



October 24, 2019

To,

The Listing Department,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.

**Scrip Code : 532613**

Dear Sir/Madam,

**Sub: - Submission of Minutes of 29<sup>th</sup> Annual General Meeting.**

We have enclosed herewith the Minutes of 29<sup>th</sup> Annual General Meeting (AGM) of Members of the Company held on 26<sup>th</sup> September, 2019 at 11.00 a.m. at Goldfinch Hotel, Plot No.34/21, Central Road, MIDC, Andheri (East), Mumbai - 400 093.

Requested you to kindly take the same on record.

Thanking you.

Yours faithfully,  
**For VIP Clothing Limited**

**Ashish Mandaliya**  
**C.F.O. & Company Secretary**

Encl: A/a.

To,

The Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra-Kurla Complex  
Bandra (East), Mumbai-400 051.

**Trading Symbol : "VIPCLOTHNG"**



**VIP Clothing Ltd.**

(Formerly known as Maxwell Industries Ltd.)

Registered Office: C-6, Street No. 22, MIDC,  
Andheri (E), Mumbai - 400 093. India.

CIN : L18101MH1991PLC059804

T: +91 (22) 28257624 /27/33  
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Export Div. T: +91 (22) 28256788  
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E : [info@viporg.com](mailto:info@viporg.com)  
W : [www.vipclothing.in](http://www.vipclothing.in)

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**Minutes of the 29<sup>th</sup> Annual General Meeting of the Members of the VIP Clothing Limited (Formerly known as Maxwell Industries Limited) held on Thursday, 26<sup>th</sup> September, 2019 at 11.00 a.m. at The Goldfinch Hotel, Plot No. 34/21, Central Road, MIDC, Andheri (East), Mumbai – 400093.**

**Present:-**

**Members of the Board:**

Mr. Sunil J Pathare	:	Chairman and Managing Director
Mr. Kapil J Pathare	:	Whole time Director
Mr. Gopal Sehjpal	:	Independent Director (Chairman of Audit Committee of the Company)
Mr. Chetan Sheth	:	Independent Director (Chairman of Nomination and Remuneration Committee of the Company)
Ms. Meher Castelino	:	Independent Director (Chairperson of Stakeholders Relationship Committee of the Company)

**Members of the Management:**

Mr. Ashish Mandaliya	:	Chief Financial Officer and Company Secretary
Mr. Devendra Vyas	:	Chief Finance Controller

**In Attendance:**

Mr. Parthiv Desai	:	Representative from Sharp and Tannan (Statutory Auditor)
Mr. Rakesh Sanghani and Mr. Marmik Patel	:	Practicing Company Secretary, Secretarial Auditor Scrutinizer for E-voting/poll

Total 68 Members were present including: 65 Members personally present and 3 Members were presented by way of proxies.

**Quorum:**

Mr. Ashish Mandaliya, Chief Financial Officer and Company Secretary, informed to the Chairman that the requisite quorum being present.

Mr. Sunil Pathare, Chairman commenced the Meeting by extending very warm welcome to all the Members who present at the 29<sup>th</sup> Annual General Meeting of the Company on behalf of the Board, Management and VIP Clothing Team.

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Thereafter, Chairman introduced the Members of the Board and Key Managerial Personnel present at the meeting.

**Notice of the Meeting:**

With the consent of the members of the Company, the notice was taken as read.

**Chairman's Speech:**

Dear Members,

The financial statement of Your Company for the year ended on 31<sup>st</sup> March, 2019, and comparative figures for previous year ended on 31<sup>st</sup> March, 2018 had been prepared in compliance with Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) rules as amended from time to time. These are the Company's Ind-AS financial statement, along with the Director's and Auditor's Report, the Secretarial Audit Report, Corporate Governance Report, Management Discussion and Analysis, have already circulated to the members for adoption and with the members permission took them as read.

Members to say - Yes.

(Thanks you.)

All these along with, the Register of Director's & Key Managerial Persons & their Shareholding, the Register of Contracts or Arrangement are available and will remain open and access-able for inspection during the continuation of the meeting.

Dear Ladies & Gentlemen,

**INDIAN ECONOMY:**

As per the report of (Internal Monetary Funds) IMF, global economy has grown at 3.6% during the year 2018, whereas the GDP of India grew at 6.8% during the year 2018-19. The Indian economy is well poised to establish itself at 5<sup>th</sup> position in the Global economy and to march ahead in the times to come, as it is expected to retain its mantle as the fastest growing economy in the world. In order to give a boost to the economic growth to make India a US\$ 5 trillion economy, the government has been addressing the issues through it policies and structural initiatives to achieve sustainable future growth and has taken various steps like, removing of Article 370, Reduction in Corporate Taxes for Domestic companies, Reduction in some GST Slabs for some articles and many more scheme which will surely have an positive impact on the Economic Growth of Country. India today is been seen very differently on Global Map as one of the strongest nation to grow and do business with.



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**COMPANY'S PERFORMANCE:**

Overall competition in Hosiery Industries has rapidly increased across PAN India which has impacted the Company's Turnover and overall business in the financial year 2018-19. Due to GST and other compliance law imposed by the government, the trade, especially the Dealers and Wholesalers had also rationalized their purchases and minimized their stock holding levels. In turn the overall Business movement has Slower down due to above mention reason.

The Companies revenue from operation for financial year 2018-19 was Rs.207 Crs (Rupees Two Hundred and Seven Crore) as against revenue from operation of Rs.222 Crs (Rupees Two Hundred and Twenty Two Crore) in the previous financial year 2017-18 that is drop by 6.71% and reported net loss of Rs.6.41 Crs (Rupees Six point Forty one Crore) as against loss of Rs.3.03 Crs (Rupees Three point zero Three Crore). The Company's EBIDTA stood around 2.70% as against 5.30% in the previous year, on account of loss of sales and under absorption of the other expenses.

Despite the tough time, our key brands, VIP & Frenchie for men's undergarment and feelings for women's has performed well. Over the Contribution of VIP & Frenchie together in turnover Rs.161 Crs (Rupees one hundred sixty one crores) and feelings at Rs.23 Crs (Rupees Twenty three Crore).

Current FY (2019-20) has planned well, but due to restrict over the market condition, we have drop of Sales in 1<sup>st</sup> Quarter and planned well to compensate it and cover it well in next coming quarters.

**INNOVATION AND BRAND EXTENSIONS FOR GROWTH:**

"Innovation is the key for any Brand to Grow "this was relevant yesterday, today and it would be relevant in future too. As mention in my last AGM, that innovation was missing within our company from past few years and company had diverted into backward Integration which stunted our growth for many years. We are glad to announce that VIP is back with Innovative ideas and New Innovative product which was recently launched in Market.

The new fresh range from VIP which has Innovative feature like "Quick dry", "Cool Finish "and "Airflow" technology got launched and are well accepted in Market .

All this Product has special Features in it. **Quick dry** vest helps to absorb the sweat faster and it has a quality of drying it quickly. **Cool Finish** Vest has a technology which reduces the body temperature by **2-3 degree** and keeps you cooler from warm climatic condition. Airflow brief and trunk has been designed with mesh Fabric which helps with circulation of air for men having breathable fabric at sensitive area. Our all new products are so well designed, considering the uneven temperature and also to meet consumers' requirement. Another trend is brands extending across categories. A customer who is once comfortable with the brand doesn't mind trying product extensions into related categories. This gives brand an opportunity to go beyond its core offerings.

  
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In keeping with fashion trends Frenchie has recently launched a range of printed Designer briefs that offers stylish edge to consumers. Today's youth prefers an active lifestyle. Frenchie is extending its products into the gym wear range to cater to this 'on the move' consumer. These changes in trends have been felt not just in metros but across the country.

Even a brand like Feelings which caters significantly to the non-metro audience has introduced new products keeping in mind the changing woman. Dressing well and being Presentable is today's everyone choice and priority. However, comfort still plays a huge role in influencing your outfit choices. The same is the case when it comes to innerwear. Considering comfort level and fashion may seem like contrasting ideas. But we at VIP have found a way of meshing of the 2 Ideas into a fabulous range of products with value added benefit. Our Feeling brand offers a new range of T- shirt bras and All day long bras that deliver perfect-fitting, comfortable yet fashionable inner-wear solutions. These products are designed for continuous comfort across a wide range of situations that you may encounter on a daily basis.

#### **INTERNATIONAL PRESENCE:**

Your Company's Foreign exchange earnings for financial year 2018-19 stood at Rs.16.09 Crs (Rupees Sixteen point zero nine Crores) as against previous year 2017-18 it is Rs. 17.31 Crs (Rupees Seventeen point Thirty one Crore). Your company's brands are exported majorly in Middle East & Gulf and have good brand recall even across the border. Company is in planning to expand to new export markets.

#### **INFORMATION TECHNOLOGY:**

One of the most notable trends, that we are witnessing today, is the digital revolution. This is going to have a significant impact on consumer behavior and market structure in future. As more and more consumer access the internet, it is becoming a key channel for gathering information, arriving at purchase decisions and transacting online, recognizing this as an opportunity, VIP is pursuing an e-commerce and digitalization strategy to promote online selling of its product.

Company has its own online store on our website i.e. [www.vipclothing.in](http://www.vipclothing.in) and it can be accessible to all for shopping on [www.store.vipclothing.in](http://www.store.vipclothing.in). The Company is strengthening its online presence through partnership with large e-retailers and with its own portals services. Increasing the focus on digital marketing, online campaigns and social media will help us access the millennial, whose trends are driven of consumption in coming years.

The Company has in place, well equipped IT infrastructure, across all the functional and at its manufacturing level; the Company has the state of art imported cutting machine Lectra brought from France. The Company uses an integrated SAP software system and which is functioning smoothly.



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SAP implementation is the effective mode of working environment and it has helped the Company to drive its operations in Hygiene and smooth way and get the corrective measures and action taken as in when requires.

To achieve requisites growth in sales at retail level. The Company had introduced field assist software for its sales team by providing them with TAB, so that retailer can be integrated with our existing system and enables the Company to generate and penetrate more valued retailers and customers for growth is now functioning smoothly.

### **HUMAN RESOURCES:**

As overall Business & rapid increasing competition, it is important to attract and retain qualified, talented and competent personnel in the Company. Your Company believes in rewarding its Employees for their continuous hard work, dedication and support.

As of 31<sup>st</sup> March 2019, our manpower strength in totality is 2083 which is inclusive of (Executive & workers) directly and indirectly associated with company. The industrial relations at the Company's units, head office were cordial throughout the year. Company is moving towards current trend in the market and now becoming more demanding on the Individual Performance of the employee.

As said, **Perform or Perish** is Key mantra which is now also adopted by our organization. Company has strengthened its Performance Management System through HR.

### **CSR ACTIVITY:**

As part of your company initiative under CSR, Company had in the past undertaken projects in the area of sanitation & environment sustainability, these project are largely in accordance with schedule VII of the Companies Act, 2013. Due to losses in the previous years, Company had not spent on CSR activities in this financial year, but the Company is committed to spend on CSR activities in coming years.

### **ACKNOWLEDGMENT:**

I would like to thank all our employees, vendors, service partners, customers for their overwhelming, continued support and to the supply chain including, the wholesalers, distributors, suppliers and retailers who have kept the life line moving. We are aware that our success lies in providing the customers their value for money and our endeavor in meeting their expectations.

I would also like to acknowledge with deep sense of appreciation the encouragement, support and co-operation received by the Company from its Bankers, State Bank of India, IDBI Bank Limited, HDFC Bank Limited, Stock Exchange, BSE Limited, National Stock Exchange of India Limited, Statutory Auditor M/s Sharp & Tannan, Internal Auditor – M/s. HariBhakti & Co, Registrar M/s. Link Intime India Pvt. Ltd. and also the consultant of your Company.

  
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Above all we are grateful to you, Ladies and gentlemen, our Members, for the trust reposed in us.

Thank you Ladies and gentleman again for your kind attention,

With the consent of the members of the Company Chairman move forward the business agenda.

### AGENDA NO.1

The Chairman took up the Item No.1 of the agenda for adoption of Accounts and report of Board of Directors & Auditors thereon for the financial year ended 31<sup>st</sup> March, 2019, by way of Ordinary Resolution;

**“RESOLVED THAT** the Audited Financial Statement and the Report of the Directors and Auditors for the financial year ended 31<sup>st</sup> March, 2019, thereon be and are hereby approved and adopted.”

The Chairman then spoke on the performance of the Company as well as on the business updates of key areas during the financial year 2018-19.

Chairman invited questions/quarries on accounts, if any, from the members, thereafter, few members raised the queries, same was answered with suitable reply.

Mr. Mahesh Jain proposed and Mr. Mangesh Desai seconded the resolution.

### AGENDA NO. 2

Chairman then took up the Item No.2 of the Agenda, 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, by way of an Ordinary Resolution;

**“RESOLVED THAT** Mr. Sunil J. Pathare (DIN 00192182) be and is hereby appointed as a Director of the Company, liable to retires by rotation in terms of Section 152 (6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.”

Ms. Shobha Bharne proposed and Mr. Deepak Lakhani seconded the resolution.

The Chairman thereafter put the resolution to vote by way of polling and the result will be declared subsequently.

### AGENDA NO. 3

Chairman took up the Item No.3 of the agenda, pertaining to continuation of Directorship of Ms. Meher Castelino (DIN 07121874), by way of a Special Resolution:

  
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**“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 Ms. 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.”

Ms. Nalini Lakhani proposed and Mr. Shailesh Jarmarvala seconded the resolution.

The Chairman thereafter put the resolution to vote by way of polling and the result will be declared subsequently.

#### **AGENDA NO. 4**

Chairman took up the Item No.4 of the agenda, pertaining to re-appointment of Ms. Meher Castelino (DIN 07121874) as an Independent Director of the Company for a second term, by way of 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 .

Ms. Renuka Ajbani proposed and Mr. J Suresh Shenoy seconded the resolution.

The Chairman thereafter put the resolution to vote by way of polling and the result will be declared subsequently.

Chairman requested Mr. Ashish Mandaliya, Chief Financial Officer and Company Secretary to brief on the process of voting.

Thereafter Mr. Ashish Mandaliya brief the following;

Our Company had provided e-voting facility to all the Members to cast their vote between 23<sup>rd</sup> September, 2019 at 10.00 a.m. to 25<sup>th</sup> September, 2019 upto 5.00 p.m. in proportion to their shareholding as on the cut-off date 19<sup>th</sup> September, 2019, as per the Companies Act, 2013 and rules framed thereunder and therefore, it is prudent to provide similar rights to the Members present, in person and through proxies at the present Annual General Meeting, to vote in proportion to the shares held by them.



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Further he requests the Members, who are present at the meeting to exercise their voting right by Physical Voting / Ballot process, in case you have not exercised your voting right by E-Voting the poll has been circulated to you for the item no of Agenda from 1 to 4 as contained in the notice of AGM.

**Physical Voting / Ballot:**

Mr. Ashish Mandaliya, Chief Financial Officer and Company Secretary further informed the members that;

Company has appointed Mr. Rakesh Sanghani, Practicing Company Secretary, from M/s. RS & MP associates, as the Scrutinizer to scrutinize the poll process and to give report thereon. A report of the Scrutinizers shall be submitted to Chairman.

Scrutinizer showed the empty Poll Box to the Members and then it was locked and sealed in presence of members. Polling papers distributed to the Members present in person or through proxies, requested to cast their vote and drop the ballot paper in the Poll Box.

Then the Company Secretary request to the present Members to exercise their voting right by Physical Voting / Ballot process, in case they have not exercised their voting right by E-Voting the poll has been circulated to the members for the item no of Agenda from 1 to 4 as contained in the notice of AGM.

Further he informed the members that, the combined voting result i.e. e-voting and voting through poll will be announced within 48 hours of the conclusion of Annual General Meeting and the same will be placed on Website of the Company and the Stock Exchange.

**VOTE OF THANKS**

There being no other business Mr. Sunil Pathare Chairman & Managing Director of the Company, proposed a hearty vote of thanks to everybody present in the meeting.

Thereafter he declared the meeting as closed.

Place: Mumbai

Date: 23.10.2019

  
Chairman and Managing Director

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