016





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<b>Annual General Meeting</b>	24th September, 2016
<b>Time</b>	11.00 A.M.
<b>Venue</b>	CTC Banquets, Citi Point, Rajarshi Shahu Maharaj Road, Telli Galli, Andheri (East), Mumbai-400 069.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS



**Mr. L. Vinay Reddy**, aged 47, is the Chairman and Managing Director of the Company. He has a bachelor's degree in commerce from the University of Mumbai. He has over 25 years of experience in the innerwear industry. He has been with the Company since its inception. He was instrumental in obtaining license of "Lovable" brand for your Company. Mr. L Vinay Reddy has vast experience in the areas of management, marketing strategies and overall administration control and supervision. The overall day to day affairs and management decisions of your Company are under the supervision of Mr. L. Vinay Reddy. He was previously a Director in Maxwell Industries.

**Mr. L. Jaipal Reddy**, aged 76, is the Whole-Time Director of the Company. He has a Diploma in Electrical Engineering from Osmania University, Hyderabad. He was the co-founder of Maxwell Industries Limited and was the Managing Director there for 14 years. He is a pioneer of the branded innerwear industry in India and he has conceptualized and established leading brands such as VIP, Frenchie etc. He is a visionary and guides our Company and its management at all the stages of its development and strategic decisions.



**Mr. Gopal G. Sehjpal**, aged 72, is the Independent Director of your Company. He has a bachelor's degree in Arts (with Commerce and Economics) and a Master's degree in arts (Philosophy) from the University of Delhi. He also has a diploma in personnel management from the University of Delhi. He has worked at Kodak (India) for over 3 decades in the areas of sales, administration, branch management, human resources (as the head) and also as the head of a profit centre. He is currently working as a Management Consultant and Trainer. He is also an Independent director in Maxwell Industries Limited. He is a fellow member of the Institute of Management Consultants of India, life member with the Bombay Management Association and Indian Institute of Quality Management and is an individual member with Consultancy Development Centre (Ministry of Science and Technology, GoI)

**Mr. Sivabalan P. Pandian**, aged 57, is the Independent Director of your Company. He has a Bachelor's degree in Science (Chemistry) from the University of Poona, a bachelor's and master's degree in science (Technology in Textile Chemistry) from the University of Bombay. He started his industrial career from Saraspur Mills (Lalbhai Concern) He has worked at Bombay Dyeing Manufacturing and Company Limited where he worked as a Deputy Manager in the dyeing department. He has also worked at Mafatlal Industries as a processing manager in the processing department. He is a regular contributor to trade journals specializing in new technologies in the textile and apparel industry. He is currently acting as consultant to companies engaged in the textile industry and its allied fields. He is also an Independent Director in E-Land Apparel Limited.





**Mr. Dhanpat M. Kothari**, aged 47, is the Independent Director of the Company. He has a Bachelor's degree in Commerce from the SPU College, Falna, Rajasthan. He is also a fellow member of the ICAI and is Practising Chartered Accountant. His area of expertise is in the fields of company formation, tax and statutory audits. Mr. Kothari also appears before various authorities such as Sales Tax and Income Tax authorities with respect to various matters.

**Mr. Ananthraman Mahadevan**, aged 69, is the Independent Director of our Company since 2011. He holds a Bachelor of Engineering (Mech) degree from University of Mumbai. He has done Master of Engineering (Mech) in Machine Tool Design, University of Mumbai and a Post Graduate Diploma in Industrial Management, Jamnalal Bajaj Institute of Management studies, University of Mumbai. He is a fellow of the Institution of Engineers. He has wide experience working with SICOM Ltd in the field of Development Banking. He has been a Management Consultant and Industrial, Technical and Financial Advisor to promoters of more than 40 companies. Apart from the above activities, he has been supporting various Social Causes through active involvement with a number of NGOs. Over the past 40 years, he has been exposed to all aspects of business development, production, finance, legal, Government Bodies, PSUs and so on.



**Ms. Taruna Reddy**, aged 43, is the Non-Executive Director of the Company. She has a Diploma in Mass Communication and has wide experience in Advertising and Direct Marketing Services in Creative and Service profiles. She has a keen understanding of design and aesthetics, besides being aware of contemporary trends and consumer psyche. Effective adaption of evolving consumer preferences onto products and critical evaluation of advertising communication is her domain.

#### CHIEF FINANCIAL OFFICER

R. Govindarajan

#### COMPANY SECRETARY & COMPLIANCE OFFICER

Darsha Sanghvi

#### STATUTORY AUDITOR

Vinodkumar Jain & Co., Mumbai

#### REGISTERED OFFICE

A-46, Road No.2, MIDC, Andheri (East),  
Mumbai – 400 093,  
Phone : 022-2838 3581,  
Fax : 022-2838 3582,  
Email : corporate@lovableindia.in  
Website: www.lovableindia.in  
CIN: L17110MH1987PLC044835

#### BANKERS

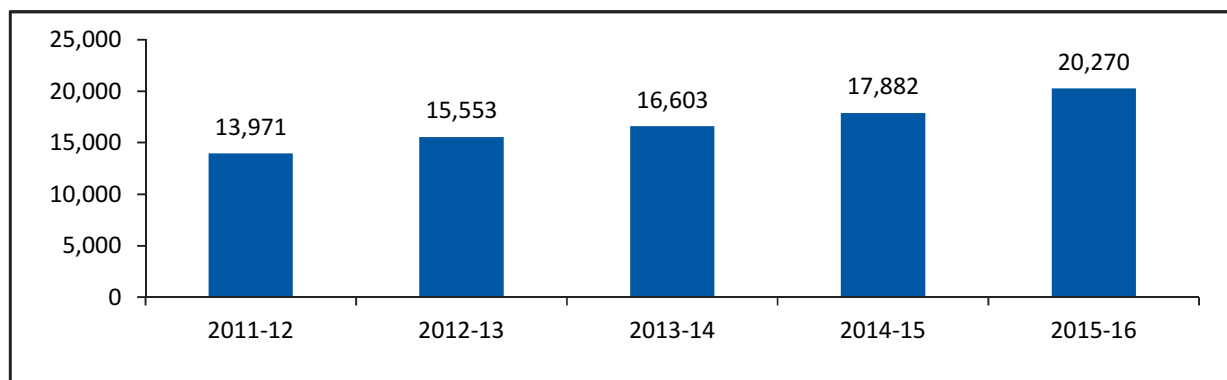
Bank of Baroda



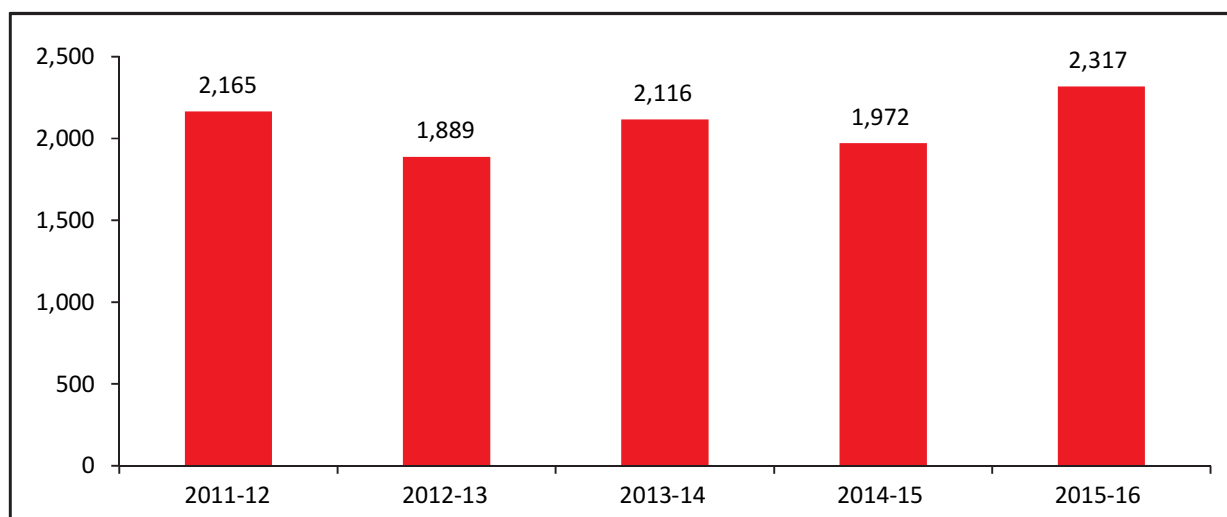
## FINANCIAL SNAPSHOTS

	(₹. In Lacs)				
Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
<b>FINANCIAL POSITION:</b>					
Net Fixed Assets	4768	3968	3964	4081	2722
Investments	7075	7458	10462	7982	9612
Current Assets, Loans & Advances	11373	10835	8474	8771	5651
Deferred Tax Assets	-	-	-	-	-
Other Non-Current Assets	185	192	172	292	564
<b>Total Assets</b>	<b>23401</b>	<b>22453</b>	<b>23073</b>	<b>21126</b>	<b>18549</b>
Long Term loans	221	443	664	941	22
Long Term Provisions	108	102	141	135	109
Current Liabilities & Provisions	2145	3080	2978	2462	2417
Deferred Tax Liabilities	401	318	269	193	104
<b>Total Liabilities</b>	<b>2876</b>	<b>3943</b>	<b>4053</b>	<b>3731</b>	<b>2652</b>
<b>Net Worth</b>	<b>20525</b>	<b>18510</b>	<b>19020</b>	<b>17395</b>	<b>15897</b>
<b>Represented by:</b>					
Share capital	1680	1680	1680	1680	1680
Reserves and Surplus	18845	16830	17340	15715	14217
Less: Misc. Expenditure not w/o	-	-	-	-	-
	20525	18510	19020	17395	15897
<b>OPERATING PERFORMANCE:</b>					
Total Income	20270	17882	16603	15553	13971
Excess Provision for Gratuity	-	-	-	-	-
Total Operating Expenditure	16614	14828	13242	12781	10991
Deferred Expenses	-	-	-	-	-
<b>Earnings Before Interest and Depreciation</b>	<b>3656</b>	<b>3054</b>	<b>3361</b>	<b>2772</b>	<b>2980</b>
Interest	139	111	160	39	59
Depreciation	280	249	315	185	150
Extra-Ordinary Items	-	-	-	-	-
<b>Profit Before Tax</b>	<b>3237</b>	<b>2694</b>	<b>2886</b>	<b>2548</b>	<b>2771</b>
Taxation	920	722	770	659	605
<b>Profit After Tax</b>	<b>2317</b>	<b>1972</b>	<b>2116</b>	<b>1889</b>	<b>2165</b>
Number of Equity Shares	16800000	16800000	16800000	16800000	16800000
Face Value of Share (Rs.)	10	10	10	10	10
Earnings Per Share (Rs.)	13.79	11.74	12.59	11.24	12.89

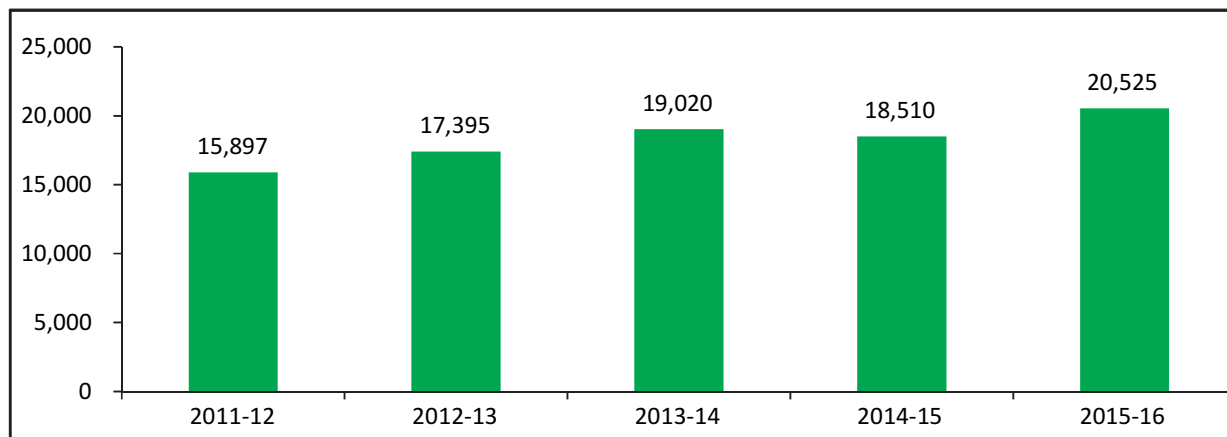
### Total Income (₹ in Lacs)



### PAT (₹ in Lacs)



### Net Worth (₹ in Lacs)



# Lovable Lingerie Limited

Corporate Identification No.(CIN): L17110MH1987PLC044835  
 Regd. Office: A-46, Street No. 2, MIDC, Andheri (East), Mumbai – 400 093.  
 Phone: (91-22) 2838 3581, Fax: (91-22) 2838 3582,  
 Email: [corporate@lovableindia.in](mailto:corporate@lovableindia.in), Website: [www.lovableindia.in](http://www.lovableindia.in)

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 29th Annual General Meeting of the Members of Lovable Lingerie Limited (CIN: L17110MH1987PLC044835) will be held on Saturday, 24th September, 2016 at 11.00 a.m. at CTC Banquets, Citi Point, Rajarshi Shahu Maharaj Road, Telli Galli, Andheri (East), Mumbai-400 069, to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the Financial Year ended 31st March, 2016 and the reports of the Board of Directors and Auditors thereon.
2. To confirm the Interim Dividend paid of Rs. 1.50 per Equity Share (15%) as final dividend for the financial year ended 31st March, 2016.
3. To appoint a Director in place of Ms. Taruna Reddy (DIN: 02787135), who retires by rotation and being eligible, offers herself for re-appointment.
4. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and pursuant to the resolution passed by the Members at the 27th Annual General Meeting held on September 25, 2014 in respect of appointment of the auditors M/s. Vinodkumar Jain & Co., Chartered Accountants (Firm Registration No.111513W) till the conclusion of the AGM to be held in year 2017, the Company hereby ratifies and confirms the appointment of M/s. Vinodkumar Jain & Co., Chartered Accountants (Firm Registration No.111513W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the company to be held in the year 2017 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### SPECIAL BUSINESS:

5. **Re-appointment of Mr. L Vinay Reddy (DIN: 00202619) as Managing Director of the Company.**

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 ("the Act") and such other applicable provisions, if any, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013; the Company hereby approves the re-appointment and terms of remuneration of Mr. L Vinay Reddy (DIN: 00202619) as the Managing Director of the Company, for a period of 2 (two) years with effect from 1st February, 2017 to 31st January, 2019 (both days inclusive), upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with liberty to the Board of Directors (hereinafter referred to the "Board" (which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration in such manner as may be agreed to between the Board of Directors and Mr. L



Vinay Reddy, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof.”

**“RESOLVED FURTHER THAT** the Board or a Committee thereof be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

#### 6. Re-appointment of Mr. L Jaipal Reddy (DIN: 01539678) as Whole Time Director of the Company.

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

**“RESOLVED THAT** in accordance with the provisions of Sections 196 and 197 of the Companies Act, 2013 (“the Act”) and such other applicable provisions, if any, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“the Rules”) (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013; the Company hereby approves the re-appointment and terms of remuneration of Shri L Jaipal Reddy (DIN: 01539678) as the Whole-Time Director of the Company, for a period of 2 (two) years with effect from 1st February, 2017 to 31st January, 2019 (both days inclusive), upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to the “Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit and as may be acceptable to Shri L Jaipal Reddy, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof.”

**“RESOLVED FURTHER THAT** the Board or a Committee thereof be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

By Order of the Board of Directors  
For **Lovable Lingerie Limited**,

Sd/-  
**L Vinay Reddy**  
Managing Director  
DIN: 00202619

Mumbai, 12th August 2016

Registered Office:

A-46, Street No.2, MIDC, Andheri (East), Mumbai 400 093.

Corporate Identification Number (CIN): L17110MH1987PLC044835

Tel: 91 22 2838 3581 Fax: 91 22 2838 3582

E-mail : [corporate@lovableindia.in](mailto:corporate@lovableindia.in) Website: [www.lovableindia.in](http://www.lovableindia.in)

#### Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto. The relevant details as required under regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of SS-2 (Secretarial Standards – 2) on General meetings by the Institute of Company Secretaries of India, in respect of the person seeking appointment / re-appointment as Director is also annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. A Proxy Form is annexed to this Report. Proxies, in order to be effective, must be received at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. Proxies

submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

4. Pursuant to Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty (50) members holding in aggregate not more than 10% of the total share capital of the Company. Members holding more than 10% of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. Proxy-holders are requested to carry an Identity Proof at the time of attending the meeting.
5. Corporate members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
6. 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. The Members please note that the copies of the Annual Report will not be distributed at the Annual General Meeting.
7. Members may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. Members holding shares in physical form may obtain the Nomination forms from the Company's Registrar and Share Transfer Agents and Members holding shares in electronic form may obtain the Nomination forms from their respective Depository Participant(s).
8. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants (DPs) of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants. Changes intimated to the DPs will then be automatically reflected in the Company's records which will help the company and the Company's Registrars and Transfer Agents, M/s. Link Intime India Private Limited (LIPL) to provide efficient and better services.
9. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Link Intime India Private Limited immediately.
10. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email addresses are registered with the Company or the Depository Participant(s), unless any Member has requested for a physical copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). The members will be entitled to a physical copy of the annual report for the financial year 2015-16, free of cost, upon sending a request to the Company Secretary at A-46, Road No.2, MIDC, Andheri (E), Mumbai- 400 093; email: [corporate@lovableindia.in](mailto:corporate@lovableindia.in).
12. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with LIPL / Depository Participant(s).
13. Members may also note that the Notice of the Twenty Ninth AGM and the Annual Report 2015-16 will be available on the website of the Company [www.lovableindia.in](http://www.lovableindia.in) and website of CDSL [www.cdslindia.com](http://www.cdslindia.com). Members who require communication in physical form in addition to e-communication, may write to us at: [corporate@lovableindia.in](mailto:corporate@lovableindia.in).