

# ANNUAL REPORT



VIP Clothing Ltd.



# 2019



## OUR VISION

To be in every Indian's  
Wardrobe and Go Global

## OUR MISSION

Join hands together to become an  
International Symbol of Excellence through  
Continuous Customer Satisfaction, Innovations,  
Manpower Developments, Productivity  
Improvement, Quality Improvement, Cost  
Reduction and Time Managements.



24/7  
COOL FINISH  
VEST



VIP

Fresh



STAY FRESH  
24x7

AIR  
FLOW

TRUNK



Single  
Jersey

AIR  
FLOW

VIP *Fresh*

WASH FREQUENTLY FOR BETTER HYGIENE



## Corporate Information

### Board of Directors

|                  |                                |
|------------------|--------------------------------|
| Sunil J. Pathare | Chairman and Managing Director |
| Kapil J. Pathare | Whole Time Director            |
| Gopal Sehgal     | Independent Director           |
| Chetan Sheth     | Independent Director           |
| Robin Banerjee   | Independent Director           |
| Meher Castelino  | Independent Director           |

### Chief Executive Officer

(Sales, Marketing and Production)

Yogesh Tiwari (Till February 28, 2019)

### Chief Financial Officer and Company Secretary

Ashish Mandalia

### Chief Finance Controller

Devendra Vyas

### Statutory Auditors

M/s. Sharp & Tannan  
Chartered Accountants

### Internal Auditor

M/s. Haribhakti & Co. LLP  
Chartered Accountants

### Bankers

State Bank of India  
IDBI Bank Limited  
HDFC Bank Limited

### Registered Office

C-6, Road No.22, MIDC,  
Andheri (East),  
Mumbai 400 093.  
Phone : + 91 22 28257624/27/33,40209000  
Fax : + 91 22 28371023/24  
E-mail : investor.relations@viporg.com  
Website: www.vipclothing.in  
CIN : L18101MH1991PLC059804

### Registrar & Transfer Agents

Link Intime India Private Limited  
C-101, 247 Park, L B S Marg,  
Vikhroli (West),  
Mumbai - 400 083  
Phone : + 91 22 49186000  
Fax : + 91 22 49186060  
Email : rnt.helpdesk@linkintime.co.in

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### Plant Location

|                 |  |
|-----------------|--|
| Stitching Units | : 92/94, New GIDC, Umbergaon, Gujarat - 396171                                 |
|                 | : SF-125/126/127, Appachimarmadam, Thingalur, Erode, Tamil Nadu - 638055       |
| Wind Mill       | : Chinnakkully Village, Pappampatty Panchayat, Coimbatore, Tamil Nadu - 641016 |

### 29<sup>th</sup> ANNUAL GENERAL MEETING

|       |   |
|-------|---|
| Day   | : Thursday  |
| Date  | : 26 <sup>th</sup> September, 2019  |
| Time  | : 11.00 a.m.  |
| Venue | : Goldfinch Hotel, Plot No. 34/21, Central Road, MIDC,<br>Andheri (East), Mumbai - 400093 |



## NOTICE

NOTICE is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of VIP Clothing Limited (Formerly known as Maxwell Industries Limited) will be held on Thursday, 26<sup>th</sup> day of September, 2019 at 11.00 a.m. at Goldfinch Hotel, Plot No. 34/21, Central Road, MIDC, Andheri (East), Mumbai - 400 093 to transact the following business:

### ORDINARY BUSINESS:

#### 1. Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements for the Financial Year ended on March 31, 2019 and the Reports of the Directors and Auditors thereon.

#### 2. Appointment of Director

To appoint a Director in place of Mr. Sunil J. Pathare (DIN 00192182), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

#### 3. Continuation of Directorship of Mrs. Meher Castelino

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

**“RESOLVED THAT** pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable provisions, if any, of the Companies Act, 2013 and the applicable Rules made thereunder, including any amendment(s), statutory modification(s) and /or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby granted to Mrs. Meher Castelino (DIN 07121874), who has attained the age of seventy five (75) years, to continue to be a Non-Executive Independent Director of the Company upto March 23, 2020, being the date of expiry of her current term of office.

**RESOLVED FURTHER THAT** the Board of Directors or Nomination and Remuneration Committee or Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters or things and take such steps as may be necessary, expedient or desirable in this regard.”

#### 4. Re-appointment of Mrs. Meher Castelino as an Independent Director of the Company for a second term

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulations 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Meher Castelino (DIN 07121874), who was appointed as an Independent Director and who holds office as an Independent Director upto March 23, 2020 and being eligible be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) years i.e. upto March 23, 2025 .

**RESOLVED FURTHER THAT** the Board of Directors or Nomination and Remuneration Committee or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By order of the Board of Directors  
For **VIP Clothing Limited**  
(Formerly known as Maxwell Industries Limited)

Place: Mumbai  
Date: August 09, 2019

**Ashish Mandaliya**  
Chief Financial Officer and Company Secretary

**NOTES:**

1. **A member entitled to attend and vote, at the Annual General Meeting (“the meeting”) is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of not exceeding fifty members and holding aggregate not more than ten per cent of the total share capital of the Company. A member holding more than ten per cent of the total share capital of the Company may appoint a single person as a proxy. However, such person shall not act as a proxy for any other person or shareholder.**
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, September 19, 2019 to Thursday, September 26, 2019 (both days inclusive).
3. Members are requested to note that, dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their unclaimed dividend from the Company, within the stipulated timeline. The Members, whose unclaimed dividend/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF - 5 available on [www.iepf.gov.in](http://www.iepf.gov.in), for details, please refer point no. 13(g) of Corporate Governance Report which is a part of this Annual Report.
4. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate any change of address or bank mandate immediately to the Company at its Registered Office or to our Registrar and Share Transfer Agents, Link Intime India Private Limited, C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400083.
5. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc., from the Company with their Depository Participants or with our Registrar and Share Transfer Agents, Link Intime India Private Limited.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agents, Link Intime India Private Limited  
  
A Form for capturing the above details is appended in the Annual Report 2018-19. Members holding shares in physical form are requested to submit filled-in form to the Company or our Registrars and Share Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.
7. Members desirous of obtaining any information concerning accounts of the Company are requested to address their queries to the Company Secretary at least Seven days prior the date of the meeting, to enable the information required to be made available at the meeting, to the extent possible.
8. Members may be aware, that the Equity Shares of the Company have been sub-divided from one equity shares of ₹10/- each to 5 equity shares of ₹ 2/- each, in terms of Resolution passed by the Members of the Company at the Extra Ordinary General Meeting of the Company held on February 1, 2006. The Members who are still holding their share certificate of ₹10/- each of the Company required to exchange the same with new equity shares of ₹ 2/- each by sending the same to the Company's Registrar & Transfer Agent, Link Intime India Private Limited, since the old Share Certificate of ₹10/- each are no longer tradable.
9. Members/Proxies are requested to bring the attendance slip duly filled in for attending the Meeting and copy of the Annual Report 2018-19. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting. In case of Joint Holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.
10. Members are requested to note that in case of transfers, deletion of name of the deceased shareholder, transmission and transposition of names in respect of share held in physical form, the submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for these transaction, is now mandatory.
11. Mr. Sunil J. Pathare, Chairman and Managing Director of the Company, retires by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.
12. Mrs. Meher Castelino, Independent Director of the Company who had attended the age of 75 years, will continue as an Independent Director till March 23, 2020 and she will be re-appointed as an Independent Director for second term upto March 23, 2025.
13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any changes in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.





## VIP CLOTHING LIMITED (Formerly known as Maxwell Industries Limited)

14. Section 72 of the Companies Act, 2013, provides for **Nomination** by the Shareholders of the Company in the prescribed forms which are available on the website of the Company "[www.vipclothing.in](http://www.vipclothing.in)" shareholders requested to avail this facility.
15. Members are requested to bring their valid photo ID proof at the time of the meeting.
16. The route map showing directions to reach the venue of the twenty-ninth AGM is annexed on page no. 89.

### Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 29<sup>th</sup> Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

### The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Monday, September 23, 2019 and ends on Wednesday, September 25, 2019. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, September 19, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (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 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  | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>   |
| Dividend Bank Details or Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul> |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach 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 VIP CLOTHING LIMITED (Formerly known as Maxwell Industries Limited) 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Please note that:**

1. The voting period begins on Monday, September 23, 2019 at 10.00 a.m. and ends on Wednesday, September 25, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, September 19, 2019 may cast their vote electronically. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the company as on this cut-off date. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on September 25, 2019.
2. Mr. Rakesh Sanghani or on failing of him Mr. Marmik Patel, Practising Company Secretary from M/s. RS and MP Associates (Unique Code No. P2017MH061400) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
3. The members would be able to cast their votes at the meeting through ballot paper if they have not availed the remote e-voting facility. If the vote is cast through remote e-voting facility then the members would not be permitted to exercise their voting right at the general meeting.
4. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days of conclusion of the meeting a consolidated scrutinizer's report of the votes cast in favour or against, to the Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose.
5. The Result shall be declared on or after the Annual General Meeting (AGM). The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.vipclothing.in](http://www.vipclothing.in) and communicated to the Stock Exchanges.

By order of the Board of Directors  
For **VIP Clothing Limited**  
(Formerly known as Maxwell Industries Limited)

Place: Mumbai  
Date: August 09, 2019

**Ashish Mandaliya**  
Chief Financial Officer and Company Secretary

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**
**ITEM NO. 3**

The Members of the Company at the Twenty fifth Annual General Meeting held on September 26, 2015 had appointed Mrs. Meher Castelino as an Independent Director of the Company for a term of five (5) consecutive years commencing from March 24, 2015 and expiring on March 23, 2020.

Pursuant to the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations"), effective from April 01, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect and the explanatory statement annexed to the notice proposing such appointment or continuation specifies the justification for such appointment or continuation, as the case may be.

Mrs. Meher Castelino had attained the age of seventy five (75) years. Pursuant to Regulation 17(1A) of the Listing Regulations, the Special Resolution for continuation of her directorship with effect from July 06, 2019 up to March 23, 2020, being the date of expiry of her current term of office, shall be required to be passed.

The Board of Directors of the Company, based on the recommendation from the Nomination and Remuneration Committee, at its meeting held on August 09, 2019, has unanimously decided the continuation of directorship of Mrs. Meher Castelino with effect from July 06, 2019 to March 23, 2020, being the date of expiry of her current term of office.

**Profile and justification for continuation of the directorship for Mrs. Meher Castelino is stated below:**

Mrs. Meher Castelino, born in 1944, graduated from Lawrence School, Lovedale, involved with fashion and beauty since 1964, when she was the first Miss India selected by Femina. She represented the country at Miss Universe and Miss United Nations contests at Miami Beach, Florida and Majorca Spain.

A famous commercial and catwalk model for over 14 years, she has appeared in over 2000 live fashion shows in India and around the globe many of which were conceived and directed by her. She has also headed the designing departments of export as well as local fashion houses.

She is pioneer of fashion journalism in India since her first article in Eve's Weekly in 1973. Mrs. Castelino has been a full time fashion/lifestyle journalist and syndicated columnist having written for nearly 150 national and international newspapers and magazines.

She authored the book on men's fashion, MANSTYLE published in 1987. Her second book FASHION KALEIDOSCOPE was released in 1994 and traces the evolution of Indian high fashion from 1960-1990. Her satire blog on fashion for Stylekandy.com is one of the most widely read on the web. She is the official writer for Lakmé Fashion Week since 2006 reporting all over the globe.

She has been invited by Germany, France, Italy, USA, South Africa, Turkey, Australia, Netherlands and Singapore to view haute couture fashion shows of international designers and interview them.

She was awarded the Hall of Fame Fashion writer Award at the Kingfisher Fashion Awards in 2001. Her second Award was Achievement in Fashion Media from Young Environmentalists Trust on March 07, 2012 to celebrate International Women's Day. Mrs. Castelino was also honoured by the B D Somani Institute of Fashion Technology with an Award for her contribution to fashion for three decades on May 06, 2012.

She also serves on the Boards of Rossari Biotech Limited.

She has been an active member of the Board and the Board Committees of which she is a member. She brings independent judgement on the Board of the Company and her continued association will be valuable and positive. With her expertise, skills and knowledge, particularly in the field of fashion, she articulates and provides her valuable guidance and inputs in all matters pertaining to the fashion and design trends. Mrs. Meher Castelino is physically fit.

Details of Mrs. Meher Castelino's attendance at the Board, Committee and General Meetings held during current and the last three financial years are given below:

| Financial year  | Board meeting | Nomination and Remuneration Committee Meeting | Stakeholder Relationship Committee Meeting | Annual General Meeting |
|---|---------------|---|--|------------------------|
| 2019-20<br>(upto and including the date of this Notice) | 1 out of 2    | 1 out of 2                                    | 1 out of 2                                 | -                      |
| 2018-19   | 5 out of 5    | 4 out of 4                                    | 4 out of 4                                 | Yes<br>(AGM 2017-18)   |
| 2017-18   | 8 out of 8    | 5 out of 5                                    | 4 out of 4                                 | Yes<br>(AGM 2016-17)   |
| 2016-17   | 5 out of 6    | 3 out of 4                                    | 3 out of 4                                 | Yes<br>(AGM 2015-16)   |

This statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015 with the Stock Exchange.