



Date: September 4, 2022

To,

| | |
|--|--|
| The National Stock Exchange of India Ltd. "Exchange Plaza" C-1, Block-G Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 | BSE Limited Phiroze Jeejeeboy Towers Dalal Street 0 Mumbai – 400 001 |
| Symbol: LOVABLE Through: NEAPS | Scrip Code: 533343 Through: BSE Listing Centre |

Dear Sir/ Madam,

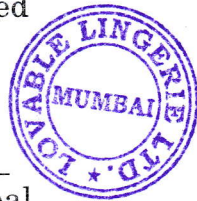
Subject: Notice of 35th Annual General Meeting and Annual Report of the Company for FY 2021-22

Pursuant to Regulation 30 read with Schedule III and Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Annual Report for FY 2021-22 along with the Notice of 35th Annual General Meeting of the Company to be held on Tuesday, September 27, 2022 at 11.00 a.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'). The same is also being sent through electronic mode to those Members whose email addresses are registered with the Company/Depository Participant(s).

Kindly take this submission in your records.

Thanking you.

For Lovable Lingerie Limited



Vineesh Vijayan Thazhumpal
Company Secretary & Compliance Officer
ACS 63683

LOVABLE LINGERIE LTD.

Regd. Office : A-46, Road No.2, Opp. IDBI Bank, M.I.D.C., Andheri (E), Mumbai - 400 093. INDIA Tel: 022-2838 3581 Telefax : 022-2838 3582

Email : corporate@lovableindia.in • Website: www.lovableindia.in • CIN No: L17110MH1987PLC044835



**ANNUAL
REPORT**

2022

 **Essentials**
Lovable



Lovable



**DESIGNED FOR
COMFORTABLE WEAR**

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Annual General Meeting
27th September, 2022



Venue

Venue: Video Conferencing ('VC')
Other Audio Visual Means ('OAVM')



Time
11:00 AM



Book Closure Dates

23th September 2022 to 27th September 2022

BOARD OF DIRECTORS



Mr. L Vinay Reddy
Chairman
& Managing Director



Mr. Sivabalan P. Pandian
Independent Director



Mr. Rajiv Mathur
Independent Director



Mrs. Taruna Reddy
Non- Executive Director



Mr. Gopal G. Sehjpal
Independent Director



**Mr. Mohangandhi
Muruganathaswamy**
Independent Director



Mr. Amit Pandit
Independent Director



Mr. Vindamuri Giriraj
Executive Director



CORPORATE INFORMATION

BOARD COMMITTEES

AUDIT COMMITTEES

L Vinay Reddy
Gopal Sehjpal
Sivabalan Pandian

STAKEHOLDERS RELATIONSHIP COMMITTEE

Sivabalan Pandian
L Vinay Reddy
Gopal Sehjpal

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Taruna Vinay Reddy
L Vinay Reddy
Gopal Sehjpal

NOMINATION & REMUNERATION COMMITTEE

Gopal Sehjpal
Sivabalan Pandian
Taruna Reddy

COMPANY SECRETARY & COMPLIANCE OFFICER

Vineesh Vijayan Thazhumpal

REGISTERED OFFICE

A-46, Road No.2, MIDC, Andheri (East), Mumbai – 400093
Phone No: 022-28383581, Fax : 02228383582
CIN:L17110MH1987PLC044835
Email :corporate@lovableindia.in, Website: www.lovableindia.in

REGISTRARS & TRANSFER AGENT

Link Intime India Pvt Ltd C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083
Tel No: +91 22 49186000 , Fax: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in, Website: www.linkintime.co.in

FACTORIES

Plot No. 9 & 10, John Avenue Pvt. Road, Manipal
County Cross, Off Hosur Road, Singasandra, Bengaluru – 560 068

46/2, Guruprasanna Industrial Area, Doddakallasandra, Konanakunte cross,
Kanakupura Road, Bengaluru– 560 062. (Daisy Dee factory)

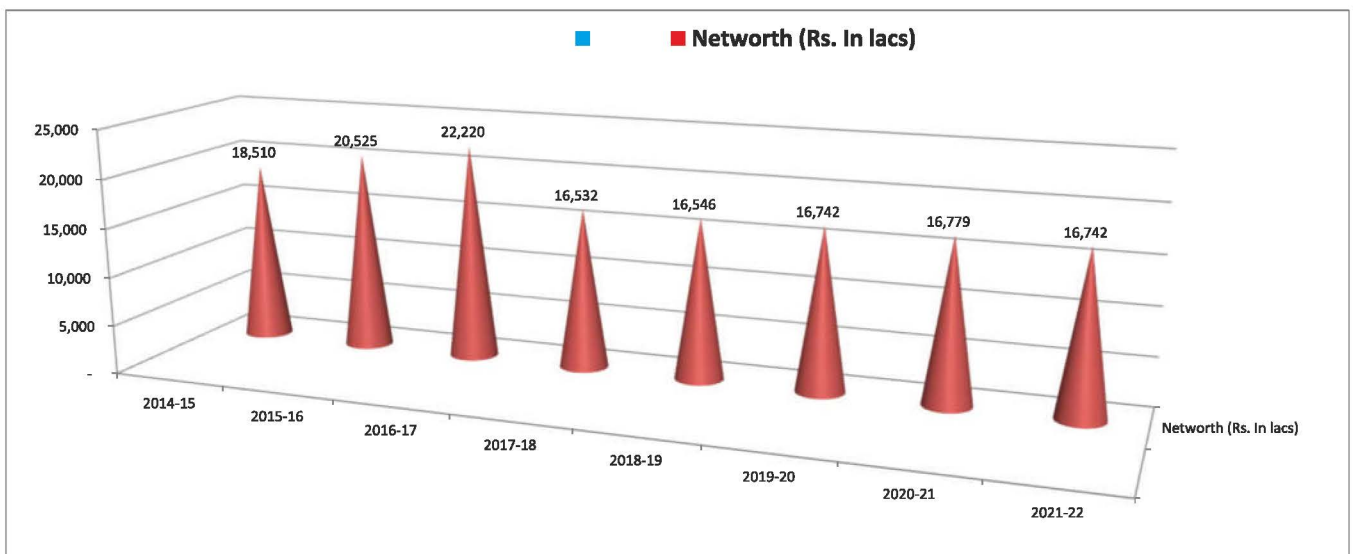
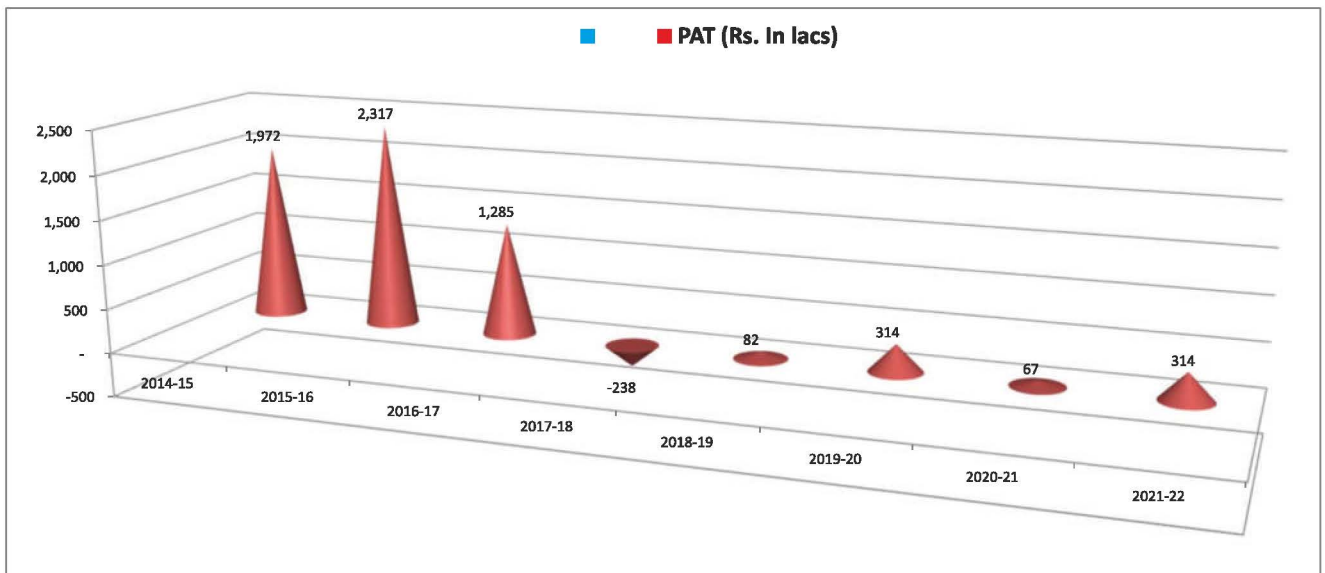
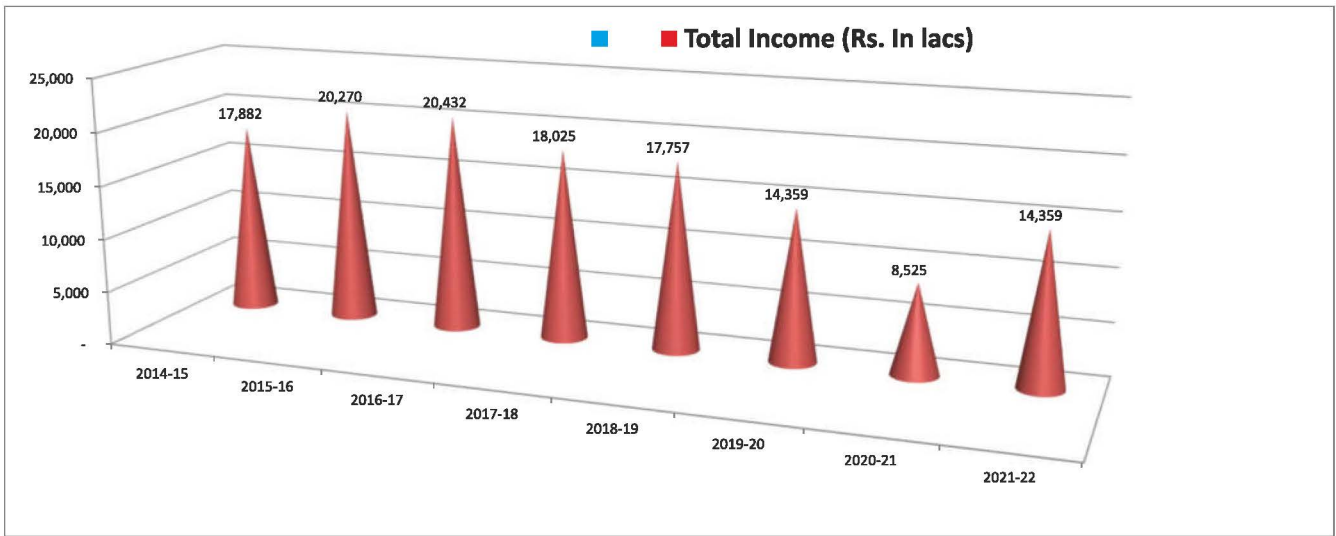
RS NO. 707/2C, Sengalipalayam Village, Kanjikovil Post,
Perundurai Taluk, Erode District -638116

BANKERS

HDFC BANK LIMITED

FINANCIAL SNAPSHOTS

| Particulars | 2021-22 (As per Ind-AS) | 2020-21 (As per Ind-AS) | 2019-20 (As per Ind-AS) | 2018-19 (As per Ind-AS) | 2017-18 (As per Ind-AS) | 2016-17 (As per Ind-AS) |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| FINANCIAL POSITION: | | | | | | |
| Net Fixed Assets | 2,314 | 2,366 | 2,730 | 2,473 | 2,612 | 4,915 |
| Investments | 8,586 | 7,974 | 5,824 | 5,978 | 4,420 | 9,265 |
| Current Assets, Loans & Advances | 7,528 | 6,742 | 10,133 | 11,003 | 10,360 | 11,879 |
| Deferred Tax Assets | | | | | - | - |
| Other Non-Current Assets | 1,773 | 1,944 | 1,848 | 780 | 1,670 | 247 |
| Total Assets | 20,200 | 19,026 | 20,535 | 20,234 | 19,063 | 26,305 |
| Long Term loans | - | - | 750 | - | - | - |
| Long Term Provisions | 231 | 143 | 206 | 161 | 31 | 100 |
| Current Liabilities & Provisions | 1,811 | 1,203 | 1,963 | 2,657 | 1,680 | 3,225 |
| Deferred Tax Liabilities | 908 | 902 | 874 | 870 | 820 | 760 |
| Total Liabilities | 2,950 | 2,248 | 3,793 | 3,688 | 2,531 | 4,085 |
| Net Worth | 17,250 | 16,779 | 16,742 | 16,546 | 16,532 | 22,220 |
| Represented by: | | | | | | |
| Share capital | 1,480 | 1,480 | 1,480 | 1,480 | 1,480 | 1,680 |
| Reserves and Surplus | 15,765 | 15,299 | 15,262 | 15,066 | 15,052 | 20,540 |
| Less: Misc. Expenditure not w/o | | | | | - | - |
| | 17,245 | 16,779 | 16,742 | 16,546 | 16,532 | 22,220 |
| OPERATING PERFORMANCE: | | | | | | |
| Total Income | 10,202 | 8,525 | 14,359 | 17,757 | 18,025 | 20,432 |
| Total Operating Expenditure | 9,353 | 8,253 | 13,620 | 16,842 | 16,676 | 17,820 |
| Deferred Expenses | | | | | - | - |
| Earnings Before Interest and Depreciation | 849 | 272 | 739 | 915 | 1,349 | 2,612 |
| Interest | 4 | 10 | 9 | 7 | 100 | 92 |
| Depreciation | 166 | 167 | 176 | 169 | 343 | 340 |
| Extra-Ordinary Items | - | - | 151 | 416 | 1,403 | 398 |
| Profit Before Tax | 679 | 95 | 402 | 323 | -496 | 1,782 |
| Taxation | 108 | 28 | 88 | 241 | -258 | 496 |
| Profit After Tax | 571 | 67 | 314 | 82 | -238 | 1,285 |
| Number of Equity Shares | 1,48,00,000 | 1,48,00,000 | 1,48,00,000 | 1,48,00,000 | 1,48,00,000 | 1,68,00,000 |
| Face Value of Share (Rs.) | 10 | 10 | 10 | 10 | 10 | 10 |
| Earnings Per Share (Rs.) | 3.86 | 0.45 | 2.12 | 0.55 | -1.61 | 7.65 |





Lovable Lingerie Limited

Corporate Identification No. (CIN): L17110MH1987PLC044835
Registered 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; Website: www.lovableindia.in

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 35th Annual General Meeting (AGM) of the Members of Lovable Lingerie Limited ("**Company**") will be held on Tuesday, 27th September, 2022 at 11:00 A.M. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') 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, 2022** and the reports of the Board of Directors and Auditors thereon.
- To declare a final dividend on equity shares for the financial year ended 31st March, 2022.
- To re-appoint of M/s. DMKH & Co., Chartered Accountants, as the statutory Auditor of the Company for another term of 5 (Five) years.
- To appoint a Director in place of Mrs. Taruna Reddy (DIN: 02787135), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

- 5. Appointment of Mr. Rajiv Kumar Mathur (DIN: 09639300) as an Independent Director of the Company.**

To consider and if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Mr. Rajiv Kumar Mathur (DIN : 09639300) who was appointed as an Additional Director in the capacity of Independent Non-Executive Director of the Company by the Board of Directors effective June 29, 2022 in terms of Section 161 of the Companies Act, 2013, and whose appointment as an Independent Director is recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby appointed as an Independent Non-Executive Director of the Company for a period of five years with effect from June 29, 2022 to June 28, 2027 and the term shall not be subject to retirement by rotation.

- 6. Appointment of Mr. Amit Pandit (DIN: 02437092) as an Independent Director of the Company.**

To consider and if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Mr. Amit Pandit (DIN: 02437092) who was appointed as an Additional Director in the capacity of Independent Non-Executive Director of the Company by the Board of Directors effective August 12, 2022 in terms of Section 161 of the Companies Act, 2013, and whose appointment as an Independent Director is recommended by the Nomination and



Compensation Committee and the Board of Directors of the Company, be and is hereby appointed as an Independent Non-Executive Director of the Company for a period of five years with effect from August 12, 2022 to August 11, 2027 and the term shall not be subject to retirement by rotation.

7. Appointment and remuneration of Vindamuri Giriraj (DIN: 09719564) as an Executive Director of the Company.

To consider and if thought fit to pass the following resolution as 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 and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of the members be and is hereby accorded to appoint Mr. Vindamuri Giriraj (DIN: 09719564) as the Executive Director of the Company for the period of Five (5) years i.e. August 29, 2022 to August 29, 2027 (both days inclusive), on terms and conditions including remuneration as set out herein below, 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 appointment and /or remuneration as it may deem fit and as may be acceptable to Mr. Vindamuri Giriraj, 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;

a) Salary:

Salary including dearness, house-rent and all other allowances upto Rs. 1,63,444 (Rupees One Lakh Sixty Three Thousand Four Hundred and Forty Four only) per month as may be decided by Board of Directors from time to time.

b) Commission:

Commission computed in the manner laid down in Section 197 of the Companies Act, 2013 and subject to a maximum as may be fixed by the Board from time to time on the basis of the performance of the Company but within the limit prescribed by the Companies Act, 2013.

c) Mr. Vindamuri Giriraj shall also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration as specified above:

- i. Superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax, 1961;
- ii. Gratuity payable at a rate not exceeding half a month salary for each completed year of service; and
- iii. Encashment of leave at the end of the tenure.

d) Apart from above mentioned remuneration, he shall be entitled to:

- a. Medical Expenses actually and properly incurred for him and his family.
- b. Entertainment expenses actually and properly incurred by him in the course of legitimate business of the Company.
- c. Club Membership fees subject to a maximum of two clubs. No admission and life membership fees shall be paid.
- d. Personal Accident Insurance Policy
- e. Provision for use of car and telephone for both official and personal use.
- f. Group Insurance Policy as per the rules of the company
- g. Telephone expenses as per the rules of the company.”



- e) **Minimum Remuneration:** The total remuneration payable as aforesaid shall not exceed the overall limits laid down under section 197 of the Companies Act, 2013. In the event of absence or inadequacy of profit in any financial year, the remuneration payable to him by way of salary and perquisites shall not exceed the maximum limits prescribed under schedule V of the Companies Act, 2013.
- f) **Other Terms:** The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit within the minimum remuneration payable in accordance with the provisions of the said Act or any amendments made hereinafter in this regard.

RESOLVED FURTHER THAT Mr. Vindamuri Giriraj shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the Company be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law.

8. To Re-appoint Mr. L Vinay Reddy as the Managing Director cum Key Managerial Personnel (KMP) of the company for a period of 2 (Two) Years:

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 and such other applicable provisions, if any of the Companies Act, 2013 ("the Act") read with the 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) and read with Schedule V to the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relevant provisions of the Articles of Association of the Company, pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. L Vinay Reddy (DIN: 00202619) be and is hereby re-appointed as the Chairman-cum-Managing Director (CMD) cum Key Managerial Personnel (KMP) of the Company, for a period of 2 (two) years with effect from 1st February, 2023 to 31st January, 2025 (both days inclusive), on terms and conditions including remuneration as set out herein below, 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 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:

I. SALARY:

[A] In case, the Company has adequate net profit (calculated as per section 198 of the Act) in any financial year:

- a. Salary including dearness, house-rent and all other allowances upto Rs.1,86,300/- (Rupees One Lakh Eighty-Six Thousand Three Hundred only) per month as may be decided by Board of Directors subject to not exceeding the specified limit of net profit under the provisions of the Act.
- b. Incentives, not exceeding the specified ceiling limit of the net profit of the Company for each financial year or part thereof computed in the manner as laid down under Section 198 of the Companies Act, 2013 after deducting salary as mentioned at (a) above & perquisites as provided hereunder.

OR



[B] In case, the Company has no profit or its profits are inadequate:

Salary as per the limit mentioned in Schedule V and further the Board of Directors of the Company is authorised to make such payment as maximum remuneration under section II of part II of Schedule V of the Act.

II Perquisites:

Mr. L Vinay Reddy shall be entitled to House Rent Allowance (not exceeding 60% of the salary as mentioned at (A) (a) above), gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, Company maintained car with driver, telephone and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules within the ceiling limits payable to Mr. L Vinay Reddy, subject however to ceiling the limit of minimum remuneration as mentioned hereinabove in case of loss or inadequate profits.

Mr. L Vinay Reddy shall be further eligible to the following perquisites also which shall not be included in the computation of the ceiling limit on remuneration:

- i. The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent it is not taxable under the Income Tax Act;
- ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- iii. Encashment of leave at the end of the tenure.

RESOLVED FURTHER THAT Mr. L Vinay Reddy shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.

RESOLVED FURTHER THAT Mr. L Vinay Reddy shall not be liable to retire by rotation as Director of the Company.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. L. Vinay Reddy be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law.

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

L Vinay Reddy
Chairman and Managing Director
DIN: 00202619

Mumbai, August 29, 2022

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 Website: www.lovableindia.in



Notes:

1. In accordance with the provisions of the Act read with the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circular No. 14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular Nos. 2/2022 and 3/2022 dated May 05, 2022 (hereinafter referred to as "MCA Circulars"), the forthcoming 35th AGM of the Company is scheduled on Tuesday, 27th September, 2022 through video conferencing ("VC") or other audio visual means ("OAVM"). Hence, members can attend and participate in the ensuing 35th AGM through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and therefore the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Participation of members through VC/ OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to dmz@dmzaveri.com with copies marked to the Company at corporate@lovableindia.in and to its RTA at instameet@linkintime.co.in

5. Registration of email ID and Bank Account details:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email addresses with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- i) Kindly log in to the website of our RTA, Link Intime India Private Ltd. www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit.

OR

- ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

6. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. for assistance in this regard.
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime India Pvt. Ltd. (Company's Registrar and Transfer Agents) in case the shares are held by them in physical form.



8. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to Link Intime India Pvt. Ltd. in case the shares are held in physical form.
9. In case of joint holders, 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 at the AGM.
10. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the meeting. This would enable the Company to compile the information and provide the replies at the Meeting.
11. 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 be 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 dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.
12. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, and also MCA Circular dated May 05, 2022, Notice of the AGM along with the Annual Report 2021-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.lovableindia.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Link Intime India Private Limited. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
14. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, special business at Sr.No. 5, 6, 7 and 8 of the Notice to be transacted at the Annual General Meeting is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") is also annexed.
15. 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 the 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/ Link Intime India Pvt. Ltd.
16. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change 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.
17. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s. Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083 Ph: 022-49186000. Members holding shares in demat form are requested to inform the concerned depository Participants of any change in address, dividend mandate, e-mail etc. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request.



18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 27th September, 2022. Members seeking to inspect such documents can send an email to corporate@lovableindia.in.
19. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the Link Intime India Private Limited ('LI IPL'). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice. The Board has appointed Mr. Dharmesh Zaveri, Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
20. The Register of Members and Share Transfer Books of the Company will be closed from Friday, 23rd September 2022 to Tuesday, 27th September, 2022 (both days inclusive) for the purpose of the 35th Annual General Meeting of the Company and for the purpose of dividend.
21. Dividend, as recommended by the Board of Directors, if declared at the meeting shall be paid to those members whose name(s) appear in the Register of Members of the Company as on Thursday, 22nd September, 2022. In respect of shares held in Electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
22. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ LI IPL (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to corporate@lovableindia.in

Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to corporate@lovableindia.in
23. The e-voting period commences on Saturday, 24th September, 2022 (9:00 a.m. IST) and ends on Monday, 26th September, 2022 (5:00 p.m. IST). During this period, a member holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on Tuesday, 20th September, 2022 may cast their votes electronically. The e-voting module will be disabled by LI IPL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast.
24. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/ OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
25. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted



through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, LIPL and will also be displayed on the Company's website, www.lovableindia.in

26. Members may also note that the Notice of the 35th AGM and the Annual Report 2021-22 will also be available on the Company's website, www.lovableindia.in, websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited, at www.bseindia.com and www.nseindia.com respectively, and on the website of LIPL <https://instavote.linkintime.co>.

Instructions for shareholders to vote electronically:

◆ Voting through electronic means:

I. The instructions for remote e-voting are as under:

- i. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company provides to Members the facility of exercising their right to cast vote(s) before or at the AGM by electronic means and the business may be transacted, accordingly.
- ii. The facility of casting votes by the Members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") and e-voting at the AGM is being provided by the Link Intime India Private Limited ("RTA") or ("LIPL").
- iii. The voting rights of Members shall be in proportion to their shareholding in the paid-up equity share capital. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Company / RTA / depositories as on Tuesday, 20th September, 2022, ("Cut-off" Date) shall only be entitled to avail the facility of remote e-voting or e-voting at the AGM.
- iv. In this regard, the Member's demat account/ folio number as on the Cut-off Date shall be considered by the Company for participation in voting on resolutions placed by the Company on the e-voting system.
- v. Members can opt for only one mode of voting i.e. either by remote e-voting or e-voting at the AGM. Members attending the AGM, who have not cast their vote(s) earlier by remote e-voting shall be able to exercise their right at the Meeting through e-voting at the AGM. Member(s) who have cast their vote(s) by remote e-voting prior to the AGM, may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote(s) again.
- vi. The e-voting period begins on **Saturday, 24th September, 2022 at 9.00 a.m. and ends on Monday, 26th September, 2022 at 5.00 p.m.** During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the Cut-off Date may cast their vote(s) electronically. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- vii. A person who is a Member as on the Cut-off Date shall only be entitled for availing the facility of remote e-voting or e-voting at the Meeting. A person who is not a Member as on the Cut-off Date should treat this Notice for information purpose only.
- viii. The procedure for casting vote through remote e-voting module is as under:

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their respective demat account / website of Depositories / DPs in order to increase the efficiency of the voting process.



Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider.

Accordingly, Members are advised to update their mobile number and email ID in their demat accounts to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode/physical mode is given below: -

| Individual Shareholders holding securities in demat mode with CDSL | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | <p>1. User already registered for NSDL IDeAS facility</p> <ul style="list-style-type: none"> i. Please visit the e-Services website of NSDL at the URL: https://eservices.nsdl.com. ii. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. iii. On the new screen, please enter your User ID and Password. iv. After successful authentication, you will be able to see e-voting services. Click on 'Access to e-voting' under e-voting services. v. On the e-voting page, you will see Company's name or e-voting service provider's name. Click on Company name or that of the e-voting service provider. vi. You will be re-directed to e-voting service provider's website for casting your vote during the remote e-voting period or for joining virtual Meeting and voting during the Meeting. <p>2. User not registered for NSDL IDeAS facility</p> <ul style="list-style-type: none"> i. Option to register is available at the link https://eservices.nsdl.com. ii. Select 'Register Online for IDeAS' or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. iii. Visit the e-voting website of NSDL and follow the steps given in point 1 under this section. <p>3. Alternatively by directly accessing the e-voting</p> <ul style="list-style-type: none"> i. Open web browser by typing the URL viz. https://www.evoting.nsdl.com. ii. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL starting with IN – DP ID and Client ID), password/OTP and a verification code as shown on the screen. iv. After successful authentication, you will be redirected to NSDL's website wherein you can see e-voting page. Click on the Company's name or e-voting service provider's name and you will be redirected to e-voting service provider's website for casting your vote during the remote e-voting period or for joining virtual Meeting and voting during the Meeting. |

| Individual Shareholders holding securities in demat mode with CDSL | Login Method |
|--|--|
| Individual Shareholders holding securities in demat mode with CDSL | <p>1. Existing users who have opted for Easi / Easiest</p> <ol style="list-style-type: none"> i. Please visit the e-Services website of CDSL at the URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com, thereafter, please click on New System 'Myeasi'. ii. On the new screen, please enter your User ID and Password for accessing Easi / Easiest. iii. After successful login of Easi / Easiest you will also be able to see the e-voting menu. The menu will have links of e-voting service provider's i.e. Link Intime, NSDL, CDSL and KFinTech. Click on e-voting service provider's name to cast your vote. <p>2. If the user is not registered for Easi/Easiest</p> <ol style="list-style-type: none"> i. An option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. ii. Then visit the e-voting website of CDSL and follow the steps given in point 1 under this section. <p>3. Alternatively by directly accessing the e-voting page</p> <ol style="list-style-type: none"> i. You can directly access e-voting page by providing demat Account Number and PAN from the link www.cdslindia.com. ii. The system will authenticate your details by sending OTP on registered mobile and email ID as recorded in the demat Account. <p>After successful authentication, you will enter the e-voting module of CDSL. Click on the e-voting link available against Company's name or e-voting service provider's name and you will be re-directed to the e-voting page of service provider to cast your vote.</p> |
| Individual Shareholders (holding securities in demat mode) and login through their depository participants | <ol style="list-style-type: none"> 1. Users can also login using the login credentials of their Demat Account through their Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. When you login, you will see e-Voting option. Once you click on the same, you will be redirected to NSDL/CDSL sites after successful authentication, wherein you can see e-Voting feature. 3. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining the virtual meeting and voting during the meeting. |
| Individual Shareholders holding securities in Physical mode and e-Voting service Provider is LINKINTIME i.e. RTA. | <ol style="list-style-type: none"> 1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in 2. Click on 'Sign Up' under 'SHARE HOLDER' tab and register with your following details: - <ol style="list-style-type: none"> A. User ID: Shareholders/members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company) shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/ Company - in DD/MM/YYYY format). D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <p>Shareholders holding shares in physical form but have not provided or updated the information at 'C' or 'D' with their RTA/ Company, should provide their Folio number in 'D' above.</p> |



| Individual Shareholders holding securities in demat mode with CDSL | Login Method |
|--|---|
| | <ol style="list-style-type: none"> 3. Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). 4. Click “confirm” (Your password is now generated). 5. Click on ‘Login’ under ‘SHARE HOLDER’ tab. 6. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. 7. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. 8. E-voting page will appear on the screen. 9. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). 10. After selecting the desired option i.e. ‘Favour/ Against’ click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote. 11. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, Members can login any number of times till you have voted on the resolution(s) for a particular “Event”. |

ix. If Individual Shareholders, holding securities in “**PHYSICAL MODE**”, whose e-voting service provider is **LINKINTIME** and who have “**FORGOTTEN**” their password, the follow the below steps :

- a. Click on ‘**Login**’ under ‘**SHARE HOLDER**’ tab and further Click ‘**forgot password?**’
- b. Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on ‘**Submit**’.
- c. Shareholders/Members having valid email address, the Password will be sent to his/her registered e-mail address. Else, Shareholders/Members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. *(The Password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.)*

Important Note :

- Shareholders/Members holding shares in physical form, the details can be used only for voting on the Resolutions contained in this Notice.
- It is strongly recommended not to share your Password with any other person and take utmost care to keep your password confidential.

x. If Individual Shareholders holding securities in **dematerialised mode** are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password options available at the Depository’s /DP’s website.

Important note:

- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.



- During the voting period, Members can login any number of times till they have voted on the resolution(s) for a particular “Event”.

Helpdesk of Depositories “for Individual Shareholders holding securities in DEMAT”

Shareholders/Members holding securities **in demat mode** may contact the respective helpdesk given below for any technical issues related to login through Depository i.e. NSDL/CDSL :

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free nos.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022 - 2305 8738 or 022 - 2305 8542/43. |

Individual Shareholders holding securities in demat mode with NSDL Members facing technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free nos.: 1800 1020 990 and 1800 22 44 30

Individual Shareholders holding securities in demat mode with CDSL Members facing technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022 - 2305 8738 or 022 - 2305 8542/43.

General Guidelines for shareholders:

- i. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of Link in Time Pvt. Ltd. (LIPL) at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian/ Mutual Fund/Corporate Body**’.
- ii. They are also required to upload a scanned certified true copy of the Board Resolution/Authority Letter/Power of Attorney, etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian/Mutual Fund/Corporate Body**’ login for the Scrutinizer to verify the same.
- iii. Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- iv. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of this AGM Notice and holds shares as on the Cut-off Date may obtain the login id and password by sending a request at rnt.helpdesk@linkintime.co.in / insta.vote@linkintime.co.in or call on 022 - 49186175 / 49186000.

Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders and e-Voting service Provider is LINKINTIME.

In case Shareholders/Members holding securities in physical mode/Institutional shareholders have any queries regarding e-Voting, they may refer the **Frequently Asked Questions (‘FAQs’) and InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under Help Section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 - 4918 6000.



II. Instructions for Members to Vote during the AGM through InstaMeet (VC/OAVM):

Once the electronic voting is activated by the Scrutiniser during the Meeting, the Members who have not exercised their vote(s) through the remote e-voting can cast their vote(s) as under:

- i. On the Member's page/VC page, click on the link for e-voting "**Cast your vote**".
- ii. Enter demat account no. / folio no. and **OTP** (One Time Password), received on the registered mobile number/ registered e-mail ID, during registration for InstaMeet and click on '**Submit**'.
- iii. After successful login, see "Resolution Description" and against the same the options "**Favour/ Against**" for voting.
- iv. Cast vote by selecting appropriate option i.e. Favour/Against, as desired.
- v. Enter the number of shares (which represents no. of votes) as on the Cut-off Date under 'Favour/ Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
- vi. After selecting the appropriate option i.e. Favour/ Against as desired, click on "**Save**". A confirmation box will be displayed. If you wish to confirm your vote, click on "**Confirm**", else to change your vote, click on "Back" and accordingly modify your vote.
- vii. Once the vote is confirmed on the resolution, any modification or change is not allowed subsequently.

Notes:

Members who will be present in the AGM through InstaMeet facility and have not cast their vote(s) on the resolutions through remote e-voting and/are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the Meeting.

Members who have voted through remote e-voting prior to the AGM will be eligible to attend/ participate in the Meeting through InstaMeet. However, they will not be eligible to vote again during the Meeting.

In case the members have any queries or issues regarding e-voting, you may write an email to instameet@linkintime.co.in or call on: 022 - 49186000 / 49186175 InstaMeet support desk, of the RTA.

• Instructions for Members attending the AGM through InstaMeet:

Instructions for Members to attend the AGM through InstaMeet are as under:

- i. Members are entitled to attend the AGM through VC/OAVM provided by the RTA by following the below mentioned process. Facility for joining the AGM through VC/ OAVM shall be open 30 minutes before the time scheduled for the AGM and shall expire 15 minutes after the scheduled time of the Meeting, and will be available to the Members on first come first serve basis.
- ii. Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 minutes from the scheduled time of the AGM. Members with >2% shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Auditors, etc. may be allowed to attend the Meeting without restrictions of first come first serve basis. Members may log-in and join 30 minutes prior to the scheduled time of the Meeting and window for joining shall be kept open till the expiry of 15 minutes after the scheduled time.



- iii. Members will be provided with InstaMeet facility wherein they shall register their details and attend the AGM as under:
 1. Open the internet browser and launch the URL for InstaMeet <https://instameet.linkintime.co.in> and register with following details:
 - a) DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
 - Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Members holding shares in NSDL demat account shall provide sixteen digit demat number - 8 Character DP ID followed by 8 Digit Client ID
 - Members holding shares in physical form shall provide Folio Number registered with the Company
 - b) PAN: Enter your 10 digit PAN. (Members who have not updated their PAN with the DP/Company shall use the sequence number provided to them, if applicable)
 - c) Please enter your mobile number.
 - d) Please enter your email ID as recorded with your DP/RTA/Company.
 2. Click on **“Go to Meeting”**. You are now registered for InstaMeet and your attendance is marked for the meeting.
- **Instructions for Members to register themselves as speakers during AGM:**
 - i. Members who would like to express their views/ ask questions during the Meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/ folio number, e-mail address, mobile number at corporate@lovableindia.in on or before 20th September, 2022.
 - ii. Members will receive “speaking serial number” once they mark attendance for the Meeting.
 - iii. Other Members may ask questions to the panelist(s), via active chat-board during the Meeting.
 - iv. Please quote your serial number and start your conversation with panelist(s) by switching on the video and audio of your device.
 - v. Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 - vi. Members are requested to speak only when the moderator of the Meeting will announce the name and serial number for speaking.
 - vii. The caption/subject of the email may please be mentioned as “Speaker for AGM_<DP ID>_<Client ID>”. Those Members who have registered themselves as speaker will only be allowed to express their views / ask questions during the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 - viii. Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email ID, mobile number at corporate@lovableindia.in. The same will be replied by the Company, suitably.
 - ix. Members should be allowed to use camera and required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance while speaking.



• **Declaration of results on the resolutions:**

- i. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, 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 the employment of the Company. The Scrutiniser shall make, not later than two working days from conclusion of the Meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against each resolution, invalid votes, if any, and whether the resolution(s) has/ have been carried or not. This report shall be submitted to the Chairperson or a person authorised by him, in writing, who shall countersign the same.
 - ii. The results shall be declared after the AGM of the Company and shall be deemed to be passed on the date of AGM. The results along with the Scrutiniser's Report shall be placed on the website of the Company www.lovableindia.in within two working days of passing of the resolutions at the AGM of the Company and shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the Company's equity shares are listed. RTA, who has provided the platform for facilitating remote e-voting, will also display these results on its website <https://instavote.linkintime.co.in>. The said results shall also be displayed at the registered office of the Company.
1. Members are requested to kindly keep the Annual Report sent to their registered e-mail ID with them while attending the AGM through VC/ OAVM.
 2. Since the AGM will be held through VC/OAVM Facility, the route map is not annexed with this Notice.

GUIDELINES TO ATTEND THE AGM PROCEEDINGS OF LINK INTIME INDIA PVT. LTD.: INSTAMEET

- i. Please refer the following instructions for the software requirements and kindly ensure to install the same on the device which would be used to attend the AGM. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you below / at InstaMeet website.
- ii. Guidelines for the registered speakers for speaking at the AGM through Link Intime India Private Limited's InstaMeet <<<https://instameet.linkintime.co.in>>>
 - a) For a smooth experience of viewing the AGM proceedings through LIPL's InstaMEET, shareholders/ members who are registered as speakers for the event i.e. AGM are requested to download and install the Webex Meetings application in advance. Please download and install the Webex Meetings application by clicking on the link <https://www.webex.com/downloads.html/>

OR

- b) If you do not want to download and install the Webex Meetings application, you may join the meeting through InstaMEET and follow the process mentioned as under:

| Step 1 | Enter your First Name, Last Name and Email ID and click on Join Now |
|---------------|---|
| 1(A) | If you have already installed the Webex Meetings application on your device, join the meeting by clicking on Join Now |
| 1(B) | If Webex Meetings application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now by filling your first name, last name and email address. |

Click on Run a temporary application, an exe file will be downloaded.

Click on this exe file to run the application and join the meeting by clicking on Join Now by filling your first name, last name and email address.



- iii. The following URLs need to be white-listed in your own laptop, desktop, tablet, smartphone etc. on the AGM date:
- A. <https://camonview.com>
 - B. <https://instameet.linkintime.co.in>
- iv. Members are encouraged to join the Meeting through tablets/ laptops connected through broadband for better experience.
- v. Members are required to use internet with a good speed preferably 2 MBPS download stream to avoid any disturbance during the Meeting.
- vi. Any internet outage or fluctuation in connectivity at your site may have an adverse impact on the audio/ video quality during the meeting. LIPL or the Company shall not be responsible for the same.
- vii. In case the members have both the computer and telephone audio active or the speakers on members' computers or telephones are too close to each other or there are multiple computers with active audio in the same room, there will be instances of audio echo in the meeting.
- viii. In case two or more Members are joining the meeting through a Board Room/Common Location, proper arrangements of audio & video should be in place and Webex will be run on only one system.
- ix. Please note that Members connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Visual loss due to fluctuation in their network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- x. Members are encouraged to speak in the Meeting after un-muting themselves once their turn arrives as per the name announcement. Once the member has finished communicating, he/she should mute themselves immediately. (Mute your device if you're not speaking. Your microphone can pick up a lot of background noise, so muting allows others to easily hear others)
- xi. In case the Members have any queries or issues regarding login/ e-voting, they can write an e-mail to instameet@linkintime.co.in or call on 022 - 49186175 / 49186000, the InstaMeet support desk.

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

Sd/-
L Vinay Reddy
Chairman and Managing Director
DIN: 00202619
Mumbai, August 29, 2022

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
Website: www.lovableindia.in.



PROFILE OF DIRECTORS BEING APPOINTED/RE-APPOINTED

Pursuant to regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, the particulars of Directors who are proposed to be appointed/ reappointed are given below:

| | (1) | (2) | (3) |
|------------------------------------|---|--|---|
| Particulars | Taruna Reddy | Rajiv Kumar Mathur | Amit Pandit |
| DIN | 02787135 | 09639300 | 02437092 |
| Date of Birth | January 27, 1973 | December 12, 1958 | March 30, 1971 |
| Date of First Appointment on Board | March 30, 2015 | June 29, 2022 | August 12, 2022 |
| Qualifications | Diploma in Mass Communication | Bachelor of Commerce (from University of Punjab) and a Fellow member of the Institute of Chartered Accountants of India (ICAI). | Fellow member of the Institute of Chartered Accountants of India (ICAI). |
| Work Experience | Ms. Taruna Reddy is a Director of the Company since March 30, 2015. She has attended various meetings of the Board and provided significant marketing inputs for the Company. | Mr. Rajiv Kumar Mathur is a Practicing Chartered Accountant Since 1983 having a vast experience in the of Taxation, Audit and Finance matters, projections and analysis of working capital requirements etc. | Mr. Amit Anil Pandit has over 28 years of professional experience in various aspects of Investments, Finance, Governance & Risk. He is on board of a Mutual Fund and has been on board of a bank and various companies (including listed) as well. He has been involved in discussing various audit/risk issues with Audit Committees/ Top Managements of various companies (Listed MNC's etc) and Banks. He has got view from both sides of the table being on boards of organisations as also discussing with top managements in his audit & consulting activities. He was also involved in reviewing 4 bank takeovers/ mergers for Saraswat Bank and 2 takeovers/mergers for Saraswat Infotech Ltd. |

| | | | |
|---|---|-----|---|
| Directorships in other Companies | 1. Lovable Lifestyles Pvt. Ltd. 2. Aarthik No-middleman Online Welfare Foundation 3. Juvenca Online Private Limited 4. Federal Brands Limited 5. Kinect Omni Channel Private Limited 6. Tracking Fresh Foods Private Limited | NA | 1. LIC Mutual Fund Trustee Private Limited; 2. Trugrow Finvest Services Private Limited; and 3. Global Chamber of Saraswat Entrepreneurs(A Section 8 Company) |
| Expertise in specific functional areas | Advertising and Marketing services in creative and service profiles. | | |
| Membership of Committees in other Public Limited Companies (includes only Audit & Stakeholders' Relationship Committee) | Nil | Nil | Nil |
| No. of Shares Held in the Company as on 31st March 2022. | 3,40,398 | Nil | Nil |
| Relationship with Other Directors | Wife of L Vinay Reddy | Nil | Nil |

| | (4) | (5) |
|------------------------------------|---|---|
| Particulars | Vindamuri Giriraj | L Vinay Reddy |
| DIN | 09719564 | 00202619 |
| Date of Birth | September 11, 1968 | May 29, 1968 |
| Date of First Appointment on Board | August 29, 2022 | December 24, 1998 |
| Qualifications | MBA in Business Management | Bachelor of Commerce |
| Work Experience | <p>overall sales & marketing experience spanning close to 3 decades</p> <p>Other industries served by him include luggage, garments & socks apart from 25 years of experience in innerwear industry</p> <p>With regard to the current experience he handles both the brands viz., Lovable & Daisy Dee and oversees the sales & marketing function and actively involving himself in the day-to-day operations</p> | <p>Mr. L. Vinay Reddy is the Chairman and Managing Director of our Company since February 1, 2010 and served as its Head Finance & Accounts Department since October 03, 2011. He is a resident Indian national and has a bachelor's degree in commerce from the University of Bombay. Having experience of over 25 years in the innerwear industry, he has been with our Company since its inception. He was instrumental in obtaining license of "Lovable" brand for our Company.</p> |

| | | |
|---|----------------------------------|--|
| | | He 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 our Company are under the supervision of Mr. L. Vinay Reddy. He was previously a director in Maxwell Industries Limited. |
| Directorships in other Companies | Directorships in other Companies | <ol style="list-style-type: none"> 1. Federal Brands Limited 2. Vinay Hosiery Pvt. Ltd. 3. Reddy & Pathare Elastics Pvt. Ltd. 4. Holstein Ecofoods Pvt. Ltd. 5. Hype Integracomm Pvt. Ltd. 6. Lovable Lifestyles Pvt. Ltd. 7. Aarthik No-middleman Online Welfare Foundation 8. Juvenca Online Private Limited 9. Microtex Clothing Private Limited |
| Expertise in specific functional areas | Marketing | Wide business experience across a variety of industries |
| Membership of Committees in other Public Limited Companies (includes only Audit & Stakeholders' Relationship Committee) | Nil | Nil |
| No. of Shares Held in the Company as on 31st March 2022. | Nil | 41,36,131 |
| Relationship with Other Directors | NA | Husband of Taruna Reddy |



EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 5

The Board of Directors of the Company at its meeting held on June 29, 2022, appointed Mr. Rajiv Kumar Mathur (DIN : 09639300) as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from June 29, 2022, subject to the approval of the Members of the Company.

In terms of section 160 of the Companies Act, 2013, the Nomination and Compensation Committee and the Board have recommended the appointment of Mr. Rajiv Kumar Mathur as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013.

The Company has received a declaration from Mr. Rajiv Kumar Mathur confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received Mr. Rajiv Kumar Mathur consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Rajiv Kumar Mathur fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and he is independent of the management.

Copy of letter of appointment of Mr. Rajiv Kumar Mathur setting out the terms and conditions of appointment is being made available for inspection by the members through electronic mode.

A brief profile of Mr. Rajiv Kumar Mathur is given below:

Mr. Rajiv Kumar Mathur aged 63 years is B.Com graduate and a Fellow Member of the Institute of Chartered Accountants of India. He is having more than 38 years of experience as a Practicing Chartered Accountant.

In the opinion of the Board, the appointment of Mr. Rajiv Kumar Mathur as an Independent-Non-Executive Director of the Company shall benefit the Company immensely. Accordingly, the Board recommends the Resolution at Item No. 5 for approval by the Members.

No other Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board recommends this Special Resolution for your approval.

Item No. 6

The Board of Directors of the Company at its meeting held on August 12, 2022, appointed Mr. Amit Pandit (DIN : 02437092) as an Additional Director of the Company in the capacity of Independent Director for a term of 5 years with effect from August 12, 2022, subject to the approval of the Members of the Company.

In terms of section 160 of the Companies Act, 2013, the Nomination and Compensation Committee and the Board have recommended the appointment of Mr. Amit Pandit as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013.

The Company has received a declaration from Mr. Amit Pandit confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received Mr. Amit Pandit consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.



In the opinion of the Board, Mr. Amit Pandit fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and he is independent of the management.

Copy of letter of appointment of Mr. Amit Pandit setting out the terms and conditions of appointment is being made available for inspection by the members through electronic mode.

A brief profile of Mr. Amit Anil Pandit is given below:

Mr. Amit Anil Pandit has over 28 years of professional experience in various aspects of Investments, Finance, Governance & Risk. He is on board of a Mutual Fund and has been on board of a bank and various companies (including listed) as well. He has been involved in discussing various audit/risk issues with Audit Committees/Top Managements of various companies (Listed MNC's etc) and Banks. He has got view from both sides of the table being on boards of organisations as also discussing with top managements in his audit & consulting activities. He was also involved in reviewing 4 bank takeovers/mergers for Saraswat Bank and 2 takeovers/mergers for Saraswat Infotech Ltd.

He has hands on experience in Investment Advisory, Financial Training, Business Valuations, Mergers & Acquisitions, Corporate Finance & Finance Management, Risk Advisory, Management Audit, Financial Investigations, Business Process Consulting

In the opinion of the Board, the appointment of Mr. Amit Pandit as an Independent-Non-Executive Director of the Company shall benefit the Company immensely. Accordingly, the Board recommends the Resolution at Item No. 6 for approval by the Members.

No other Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board recommends this Special Resolution for your approval.

Item No. 7

The Board of Directors of the Company at its meeting held on August 29, 2022, appointed Mr. Vindamuri Giriraj (DIN : 09719564) as an Additional Director of the Company in the capacity of Executive Director, subject to the approval of the Members of the Company.

In terms of section 160 of the Companies Act, 2013, the Nomination and Remuneration Committee and the Board have recommended the appointment of Mr. Vindamuri Giriraj as an Executive Director pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013.

The Company has received consent from Mr. Vindamuri Giriraj to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Vindamuri Giriraj fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment.

Copy of letter of appointment of Mr. Vindamuri Giriraj setting out the terms and conditions of appointment is being made available for inspection by the members through electronic mode.

A brief profile of Mr. Vindamuri Giriraj is given below:

In the opinion of the Board, the appointment of Mr. Vindamuri Giriraj as an Executive Director of the Company shall benefit the Company immensely. Accordingly, the Board recommends the Resolution at Item No. 7 for approval by the Members.



No other Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board recommends this Ordinary Resolution for your approval.

Item No. 8

At the 33rd Annual General Meeting of the Company held on August 29, 2020, the members had approved the appointment and terms of remuneration of Mr. L Vinay Reddy as Chairman-cum-Managing Director (CMD) for a period of two years from February 01, 2021. His term of office will expire on January 31, 2023. In view of recommendation by Nomination and Remuneration Committee after considering the performance evaluation done by the committee, the Board of Directors is of the opinion that it is in the interest of the Company to re-appoint Mr. L Vinay Reddy as Managing Director for a further period of two years, with effect from February 01, 2023 to manage the day to day affairs of the Company, subject to the approval of the members at the ensuing Annual General Meeting of the Company.

A brief profile of Mr. L Vinay Reddy is given in the table above on "Information pursuant to the Listing Regulations and Secretarial Standards in respect of Appointment/ Re-appointment of Directors".

Mr. L. Vinay Reddy is husband of Ms. Taruna Reddy, Director of the Company.

Mr. L. Vinay Reddy attended the Board meetings held during the year on June 25, 2021, August 10, 2021, November 11, 2021, and February 14, 2022.

Further details of Mr. L Vinay Reddy have been given in the Annexure to this Notice.

The extract of important terms and conditions of appointment of Mr. L Vinay Reddy (hereinafter referred to as "MD") are given below:

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

L Vinay Reddy
Chairman and Managing Director
DIN: 00202619
Mumbai : August 29, 2022

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 Website: www.lovableindia.in



DIRECTORS' REPORT And Management Discussion and Analysis

To,
The Members,

Your Company's Directors are pleased to present the 35th Annual Report of the Company, along with the Audited Financial Statements for the financial year ended 31st March 2022.

FINANCIAL SUMMARY

(Rs. in Lakhs)

| Particulars | 2021-22 | 2020-21 |
|---|----------------|-----------------|
| Revenue from operations | 9,721.95 | 8062.07 |
| Operating Expenditure | 9352.83 | 8252.96 |
| Profit Before Interest, Tax & Depreciation | 369.12 | (190.89) |
| Other Income (net) | 479.72 | 462.53 |
| Finance Costs | 4.19 | 9.76 |
| Profit before Tax and Depreciation | 844.65 | 261.88 |
| Depreciation and amortization expense | 165.54 | 167.02 |
| Profit before Extra-Ordinary Item | 679.11 | 94.85 |
| Extra-Ordinary Item | - | - |
| Profit before Tax (PBT) | 679.11 | 94.85 |
| Provision for Taxation | 107.93 | 27.88 |
| Profit for the year (PAT) | 571.18 | 66.97 |
| Surplus brought forward from previous year | 9275.98 | 9239.72 |
| Amount available for appropriation | 9815.96 | 9354.24 |
| Appropriations: | | |
| Transferred to General Reserve | - | - |
| Dividend (excluding tax) | 74.00 | 78.26 |
| Tax on Interim Dividend | - | - |
| Proposed Dividend on Equity Share Capital | - | - |
| Corporate Dividend Tax on Proposed Dividend | - | - |
| Adj for Depreciation of prior years pursuant to change in useful life | - | - |
| Fair Value Changes on Investments | | |
| Balance Carried to Balance Sheet | 9742.01 | 9275.98 |
| EPS Basic & Diluted- Before Extraordinary Items (in Rs.) | 3.86 | 0.45 |
| EPS Basic & Diluted- After Extraordinary Items (in Rs.) | 3.86 | 0.45 |

OPERATIONS

For the financial year 2021-22, the Company recorded a net turnover of Rs. 9,721.95 lakhs as against Rs. 8062.07 lakhs for the financial year 2020-21, registering a increase of 20.59 % The Net Profit Before Tax stood at Rs. 679.11 lakhs as against Rs. 94.85 lakhs over last year and Profit After Tax stood at Rs. 571.18 lakhs for the year as against Rs. 66.97 lakhs in the last year.



SEGMENT-WISE RESULTS

The Company is engaged in the business of manufacturing garments. Therefore, there is no separate reportable segment.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account.

DIVIDEND

The Board of Directors has recommended a final dividend of 5% on Equity Shares i.e. 0.50 INR per Equity Share of 10 each for the financial year ended on 31st March, 2022. The final dividend if approved at the forthcoming Annual General Meeting (AGM) will be paid out of the profits of the Company and the same will be paid to those members whose names shall appear on the Company's Register of Members as on the Record date and/or the Book Closure date as may be determined by the Board of Directors. The total dividend for the financial year, including the proposed Final Dividend, amounts to Rs. 0.50 per equity share and will absorb Rs 74 Lakhs. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source.

SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY

Your Company does not have any subsidiary, joint venture or associate Company.

MATERIAL CHANGES AND COMMITMENT

No material changes (except global pandemic situations) and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and the date of this report.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under sub-section (3) of section 92 of the Companies Act, 2013 ('the Act') in form MGT-7 is made available on the website of the Company and can be accessed at <https://www.lovableindia.in/Draft-annual-return>.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. L Vinay Reddy (DIN: 00202619) retires by rotation at the ensuing Annual General Meeting ('AGM') and is eligible for re-appointment. The Board of Directors recommends the re-appointment of Mr. L Vinay Reddy as a Managing Director of the Company.

The Board of Directors further recommends the appointment of following persons:

1. Mr. Rajiv Mathur (DIN: 09639300) as Independent Director of the Company w.e.f 29th June, 2022.
2. Mr. Amit Pandit (DIN: 02437092) as Independent Director of the Company w.e.f. 12th August, 2022 and
3. Mr. V. Giriraj (Din: 09719564) as an Executive Director of the Company W.e.f. 29th August, 2022.

In terms of Section 203 of the Act, the Board has designated the following persons as Key Managerial Personnel of your Company:

- Mr. L Vinay Reddy, Chairman & Managing Director
- Mr. R Govindarajan, Chief Financial Officer (Demise 21st March, 2022)
- Mr. Vineesh Vijayan Thazhumpal, Company Secretary and Compliance Officer (Appointed w.e.f. 04th December, 2022)



POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

For the purpose of selection of any Director, the Nomination and Remuneration Committee identifies the person of integrity who possess relevant expertise, experience and leadership qualities required for the position and also takes into consideration recommendation, if any, receives from any members of the Board. The Committee also ensures that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and as per SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 ("Listing Regulation, 2015").

COMMITTEES OF THE BOARD OF DIRECTORS

The Company has constituted the following committees in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:

1. Audit Committee,
2. Nomination and Remuneration Committee,
3. Stakeholders Relationship Committee, and
4. Corporate Social Responsibility Committee.

The Board has accepted all the recommendations of the above committee. The brief description, composition and other required details of the above committees are provided in Corporate Governance Section to this Annual Report.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations"), the Company has put in place a Familiarization Programme for the Independent & Non-Executive Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. The details of such programme is available on the website of the company www.lovableindia.in and may be accessed through the web link <https://www.lovableindia.in/policies>

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 5 (Five) times during the year on 25th June, 2021, 10th August, 2021, 11th November, 2021, 04th December, 2021 and 14th February, 2022. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report. The intervening gaps between the Meetings were within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations.

SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.



EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors have carried out an annual evaluation of its own performance, its various committees and individual directors pursuant to the provisions of the Companies Act 2013, the Corporate Governance requirements as prescribed under regulation 17(10), 25(4) and other applicable provisions of the SEBI (LODR) Regulations and the Guidance note issued by SEBI.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of various criteria such as Board Composition, process, dynamics, quality of deliberations, strategic discussions, effective reviews, committee participation, governance reviews etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as Committee composition, process, dynamics, deliberation, strategic discussions, effective reviews etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as Transparency, Analytical Capabilities, Performance, Leadership, Ethics and ability to take balanced decisions regarding stakeholders.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of the executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of independent directors, at which the performance of the Board, its committee and individual Directors was also discussed.

PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

RISK MANAGEMENT

Your Company has an elaborate Risk Management procedure. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Audit Committee reviews the status of key risks and steps taken by the Company to mitigate such risks at regular intervals.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, your Company has formulated a Policy on Related Party Transactions which is available on Company's website; web link at <https://www.lovableindia.in/policies>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a yearly basis for transactions which are of repetitive nature and or entered in the Ordinary Course of Business and are at Arm's Length.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions were entered during the year by the Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

WHISTLE BLOWER MECHANISM / VIGIL MECHANISM

To create enduring value for all stakeholders and ensure the highest level of honesty, integrity and ethical behaviour in all its operations, the company has formulated a Vigil Mechanism in addition to the existing code of conduct that governs the actions of its employees. This Whistle blower policy aspires to encourage all employees to report suspected or actual occurrence(s) of illegal, unethical or inappropriate events (behaviours or practices) that affect Company's interest / image.



A copy of the Policy is available on the website of the Company and may be accessed through the web link <https://www.lovableindia.in/policies>.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, to provide protection to women (including outsiders) at the workplace and for prevention and redressal of complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee to consider and to redress complaints of sexual harassment. The Committee has not received any complaint of sexual harassment during the year under review.

The Committee has not received any complaint of sexual harassment during the year under review.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee. The composition, terms of reference and other relevant details of the Corporate Social Responsibility Committee is provided in the Corporate Governance Report.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities and expenditure incurred thereon during the year are set out in “Annexure B” of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company; web link <https://www.lovableindia.in/policies>.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as “Annexure C” to this Report.

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable, since during the year under review none of the employees of the Company was in receipt of remuneration in excess of the limits specified, whether employed for the whole year or part thereof.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed and that no material departures have been made from the same;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and



- they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

PUBLIC DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013.

LISTING

Your Company's shares are listed in the BSE Limited, Mumbai (BSE) and National Stock Exchange of India Limited, Mumbai (NSE) and the annual listing fees have been duly paid.

CASH FLOW ANALYSIS

In conformity with the provisions of Regulation 34(2) of SEBI (LODR) Regulations, the Cash Flow Statement for the year ended 31st March, 2022 is enclosed as a part of this Annual Report.

AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

AUDITORS

Statutory Auditors

M/s. DMKH & Co., a firm of Chartered Accountants were appointed as a Statutory Auditors of the Company for One term of 5 (five) consecutive years to hold office from the conclusion of the 30th Annual General Meeting held on 30th August, 2017 until the conclusion of the 35th Annual General Meeting (AGM). As their 1st term of office expires at the ensuing general meeting, they are eligible for reappointment as the Statutory Auditors of the Company for 2nd term of 5 (five) consecutive years to hold office from the conclusion of the 35th Annual General Meeting until the conclusion of the 40th Annual General Meeting (AGM) subject to the approval of the Members.

The notes on Financial Statements referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualifications, reservation or adverse remark and is prepared as per "Ind AS".

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. D. M. Zaveri & Co., Practicing Company Secretaries, Mumbai to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure D". Reply to the observations made in Secretarial Report: a) The observation given by the Secretarial Auditor absence of qualified Company Secretary as Compliance Officer of the Company during the period from 1st August, 2021 to 3rd December, 2021- the delay was unintentional since the Company was not able to find the right candidature. b) and c) The observation given by the Secretarial in respect of gap between two consecutive board meetings and audit committee meetings was more than 120 days (meetings held on 13th February 2021 and 25th June 2021)- The management had interpreted SEBI Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/556 dated April 29, 2021 that the given also applicable to Regulation 17(2) of LODR Regulations. However, the said circular was only in relation to extension of time for submission of Annual Audited Financial Results upto 30th June 2021. d) The observation given by the Secretarial Auditor with respect to nondisclosure of items of income and expenditure arising out of transactions of exceptional nature- this was unintentional and was occurred inadvertently. e) The observation given by the Secretarial Auditor with respect to the non-disclosure of dividend recommended as per para J of part A of Schedule IV of LODR Regulations- disclosure regarding dividend in the financial results was not provided, however the outcome of the Board meeting where such financial results were approved



which was submitted to the stock exchange contained such information. f) The observation given in respect of delay in transferring / crediting the shares to Investor Education and Protection Fund- the delay was unintentional and was occurred inadvertently. g) The observation given in respect of delay in transferring of unpaid / unclaimed dividends amount to Investor Education and Protection Fund authority, the delay was unintentional and was occurred inadvertently.

REPORTING OF FRAUD BY AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditors has reported to the Audit committee, under section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officer or employees, the details of which would need to be mentioned in the Board's report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

No significant or material Orders were passed by the Regulators or Courts or Tribunals during the previous year which may impact the Going Concern Status of the Company's Operation in the future.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of the provisions of Section 125 of the Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules, 2014, unclaimed / un-encashed dividend for the FY 2015-16 (Interim) is due for transfer to IEPF on 17th April, 2023. Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company/ its Registrar, for obtaining payments thereof at least 20 days before they are due for transfer to the said fund.

Pursuant to the provisions of the Investor Education Protection Fund (Accounting, Audit, Transfer and Refund) 2016 the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last Annual General Meeting (i.e. September 27, 2021), with the Ministry of Corporate Affairs.

CORPORATE GOVERNANCE

Your Company continues to lay a strong emphasis on transparency, accountability and integrity.

The Companies Act, 2013 and the Listing Regulations have strengthened the governance regime in the country. Your Company is in compliance with the governance requirements provided under the new law.

Your Company has in place all the statutory Committees required under the law. Details of Board Committees along with their terms of reference, composition and meetings of the Board and Board Committees held during the year, are provided in the Corporate Governance Report enclosed as "**Annexure E**" to this report.

The Policy on Related Party Transactions, Remuneration Policy, CSR Policy and Whistle Blower Policy are available on the website of the Company. The Company has established a vigil mechanism for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report.

A separate report on Corporate Governance is provided together with a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under the Listing Regulations. A Certificate of the CEO and CFO of the Company in terms of sub-Regulation 17(8) of the Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

MANAGEMENT DISCUSSION AND ANALYSIS

To avoid duplication between the Directors' Report and the Management Discussion and Analysis, we present below a composite summary of performance and functions of the Company.



OVERALL INDUSTRY

India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India is the world's largest producer of cotton. Estimated production stood at 362.18 lakh bales during cotton season 2021-22. Domestic consumption for the 2021-22 cotton season is estimated to be at 338 lakh bales. Production of fibre in India reached 2.40 MT in FY21 (till January 2021), while for yarn, the production stood at 4,762 million kgs during same period.

India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

India is well integrated in the value-chain of the Textile Industry from fibre to fashion.

GOVERNMENT INITIATIVES

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Initiatives taken by Government of India are:

The Indian government has come up with several export promotion policies for the textiles sector. It has also allowed 100% FDI in the sector under the automatic route.

Other Initiatives taken by the Government of India are:

- In May 2022, Minister of Micro, Small and Medium Enterprises, Mr. Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative fabrics and apparel that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards.
- In March 2022, the Ministry of Textiles, in collaboration with the Confederation of Indian Industries (CII), organized a day-long International Conference on Technical Textiles with the theme: Creating the Winning Leap in Technical Textiles.
- The Government of India has earmarked a corpus of Rs. 1,000 crore (US\$ 127.72 million) dedicated for research and development of the technical textiles sector.
- In March 2022, the Bihar government submitted a proposal to the Ministry of Textiles to set up a mega hub under the PM Mitra Mega Textile Park.
- In March 2022, Tamil Nadu Chief Minister Mr. MK Stalin announced that the State Industries Promotion Corporation of Tamil Nadu Ltd (SIPCOT) will set up a mega textile park in the Virudhunagar district.
- Under the Union Budget 2022-23, the total allocation for the textile sector was Rs. 12,382 crore (US\$ 1.62 billion). Out of this, Rs.133.83 crore (US\$ 17.5 million) is for the Textile Cluster Development Scheme, Rs. 100 crore (US\$ 13.07 million) for the National Technical Textiles Mission, and Rs. 15 crore (US\$ 1.96 million) each for PM Mega Integrated Textile Region and Apparel parks scheme and the PLI Scheme.
- For export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP.
- The Ministry of Textiles has also been implementing the Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.



- In November 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US\$ 10 billion over the next three years.
- The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.
- Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of Rs. 30 crore (US\$ 4.03 million) under the National Handloom Development Programme (NHDP).
- In October 2021, Minister for Commerce and Industry, Textiles, Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, announced the creation of 100 textile machinery champions in the country, and to promote them in the global market. Through this, the government aims to make India a global player in textiles machinery.
- In October 2021, the Ministry of Textiles approved the continuation of the comprehensive handicrafts cluster development scheme with a total outlay of Rs. 160 crore (US\$ 21.39 million). Through this scheme, the government aims to support domestic SMEs and local artisans.
- In October 2021, the government introduced SAMARTH training at 75 training centers across the country, to accelerate the scheme's coverage among artisans.
- The government allocated funds worth Rs. 17,822 crore (US\$ 2.38 billion) between FY16-22 for the 'Amended Technology Up-gradation Fund Scheme' (A-TUFS), to boost the Indian textile industry and enable ease of doing business.
- Government of Karnataka has set up a Apparel park in Haveri district where labour pool is available (special incentives are provided)

OVERALL REVIEW

Indian Textile industry can be divided into several segments, some of which can be listed as below:

- Cotton Textiles
- Silk Textiles
- Woolen Textiles
- Readymade Textiles
- Jute and Coir

STRENGTH

- India has rich resources of raw materials for the textile industry. It is one of the largest producers of cotton in the world and also rich in resources of fibres like polyester, silk, viscose etc.
- India is riched in highly trained manpower. The country has a huge advantage due to lower labour rates. Because of low labour rates, the manufacturing cost in textile manufacturing automatically comes down to very reasonable levels.
- India is highly competitive in spinning sector and has presence in almost all processes of the value chain.

OPPORTUNITY

- Low per-capita domestic consumption of textile indicating significant potential growth.
- The Domestic market is extremely sensitive to fashion fads and this has resulted in the development of a responsive garment industry, catering to paying and aspirational customers.
- India's global share is just 3% while China controls about 15%, signifying considerable headroom to scale up.
- Companies need to concentrate on new global product standards for leveraging the opportunities.



PERFORMANCE OF THE TEXTILE INDUSTRY

- The industry which was growing at 3-4% during the last six decades has now accelerated to the annual growth rate of 9-10% but various factors have effecting annual growth rate of textile industry, Global recession and Domestic demand slowdown coupled with a Supply glut is one of them.
- The impact of the global and domestic economic slowdown is directly affect the performance of the industry.

INITIATIVES

Capacity building:

In order to steer your company into an aggressive growth path, the company is looking into enter the mass segment, which had not been fully explored by the company till date. The Company has added new lines for AT-LEISURE and Camisloes

Upskilling of Employees:

Of all the factors of production, work force comes first. Upskilling and Reskilling the work force in tune with the latest technological developments, not only motivates the employees but also increase the productivity and upgrades product standards. Your company, assisted with the Government of India Initiative on Upskilling and Resiklling "Samarth" schemes, set up and tied up with training centres to equip our work force with modern techniques.

New Product Categories and Styles:

Your company has identified the twin routes of deeper & category-leading brand-building & scale-up of production routes to high sales volumes & to be the engines of growth.

Last year the Company introduced new leak proof period panty in Daisy-dee brand. We will shortly be introducing bonded seamless styles(new set of state of art of machinery will be installed)

ENVIROMENT, HEALTH AND SAFETY

Your Company places utmost importance on ensuring safety of its employees, visitors to our premises and the communities we operate in.

Your Directors are committed to strict compliance of not just statutory requirements but even more stern internal policies and best practices related to environment, health and safety in all our units. In the year under review, your Company has further strengthened its commitment to workplace compliance by increasing the strength of the workplace Compliance Department to enhance monitoring and control in all these areas.

Environment: Your Company is an environment friendly organization as it is a non-polluting and non-effluent generating manufacturing set-up.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO

A. Conservation of Energy

Your Company has a vision of being a 'Zero Injury' organization. The Compass, your Company's strategic framework, integrates Safety as a non-negotiable value. Information on conservation of energy, technology absorption, foreign exchange earnings and outgo, pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are furnished below:

a. Conservation of Energy:

The Company continually takes steps to absorb and adopt the latest technologies and innovations in the Garment Industry. These initiatives should enable the facilities to become more efficient and productive as the company



expands, thus helping conserve energy. All machinery and equipment are continuously serviced, updated and overhauled in order to maintain them in good condition. This resulted in consumption of lesser energy consumption.

Additional Investments and Proposals for Reduction of Consumption of Energy: Nil

Total Energy Consumption and Energy Consumption per Unit of Production (Form-A and Form B Enclosed).

Conservation of Energy continues to receive increased emphasis at all the units of the Company.

Form – A

Form for Disclosure of particulars with respect of conservation of energy

| Particulars | 2021-22 | 2020-21 |
|----------------------------|---------|---------|
| Power & Fuel Consumption | | |
| 1. Electricity | | |
| a) Purchased Units (Lacs) | 4.09 | 4.16 |
| Total Cost (Rs. In Lacs) | 43.86 | 42.83 |
| Rate/Unit (Rs.) | 10.72 | 10.30 |
| b) Own Generation | | |
| 1)Through Diesel Generator | | |
| Units (Lacs) | 0.45 | 0.23 |
| KWH per unit of fuel | 4.67 | 4.67 |
| Fuel Cost/Unit (Rs.) | 18.46 | 18.94 |

b. Technology Absorption:

Absorbing technologies with state of art machineries like automated cutting machine, automated fabric inspection machines, etc., the quality of the products and efficiency of the systems have been substantially improved. By applying those technologies, the cost of production was under control.

The products manufactured and sold by the Company are not power intensive; hence the impact on overall cost is marginal. However, steps have been taken to ensure energy conservation in the processing unit where an energy efficient boiler is installed and condensate is being re-utilised.

Efforts made in Technology absorption as per Form B: Nil

B. Consumption per unit of Production

| Product | Electricity | |
|----------------------|-------------|---------|
| | 2021-22 | 2020-21 |
| Consumption per Unit | - | 0.06 |

C. Foreign Exchange Earning and Outgoing

The Company had foreign exchange earnings from Exports during the year was NIL (Previous year NIL). The total amount of outgo on account of foreign exchange utilized by the Company amounted to Rs. 11.64 lakhs (Previous year Rs. 2.71 lakhs) mainly on account of import of raw materials, finished goods, Capital Goods, foreign travel.

Foreign exchange earned and outgo during the year ended March 31, 2022:



Rs in lakhs

| Particulars | 2021-22 | 2020-21 |
|-------------------------|--------------|-------------|
| Foreign Exchange Earned | - | - |
| Exports (FOB) | - | - |
| Technical Assistance | - | - |
| Total | - | - |
| Foreign Exchange Outgo | - | - |
| CIF Value of Imports | 11.64 | - |
| Travelling Expenses | - | - |
| Others | - | 2.71 |
| Total | 11.64 | 2.71 |

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by Statutory as well as Internal Auditor and cover all offices, factories and key business areas. Periodical reports and significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee is headed by an Independent Director and this ensures independence of function and transparency of the process of supervision and oversight. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. The Company conducts its business with integrity and high standard of ethical behaviour and in compliance with the laws and regulations that govern its business.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS COMPARED TO PREVIOUS YEAR

| Sr No. | Particulars | Year 2021-22 | Year 2020-21 | Change in % |
|--------|-----------------------------|--------------|--------------|-------------|
| 1 | Debtors Turnover | 4.98 | 3.65 | 37% |
| 2 | Inventory Turnover | 2.34 | 1.75 | 33% |
| 3 | Interest Coverage Ratio | 163.25 | 10.72 | 1424% |
| 4 | Current Ratio | 4.16 | 5.60 | (26%) |
| 5 | Debt Equity Ratio | 0.01 | 0.00 | 100% |
| 6 | Operating Profit Margin (%) | 7.03% | 1.30% | 442% |
| 7 | Net Profit Margin (%) | 5.88% | 0.83% | 607% |
| 8 | Return on Net worth | 3.36% | 0.40% | 740% |

OPPORTUNITIES AND THREATS

Opportunities:

For the apparel industry in general and our market in particular:

- More organized retail. Better consumer retail experience
- Increasing fashion consciousness and consumers becoming more aspirational, discerning and brand savvy.
- The factors that determine consumption, education, occupation, urbanization, rise in nuclear families moving in a positive direction
- Increasing urban women population and women corporate workforce



- Increasing brand consciousness and spending on kids
- Higher disposable income
- Increasing online retail.
- Company need to concentrate on new global product.
- Low per-capita domestic consumption of textile indicating significant potential growth.

Threats:

Many major international apparel brands have commenced operations in India realizing that Indian markets are likely to emerge as one of the largest market in the world in the next few decades. Competitive intensity is expected to sustain high.

India's global share is just 3% while China controls about 15%. In post 2015, China is expected to capture 43% of global textile trade.

RISKS AND CONCERNS

The Company has robust risk management procedures to identify and evaluate risks on an ongoing basis. The identified risks are integrated into the business plan and a detailed action plan to mitigate the identified business risk and concerns is put in place.

The key risks and concern identified by the company and its mitigation plans are:

Availability and Rising Cost of Labour:

The industry is growing at a fast pace, in a highly labour intensive sector and demand for experienced and trained manpower is outstripping supply. The ability to retain existing talent and attract new talent assumes crucial importance. The Company has created long term plans with the objective of motivating employees to create a sense of "belonging" and a 'feel good' environment. The Company has set up robust training centers at various units where newcomers to the labour force receive structured training.

Increase in input and brand-building costs:

The availability of raw materials at reasonable rates is one of the main concerns of the company. However the company is confident that increases in raw material cost, if and when they occur, can be passed on to consumers because of the strong pricing power of its brands. The company is also aggressively taking steps to monitor and improve productivity, which will mitigate the impact of material cost increases to some extent. The Company is also conscious that in the Media environment of exploding media vehicles and fragmented audiences, the challenges for achieving Brand Reach and delivering effective communication are rising disproportionately. The Company is taking steps to plan and execute media campaigns with higher efficiency and continue to achieve brand salience.

HUMAN RESOURCES

Your Company fully values the Human capital; it deploys and credits its success to them. It has been the consistent endeavor of the Company to create a congenial and challenging working atmosphere wherein every employee can develop his own strength and deliver to his full potential.

During the year under review, industrial relations in the factory were cordial and pro-active and all employees and the Union supported productivity and process improvement measures undertaken at all the functions of the Company. Their unstinted co-operation has enabled the unit to achieve continuous growth, both quantitatively and qualitatively. Your Company continued to maintain excellent industrial relations with all its employees and independent job work firms. Adequate safety and welfare measures are in place and your Company will continue to improve the same on ongoing basis.

As of 31st March, 2022, the Company had 1,219 employees on its roll.



FUTURE OUTLOOK

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

The global economic climate continues to be volatile, uncertain and prone to geo-political risks. Weak consumer sentiment and low commodity prices are expected to affect global growth adversely.

Your Company has achieved a significant growth and has been constantly following emerging market trends and has accordingly from time to time revamped its marketing strategies and product portfolios. The Company is trying to come up with some new products and ranges of inner wears according to changing consumer needs and demand.

Your Company has taken a step to evolve in the super-premium segment of innerwear.

CAUTIONARY STATEMENT

Statements in the management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be considered as "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The factors that might influence the operations of the Company are economic conditions, government regulations and natural calamities over which the Company has no control.

The Company assumes no responsibility in respect of the forward-looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

APPRECIATIONS AND ACKNOWLEDGEMENTS

Your Directors place on record their sincere appreciation for the significant contribution made by our employees through their dedication, hard work and commitment.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its customers, suppliers, distributors stockists, retailers, business partners and others associated with the Company as its trading partners. Your Company looks upon them as partners in its progress. It will be the Company's endeavour to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

The Directors also take this opportunity to thank all Shareholders, Investors, Clients, Vendors, Bankers, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

On behalf of the Board of Directors
Lovable Lingerie Limited

Place: Mumbai
Date: August 29, 2022

L Vinay Reddy
Chairman & Managing Director
(DIN: 00202619)



ANNEXURE “A”

Annual Report on CSR Activities for the financial year ended 31st March, 2021

1. Brief outline on CSR Policy of the Company:

Lovable Lingerie Limited has a Board approved Corporate Social Responsibility (CSR) Policy in compliance with section 135 of the Companies Act, 2013 and the rules made thereunder.

The main objective of the CSR Policy is to lay down guidelines to make CSR a key business process and support programmes aimed at development of communities who are inequitably endowed. The Company believes in conducting its business responsibly, fairly and in a transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates.

The CSR mandate of the Company is undertaken either directly or through partnerships with implementing agencies with a proven track record of expertise, governance and implementation ability. The CSR projects undertaken by the Company are within the framework of Schedule VII of the Companies Act, 2013. The Company's CSR projects are focused on 4 core sectors of Education, Healthcare, Livelihoods and supporting Persons with Disabilities as a separate target group.

The CSR policy of the Company inter alia provides guiding principles for selection and implementation of CSR activities in pursuance of Schedule VII to the Companies Act, 2013 (Clause VI), roles and responsibilities of the CSR Committee (Clause VII), guidance for formulation of an annual action plan (Clause VIII), process for implementation of CSR activities (Clause IX), modalities of monitoring and evaluation framework (Clause X), manner of undertaking impact assessment (Clause XI) and reporting mechanism.

2. Composition of CSR Committee:

| Sl. No. | Name of Director | Designation/ Nature of Directorship | Number of meetings of CSR Committee held during the year/ | Number of meetings of CSR Committee attended during the year |
|---------|-----------------------------|---|--|--|
| 1. | Mr. Anantharaman Mahadevan* | Chairman | 2 | 2 |
| 2. | Mr. Gopal Sehjpal | Member | 2 | 2 |
| 3. | Mr. L Vinay Reddy | Member | 2 | 2 |

*Mr. Anantharaman Mahadevan resigned from the Board and committee w.e.f from 19th April, 2022. The Board has elected Mrs. Taruna Reddy, Non-executive Director of the Company as the Chairperson of the Committee in their meeting held on 30th May, 2022.

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <https://www.lovableindia.in/policies>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

The Company does not fall under the criteria specified under Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 notified w.e.f. 22nd January, 2021. Hence, Impact assessment of CSR Projects not applicable to the company during the period under review.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

| Sl. No | Financial Year | Amount available for set-off from preceding financial years (Amount in Rs.) | Amount required to be set-off for the financial year, if any (Amount in Rs.) |
|--------|----------------|---|--|
| 1. | 2021-22 | Nil | Nil |

6. Average net profit of the Company as per section 135(5): 273.29 Lakhs

7. (a) Two percent of average net profit of the Company as per section 135(5): 5.47 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b- 7c): Nil

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (Amount in Rs.) | Amount Unspent (Amount in Rs.) | | | | |
|---|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| Rs. 2.5 Lacs | Nil | - | - | Nil | - |

- (b) Details of CSR amount spent against ongoing projects for the financial year:

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|---------|---------------------|---|---------------------|-------------------------|----------|------------------|--|--|--|--|--|-------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project | | Project duration | Amount allocated for the project (Amount in Rs.) | Amount spent in the current financial year (Amount in Rs.) | Amount transferred to Unspent CSR Account for the project as per Section 135(6)(Amount in Rs.) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
| | | | | State | District | | | | | | Name | CSR Registration number |
| | | | | | | | | | | | | |

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(Amount in Rs.)

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (11) | |
|---------|---------------------|---|---------------------|-------------------------|----------|------------------------------|--|--|-------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes/No) | Location of the project | | Amount spent for the project | Mode of implementation - Direct (Yes/No) | Mode of implementation - Through implementing agency | |
| | | | | State | District | | | Name | CSR Registration number |
| 1 | Vidyarthi Nidhi | promotion of education | Yes | Maharashtra | Mumbai | Rs. 2.5 Lakhs | Yes | - | - |

- (d) Amount spent in Administrative Overheads (including capital assets for administrative purpose): Nil

- (e) Amount spent on Impact Assessment, if applicable: Nil



(f) Total amount spent for the Financial Year (8b+8c+8d+8e):

(g) Excess amount for set off, if any:

| Sl. No. | Particular | Amount (in Lakhs) |
|---------|---|-------------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 5.47 |
| (ii) | Total amount spent for the Financial Year | 2.5 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | *2.5 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 2.5 |

*This amount was spent by the company in excess as there was no CSR obligation on the Company as per section 135 of the Companies Act, 2013 for the financial year 2021-22

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) | Amount spent in the reporting Financial Year | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years |
|---------|--------------------------|---|--|--|--------|------------------|--|
| | | | | Name of the Fund | Amount | Date of transfer | |
| 1. | 2020-21 | - | 36.33 | N.A. | | | |
| 2. | 2019-20 | - | 10.32 | | - | | - |
| 3. | 2018-19 | NA | 24.49 | | - | | - |
| | Total | - | - | - | - | - | - |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| (1) Sl No. | (2) Project ID | (3) Name of the Project | (4) Financial Year in which the project was commenced | (5) Project duration | (6) Total amount allocated for the project (Amount in Rs.) | (7) Amount spent on the project in the reporting Financial Year (Amount in Rs.) | (8) Cumulative amount spent at the end of reporting Financial Year (Amount in Rs.) | (9) Status of the project - Completed / Ongoing |
|---------------|-------------------|----------------------------|--|-------------------------|---|--|---|--|
| 1 | NA | NA | NA | NA | NA | NA | NA | NA |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Signing on behalf of the Committee,

Taruna Reddy
Chairperson
(DIN: 02787135)

L Vinay Reddy
Managing Director
(DIN:00202619)

Place: Mumbai
Date: August 12, 2022

ANNEXURE “B”

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Amendments thereto:

i. Ratio of the remuneration* of each Director to the median remuneration of the employees of the Company for the financial year 2021-22:

| Sr. No. | Name of Director | Nature of Directorship | Ratio to median remuneration of employees |
|---------|------------------------------|------------------------------------|---|
| 1 | L Vinay Reddy | Chairman & Managing Director | - |
| 2 | Anantharaman Mahadevan | Non-Executive Independent Director | 0.59 |
| 3 | Gopal Sehjpal | Non-Executive Independent Director | 0.67 |
| 4 | Sivabalan P. Pandian | Non-Executive Independent Director | 0.35 |
| 5 | Taruna Reddy | Non-Executive Director | 0.28 |
| 6. | Mohangandhi Muruganathaswamy | Non-Executive Independent Director | 0.22 |

* Remuneration includes sitting fees paid

ii. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2021-22:

| Sr. No | Name of Director/KMP | Designation | % increase in Remuneration |
|--------|-------------------------------|------------------------------------|----------------------------|
| 1 | L Vinay Reddy | Chairman & Managing Director | |
| 2 | Anantharaman Mahadevan | Non-Executive Independent Director | 0.06 |
| 3 | Gopal Sehjpal | Non-Executive Independent Director | 0.05 |
| 4 | Sivabalan P. Pandian | Non-Executive Independent Director | (0.43) |
| 5 | Mohangandhi Muruganathaswamy | Non-Executive Independent Director | 0.22 |
| 6 | Taruna Reddy | Non-Executive Director | 0.13 |
| 7 | R Govindarajan | Chief Financial Officer | (1.00) |
| 8 | Divya Shirmali** | Company Secretary | (1.00) |
| 9 | Vineesh Vijayan Thazhumpal*** | Company Secretary | NA |

* No Remuneration is drawn by Mr. L Vinay Reddy during FY 2020-21 and 2021-22.

** Divya Shirmali resigned as the Company Secretary of the Company from July 31, 2021.

***Vineesh Vijayan Thazhumpal was appointed as the Company Secretary of the Company w.e.f. December 04, 2021.

iii. The percentage increase in the median remuneration of Employees for the financial year (Median 2021/ Median 2022): (0.01%)

iv. The Company has 1219 permanent Employees on the rolls of Company as on 31st March, 2022.



- v. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 0.10% whereas the increase in the managerial remuneration was (1.00%). The total managerial remuneration comprises of remuneration of the Managing Director and Executive Director. The remuneration to Managerial personnel is as approved by the shareholders under the provisions of Companies Act 2013. The average increases every year is an outcome of Company's market competitiveness as against its peer group companies. In keeping with our reward philosophy and benchmarking results, the increases this year reflect the market practice.
- vi. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**On behalf of the Board of
Lovable Lingerie Limited**

Dated: August 29, 2022
Place: Mumbai

L Vinay Reddy
Chairman & Managing Director
(DIN: 00202619)



ANNEXURE “C”

Secretarial Audit Report

Form No. MR-3

For the Financial year ended 31st March, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Lovable Lingerie Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Lovable Lingerie Limited (hereinafter called 'the Company'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Lovable Lingerie Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('The SEBI'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not relevant / applicable, since there are no share based benefits to employees during the year)
 - (a) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not relevant / applicable, since there is no issue of debt securities during the year)
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not relevant / applicable, since there is no delisting of equity shares during the year)
 - (g) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not relevant / applicable, since there is no buyback of equity shares during the year)
 - (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that based on the explanation given by the management of the Company, there are no other laws that are specifically applicable to the Company.



I have also examined compliance with the applicable clauses to the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Government of India, as applicable under the Companies Act 2013;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as follows:-

- a) non-compliance of Regulation 6(1) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of absence of qualified Company Secretary as Compliance Officer of the Company during the period from 1 August, 2021 to 3 December, 2021 and designating Mr. L. Vinay Reddy, the Managing Director of the Company as a Compliance Officer till the time qualified Company Secretary was appointed by the Company (effective from 4 December, 2021 Mr. Vineesh Vijayan Thazhumpal was appointed as Company Secretary and Compliance officer).
- b) non-compliance of Regulation 17(2) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of gap between two consecutive board meeting was more than 120 days (board meetings held on 13th February 2021 and 25th June 2021).
- c) non-compliance of Regulation 18(2) (a) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of gap between two consecutive audit committee meetings was more than 120 days (audit committee meetings held on 13 February 2021 and 25 June 2021).
- d) non-compliance of Para F of Part A of Schedule IV read with Regulation 33(1) (e) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of non-disclosure in the audited financial results for the year ended on March 31, 2021, about all items of income and expenditure arising out of transactions of exceptional nature.
- e) non-compliance of Para J of Part A of Schedule IV read with Regulation 33(1) (e) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of non-disclosure in the audited financial results for the year ended on March 31, 2021, about any dividend recommended.
- f) delay in transferring/ crediting those shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to the demat account of Investor Education and Protection Fund authority which were due for transfer during the year under review.
- g) delay in transferring of unpaid / unclaimed dividends amount to Investor Education and Protection Fund authority in respect of which dividend has not been claimed from seven years or more and which were due for transfer during the year under review.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all the directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.



I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For D. M. Zaveri & Co

Company Secretaries

Dharmesh Zaveri

(Proprietor)

FCS. No.: 5418

CP No.: 4363

Place: Mumbai

Date: 29th August 2022

ICSI UDIN: F005418D000865024

Peer Review Certificate No.: 1187/2021

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.



Annexure A

To,
The Members,
Lovable Lingerie Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the pandemic caused by Covid-19 and prevailing lockdowns/restrictions on movement of people imposed by the Government, for the purpose of issuing this report, we have conducted our audit remotely based on the records and information made available to us by the Company electronically.

For D. M. Zaveri & Co
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No.: 5418
CP No.: 4363
Place: Mumbai
Date: 29th August 2022



ANNEXURE “D”

CORPORATE GOVERNANCE

The Report on Corporate Governance for the financial year ended 31st March 2022 containing, inter-alia, the matters as specified in Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) is presented hereunder:

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. The Company’s philosophy on Corporate Governance is aimed at strengthening the confidence of the shareholders in the Company and building a long-term relationship of trust with them by maintaining transparency and periodical disclosures. The Company believes in maintaining high standards of quality and ethical conduct in its operations.

Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times.

This chapter of the annual report together with information given under the chapter entitled Management Discussion and Analysis constitute the compliance report of the Company on Corporate Governance during FY 2021-22.

1. THE BOARD OF DIRECTORS

The Board of Directors (‘the Board’) is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

The Board of Directors are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

(i) Composition:

As on 31st March 2022, the Board of Directors had 6 (Six) Directors, comprising (i) 1 (One) Executive Director cum Chairman, and (ii) 5 (Five) Non-Executive Directors out of which 4 (Four) were Independent and 1(One) Woman Non-Independent Director. Detailed profiles of the Directors seeking appointment/ re-appointment are given in the Notice of AGM.

The composition of the Board represents an optimal mix of professionalism, knowledge, strategy and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Chairman of the Board is an Executive Director.

The Board continuously reviews the Company’s governance, risk and compliance framework, business plans, and organization structure to align with the global standards and competitive benchmark.

Each Director informs the Company on an annual basis about the Board and Board Committee positions he/ she occupies in other companies including Chairmanships and notifies any changes during the term of their Directorship in the Company. None of the Directors on the board hold Directorships in more than 10 (Ten) public companies. Further, none of them is a member of more than 10 (Ten) committees or chairman of more than 5 (Five) committees across all the public companies in which he/she is a Director.

The Independent Directors provide a confirmation to the effect that they meet the criteria of independence as defined under the Companies Act, 2013. In the opinion of the Board, all the independent directors of the Company fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and they are independent of the management.



Mr. Anantharaman Mahadevan (DIN 00165226) resigned from the Board of Directors w.e.f. April 19, 2022 due to age related health issues. There were no other material reasons for his resignation.

The Board meets at least once in a quarter to review the Company's quarterly performance and financial results. Board meetings are governed with a structured agenda. The Board periodically reviews the compliance reports with respect to laws and regulations applicable to the Company.

- (ii) Composition of Lovable's Board and Other Directorships(s) and their attendance in Board Meetings and AGM held during FY 2021-22

| Name of the Director, Designation & DIN | Category | Number of board meetings during the year 2021-22 | | Whether Attended last AGM held on September 27, 2021 | Number of directorships in other Public Companies | Number of committee positions held in other public companies\$ | | Inter-se Relationship |
|---|--------------------------------|--|----------|--|---|--|--------|------------------------------|
| | | Held | Attended | | | Chairman | Member | |
| L Vinay Reddy (Chairman & Managing Director) DIN: 00202619 | Non Independent, Executive | 5 | 4 | Yes | 1 | 0 | 0 | Husband of Mrs. Taruna Reddy |
| Anantharaman Mahadevan Director DIN: 00165226 | Independent, Non-Executive | 5 | 5 | Yes | 0 | 0 | 0 | - |
| Gopal Sehjpal Director DIN: 001575975 | Independent, Non-Executive | 5 | 5 | Yes | 1 | 1 | 1 | - |
| Sivabalan Paul Pandian Director DIN: 01573458 | Independent, Non-Executive | 5 | 3* | Yes | 1 | 0 | 0 | - |
| Taruna Reddy Director DIN: 02787135 | Non-Independent, Non-Executive | 5 | 3* | Yes | 1 | 0 | 0 | Wife of Mr. L Vinay Reddy |
| Mohangandhi Muruganathaswamy DIN: 07625896 | Independent, Non-Executive | 5 | 3* | No | 1 | 0 | 0 | - |

*Were given leave of absence on request.

\$ For purpose of determination of the number of Committees of the other Companies, Chairpersonships and Memberships of only the Audit Committee and the Stakeholders Relationship Committees have been considered.

(iii) Details of Directorship held in listed Entity other than the Company:

| Sr. No. | Name of the Director | Name of the Listed Entities | Category of Directorship |
|---------|------------------------------|-----------------------------|-------------------------------------|
| 1. | Mr. L Vinay Reddy | - | - |
| 2. | Mr. Gopal Sehjpal | VIP Clothing Limited | Non-Executive, Independent Director |
| 3. | Mrs. Taruna Reddy | - | - |
| 4. | Mr. Sivabalan Paul Pandian | E-Land Apparel Limited | Non-Executive, Independent Director |
| 5. | Anantharaman Mahadevan | - | - |
| 6. | Mohangandhi Muruganathaswamy | - | - |



(iv) Skills / Expertise / Competencies of the Board of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

| Sr. No. | Skills / Expertise / Competencies | Mr. Vinay Reddy | Mr. Anantharaman Mahadevan | Mr. Gopal Sehjpal | Mr. Sivabalan Paul Pandian | Mr. Mohan Gandhi Muruganatha swamy | Mrs. Taruna Reddy |
|---------|--|-----------------|----------------------------|-------------------|----------------------------|------------------------------------|-------------------|
| 1. | Knowledge on Company's businesses (garment industry prospects), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2. | Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 3. | Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making, | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 4. | Leadership, Accounting, Financial Management, cost expertise and banking. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 5. | Technical / Professional skills and specialized knowledge in relation to Company's business. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

2. MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

The Company plans and prepares the schedule of the Board and Board Committee meetings in advance to assist the Directors in scheduling their program. The schedule of meetings and their agenda are set by the Company Secretary in consultation with the Chairman-cum-Managing Director of the Company. The Agenda for the Board and Committee meetings covers items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The agenda of the Board and Committee meetings are pre-circulated in advance with detailed notes and supporting documents.



Under the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors must meet at least four times a year, with a maximum gap of 120 days between two Board meetings. Board met five times during the financial year under review on: 25th June, 2021, 10th August, 2021, 11th November, 2021, 04th December, 2021 and 14th February, 2022.

3. MEETING OF INDEPENDENT DIRECTORS

The terms and conditions of appointment of the independent directors are disclosed on the website of the Company.

During FY 2021-22, the Independent Directors of Lovable met one time on February 14, 2022 without the presence of Non-Independent Directors and other members of the management inter-alia to review:

- the performance of non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company, taking into account the views of Executive- Directors and Non- Executive Directors; and
- the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board members and employees of the Company.

The code of conduct may be accessed through the web link: <https://www.lovableindia.in/code-of-conduct>

It is the responsibility of all Directors and employees to familiarize themselves with this Code and comply with its standards. The Board and the senior management of the Company annually affirm compliance with the Code. A certificate of the Chairman-cum-Managing Director to this effect is enclosed as Exhibit 1 to the Corporate Governance Report.

The Company has formulated a Whistle-Blower Policy or Vigil Mechanism under this Code to report concerns on actual or suspected violations of the Code, which:

- takes into account procedures for investigation and communication of any report on any violation or suspected violation of the Code;
- accepts appeal against any decision; and
- encourages the submission of complaint against any retaliation.

The Whistle-blower policy is available on the Company's website <https://www.lovableindia.in/policies>.

The complaints and reports submitted to the Company and their resolution status are reported through the Chairman of the Audit Committee and, where applicable, to the Board. During FY 2021-22, there were no complaints received under the Whistle Blower mechanism.

5. RELATED PARTY TRANSACTIONS

All transactions entered into with related parties during the financial year 2021-22 were in the ordinary course of business and on arm's length basis. There were no transactions with related parties during the said financial year which were in conflict with the interest of the Company.

All related party transactions are periodically placed before the Audit Committee and the Board for review and approval, as appropriate. Prior omnibus approval is obtained for Related Party Transactions on a yearly basis for transactions which are of repetitive nature and or entered in the Ordinary Course of Business and are at Arm's Length. The details of related party transactions are discussed in detail in note 26.8 to the standalone financial statements.



No Material Related Party Transactions were entered during the year by the Company. The Company has formulated a policy on materiality of related party transactions and dealing with related party transactions which is available on the Company's website <https://www.lovableindia.in/policies>

Members of the Board and Management also submit, on an annual basis, the details of individuals to whom they are related and entities in which they hold interest and such disclosures are placed before the Board.

6. FAMILIARIZATION PROCESS FOR INDEPENDENT DIRECTORS

The Company believes that the Board should be continuously empowered with the knowledge of latest development affecting the Company and the industry as a whole. Updates on relevant statutory changes and judicial pronouncements around important industry related laws are regularly circulated to the Directors. Each Director of the Company has complete access to any Company's information and freedom to interact with the senior management.

The details of the familiarization programmes imparted to Independent Directors is available on the website of the company <https://www.lovableindia.in/policies>

7. BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, as well as the working of its Committees. The Nomination and Remuneration Committee laid down the criteria for such performance evaluation.

The evaluation process was carried out internally in FY 2021-22. Each Board member completed a questionnaire on other Board members for peer evaluation and a questionnaire to provide feedback on Board, its Committees and their functioning. The contribution and impact of individual members was evaluated on parameters such as level of engagement, independence of judgment, conflicts resolution and their contribution in enhancing the Board's overall effectiveness. The peer ratings on certain parameters, positive attributes and improvement areas for each Board member were also provided to them in a confidential manner.

8. DISCLOSURE ON ACCOUNTING TREATMENT

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 and other relevant provisions of the Act.

9. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has currently established the following Committees.

A. Audit Committee:

i. Constitution & Composition:

The Audit Committee of the Company presently comprises of 3 (Three) members which includes 2 (Two) Independent Non-executive Directors viz. Mr. Gopal Sehgal, Mr. Sivabalan Paul Pandian and 1 (One) Non-independent, Executive Director, Mr. L Vinay Reddy.



Mr. Gopal Sehjpal is the Chairman of the Committee.

The Audit Committee of the Company is constituted in line with Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. ("Listing Regulations") read with Section 177 of the Companies Act, 2013.

During the year under review, Audit Committee Meetings were held 4 (Four) times on 25th June 2021, 10th August, 2021, 11th November, 2021 and 14th February, 2022. The intervening gap between the meetings was within the period prescribed under Regulation 18 of the Listing Regulations, as amended.

The Composition of the Audit Committee and details of attendance of the members at the committee meetings during the year are given below:

| Name | Category | No. of Meetings during the financial year 2021-22 | Remarks |
|-----------------------------|----------|---|---------|
| | | Held/ Attended | |
| Mr. Gopal G. Sehjpal | Chairman | 4/4 | - |
| Mr. L Vinay Reddy | Member | 4/4 | - |
| Mr. Sivabalan Paul Pandian | Member | 4/4 | - |
| Mr. Anantharaman Mahadevan* | Member | 4/4 | - |

*Mr. Anantharaman Mahadevan resigned from the Board with effect from 19th April, 2022 and thus ceased to exist as a the member of the Committee.

The Chief Financial Officer, representatives of Statutory Auditors, Internal Audit and Finance & Accounts department are invited to the meetings of the Audit Committee, whenever required.

Company Secretary and Compliance Officer acted as the Secretary of the Committee.

The Chairman of the Committee was present at the last Annual General Meeting held on 27th September 2021.

The Committee discharges such duties and functions as indicated in Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated to the Committee by the Board from time to time.

ii. Brief Terms of reference:

The terms of reference of the Audit Committee covers the areas as contemplated under the Listing Agreement, Listing Regulations and Section 177 of the Companies Act, 2013 and inter alia, include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and Quarterly Financial Results and auditors' report thereon before submission to the board for approval, with particular reference to;
- Reviewing the adequacy of internal audit function;
- Reviewing the significant internal audit findings / related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operations and also statutory compliance issues relating to financial statements;
- Reviewing and monitoring the Auditor's independence, performance and effectiveness of the audit process;



- To review the functioning of the Whistle Blower mechanism / Vigil Mechanism;
- Review of matters to be included in the Directors Responsibility Statement, to be included in the Board report.
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal control are adequate and are operating effectively.

B. NOMINATION & REMUNERATION COMMITTEE

i. Constitution & Composition:

The Nomination & Remuneration Committee of the Company is duly constituted. The Nomination and Remuneration Committee presently comprises of 3 (Three) members which includes 2 (Two) Independent Non-executive Directors viz. Mr. Gopal G. Sehjpal, Mr. Sivabalan Paul Pandian, 1(One) Non-independent Non- Executive Director Mrs. Taruna Reddy.

Mr. Gopal G. Sehjpal is the Chairman of the Committee.

During the year under review, 2 (Two) Nomination and Remuneration Committee Meetings were held on 11th November 2021 and 04th December, 2021.

The Composition of the Nomination and Remuneration Committee (NRC) and details of attendance of the members at the committee meetings during the year are given below:

| Name | Category | No. of Meetings during the financial year 2021-22 |
|----------------------------|----------|---|
| | | Held/ Attended |
| Mr. L Vinay Reddy* | Member | 2/2 |
| Mr. Sivabalan Paul Pandian | Member | 2/2 |
| Mr. Gopal G. Sehjpal | Chairman | 2/2 |
| Mrs. Taruna Reddy | Member | 2/1 |

**Mr. Vinay Reddy tendered his resignation as a the member of the Committee with effect from 01st January, 2022.*

ii. Brief Terms of reference:

The brief terms of reference of Nomination & Remuneration Committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
5. To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s)/Executive Director(s) based on their performance and defined assessment criteria;
6. To recommend to the Board all remuneration, in whatever form, payable to senior management.



7. To consider whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
8. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

iii. Remuneration policy:

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations. The remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the industry.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its managing director and the executive directors.

NRC decides on the commission payable to the managing director and the executive directors' out of the profits for the financial year and within the ceilings prescribed under the Act based on the performance of the Company as well as that of the managing director and each executive director.

The Remuneration policy of the Company is available on the website of the Company at <https://www.lovableindia.in/policies>

iv. Details of Remuneration:

a) Executive Directors:

(Rs. in lakhs)

| Name | Salary | Bonus | Contribution to PF | Perquisites | Total |
|---------------|--------|-------|--------------------|-------------|-------|
| L Vinay Reddy | - | - | - | - | - |

b) Non-Executive Directors:

During the year 2021-22, the criteria for making payment of sitting fees to Non-Executive Directors of the Company is Rs. 11,000/- per Board meeting; Rs. 5,000/- per meeting of the Audit Committee, Nomination and Remuneration Committee, CSR committee and Independent Director Meeting and Rs. 2,500/- per Stakeholders' Relationship Committee meeting, were paid to the Non-Executive Directors attending respective meetings.

(Rs. in lakhs)

| Name | Sitting Fees* | Commission | Total |
|------------------------------|---------------|------------|-------|
| Anantharaman Mahadevan | 0.90 | | 0.90 |
| Gopal Sehjpal | 1.03 | - | 1.03 |
| Sivabalan P. Pandian | 0.53 | - | 0.53 |
| Taruna Reddy | 0.43 | - | 0.43 |
| Mohangandhi Muruganathaswamy | 0.33 | - | 0.33 |

* Includes sitting fees for Board and its Committee meetings.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from sitting fees received by them for attending the meeting of the Board and/or of Committee thereof.



- c) Details of equity shares of the Company held, if any by the Non-Executive Directors as on March 31, 2022 are given below:

| Name | Number of equity shares |
|------------------------------|-------------------------|
| Taruna Reddy | 340398 |
| Gopal Sehjpal | Nil |
| Sivabalan P. Pandian | Nil |
| Anantharaman Mahadevan | Nil |
| Mohangandhi Muruganathaswamy | Nil |

The Company has no outstanding convertible instruments.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

i. Constitution & Composition:

The Stakeholders' Relationship Committee of the Company comprises of 3 (Three) members which includes 2 (Two) Independent Non-executive Directors viz. Mr. Gopal G. Sehjpal and Mr. Sivabalan Paul Pandian and 1 (One) Non-independent Executive Director, Mr. L Vinay Reddy.

Mr. Gopal G. Sehjpal is the Chairman of the Committee.

The said Committee is constituted in line with the provisions of Regulation 20 of the Listing Regulations read with Section 178 of the Companies Act, 2013.

Company Secretary and Compliance Officer of the Company responsible for redressing investor grievances.

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to handling of security holders' queries and grievances. It primarily focuses on:

- Investor complaints and their redressal.
- Review of queries received from investors.
- Review of work done by the share transfer agent.
- Review of corporate actions related to security holders.

During the year under review, Stakeholders' Relationship Committee Meetings were held 1 (One) time on 14th February, 2022.

The Composition of the Stakeholders' Relationship Committee and details of attendance of the members at the committee meetings during the year are given below:

| Name | Category | No. of Meetings held during financial year 2021-22 | |
|------------------------|----------|--|----------|
| | | Held | Attended |
| Mr. Gopal Sehjpal | Chairman | 1 | 1 |
| L Vinay Reddy | Member | 1 | 1 |
| Sivabalan Paul Pandian | Member | 1 | 0 |

ii. Brief terms of reference of the Committee inter alia include the following:

- a. To look into redressal of grievances of shareholders, debenture holders and other security holders of the Company;



- b. To consider and resolve grievances of the security holders of the Company including complaints related to transfer and transmission of shares, non- receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- c. Allotment of shares and securities.
- d. Review of measures taken for effective exercise of voting rights by shareholders.
- e. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- f. To oversee the performance of the Registrar and Transfer Agents and recommend measures for overall improvement in the quality of investor services;
- g. To investigate any activity within its terms of reference;
- h. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- i. To obtain outside legal or other professional advice;
- j. To secure attendance of outsiders with relevant expertise, if it considers necessary and have full access to the information contained in the records of the Company.

iii. Procedure laid down for Stakeholders' Relationship Committee:

The Company has appointed M/s. Link Intime India Private Limited as the Registrar and Share Transfer Agent to handle the investor grievances in co-ordination with the Compliance Officer. All grievances can be addressed to the Registrar and Share Transfer Agent. The Company monitors the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

iv. Details of Stakeholder Complaints

| Sr. No. | Nature of Complaint | Total complaints pending at the beginning of the year | Total complaints received during the year | Total complaints replied during the year | Total complaints pending at the end of the year Complaints not resolved to the satisfaction of shareholders | Complaints not resolved to the satisfaction of shareholders |
|---------|--|---|---|--|--|---|
| 1. | Non-receipt of Dividend | Nil | Nil | Nil | Nil | Nil |
| 2. | Non-receipt of shares lodged for transfer / exchange | Nil | Nil | Nil | Nil | Nil |
| 3. | Non-receipt of Annual Report | Nil | Nil | Nil | Nil | Nil |
| 4. | Others | Nil | Nil | Nil | Nil | Nil |
| | Total | Nil | Nil | Nil | Nil | Nil |



v. Compliance officer:

Vineesh Vijayan Thazhumpal
Company Secretary & Compliance Officer

Lovable Lingerie Limited
A-46, Road No. 2, MIDC,
Andheri (East),
Mumbai-400093.
Contact Number: +91-22-2838 3581
Fax: +91-22-2838 3582
Email ID: corporate@lovableindia.in

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

i. Constitution & Composition:

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013 read with rules made there under.

The Committee consists of 3 (Three) members which includes 1 (One) Independent Non-executive director, Mr. Gopal G. Sehjpal, 1 (One) Non-independent Non-Executive director, Mrs. Taruna Reddy and (One) Non-independent Executive director, Mr. L Vinay Reddy.

During the year under review, 2 (Two) CSR Committee Meetings was held on 10th August, 2021 and 14th February, 2022.

The Composition of the CSR Committee and details of attendance of the members at the committee meetings during the year are given below:

| Name | Category | No. of Meetings held during financial year 2021-22 | |
|-------------------------|----------|--|----------|
| | | Held | Attended |
| Anantharaman Mahadevan* | Chairman | 1 | 1 |
| L Vinay Reddy | Member | 1 | 1 |
| Gopal G. Sehjpal | Member | 1 | 1 |

**Mr. Anantharaman Mahadevan is the Chairman of the Committee till his resignation from the Board from 19th April, 2022. Mrs. Taruna Reddy was elected the chairman of the Committee w.e.f. 30th May, 2022*

ii. The terms of reference of the Corporate Social Responsibility Committee inter alia include the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- To monitor the Corporate Social Responsibility Policy (CSR Policy) of the Company from time to time.
- To recommend the amount of expenditure to be incurred on the activities referred above.
- To monitor amount spent on the CSR initiatives of the Company as per the CSR policy.



iii. CSR Policy:

The CSR Policy of the Company may be accessed through the web link: <https://www.lovableindia.in/policies>

10. SUBSIDIARY COMPANIES

The Company does not have any subsidiary Company.

11. PROHIBITION OF INSIDER TRADING

The Company has framed a fair code of disclosure to avoid Insider Trading in the Company. This code of the Company prohibits the Directors of the Company and other designated persons to deal in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company. The objective of this Code is to prevent misuse of any unpublished price sensitive information and prohibit any insider trading activity, in order to protect the interest of the shareholders at large. The Board of Directors of the Company has adopted this Code, in line with new SEBI (Prohibition of Insider Trading) Regulations, 2015 including amendment made thereto from time to time.

Necessary procedures have been laid down for Directors, officers and employees and other connected person for trading in the securities of the Company. The policy, procedures and their obligations are periodically communicated to the employees who are considered as insiders of the Company.

Trading window closure, when the Directors and employees are not permitted to trade in the securities of the Company, are intimated to all Directors and employees/Designated persons and other connected persons as decided by the Compliance officer in consultation with the Board, in advance, whenever required.

The fair code of disclosure and the code for insider trading is available on the website of the Company at <https://www.lovableindia.in/insider-trading-code>

12. MANAGEMENT DISCLOSURES

Senior management of the Company (Senior Director level and above, as well as certain identified key employees) make annual disclosures to the Board relating to all material financial and commercial transactions in which they may have personal interest, if any, and which may have a potential conflict with the interest of the Company.

Transactions with Key Managerial Personnel are listed in the financial section of this annual report under Related Party Transactions.

13. INTERNAL CONTROL SYSTEMS

Lovable has both external and internal audit systems in place. Auditors have access to all records and information of the Company. The Board recognizes the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company. The Board and the management periodically review the findings and recommendations of the statutory and internal auditors and takes corrective actions, whenever necessary.

INTERNAL CONTROLS

The Company maintains a system of internal controls designed to provide reasonable assurance regarding:

- Effectiveness and efficiency of operations.
- Adequacy of safeguards for assets.
- Reliability of financial controls.
- Compliance with applicable laws and regulations.



14. CEO AND CFO CERTIFICATION

A certificate availed from Chairman & Managing Director on behalf of himself and on behalf of the Chief Financial Officer of the Company on financial statements and applicable internal controls as stipulated under Regulation 17(8) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is enclosed as Exhibit 2 to this chapter.

The Company had earlier in its letter dated March 22, 2022 had informed the stock exchanges about the sad demise of Shri R Govindarajan, Chief Financial Officer of the Company.

15. CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE

The Company has availed a certificate from SS Lunkad & Associates, Company Secretaries in Practice that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any other Statutory Authority. Said Certificate is enclosed as Exhibit 3 herewith as part of this Report.

16. STATUTORY AUDIT

For FY 2021-22, M/s. DMKH & Co., Chartered Accountants audited the financial statements prepared under the Indian Accounting Standards (Ind AS).

The independent statutory auditor renders an opinion regarding the fair presentation in the financial statements of the Company's financial condition and operating results. Their audits are made in accordance with generally accepted auditing standards and include a review of the internal controls, to the extent necessary, to determine the audit procedures required to support their opinion.

17. GENERAL BODY MEETINGS

(i) Location and time, where last three Annual General Meetings (AGMs) were held, are as follows:

| Financial Year | Day & Date | Time | Location | Special Resolutions Passed at the AGM |
|----------------|-------------------------------|------------|--|---|
| 2018-19 | Thursday 26th September, 2019 | 3:00 P.M. | CTC Banquets , Citi Point, Rajarshi Shahu Maharaj Road, Telli Galli, Andheri (East), Mumbai – 400069 | No Special Resolution |
| 2019-20 | Saturday 29th August, 2020 | 11:00 A.M. | Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') | No Special Resolution |
| 2020-21 | Monday September 27, 2021 | 11:00 A.M. | Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') | Continuance of appointment of Mr. Anatharaman Mahadevan (DIN 00165226) as an Independent Non-Executive Director |

(ii) Extraordinary general meeting:

No extraordinary general meeting of the members was held during the year 2021-22.

(iii) Postal Ballot

No postal Ballot was conducted during the year 2021-22.



MEANS OF COMMUNICATION

Website: The Company's website www.lovableindia.in contains a separate dedicated section 'Investor Relations' where shareholders information is available. Full Annual Report is also available on the website in a user friendly and downloadable form.

Financial Results: The annual, half-yearly and quarterly results are posted by the Company on its website www.lovableindia.in. These are also submitted to the Stock Exchange(s) in accordance with the Listing Regulations and published in widely circulated national newspapers such as The Business Standard (all English & Hindi Editions) and the local vernacular daily Marathi of 'Navshakti' (Mumbai Edition).

Annual Report: Annual Report containing inter alia Audited Annual Accounts, Boards' Report, Auditors' Report, and other important information is circulated to Members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report. The annual report is also available on the website in a user-friendly and downloadable form.

Corporate filing: Announcements, Quarterly Results, Shareholding Pattern etc. of the Company are regularly filed by the Company with the Stock Exchanges and are available on the website of BSE Ltd. - www.bseindia.com and National Stock Exchange of India Ltd. - www.nseindia.com.

Presentation made to institutional investor or to the analysts – During the year under review, no presentation were made either to institutional investor or to the analysts.

COMPLIANCES WITH STOCKEXCHANGES

National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) maintain separate online portals for electronic submission of information by listed companies.

Various communications such as notices, press releases and the regular quarterly, half-yearly and annual compliances and disclosures are filed electronically on these online portals.

GENERAL SHAREHOLDER INFORMATION

i. Registered and Corporate Office

Lovable Lingerie Limited
A-46, Road No.2, MIDC, Andheri (East), Mumbai 400 093, Maharashtra, India.
Tel: 022 2838 3581 Fax: 022 2838 3582
Website: www.lovableindia.in
CIN: L17110MH1987PLC044835
E-mail Id: corporate@lovableindia.in

ii. Annual General Meeting

Date: Tuesday, 27th September, 2022
Time: 11:00 P.M.
Financial Year: 1st April 2021 to 31st March 2022
Venue: Video Conferencing (VC) / Other Audio Visual Means (OAVM)
Date of Dividend Payment: On or before 27th October 2022

iii. Calendar of Financial Year ending 31st March, 2022

The Company follows April-March as the financial year. The meetings of Board of Directors for approval of quarterly financial results during the financial year ended 31st March, 2022 were held on the following dates:



| | |
|--|---------------------------------|
| First Quarter Results | 10 th August, 2021 |
| Second Quarter and Half yearly Results | 11 th November, 2021 |
| Third Quarter Results | 14 th February, 2022 |
| Fourth Quarter and Annual Results | 30 th May, 2022 |

iv. Tentative Calendar of Financial Year ending 31st March, 2023

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31st March, 2023 are as follows:

| | |
|---|--|
| For the quarter ended 30 th June 2022 | 12 th August 2022 |
| For the quarter and half-year ending 30 th September 2022 | 1 st or 2 nd week of November 2022 |
| For the quarter and nine months ending 31 st December 2022 | Last week of January or by 2 nd week of February 2023 |
| For the year ending 31 st March 2023 | Last week of May 2023 |
| AGM for the year ending 31 st March 2022 | August 2023 or September 2023 |

- v. **Details of Book Closure for Equity Shareholders:**, 23rd September 2022 to, 27th September 2022 (both days inclusive)

vi. Registrar and Transfer Agent

M/s Link Intime India Private Limited
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083
Tel No: +91 22 49186000
Fax: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in

vii. Description of Voting Rights

All shares issued by the Company carry equal voting rights.

viii. Listing Details

BSE Limited (BSE)
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001.
Scrip Code: 53334

National Stock Exchange of India Limited
(NSE)
Exchange Plaza', C - 1, Block G,
Bandra-Kurla Complex,
Bandra (E),
Mumbai 400051.
Symbol: **LOVABLE**

ix. Listing Fees

Listing Fees for the FY 2022-23 have been paid, within the stipulated time, to BSE Limited and National Stock Exchange of India Ltd, where the Company's Equity Shares continue to be listed.

x. Market Price Data

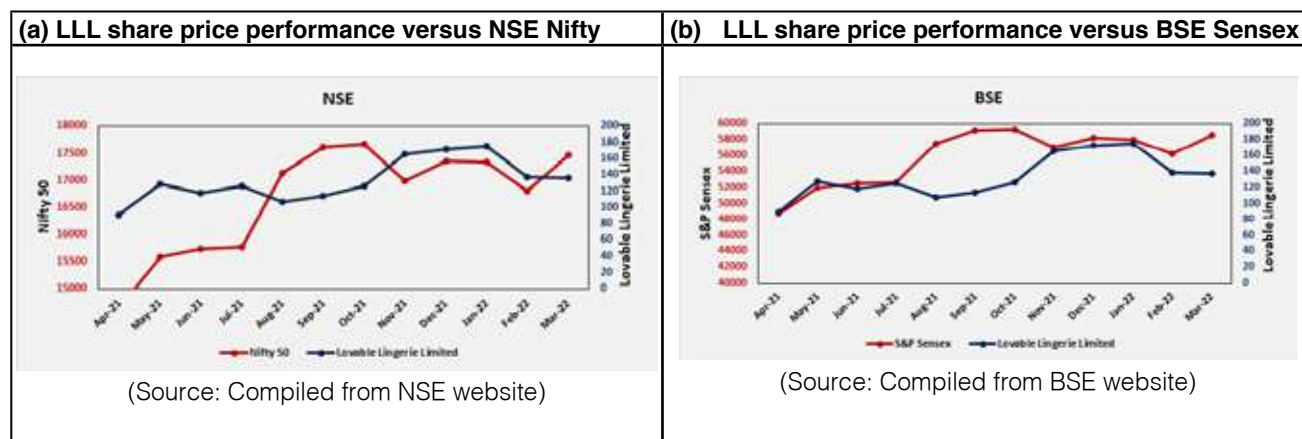
The monthly high and low prices of the Company at BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2022 are as under:

(In Rs.)

| Month | BSE | | NSE | |
|-------------|--------|--------|--------|--------|
| | High | Low | High | Low |
| 2021 | | | | |
| April | 99.90 | 80.55 | 100.00 | 80.75 |
| May | 145.60 | 86.00 | 145.55 | 85.80 |
| June | 142.30 | 112.50 | 142.40 | 113.55 |
| July | 132.50 | 110.40 | 131.80 | 112.40 |
| August | 129.15 | 98.70 | 129.00 | 99.10 |
| September | 122.80 | 105.50 | 123.00 | 106.10 |
| October | 140.50 | 114.30 | 140.85 | 113.25 |
| November | 174.80 | 125.00 | 174.50 | 125.30 |
| December | 215.55 | 152.15 | 215.80 | 152.50 |
| 2022 | | | | |
| January | 194.00 | 151.00 | 190.90 | 153.10 |
| February | 184.15 | 130.55 | 184.00 | 130.75 |
| March | 152.00 | 133.00 | 152.05 | 132.55 |

(Source: The information is compiled from the data available on the BSE & NSE Websites.)

xi. Share Price Performance in Comparison To Broad-Based Indices – BSE Sensex And NSE Nifty



xii. Shareholding as on 31st March, 2022

a. Distribution of Shareholding according to Shareholder's Class as on March 31, 2022

| No. of shares | No. of Accounts | | Shares of face value Re. 10/- each | |
|---------------|------------------------|---------------------|------------------------------------|-------------------|
| | Number of Shareholders | % to total accounts | Number of Shares | % to total shares |
| 1 - 500 | 22876 | 93.03 | 2098718 | 14.18 |
| 501 – 1000 | 988 | 4.02 | 787403 | 5.32 |
| 1001 – 2000 | 388 | 1.58 | 578369 | 3.91 |



| No. of shares | No. of Accounts | | Shares of face value Re. 10/- each | |
|---------------|------------------------|---------------------|------------------------------------|-------------------|
| | Number of Shareholders | % to total accounts | Number of Shares | % to total shares |
| 2001 – 3000 | 145 | 0.59 | 370424 | 2.50 |
| 3001 – 4000 | 49 | 0.20 | 174984 | 1.18 |
| 4001 – 5000 | 41 | 0.17 | 194667 | 1.32 |
| 5001 – 10000 | 60 | 0.24 | 445084 | 3.01 |
| 10001 & above | 43 | 0.17 | 10150351 | 68.58 |
| Total | 24590 | 100.00 | 14800000 | 100.00 |

b. Distribution of Shareholding on the basis of Ownership as on March 31, 2022

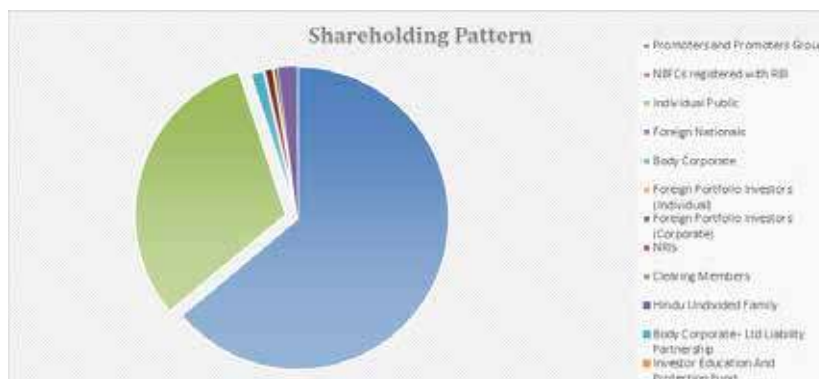
| Category | Number of Shares Held | % of Total |
|--|-----------------------|------------|
| Promoter and Promoter Group | 9465209 | 63.05 |
| Financial Institutions / Banks | - | - |
| Individual Public | 4387611 | 29.65 |
| Foreign Nationals | 59 | 0.00 |
| Bodies Corporate | 343968 | 2.32 |
| Foreign Portfolio Investors (Individual) | 150 | 0.00 |
| Foreign Portfolio Investors (Corporate) | 25896 | 0.18 |
| NRIs | 202412 | 1.37 |
| Clearing Members | 78566 | 0.53 |
| Hindu Undivided Family | 280038 | 1.89 |
| NBFCs registered with RBI | 1000 | 0.01 |
| Body Corporate - Ltd Liability Partnership | 14761 | 0.10 |
| Investor Education And Protection Fund | 330 | 0.00 |
| Total | 14800000 | 100.00 |

xiii. Shares held in Physical and Dematerialised Form

Breakup of physical and dematerialised shares as on March 31, 2022:

| | No. of Shares | % | No. of folios | % |
|--------------|-----------------|---------------|---------------|---------------|
| Physical | 11 | 0.00 | 2 | 0.01 |
| Demat | | | | |
| NSDL | 12191841 | 82.37 | 11550 | 46.97 |
| CDSL | 2608148 | 17.62 | 13038 | 53.02 |
| Total | 14800000 | 100.00 | 24588 | 100.00 |

Shares in Demat mode have more liquidity as compared to shares held in physical mode. Therefore, the Company recommends shareholders holding shares in physical form to convert their shareholdings to demat mode.



xiv. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ ADRs / warrants or any other convertible instruments, in the past and hence as on March 31, 2022, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

xv. Plant Locations

| Sr. No. | Factory Address |
|---------|--|
| 1 | Plot No. 9 & 10, John Avenue Pvt. Road, Manipal County Cross, Off Hosur Road, Singasandra, Bengaluru – 560 068. |
| 2 | 46/2, Guruprasanna Industrial Area, Doddakallasandra, Konanakunte cross, Kanakapura Road, Bengaluru – 560 062. (Daisy Dee factory) |
| 3 | RS NO. 707/2C, Sengalipalayam Village, Kanjikovil Post, Perundurai Taluk, Erode District -638116 |

xvi. Share Transfer System

All queries and requests relating to share transfers/transmissions may be addressed to our Registrar and Transfer Agent – M/s. Link Intime India Private Limited. To expedite the process of share transfers, the Company Secretary has the power to attend to the share transfer formalities at regular intervals.

xvii. Report on Corporate Governance

The Company regularly submits to the Stock Exchanges, within the prescribed period, quarterly reports on Corporate Governance. A certificate from the Practicing Company Secretary of the Company on Corporate Governance is attached as Exhibit 4 to the report.

xviii. Commodity Price or Foreign Exchange Risk

Not Applicable



xix. Address for Correspondence

Investor correspondence should be addressed to M/s. Link Intime Pvt. Ltd., whose address is provided in this section of the Annual Report.

Members can contact us at the registered office of the Company at the following address:

M/s Lovable Lingerie Limited
A-46, Street No. 2, MIDC, Andheri (East), Mumbai- 400093.
Tel No. 022-28383581, Fax No.-022-28383582.
Email: corporate@lovableindia.in

To allow us to serve shareholders with greater speed and efficiency, the Company strongly recommends email-based correspondence on all issues, which do not require signature verification for being processed.

xx. Consolidation of Shares under one folio

The Company would urge shareholders holding shares of LLL under different folios to consolidate the shares under one folio. This would substantially reduce paper work and transaction costs, and benefit the shareholders and the Company. Shareholders can do so by writing to the Registrar with details on folio numbers, order of names, shares held under each folio, and the folio under which all shareholding should be consolidated. Share certificates need not be sent.

xxi. Secretarial Audit

For each quarter of FY2021-22, a qualified Practicing Company Secretary carried out the reconciliation of share capital audit to reconcile the total admitted share capital with NSDL and CDSL, total issued and listed share capital. The reports confirm that the total issued/paid up share capital is in agreement with the total number of shares in physical form and dematerialized form held with NSDL and CDSL.

In addition to the above and pursuant to Section 204 of the Companies Act, 2013 and corresponding Rule 9 of The Companies (Appointment and Remuneration Personnel) Rules, 2014, and in accordance with regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a secretarial audit for FY2021-22 was carried out by M/s D. M. Zaveri & Co., Practicing Company Secretaries, having more than 18 years of experience. The secretarial audit report forms a part of this annual report.

xxii. Disclosure with respect to demat suspense account / unclaimed suspense account:

There are no outstanding shares lying in the demat suspense account or unclaimed suspense account of the Company.

xxiii. Transfer of Unclaimed Dividend to IEPF:

Pursuant to Section 124(5) of Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, dividends that are unclaimed for a period of seven years, are statutorily required to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government.

During the period under review Company has transferred unpaid dividend of 2013-14 (Final) and unpaid dividend of 2014-15 (Interim) to IEPF account amounting Rs. 48,667/- and Rs. 1,45,393/- respectively.

Members, who have not yet encashed their dividend warrant(s), are requested to make their claims without any delay to the Company's Registrar and Transfer Agent, i.e. Link Intime India Private Limited. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying



with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 27th September, 2021 (date of last Annual General Meeting) on the website of the Company (www.lovableindia.in), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).

xxiv. Calendar for transfer of unclaimed dividend to IEPF:

| Financial Year | Type of Dividend | Date of Declaration | Amount Outstanding as on 31st March 2022 (in Rs.) | Due for transfer to IEPF |
|----------------|------------------|---------------------|---|--------------------------|
| 2015-16 | Interim | 10/03/2016 | 70,721.00 | 17/04/2023 |
| 2016-17 | Final | 30/08/2017 | 1,07,759.00 | 07/10/2024 |
| 2018-19 | Final | 26/09/2019 | 26,747 | 02/11/2026 |
| 2019-20 | Final | 29/08/2020 | 28,952 | 08/10/2027 |
| 2020-21 | Final | 27/09/2021 | NIL | |

xxv. In compliance with the aforesaid MCA Circular dated May 05, 2022 and SEBI Circular dated December 31, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Those members who have not registered their e-mail id are requested to register their e-mail id's with the Company's Registrar & Transfer Agent i.e. Link Intime India Private Limited or with their DPs.

xxvi. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) act, 2013

1. Number of complaints filed during the Financial Year 2021-22: NIL
2. Number of complaints disposed during the Financial Year 2021-22: NIL
3. Number of complaints pending as on end of the Financial Year 2021-22: NIL

xxvii. Other Disclosures

- a) No transaction of a material nature has been entered into by the Company with the related parties that may have a potential conflict with the interests of the Company at large. The Register of contracts containing transactions, in which directors are interested, is placed before the Board of Directors regularly. The transactions with the related parties are disclosed in the Financial Statements. These have been approved by the audit committee. The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link: <https://www.lovableindia.in/policies>
- b) There has not been any non-compliance of mandatory requirements, except non-compliance of Regulation 17 of Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 for appointment of 6 Directors on the Board of the Company and the Company has filed the Waiver Application to the Stock Exchange. No penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI, or any statutory authority for matters related to capital markets during the last 3 years.
- c) Details of Committee recommendations not accepted by the Board: None
- d) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which statutory auditor is a part: 8,00,000/-
- e) The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link <https://www.lovableindia.in/policies>



- f) Details of compliance with mandatory requirements and adoption / non-adoption of the Non-mandatory requirements:
- i. The Company complies with all the mandatory requirements specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - ii. The Company does not send half-yearly financial results including summary of the significant events in the last six months to the household of each shareholder.
 - iii. The Financial statements of the Company have not been qualified by the Auditors.
 - iv. The Company does not have separate position for Chairman & Managing Director.
- g) The Company does not have any Policy on Material Subsidiary since it does not have any subsidiary.
- h) The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the Listing Regulations.

i. Certificate on Corporate Governance

As stipulated in Para E of Schedule V of the Listing Regulations, the Auditor's Certificate regarding compliance of conditions of corporate governance is attached herewith as **Exhibit 4**.

For **Lovable Lingerie Ltd.**

Sd/-
L Vinay Reddy
Chairman & Managing Director
DIN : 00202619

Mumbai
Date: August 29, 2022



Exhibit 1
DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, L Vinay Reddy, Chairman and Managing Director of Lovable Lingerie Limited (“the Company”), hereby confirm pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 that:

- The Board of Directors of Lovable has laid down a Code of Conduct for all the Board members and senior management of the Company. The said Code of Conduct has also been posted on the Investors page of the Company website i.e. www.lovableindia.in
- I declare that, to the best of my information, all the Board Members and senior management personnel have affirmed their compliance with the said Code of Conduct for the year ended March 31, 2022.

For **Lovable Lingerie Limited**

Mumbai
Date: August 29, 2022

L Vinay Reddy
Chairman & Managing Director
DIN: 00202619



Exhibit 2
CEO & CFO CERTIFICATE TO THE BOARD
(Pursuant to Regulation 17(8) of the Listing Regulations)

To,
The Board of Directors,
Lovable Lingerie Limited

I, L Vinay Reddy, Managing Director of the Company in the capacities as Chief Executive Officer* and Chief Financial Officer** of Lovable Lingerie Limited ("the Company"), to the best of my knowledge and belief certify that:

- a. I have reviewed the financial statements and the Cash flow statement for the Financial Year ended 31st March, 2022 and based on our knowledge and belief certify that:
- These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations;
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct. I hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct adopted by the Company.

Further, I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the same pertaining to financial reporting and have disclosed to the Statutory Auditors and the Audit Committee, wherever applicable:

- deficiencies in the design or operation of the internal control, if any, which I am aware of and the steps I have taken or propose to take to rectify these deficiencies;
- Significant changes, if any, in the internal controls over the financial reporting during the year ;
- Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

L Vinay Reddy
Chairman & Managing Director
DIN: 00202619

Place: Mumbai
Date: August 29, 2022

(*Since the Company does not have a CEO, it is certified by the Managing Director of the Company)

(**This certificate is also issued on behalf of Chief Financial Officer of the Company, Mr. R. Govindarajan due to his demise on March 21, 2022)



Exhibit-3

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Lovable Lingerie Limited
A-46, Street No.2, MIDC,
Andheri (East),
Mumbai- 400093

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Lovable Lingerie Limited having CIN: L17110MH1987PLC044835** and having registered office at A-46, Street No.2, MIDC, Andheri (East), Mumbai- 400093 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2022** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| S r . No | Name of Director | DIN |
|-------------|------------------------------|----------|
| 1 | Lattupalli Vinay Reddy | 00202619 |
| 2 | Gopal Krishan Sehjpal | 00175975 |
| 3 | Sivabalan Paul Pandian | 01573458 |
| 4 | Taruna Vinay Reddy | 02787135 |
| 5 | Mohangandhi Muruganathaswamy | 07625896 |
| 6 | Anantharaman Mahadevan | 09639300 |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Dated: August 29, 2022
Place: Jalgaon

For **S S Lunkad & Associates**
Company Secretaries

Sushmita Swarup Lunkad
C P No: 20418
ACS No.: 54915
UDIN: A0549150000863723



Exhibit 4
CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Lovable Lingerie Ltd.

We have examined the compliance of conditions of Corporate Governance by Lovable Lingerie Ltd. ("the Company") for the year ended 31st March, 2022 as stipulated under Schedule V of Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Dated: August 29, 2022
Place: Jalgaon

For **S S Lunkad & Associates**
Company Secretaries

Sushmita Swarup Lunkad
C P No: 20418
ACS No.: 54915
UDIN: A054915000863679



INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
LOVABLE LINGERIE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **LOVABLE LINGERIE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31st, 2022, and the Statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial Statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit and total comprehensive income (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be key audit matter to be communicated in our report.

| Sr. No. | Key Audit Matter | Auditors Response |
|---------|--|--|
| 1. | Valuation accuracy completeness and disclosures pertaining to inventories with reference to IND AS 2. <ul style="list-style-type: none"> • Inventories constitutes material component of Financial Statement. Correctness, completeness, and valuation are critical for reflecting true and fair financial results of operations. | Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows. <ul style="list-style-type: none"> • We assessed the company's process regarding maintenance of records valuation and accounting of transactions relating to inventory as per the Ind AS 2. • We have evaluated the design of internal controls relating to recording and valuation of inventory. • We have carried out substantive audit procedures at financial and assertion level to verify the allocation of overheads to inventory. |

| Sr. No. | Key Audit Matter | Auditors Response |
|---------|---|---|
| 2. | <p>Expected Credit Loss as per IND AS 109</p> <p>The company has booked an ECL provision amounted to Rs. 51.71 Lakh.</p> <p>Recognition and measurement of impairment relating to financial assets involves significant management judgment. With the applicability of Ind AS 109 "Financial Instruments", credit loss assessment is based on ECL model which is forward looking Expected Loss Approach.</p> <p>We have identified measurement of ECL as a key audit matter in view of the significant judgment and assumptions involved.</p> | <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ol style="list-style-type: none"> 1) Examined the policy on ECL for impairment of financial assets and assessed compliance with Ind AS 109. 2) Understood the process of ECL computation and tested design and operating effectiveness of key controls around data extraction and validation. 3) Evaluating management's controls over collation of relevant information used for determining estimates for management overlays on account of COVID-19. 4) Tested the ECL computation and ensured application of correct underlying factor like Probability of Default, Loss Given Default etc. basis the nature of products and models. 5) Tested the mathematical accuracy of the computation by reperforming the formulas. |
| 3. | <p>Measurement of Investment in accordance with Ind AS 109 "Financial Instruments"</p> <ul style="list-style-type: none"> • On initial recognition, investment is recognized at fair value in case of investment which is recognized at fair value through OCI. In that case that transaction costs are attributable to the acquisition value of the investments. • The Company's investment are subsequently classified into following categories based on the objective to manage the cash flows and options available in the standard: At amortized cost At fair value through profit or loss (FVTPL) At fair value through Other comprehensive Income (FVTOCI) • Since valuation of investment at fair value involves critical assumptions, significant risk in valuation and complexity in assessment of objectives, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the standalone financial statements. . | <p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the companies objectives for such investments and assessment thereof in terms of Ind AS 109. • Obtaining an understanding of the determination of the measurement of the investments and tested the reasonableness of the significant judgement applied by the management. • Evaluated the design of internal controls relating to measurement and also tested the operating effectiveness of the aforesaid controls. • Obtaining understanding of basis of valuation adopted in respect of fair value investment and ensured that valuation techniques used are appropriate in circumstances and for which sufficient data are available to measure fair value. • Assessed the appropriateness of the discloser in the standalone financial statements in accordance with the applicable financial reporting framework. |

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholders Information, but does not include the standalone financial statements and our auditors report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and in doing so, consider whether the information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether has adequate internal financial controls systems in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we may have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 'A'** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies Indian Accounting Standard Rules, 2015 as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations in Note no. 26.2 on its financial position in its financial statements.



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. 1. The management has represented that, to the best of its knowledge and belief, as disclosed in note to the accounts, No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies and joint venture company incorporated in India or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
 2. The management has represented, that, to the best of its knowledge and belief, as disclosed in note to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 3. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11(e) as provided under clause (a) and (b) contain any material mis-statement.
 - v. The dividend of Rs. 74,00,000 has been declared and paid during the year by the Company and are in compliance with Section 123 of the Act.
3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the the remuneration paid by the company to its director during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For DMKH & Co.
Chartered Accountants
Firm's Registration No. : 116886W

Manish Kankani
Partner
M.No. 158020
UDIN: 22158020AJWKWD2985

Place: Mumbai
Date: 30th May, 2022

ANNEXURE “A” TO INDEPENDENT AUDITORS’ REPORT

(Referred to in Paragraph 1 under the heading of “Report on other Legal and Regulatory Requirements” of our report to the members of Lovable Lingerie Limited of even date)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we report that: -

- i. In respect of company’s property, plant and equipment:
 - a. i. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - ii. The Company has maintained proper records showing full particulars, of intangible assets.
 - b. All property, plant and equipment have not been physically verified by the management during the year but there is a regular program of verification on sample basis which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
 - d. No, the company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
 - e. There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. In respect of its Inventories:
 - a. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year and discrepancies noticed on physical verification of inventory as compared to the book records did not exceed 10% or more in the aggregate for any class of inventory.
 - b. The company has been sanctioned working limits which is in excess of Rs 5 crores, in aggregate from banks, However, the working capital limit is against shares and securities and bank fixed deposit, so submission of stock statements is not required by the company.
- iii. According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clauses 3(iii) (a), (b), (c), (d), (e) and (f) of the order are not applicable to the Company.
 - iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investment and providing guarantees and securities, as applicable.
 - v. The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provision of Section 73 to 76 of the Act, any other relevant provision of the Act and the relevant rules framed thereunder.
 - vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the companies Act, 2013 for the business activities carried out by the company, thus reporting under clause 3(vi) of the order is not applicable to the Company.



- vii. a) According to information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess, Professional Tax and other material statutory dues applicable to it with the appropriate authorities.
- b) According to the information and explanations given to us, there were no disputed amounts payable in dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

Details of dues of income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, and cess which have not been deposited as on March 31, 2022 on account of disputes, are given below:

| Name of Statute | Nature of Dues | Amount* (Rs.) | Period to which amount relates | Forum where disputes is pending |
|------------------------------------|---------------------|---------------|--------------------------------|---|
| Customs Act | Custom Duty | 47,19,798 | AY 2010-11 | Commissioner Of Customs, Bengaluru |
| Income Tax Act | Income Tax | 6,66,744 | A.Y. 2012-13 | CIT (A) |
| Income Tax Act | Income Tax | 5,08,524 | A.Y. 2017-18 | Rectification Request filed before ACIT, Mumbai |
| Income Tax Act | Income Tax | 6,22,954 | A.Y. 2019-20 | National Faceless Appeal Centre |
| PF Demand U/s 8F of E.P.F. | PF dues | 18,34,717 | | PF Authorities |
| National Company Law Tribunal- IBC | IBC U/s 9 Sec 60(5) | 1,11,96,181 | | NCLT |

| Tax Type | Disputed Period | Amount |
|--|-----------------|-------------|
| Demand Notice from Customs Authorities [Out of this Rs. 27,70,000 deposited under protest] | | |
| Income Tax Demand A.Y. 2012-13 [Appeal Pending before CIT (A)] | AY 2012-13 | 6,66,744 |
| Income Tax Demand A.Y. 2017-18 [Rectification Request filed before ACIT, Mumbai] | A.Y. 2017-18 | 5,08,524 |
| Income Tax Demand A.Y. 2019-20 [Appeal Pending before National Faceless Appeal Centre] | AY 2019-20 | 6,22,954 |
| PF Demand U/s 8F of E.P.F. * Out of this Rs. 4,84,000 deposited under protest | | 18,34,717 |
| National Company Law Tribunal IBC U/s 9 Sec 60(5) | | 1,11,96,181 |

- viii. According to information and explanations given to us, there were no transactions which were recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax, 1961.
- ix.
- Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings from banks and debenture holders. During the year the Company has not taken loans from Government or any Financial Institution.
 - Even the company is not declared as wilful defaulter by any bank or financial institution.
 - As per the examination of books the term loans were applied for the purpose for which the loans were obtained; there is no diversion of fund were noticed.
 - During the course of audit, funds raised on short term basis have not been utilized for long term purposes.



- e. As per the examination of books, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. As per the examination of books the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x.
 - a. In our opinion and according to the information and explanation given by the management, we are of the opinion that money raised by Company by way of term loan (including debt instruments) has been applied for the purpose for which they were raised. The Company did not raise any money by way of Initial Public offer or further public offer.
 - b. In our opinion and according to the information and explanation given by the management, the company has not made any preferential allotment (Sec. 62) or private placement (Sec. 42) of shares or convertible debenture (fully, partially or optionally convertible) during the year.
- xi.
 - a. To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or on the company has been noticed or reported during the year.
 - b. There is no reporting u/s 143(12) of the Companies Act 2013 has been filed by us (the auditors) in from ADT-4 as prescribed under Rule 13 of companies (Audit and Auditors) Rules, 2014 with the central Government.
 - c. No whistle blowers complain has been received by the company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Therefore, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. a. To the best of our knowledge the company has internal audit system which is commensurate with the size and nature of its business.
 - b. The audit report of internal auditors was considered while conducting statutory audit.(CPS3)
- xv. In Our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii. As per the information and explanation given by the management, company has not incurred any cash losses in the financial year 2021-22 and the immediately preceding financial year 2020-21.
- xviii. There were no resignation of auditor during the financial year, so the said clause is not applicable to company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.



xx. The CSR Obligation is applicable as per Section 135 of Companies Act, 2013, but the Company has not spent in CSR activities during the year.

For DMKH & Co.

Chartered Accountants

Firm's Registration No. : 116886W

CA Manish Kankani

Partner

M.No. 158020

UDIN: 22158020AJWKWD2985

Place: Mumbai

Date: 30thMay, 2022



Annexure “B” to the Auditors’ Report

(Referred to in Paragraph 2(f) under the heading of “Report on other Legal and Regulatory Requirements” of our report to the members of Lovable Lingerie Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting Lovable Lingerie Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DMKH & Co.

Chartered Accountants

Firm's Registration No. : 116886W

CA Manish Kankani

Partner

M.No. 158020

UDIN: 22158020AJWKWD2985

Place: Mumbai

Date: 30th May, 2022



BALANCE SHEET AS AT 31ST MARCH, 2022

Rs. in Lacs

| Particulars | Note No. | As at 31 March, 2022 | As at 31 March, 2021 |
|----------------------------------|----------|-------------------------|-------------------------|
| A ASSETS | | | |
| 1 Non-Current Assets | | | |
| Property, Plant and Equipment | 2 | 2,020 | 1,995 |
| Capital work-in-progress | | - | - |
| Intangible assets | 2 | 293 | 371 |
| Financial Assets | | - | - |
| Investments | 3 | 8,586 | 7,974 |
| Loans | 4 | 350 | 518 |
| Other Non-current assets | 5 | 1,422 | 1,426 |
| | | 12,672 | 12,285 |
| 2 Current Assets | | | |
| Inventories | 6 | 4,572 | 3,755 |
| Financial Assets | | - | - |
| Investments | | - | - |
| Trade receivables | 7 | 1,921 | 1,982 |
| Cash and cash equivalents | 8 | 62 | 115 |
| Loans | 9 | 491 | 400 |
| Other current assets | 10 | 483 | 492 |
| | | 7,528 | 6,742 |
| TOTAL | | 20,200 | 19,027 |
| B EQUITY AND LIABILITIES | | | |
| 1 Equity | | | |
| Equity Share Capital | 11 | 1,480 | 1,480 |
| Other Equity | 12 | 15,765 | 15,299 |
| | | 17,245 | 16,779 |
| 2 Non-Current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 13 | 5 | - |
| Deferred tax liabilities (net) | | 908 | 902 |
| Provisions | 14 | 231 | 143 |
| | | 1,144 | 1,045 |
| 3 Current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 15 | 211 | - |
| Trade payables | 16 | | |
| Due to MSME | | 154 | 89 |
| Due to other than MSME | | 1038 | 848 |
| Other current liabilities | 17 | 243 | 204 |
| Provisions | 18 | 64 | 48 |
| Current Tax Liabilities (Net) | 19 | 101 | 14 |
| | | 1,811 | 1,203 |
| TOTAL | | 20,200 | 19,027 |

The accompanying notes form an integral part of the financial statement
Significant Accounting Policies and Notes to Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For DMKH & Co.
Chartered Accountants
FRN 116886W

Mr. L. Vinay Reddy
Managing Director
(DIN : 00202619)

Mrs. Taruna Vinay Reddy
Director
(DIN : 02787135)

Mr. Manish Kankani
Partner
Membership No. 158020

Mr. Vineesh Vijayan T.
Company Secretary
(M. No. : ACS 63683)

Mumbai
May 30, 2022

Lovable Lingerie Limited



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Rs. in Lacs

| Particulars | Note No. | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|----------|--|--------------------------------------|
| A CONTINUING OPERATIONS | | | |
| 1 Revenue from operations (gross) | 20 | 9,722 | 8,062 |
| Revenue from operations (net) | | 9,722 | 8,062 |
| 2 Other income | 21 | 480 | 463 |
| 3 Total revenue (1+2) | | 10,202 | 8,525 |
| 4 Expenses | | | |
| (a) Cost of materials consumed | 22A | 4,387 | 1,726 |
| (b) Purchases of stock-in-trade | 22B | 299 | 448 |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 22C | (1,079) | 1,566 |
| (d) Employee benefits expense | 23 | 1,977 | 1,263 |
| (e) Finance costs | 24 | 4 | 10 |
| (f) Depreciation and amortisation expense | 2 | 166 | 167 |
| (g) Other expenses | 25 | 3,768 | 3,250 |
| Total expenses | | 9,523 | 8,430 |
| Profit before Exceptional items | | 679 | 95 |
| Extra-ordinary Item | | - | - |
| 5 Profit before tax | | 679 | 95 |
| 6 Tax expense: | | | |
| (a) Current tax expense for current year | | 101 | - |
| (b) Provision of Income Tax for earlier years | | - | - |
| | | 101 | - |
| (c) Deferred tax | | 6 | 28 |
| | | 108 | 28 |
| 7 Profit from continuing operations | | 571 | 67 |
| 8 Profit for the year | | 571 | 67 |
| OTHER COMPREHENSIVE INCOME | | | |
| i Items that will not be reclassified to Statement of Profit or Loss | | (31) | 48 |
| ii Income Tax relating to Items that will not be reclassified to Statement of Profit or Loss | | - | - |
| iii Items that will be reclassified to Statement of Profit or Loss | | - | - |
| iv Income Tax relating to Items that will be reclassified to Statement of Profit or Loss | | - | - |
| Other comprehensive Income for the year .. Net of tax | | (31) | 48 |
| Total Comprehensive Income for the year Net of Tax | | 540 | 115 |
| 9.i Earnings per share (of ` 10/- each): | | | |
| (a) Basic | | | |
| (i) Continuing operations | | 3.86 | 0.45 |
| | | 3.86 | 0.45 |
| (ii) Total operations | | 3.86 | 0.45 |
| 9.ii Earnings per share (excluding extraordinary items) (of ` 10/- each): | | | |
| (a) Basic | | | |
| (i) Continuing operations | | 3.86 | 0.45 |
| (ii) Total operations | | 3.86 | 0.45 |
| (b) Diluted | | | |
| (i) Continuing operations | | 3.86 | 0.45 |
| (ii) Total operations | | 3.86 | 0.45 |
| See accompanying notes forming part of the financial statements | | | |

The accompanying notes form an integral part of the financial statement
Significant Accounting Policies and Notes to Financial Statements

As per our report of even date attached

For DMKH & Co.
Chartered Accountants
FRN 116886W

Mr. Manish Kankani
Partner
Membership No. 158020

Mumbai
May 30, 2022

For and on behalf of the Board of Directors

Mr. L. Vinay Reddy
Managing Director
(DIN : 00202619)

Mr. Vineesh Vijayan T.
Company Secretary
(M. No. : ACS 63683)

Mrs. Taruna Vinay Reddy
Director
(DIN : 02787135)



STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2022

Rs. in Lacs

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| (A) EQUITY SHARE CAPITAL | | |
| Opening Balance | 1,480 | 1,480 |
| Change During The Year | - | - |
| Closing Balance | 1,480 | 1,480 |
| (B) OTHER EQUITY | | |
| Retained Earnings | | |
| Opening Balance | 9,276 | 9,240 |
| Profit For The Year | 571 | 67 |
| Dividend on Equity Shares | -74 | -78 |
| Tax on Dividend | - | - |
| Other Comprehensive Income/(Loss) For The Year | - | - |
| Fair Value Changes On Investments | -31 | 48 |
| Re-measurement Gains/ (Losses) on Defined Benefit Plans | - | - |
| Closing Balance | 9,742 | 9,276 |
| Securities Premium Reserve | | |
| Opening Balance | 5,171 | 5,171 |
| Change During The Year | - | - |
| Closing Balance | 5,171 | 5,171 |
| General Reserve | | |
| Opening Balance | 851 | 851 |
| Change During The Year | - | - |
| Closing Balance | 851 | 851 |
| TOTAL OTHER EQUITY | 15,765 | 15,299 |

As per our report of even date attached

For DMKH & Co.
Chartered Accountants
FRN 116886W

Mr. Manish Kankani
Partner
Membership No. 158020

Mumbai
May 30, 2022

For and on behalf of the Board of Directors

Mr. L. Vinay Reddy
Managing Director
(DIN : 00202619)

Mr. Vineesh Vijayan T.
Company Secretary
(M. No. : ACS 63683)

Mrs. Taruna Vinay Reddy
Director
(DIN : 02787135)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2022

Rs. in Lacs

| Particulars | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--|--------------------------------------|
| A. Cash flow from operating activities | - | - |
| Net Profit / (Loss) before extraordinary items and tax | - | 679 |
| Adjustments for: | - | - |
| Depreciation and amortisation | 166 | 167 |
| Fairvalue changes in financial instruments | (31) | 48 |
| Finance costs | 45 | 51 |
| Interest income | (151) | (54) |
| Interest Subsidy | - | - |
| Dividend income | (5) | - |
| Net (gain) / loss on sale of investments | (282) | (447) |
| Net unrealised exchange (gain) / loss | - | - |
| | <u>(259)</u> | <u>(235)</u> |
| Operating Profit before working capital changes | 420 | (140) |
| Changes in working capital: | - | - |
| Adjustments for (increase) / decrease in operating assets: | - | - |
| Inventories | (817) | 1,686 |
| Trade receivables | 61 | 458 |
| Short-term loans and advances | (98) | 147 |
| Long-term loans and advances | 168 | (130) |
| Other current assets | 16 | (1) |
| Other non-current assets | 4 | 34 |
| Adjustments for increase / (decrease) in operating liabilities: | - | - |
| Trade payables | 255 | (501) |
| Other current liabilities | 39 | (130) |
| Short-term provisions | 16 | (40) |
| Long-term provisions | 88 | (63) |
| | <u>(271)</u> | <u>1,461</u> |
| | 149 | 1,321 |
| Cash flow from extraordinary items | - | - |
| Cash generated from operations | 149 | 1,321 |
| Net income tax (paid) /refund | (20) | 31 |
| Net cash fflow from / (used in) operating activities (A) | 129 | 1,352 |
| B. Cash flow from investing activities | - | - |
| Capital expenditure on fixed assets, including capital advances | (140) | 197 |
| Capital subsidy receivable | - | - |
| Disposal of Fixed assets | 27 | - |
| Inter-corporate deposits (net) | 7 | 3 |
| Bank balances not considered as Cash and cash equivalents | - | - |
| - Placed | - | - |
| Current investments not considered as Cash and cash equivalents | - | - |
| - Purchase | (330) | (1,704) |
| - Proceeds from sale | - | - |
| Interest received | - | - |
| - Others | 151 | 54 |
| Interest Subsidy receivable | - | - |



| Particulars | For the period ended 31 March, 2022 | | For the year ended 31 March, 2021 | |
|---|--|--------------|--------------------------------------|----------------|
| Dividend received | - | | - | |
| - Others | 5 | | - | |
| | - | 0 | - | 0 |
| | - | (279) | - | (1,450) |
| Net cash flow from / (used in) investing activities (B) | - | (279) | - | (1,450) |
| C. Cash flow from financing activities | - | - | - | - |
| Buyback of equity shares | - | - | - | - |
| Net increase / (decrease) in long term borrowings | 5 | - | (750) | - |
| Net increase / (decrease) in working capital borrowings | 211 | - | (104) | - |
| Net realised exchange (Gain) Loss | - | - | - | - |
| Proceeds from other short-term borrowings | - | - | - | - |
| Finance cost | (45) | - | (51) | - |
| Dividends paid | (74) | - | (78) | - |
| Tax on dividend | - | - | - | - |
| Cash flow from extraordinary items | - | 97 | - | (983) |
| Net cash flow from / (used in) financing activities (C) | - | 97 | - | (983) |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | - | (53) | - | (1,081) |
| Cash and cash equivalents at the beginning of the year | - | 115 | - | 1,196 |
| Cash and cash equivalents at the end of the year | - | 62 | - | 115 |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | - | - | - | - |
| Cash and cash equivalents as per Balance Sheet (Refer Note 19) | - | 62 | - | 115 |
| Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details) | - | - | - | - |
| Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 19 | - | 62 | - | 115 |
| Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note (ii) to Note 16 Current investments) | - | - | - | - |
| Cash and cash equivalents at the end of the year * | - | 62 | - | 115 |
| * Comprises: | - | - | - | - |
| (a) Cash on hand | - | 43 | - | 34 |
| (c) Balances with banks | - | - | - | - |
| (i) In current accounts | - | 14 | - | 76 |
| (iv) Unpaid Dividend Account | - | 4 | - | 4 |
| | - | 62 | - | 115 |

See accompanying notes forming part of the financial statements

As per our report of even date attached

For DMKH & Co.
Chartered Accountants
FRN 116886W

Mr. Manish Kankani
Partner
Membership No. 158020

Mumbai
May 30, 2022

For and on behalf of the Board of Directors

Mr. L. Vinay Reddy
Managing Director
(DIN : 00202619)

Mr. Vineesh Vijayan T.
Company Secretary
(M. No. : ACS 63683)

Mrs. Taruna Vinay Reddy
Director
(DIN : 02787135)



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Corporate Information

Lovable Lingerie Limited (the Company) is a Limited Company domiciled in India and incorporated under the Provisions of the Companies Act, 1956. The company is mainly engaged in the business manufacturing hosiery/garment products. The shares of the company are listed in BSE and NSE.

1. SIGNIFICANT ACCOUNTING POLICIES:

Basis of Preparation:

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on the historical cost basis, except for certain financial Instruments (refer accounting policy regarding financial instruments), which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions

Use of Estimates and Judgments

The preparation of financial statements in conformity with Indian Accounting Standards requires the management of the company to make judgements, estimates and assumptions that affect the reported amounts of income and expenses, balances of assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.

The said estimates are based on the facts and events, that existed at the reporting date, or that occurred after that date but provide additional evidence about condition existing at the reporting date.

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could defer from these estimates.

Summary of significant accounting policies

Current versus non-current classification

The Company presents assets and liabilities in balance sheet based on current/ non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
 - All other assets are classified as noncurrent.
- A liability is current when:
- It is expected to be settled in normal operating cycle.
 - It is held primarily for the purpose of trading
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
 - The Company classifies all other liabilities as non-current.



Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Advance tax paid is classified as noncurrent assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Non-Financial Assets

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation. The cost comprises purchase price including financing cost and directly attributable cost of bringing the asset to its working condition for the intended use. Amount of capital Subsidy received from the Government under TUF scheme against machineries has been reduced from the cost of the assets.

Intangible fixed assets acquired separately are measured on initial recognition at cost. They are stated at cost of acquisition less amortisation depreciation.

Gains or Losses arising from derecognition of a Tangible or intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Depreciation and Amortisation

Property, Plant and Equipment:

Depreciation on Property, Plant and Equipment is provided to the extent of depreciable amount on the Straight Line Method, based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of Plant & Machinery where useful life is taken as 25 years.

For plant & machinery, based on internal assessment and independent technical evaluation carried out by the external valuer, the management believes that the useful life as given above best represents the period over which the management expect to use these assets. Hence the useful life of Plant & Machinery is different from the useful life as provided under part C of Schedule II of Companies Act, 2013.

Depreciation on Property, Plant and Equipment added / disposed off during the year has been provided on prorata basis with reference to date of addition / discarding.

Intangible Assets

These are amortised as under:

| Particular | Amortisation / Depletion |
|-------------------|---|
| Brand | Over a period of 20 years |
| | Depleted in proportions of estimated future sales |
| Technical Know | Over a period of 10 years |
| Computer Software | Over a period of 6 years |

Amortisation of Intangible Fixed Assets is provided on the Straight Line Method

Any expenditure not meeting the recognition criteria of Intangible Asset is charged to Statement of Profit and Loss in entirety.



Borrowing Costs

Borrowing costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such assets up to the date when such asset is ready for its intended use.

Other borrowing costs are charged to the statement of Profit and Loss. Interest subsidy received under TUF scheme against the borrowings made for acquisition of machineries, has been set off against the interest paid against the said bank borrowings.

Impairment of Assets

At each Balance Sheet date the Company assesses whether there is any indication that the Fixed Assets or cash generating units have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of individual asset, the company estimate the recoverable amount of the cash generating unit to which the asset belong.

As per the assessment conducted by the company as at March 31st 2017 there were no indications that the fixed assets have suffered an impairment loss.

Financial Assets:

Financial Assets at fair value through Other Comprehensive Income:

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets

Financial Assets at fair value through Profit and Loss:

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial Liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses Quoted (unadjusted) market prices in active markets for identical assets and liabilities.

Valuation of Inventories

Raw materials, stores & spares and packaging materials:

Lower of cost and net realisable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the products in which they will be used are expected to be sold at or above their cost.

**Finished Goods:**

Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity.

Work-in-progress:

Lower of cost and net realisable value.

Cost is estimated at cost price of the finished product less estimated costs of completion.

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured excluding taxes and duties collected on behalf of the government. The following specific recognitions criteria must also be met before revenue is recognized:

Sale of Goods

Revenue from Sale of Goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of Goods. The company collects Goods & Services Tax (GST) on behalf of the Government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from the revenue.

Income from Services

Income from services is recognized as they are rendered, based on agreement / arrangement with the concerned parties.

Dividend

Dividend income is recognized when the company's right to receive Dividend is established by the reporting date.

Design & development cost

Expenditure incurred on Design and development is charged to profit and loss account in the year it is incurred.

Foreign Currency Transactions

Foreign currency transactions are recorded in reporting currency by applying the rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency at the reporting date are translated at the year-end rates. Non monetary items are reported at the exchange rate on the date of transaction. Realized gains/ (losses) on foreign currency transactions are recognized in the Profit & Loss Account.

Retirement and other Employee Benefits

- i) Short-term employee benefits are recognised as expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- ii) Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit



plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to

Statement of profit and loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

- iii) The company's liability towards leave entitlement benefits is accounted for on the basis of earned leave and provisions for the same is made at the end of the year.
- iv) Contributions payable to recognized provident funds, which are defined contribution schemes, are charged to the statement of profit and loss

Income Taxes

Income tax expenses comprise current tax and deferred tax charged or credit.

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when assets is realized or liability is settled, based on taxed rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A present obligation that arises from past events whether it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent Liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent liabilities are not recognized but are disclosed and contingent assets are neither recognized nor disclosed, in the financial statements.

Business Segments

More than 90% of Company operations are only in one segment i.e. dealing in hosiery garment products. This in the context of Accounting Standard 17 of Segment Reporting as specified in the Companies (Accounting Standards) Rules 2006 are considered to constitute one single primary segment. Further, there is no reportable secondary segment i.e. geographical segment.



Earnings Per Share

Basic Earnings per Share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the period. The weighted average number of shares is adjusted for issue of bonus share in compliance with Accounting Standard (AS 33) - Earnings per Share.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of dilutive potential equity shares.

Exemption from Retrospective Application of Ind AS

Fair Value as Deemed Cost

The company has elected to continue with the carrying value for all of its property, plant and equipment and Intangible Assets as recognised in the financial statements as at the date of transition measured as per the previous GAAP and use that as its deemed cost as at date of transition.

Note: 2 : Property, Plant and Equipment

(Rs. In Lacs)

| | Land Freehold | Factory Building | Plant and Equipment | Furniture and Fixtures | Vehicles | Office Equipment | Computers | Total |
|-------------------------|---------------|------------------|---------------------|------------------------|----------|------------------|-----------|-------|
| Gross Block | | | | | | | | |
| At 1 April 2021 | 321 | 398 | 1,678 | 51 | 56 | 2 | 76 | 2,582 |
| Additions | - | - | 133 | - | - | - | 2 | 134 |
| Deletions | - | - | 27 | - | - | - | - | 27 |
| At 31 March 2022 | 321 | 398 | 1,784 | 51 | 56 | 2 | 78 | 2,690 |
| Depreciation | | | | | | | | |
| At 1 April 2021 | - | 92 | 331 | 49 | 45 | 2 | 69 | 587 |
| Charge for the year | - | 13 | 65 | - | 2 | - | 3 | 83 |
| On Disposals | - | - | 1 | - | - | - | - | 1 |
| At 31 March 2022 | - | 104 | 395 | 49 | 47 | 2 | 72 | 669 |
| Net Block | | | | | | | | |
| At 1 April 2021 | 321 | 306 | 1,347 | 3 | 12 | 0 | 7 | 1,995 |
| At 31 March 2022 | 321 | 293 | 1,389 | 3 | 9 | 0 | 6 | 2,020 |

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Intangible Assets

(Rs. In Lacs)

| | Brands | Technical Know-How | Computer Software | Total |
|-------------------------|--------|--------------------|-------------------|-------|
| Gross Block | | | | |
| At 1 April 2021 | 1,170 | 450 | 7 | 1,627 |
| Additions | - | - | 6 | 6 |
| Deletions | - | - | - | - |
| At 31 March 2022 | 1,170 | 450 | 13 | 1,633 |
| Depreciation | | | | |
| At 1 April 2021 | 887 | 365 | 4 | 1,256 |
| Charge for the year | 36 | 47 | 1 | 83 |
| On Disposals | - | - | - | - |
| At 31 March 2022 | 923 | 412 | 5 | 1,339 |
| Net Block | | | | |
| At 1 April 2021 | 283 | 85 | 3 | 371 |
| At 31 March 2022 | 247 | 38 | 8 | 293 |



Note: 3 : Investments

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | | | As at 31 March, 2021 | | |
|---|----------------------|----------|-------|----------------------|----------|-------|
| | Quoted | Unquoted | Total | Quoted | Unquoted | Total |
| Other investments | - | - | - | - | - | - |
| (a) Investment in Government or Trust Securities | - | 0 | 0 | - | 0 | 0 |
| (i) government securities / National Savings Certificate (Deposited with Sales Tax Authorities) | - | - | - | - | - | - |
| (b) Investment in Juvenco Online Pvt Ltd (convertible share warrents) | - | 1,000 | 1,000 | - | 1,000 | 1,000 |
| (c) Investment in Equity Shares | - | - | - | - | - | - |
| 200 Equity Shares of Corporation Bank Limited of Rs. 10/- each at Rs. 80/- per share fully paid up. | 0 | - | 0 | 0 | - | 0 |
| (d) Investment in Mutual Funds | - | - | - | - | - | - |
| FDR with Jana Small Finance Bank | - | - | - | 400 | - | 400 |
| 10.50% Indusind Bank Security | 230 | - | 230 | 230 | - | 230 |
| 10.50 Belstar Microfinance Ltd 2022 | 65 | - | 65 | - | - | - |
| 10.9% Punjab & Sindh Bank Prepetual | 223 | - | 223 | - | - | - |
| 11.1% Hinduja Leyland Finance Ltd 2022 | 103 | - | 103 | - | - | - |
| 11.25% TMFL SR B RR NCD Prepetual | 52 | - | 52 | - | - | - |
| 12.90% Cholamandalam Investment and Fin Co Prepetual NCD | 111 | - | 111 | - | - | - |
| 8.35% Indiabulls Housing Finance Ltd - 08.09.2027 | 132 | - | 132 | 140 | - | 140 |
| 8.5% Shree Ram City Union Fin Ltd Mkt Linked NCD 2023 | 304 | - | 304 | - | - | - |
| 9.15 NAVI Finserve Ltd | 101 | - | 101 | - | - | - |
| 9.50 Piramal Capital and HSG Fin | 227 | - | 227 | - | - | - |
| Edelwise Fin & Investment Ltd 26 June 2023 | 102 | - | 102 | - | - | - |
| Muthut Fincorp Ltd | 513 | - | 513 | - | - | - |
| Muthut Micro Fin Ltd | 102 | - | 102 | - | - | - |
| Muthut Micro Fin Ltd | 200 | - | 200 | - | - | - |
| 8.75% Muthoot Finance NCD 19 June 2021 | - | - | - | 11 | - | 11 |
| ABSL Credit Risk Fund - Growth-Regular | 694 | - | 694 | 321 | - | 321 |
| Aditya Birla Capital Ltd | 10 | - | 10 | - | - | - |
| Aditya Birla Sunlife Equity Hybrid 95 Fund Growth Regular | 362 | - | 362 | - | - | - |
| Aditya Birla Sunlife Regular Saving Fund Growth | 550 | - | 550 | - | - | - |
| Aditya Birla Short Term Fund - Growth | - | - | - | 104 | - | 104 |
| Axis Credit Risk Fund -Regular Growth | - | - | - | 154 | - | 154 |
| Baroda Credit Risk Fund* - Plan A Growth | 108 | - | 108 | 108 | - | 108 |
| Baroda Credit Risk Fund* - Plan A Growth | 268 | - | 268 | 268 | - | 268 |

| Particulars | As at 31 March, 2022 | | | As at 31 March, 2021 | | |
|--|----------------------|----------|-------|----------------------|----------|-------|
| | Quoted | Unquoted | Total | Quoted | Unquoted | Total |
| Baroda Credit Risk Fund* - Plan A Growth | 74 | - | 74 | 107 | - | 107 |
| Baroda Short Term Bond Fund-Plan A Growth | - | - | - | 100 | - | 100 |
| Edelweiss Assets Reconstruction Co. Ltd.Series E0K801A BR NCD | - | - | - | - | - | - |
| L & T Credit Risk Fund - Regular Plan - Growth | - | - | - | 0 | - | 0 |
| HDFC Credit Risk Debt Fund-Regular Plan Growth | 104 | - | 104 | 104 | - | 104 |
| HDFC Credit Risk Debt Fund-Regular Plan Growth | 615 | - | 615 | 615 | - | 615 |
| HDFC Credit Risk Debt Fund-Regular Plan Growth | 102 | - | 102 | 102 | - | 102 |
| HDFC Credit Risk Debt Fund-Regular Plan Growth | 201 | - | 201 | 201 | - | 201 |
| HDFC Credit Risk Debt Fund-Regular Plan Growth | 358 | - | 358 | - | - | - |
| HDFC Income Fund -Regular growth INF179K01962 | - | - | - | 203 | - | 203 |
| HDFC Midium Term Debt Fund-Regular Plan Growth | - | - | - | 102 | - | 102 |
| HDFC Midium Term Debt Fund-Regular Plan Growth | - | - | - | 101 | - | 101 |
| HDFC Short Term Debt Fund-Regular-Growth | - | - | - | 151 | - | 151 |
| HDFC Short Term Debt Fund-Regular-Growth | - | - | - | 101 | - | 101 |
| HDFC Short Term Debt Fund-Regular-Growth | - | - | - | 172 | - | 172 |
| HDFC Short Term Debt Fund-Regular-Growth | - | - | - | 50 | - | 50 |
| ICICI Prudential Banking and PSU Bond Fund-Growth | - | - | - | 159 | - | 159 |
| ICICI Prudential Credit Risk Fund - Growth | - | - | - | 129 | - | 129 |
| Invesco India Credit Risk Fund Regular Plan Growth | 340 | - | 340 | - | - | - |
| J M Financial Assets Reconstruction Co Ltd. SR TR XXV BR NCD 04SP20 FVRS2LAC | - | - | - | - | - | - |
| Kotak Bond Fund(Short Term)-Growth Reglar | - | - | - | 200 | - | 200 |
| Kotak Credit Risk Fund - Growth - Regular | - | - | - | - | - | - |
| Kotak Credit Risk Fund - Growth - Regular | - | - | - | 207 | - | 207 |
| Kotak Medium Term Fund - Regular Plan - Growth | - | - | - | 364 | - | 364 |
| Kotak Medium Term Fund - Regular Plan - Growth | - | - | - | 101 | - | 101 |
| L&T Banking & PSU Debt Fund-Reg Plan-Growth | - | - | - | - | - | - |
| L&T Resurgent India Bond Fund-Reg Paln-Growth | - | - | - | 106 | - | 106 |
| L&T Tripple Ace Bond Fund - Reg Plan-Growth | - | - | - | 432 | - | 432 |
| L&T Credit Risk Fund Growth | 400 | - | 400 | - | - | - |
| Principal Short Term Income Fund-Regular Plan | - | - | - | - | - | - |
| Principal Short Term Income Fund-Regular Plan | - | - | - | - | - | - |
| Shriram Transport Finance Company Limited-NCD STFCL | - | - | - | 401 | - | 401 |

| Particulars | As at 31 March, 2022 | | | As at 31 March, 2021 | | |
|--|----------------------|--------------|--------------|----------------------|--------------|--------------|
| | Quoted | Unquoted | Total | Quoted | Unquoted | Total |
| Spandana Sphoorty Financial Limited | 219 | - | 219 | 206 | - | 206 |
| Spandana Sphoorty Financial Limited BR NCD 29 April 23 | 207 | - | 207 | - | - | - |
| Tata Short Term Bond Fund Regular Plan-Growth | - | - | - | 158 | - | 158 |
| UTI Regular Savin Fund Groth | - | - | - | 223 | - | 223 |
| UTI Short Term Income Fund-Regular Growth | - | - | - | 300 | - | 300 |
| UTI Dynamic Bond Fund Regular Plan Growth | 100 | - | 100 | - | - | - |
| Investment in Equity Market | 116 | - | 116 | 38 | - | 38 |
| Loss on Investment A/c (FVTPL_) | 191 | - | 191 | - | - | - |
| Shriram City Union Finance Limited - Secured NCD | 101 | - | 101 | 103 | - | 103 |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Aggregate value of investments | 7,586 | 1,000 | 8,586 | 6,974 | 1,000 | 7,974 |

Note : 4 : Long Term Loans and Advances

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---------------------------------------|-------------------------|-------------------------|
| (a) Capital Advances | | |
| Secured, considered good | - | - |
| Unsecured, considered good | 31 | 198 |
| Doubtful | - | - |
| | 31 | 198 |
| Less: Provision for doubtful advances | - | - |
| | 31 | 198 |
| (b) Security Deposits | | |
| Secured, considered good | - | - |
| Unsecured, considered good | 320 | 320 |
| Doubtful | - | - |
| | 320 | 320 |
| Less: Provision for doubtful deposits | | |
| | 320 | 320 |
| Total | 350 | 518 |

Note : 5 : Other Non-Current Assets

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|-----------------------------|-------------------------|-------------------------|
| (a) Others | | |
| (i) Deposit with customs | 28 | 28 |
| (ii) Others | 1,394 | 1,398 |
| (b) Employee Gratuity Trust | 0 | 0 |
| Total | 1,422 | 1,426 |

Note : 6 : Inventories (At lower of cost and net realisable value)

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|----------------------|-------------------------|-------------------------|
| (a) Raw Materials | 928 | 1,189 |
| (b) Work-In-Progress | 901 | 423 |
| (c) Finished Goods | 2,743 | 2,142 |
| | 2,743 | 2,142 |
| Total | 4,572 | 3,755 |



Note: 7 :Trade Receivables

Ageing for Trade Receivables as at March 31, 2022

(Rs. In Lacs)

| Particulars | Outstanding for Following Periods from Due Date of Payment | | | | | Total |
|--|--|--------------|------------|-----------|-----------------|--------------|
| | Less than 6 m. | 6 M to 1 Yrs | 1-2 Yrs | 2-3 Yrs | More than 3 Yrs | |
| (i) Undisputed Trade Receivable - Considered Good | 1,544 | 49 | 135 | 21 | 93 | 1,841 |
| (ii) Undisputed Trade Receivable - Considered Doubtful | - | 2 | 0 | 1 | 6 | 9 |
| (iii) Disputed Trade Receivable - Considered Good | - | 4 | 53 | 14 | - | 70 |
| (iv) Disputed Trade Receivable - Considered Doubtful | - | - | - | - | - | - |
| | 1,544 | 56 | 188 | 35 | 98 | 1,921 |

Ageing for Trade Receivables as at March 31, 2021

| Particulars | Outstanding for Following Periods from Due Date of Payment | | | | | Total |
|--|--|--------------|-----------|-----------|-----------------|--------------|
| | Less than 6 m. | 6 M to 1 Yrs | 1-2 Yrs | 2-3 Yrs | More than 3 Yrs | |
| (i) Undisputed Trade Receivable - Considered Good | 1,719 | 50 | 33 | 48 | 65 | 1,915 |
| (ii) Undisputed Trade Receivable - Considered Doubtful | 1 | 1 | 0 | 11 | 1 | 15 |
| (iii) Disputed Trade Receivable - Considered Good | 33 | - | 7 | 12 | - | 52 |
| (iv) Disputed Trade Receivable - Considered Doubtful | - | - | - | - | - | - |
| | 1,754 | 50 | 41 | 71 | 66 | 1,982 |

Note:8 : Cash and Cash Equivalents

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|----------------------|----------------------|
| (a) Cash on Hand | 43 | 34 |
| (b) Balances with Banks | | |
| (i) In current accounts | 4 | 66 |
| (ii) In deposit accounts -Margin Money | 10 | 10 |
| (c) In Earmarked Accounts | 14 | 76 |
| - Unpaid dividend (per contra) | 4 | 4 |
| Total | 62 | 115 |
| Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is | 62 | 115 |



Note : 9 : Short-Term Loans and Advances

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|---------------------------------|---------------------------------|
| (a) Loans and advances to employees | | |
| Secured, considered good | - | - |
| Unsecured, considered good | 19 | 28 |
| Doubtful | - | - |
| | 19 | 28 |
| Less: Provision for doubtful loans and advances | - | - |
| | 19 | 28 |
| (b) Balances with Government Authorities | | |
| Unsecured, considered good | | |
| (i) CENVAT credit receivable | - | - |
| (ii) GST-ITC receivable | 305 | 205 |
| | 305 | 205 |
| (c) Inter-Corporate Deposits | | |
| Secured, considered good | - | - |
| Unsecured, considered good | 132 | 125 |
| Doubtful | - | - |
| | 132 | 125 |
| Less: Provision for doubtful inter-corporate deposits | - | - |
| | 132 | 125 |
| (d) Others - Advances to suppliers | | |
| Secured, considered good | - | - |
| Unsecured, considered good | 36 | 42 |
| Doubtful | - | - |
| | 36 | 42 |
| Less: Provision for other doubtful loans and advances | - | - |
| | 36 | 42 |
| Total | 491 | 400 |

Note : 10 : Other Current Assets

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|---------------------------------|---------------------------------|
| (a) Accruals | | |
| (i) Interest accrued on Deposits | 4 | 20 |
| (ii) Subsidy Receivable under TUF scheme | 4 | 4 |
| (iii) Prepaid Expenses | - | - |
| (iv) Income tax refund receivable | 474 | 468 |
| Total | 483 | 492 |

NOTE11: Share Capital

| | As at 31 March, 2022 | | As at 31 March, 2021 | |
|--|----------------------|-------|----------------------|-------|
| | Number | ₹ | Number | ₹ |
| Authorised Equity Shares of ` 10/- each Issued * | 180 | 1,800 | 180 | 1,800 |
| Equity Shares of ` 10 /- each Subscribed and Paid up * | 148 | 1,480 | 148 | 1,480 |
| Equity Shares of ` 10 /- each | 148 | 1,480 | 148 | 1,480 |

**(i) Reconciliation of Number of shares
Equity Share of ` 10/- each**

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|-------------------------|
| | Number of Shares | Number of Shares |
| Opening Balance | 148 | 148 |
| Add : Shares Issued* | - | - |
| Add : Shares issued on conversion of Optionally Convertible Debentures into Equity Shares | - | - |
| Less: Shares Buy-Back | - | - |
| Closing Balance | 148 | 148 |

(iv) Shares in the Company held by Promoters

| Name of Shareholders | As at 31 March, 2022 | | As at 31 March, 2021 | | % Change During the Year |
|---------------------------------|-----------------------|-----------------|-----------------------|-----------------|--------------------------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding | |
| Equity Shares Indian | | | | | |
| Vinay Reddy | 41,36,131 | 27.95 | 41,36,131 | 27.95 | 0% |
| Shobha Reddy | 29,82,943 | 20.16 | 29,82,943 | 20.16 | 0% |
| Prashant Jaipal Reddy | 17,15,252 | 11.59 | 17,15,252 | 11.59 | 0% |
| Taruna Vinay Reddy | 3,40,398 | 2.30 | 3,40,398 | 2.30 | 0% |
| Lattupalli Vinay Reddy HUF | 1,50,755 | 1.02 | 1,50,755 | 1.02 | 0% |
| L Jaipal Reddy HUF | 5,344 | 0.04 | 5,344 | 0.04 | 0% |
| Foreign | | | | | |
| Lattupalli Veena Reddy | 1,34,386 | 0.91 | 1,34,386 | 0.91 | 0% |

**(v) Shares in the Company held by each shareholder holding more than 5 percent shares
and number of Shares held are as under:**

| Name of Shareholders | As at 31 March, 2022 | | As at 31 March, 2021 | | % Change During the Year |
|---------------------------------|-----------------------|-----------------|-----------------------|-----------------|--------------------------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding | |
| Equity Shares Indian | | | | | |
| Vinay Reddy | 41,36,131 | 27.95 | 41,36,131 | 27.95 | 0% |
| Shobha Reddy | 29,82,943 | 20.16 | 29,82,943 | 20.16 | 0% |
| Prashant Jaipal Reddy | 17,15,252 | 11.59 | 17,15,252 | 11.59 | 0% |



NOTE12: FORMING PART OF THE FINANCIAL STATEMENTS

| Particulars | Reserve and Surplus | | | Equity Attributable to Shareholders of the Company |
|-------------------------------------|---------------------|-----------------|-------------------|--|
| | Security Premium | General Reserve | Retained Earnings | |
| | C in Lakhs | C in Lakhs | C in Lakhs | |
| Balance as at April 1, 2021 | 5,171 | 851 | 9,277 | 15,299 |
| Profit for the Year | - | - | 571 | 571 |
| Other Comprehensive income/(loss) | | | (31) | (31) |
| Total Comprehensive Income | - | - | 540 | 540 |
| Dividend | | | (74) | (74) |
| Balance as at March 31, 2022 | 5,171 | 851 | 9,743 | 15,765 |

| Particulars | Reserve and Surplus | | | Equity Attributable to Shareholders of the Company |
|-------------------------------------|---------------------|-----------------|-------------------|--|
| | Security Premium | General Reserve | Retained Earnings | |
| | C in Lakhs | C in Lakhs | C in Lakhs | |
| Balance as at April 1, 2020 | 5,171 | 851 | 9,240 | 15,262 |
| Profit for the Year | - | - | 67 | 67 |
| Other Comprehensive income/(loss) | | | 48 | 48 |
| Total Comprehensive Income | - | - | 115 | 115 |
| Dividend | | | (78) | (78) |
| Balance as at March 31, 2021 | 5,171 | 851 | 9,277 | 15,299 |

Note: 13 : Long Term Borrowings

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--------------------|----------------------|----------------------|
| From Others | | |
| Secured | - | - |
| Unsecured | 5 | - |
| Total | 5 | - |

Note: 14 : Long Term Provisions

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|----------------------|----------------------|
| (a) Provision for employee benefits: | | |
| (i) Provision for compensated absences | 14 | 14 |
| (ii) Provision for gratuity (net) (Refer Note 24.09) | 217 | 129 |
| Total | 231 | 143 |

Note: 15 :Short Term Borrowings

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|-------------------------|-------------------------|
| (a) Loan repayable on demand | | |
| From Banks | | |
| Secured | 211 | - |
| | 211 | - |
| Total | 211 | - |
| (b) The Company has not defaulted in repayment of loans and interest | | |

Details of terms of repayment and security provided in respect of the secured Short-term borrowings

| Particulars | Terms of Repayment and Security | As at 31 March, 2022 | As at 31 March, 2021 |
|--------------------------|--|-------------------------|-------------------------|
| | | Secured | Secured |
| Bank: | "1) Sanction for the period of 12 months - renewable every year - repayable on demand" | 211 | - |
| HDFC Bank Ltd, Mumbai | 2) Primary Security: Debt Mutual Funds | 211 | - |

Note: 16 : Trade Payable
Ageing for Trade Payable Outstanding as at March 31, 2022 is as follows

| Particulars | Outstanding for Following Periods from Due Date of Payment | | | | |
|----------------------------|--|------------|------------|--------------------|--------------|
| | ₹ in Lakhs | ₹ in Lakhs | ₹ in Lakhs | ₹ in Lakhs | ₹ in Lakhs |
| | Less than 1 Yrs | 1-2 Yrs | 2-3 Yrs | More than 3 Yrs | Total |
| (i) MSME | 100 | - | - | - | 100 |
| (ii) Others | 966 | 33 | 6 | - | 1,005 |
| (iii) Disputed Dues MSME | - | - | 54 | - | 54 |
| (iii) Disputed Dues Others | 33 | - | - | - | 33 |
| | 1,099 | 33 | 60 | - | 1,192 |

Ageing for Trade Payable Outstanding as at March 31, 2021 is as follows

| Particulars | Outstanding for Following Periods from Due Date of Payment | | | | |
|----------------------------|--|------------|------------|--------------------|------------|
| | ₹ in Lakhs | ₹ in Lakhs | ₹ in Lakhs | ₹ in Lakhs | ₹ in Lakhs |
| | Less than 1 Yrs | 1-2 Yrs | 2-3 Yrs | More than 3 Yrs | Total |
| (i) MSME | 35 | - | - | - | 35 |
| (ii) Others | 772 | 25 | 5 | - | 802 |
| (iii) Disputed Dues MSME | - | 54 | - | - | 54 |
| (iii) Disputed Dues Others | 45 | - | - | - | 45 |
| | 853 | 79 | 5 | - | 937 |



Note: 17 : Other Current Liabilities

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| (a) Interest accrued and due on borrowings | 9 | 11 |
| (b) Unpaid dividends [Per Contra] | 4 | 4 |
| (c) Statutory Liabilities | 34 | 26 |
| (d) Payables on purchase of fixed assets | - | - |
| (e) Advances from customers | - | 0 |
| (f) Salaries Payable | 146 | 112 |
| (g) Others - Expenses payable | 50 | 51 |
| Total | 243 | 204 |

Note : 18 : Short Term Provisions

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| (a) Provision for employee benefits | | |
| (i) Provision for bonus | 64 | 48 |
| | 64 | 48 |
| (b) Provision - Others: | | |
| (iii) Provision for proposed equity dividend | - | - |
| (iv) Provision for tax on proposed dividends | - | - |
| Total | 64 | 48 |

Note: 19 : Current Tax Liabilities

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--------------------------|-------------------------|-------------------------|
| Provision for Income Tax | 101 | 14 |
| | 101 | 14 |
| Total | 101 | 14 |

Note : 20 : Revenue from Operations

(Rs. In Lacs)

| Particulars | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|---|---|
| (a) Sale of products: Brassier /Panties/Lingerie Accessories/Garments | 9,722 | 8,062 |
| (b) Other Operating Income | - | - |
| Total | 9,722 | 8,062 |

Interest income for the current year has been shown as net off with interest expenses Rs. 41,11,427/- towards operational activities

Note : 21 : Other Income

(Rs. In Lacs)

| Particulars | | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|-------------|---|--|--------------------------------------|
| (a) | Interest income (Net)# | 111 | 12 |
| (b) | Dividend income: | | |
| | From Non-Current Investments | 5 | - |
| (c) | Net gain on sale of: | | |
| | Non-Current Investments | 282 | 447 |
| (d) | Loss of Goods by Fire | 80 | - |
| (e) | Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below) | 2 | 3 |
| | Total | 480 | 463 |
| (l) | Other non-operating income comprises: | | |
| | Profit on sale of fixed assets | - | - |
| | Duty Drawback received | - | - |
| | Miscellaneous income | 7 | 3 |
| | Total - Other non-operating income | 7 | 3 |

Interest income for the current year has been shown as net off with interest expenses Rs. 35,28,007/- towards operational activities

Note : 22a : Cost of Materials Consumed

(Rs. In Lacs)

| Particulars | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|-----------------------------------|--|--------------------------------------|
| Opening stock | 1,189 | 1,309 |
| Add: Purchases | 4,125 | 1,605 |
| Less: Closing stock | 928 | 1,189 |
| | 4,387 | 1,726 |
| Cost of materials consumed | 4,387 | 1,726 |

Note : 22b : Purchase of Traded Goods

(Rs. In Lacs)

| Particulars | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|--|--------------------------------------|
| Brassier /Panties/Lingerie Accessories | 299 | 448 |
| Total | 299 | 448 |

Note : 22c : Changes in inventories of finished goods, work-in-progress and stock-in-trade

(Rs. In Lacs)

| Particulars | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|--|--------------------------------------|
| Inventories at the end of the year: | | |
| Finished goods | 2,743 | 2,142 |
| Work-in-progress | 901 | 423 |
| Stock-in-trade | - | - |
| | 3,644 | 2,565 |
| Inventories at the beginning of the year: | | |
| Finished goods | 2,142 | 3,469 |
| Work-in-progress | 423 | 662 |
| Stock-in-trade | - | - |
| | 2,565 | 4,131 |
| | 1,079 | (1,566) |
| Net (increase) / decrease | 1,079 | (1,566) |

Note : 23 : Employee Benefits Expense

(Rs. In Lacs)

| Particulars | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|--|--------------------------------------|
| Salaries and wages | 1,781 | 1,131 |
| Contributions to provident and other funds | 162 | 111 |
| Staff welfare expenses | 34 | 21 |
| Total | 1,977 | 1,263 |

Note: 24 : Finance Costs

(Rs. In Lacs)

| Particulars | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|-----------------------------|--|--------------------------------------|
| (a) Interest expenses (Net) | - | - |
| (b) Bank Charges | 4 | 10 |
| Total | 4 | 10 |

Note: 25 : Other expenses

(Rs. In Lacs)

| Particulars | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--|--------------------------------------|
| Consumption of stores and spare parts | | |
| Consumption of loose tools * | | |
| Increase / (decrease) of excise duty on inventory | - | - |
| Subcontracting | 476 | 256 |



| Particulars | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--|--------------------------------------|
| Power and fuel | 69 | 43 |
| Rent including lease rentals | 127 | 111 |
| Repairs and maintenance - Machinery | 18 | 6 |
| Repairs and maintenance - Others | 42 | 47 |
| Insurance | 4 | 22 |
| Security Service Charges | 35 | 36 |
| Communication | 15 | 14 |
| Travelling and conveyance | 236 | 185 |
| Printing and stationery | 9 | 15 |
| Freight and forwarding | 251 | 133 |
| Sales commission | 1 | 3 |
| Sales Promotion Schemes | 1,935 | 1,776 |
| Advertisement Expenses | 93 | 99 |
| Business promotion / BTL | 148 | 265 |
| Sales Tax | - | - |
| Legal and professional | 76 | 41 |
| Payments to auditors | 8 | 8 |
| Net loss on foreign currency transactions and translation (other than considered as finance cost) | - | - |
| Loss by Fire (Refer Note No. 36) | 107 | - |
| Deferred Revenue Expenditure written off | - | - |
| Allowance for expected credit loss | 52 | - |
| Charities & Donations (CSR) | 3 | 36 |
| Miscellaneous expenses | 64 | 154 |
| Total | 3,768 | 3,250 |

(Rs. In Lacs)

| Particulars | | For the period ended 31 March, 2022 | | For the year ended 31 March, 2021 |
|--|-----|--|-----|--------------------------------------|
| Note: 26.1 Raw Materials Consumed | % | | % | |
| Indigenous | 99 | 4,358 | 98 | 1,697 |
| Imported | 1 | 12 | 2 | 28 |
| | 100 | 4,387 | 100 | 1,726 |
| Note 26.2. Contingent Liabilities | | | | |
| Demand Notice from Customs Authorities * | | 47 | | 47 |
| *Out of this Rs. 27,70,000 deposited under protest | | | | |
| Income Tax Demand A.Y. 2012-13 [Appeal Pending before CIT (A)] | | 7 | | - |
| Income Tax Demand A.Y. 2017-18 | | 5 | | - |

| Particulars | For the period ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|-------------------------------------|-----------------------------------|
| [Rectification Request filed before ACIT, Mumbai] | | |
| Income Tax Demand A.Y. 2019-20 | 6 | - |
| [Appeal Pending before National Faceless Appeal Centre] | | |
| PF Demand U/s 8F of E.P.F. | 18 | |
| * Out of this Rs. 4,84,000 deposited under protest | | |
| National Company Law Tribunal | 112 | |
| IBC U/s 9 Sec 60(5) | | |
| Note 26.3 C.I.F. .Value of Imports | | |
| Raw Materials | - | - |
| Finished Goods | - | - |
| Advance Payment to Supplier For Raw Material | - | 3 |

#This dose not have any impact on company's Financial information and dose not effect company's going concern assumption

Note: 26.4: Deferred Tax Reconciliation:

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities I (assets):

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|----------------------|----------------------|
| Opening Balance | 902 | 874 |
| Charge /(credit) to statement of Profit and Loss | 6 | 28 |
| Income Tax relating to Items of Other comprehensive Income | - | - |
| Closing Balance | 908 | 902 |

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|----------------------|----------------------|
| Property, plant and equipment | 13 | 20 |
| Provision for Bonus | | 5 |
| Provision for gratuity | | 4 |
| Expense Disallowed | | - |
| Total deferred tax liabilities | 13 | 28 |
| Provision for Bonus | 7 | - |
| Provision for gratuity | - | - |
| Provision for compensated absences | - | - |
| Total deferred tax assets | 7 | - |
| Net deferred tax (asset) I liability | 6 | 28 |

Note : 26.5. Employee Benefits

(Rs. In Lacs)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| | Gratuity | |
| Current service cost | 50 | 27 |
| Interest cost | 12 | 15 |
| Expected return on plan assets | (2) | (3) |
| Net Actuarial (gain)/ loss to be recognized | 31 | (48) |
| Total expense recognized in the statement of Profit & Loss Account | 91 | (8) |
| Actual Contribution & Benefit Payments | | |
| Actual Benefit Payments | - | - |
| Actual Contribution | - | - |
| Net Asset / (Liability) recognized in Balance Sheet | | |
| Liability at the end of the year | 218 | 177 |
| Fair value of plan assets at the end of the year | 1 | 47 |
| (Net Asset)/ Liability recognized in the Balance Sheet | 217 | 129 |
| Change in Defined Benefit Obligations (DBO) | | |
| Present Value of Defined Benefit Obligation at beginning of Year | 177 | 239 |
| Interest Cost | 12 | 15 |
| Current Service Cost | 50 | 27 |
| Benefits Paid | (45) | (52) |
| Actuarial (Gain)/ Losses on Obligation | 25 | (52) |
| Present Value of Defined Benefit Obligation at the End of Year | 218 | 177 |
| Change in Fair Value of Plan Assets during the year | | |
| Planned assets at Beginning of the year | 47 | 47 |
| Expected return on planned assets | 2 | 3 |
| Contributions | 3 | 53 |
| Benefit paid | (45) | (52) |
| Actuarial gain /(loss) on plan assets | (6) | (5) |
| Fair value of plan assets at the end of the year | 1 | 47 |
| Defined Benefit Plan – Actuarial Assumptions | | |
| Remeasurement gains / (losses) in OCI | | |
| Actuarial (Gain) / Losses due to Demographic Assumption changes in DBO | - | - |
| Actuarial (Gain) / Losses due to Financial Assumption changes in DBO | (7) | -6 |
| Actuarial (Gain)/ Losses due to Experience on DBO | 32 | (46) |
| Return on Plan Assets (Greater) / Less than Discount rate | 6 | 5 |
| Total Expenses routed thru OCI | 31 | (48) |
| Discount rate | 7.56% | 7.21% |
| Salary Escalation Rate | 7.00% | 7.00% |
| Rate of return on plan assets | 7.21% | 7.21% |



(Rs. In Lacs)

| Note: 26.6. Earnings Per Share | As at 31 March, 2022 | As at 31 March, 2021 |
|--|---------------------------------|---------------------------------|
| 1. Basic and Diluted Earnings Per Share before Exceptional items (Face Value - Rs. 10/- per share) | 3.86 | 0.45 |
| 2. Basic and Diluted Earnings Per Share after Exceptional items (Face Value - Rs. 10/- per share) | 3.86 | 0.45 |
| 3. Profit After Tax and Prior Period items but before Exceptional Items as per Profit & Loss A/c (Rs. In Lakhs) | 571.18 | 66.97 |
| 4. Profit After Tax, Prior Period items and Exceptional Items as per Profit & Loss A/c (Rs. In Lakhs) | 571.18 | 66.97 |
| 5. Weighted Average number of equity shares outstanding | 148 | 148 |

Note: 26.7. Information on related party as required by Accounting Standard (IndAS-24) on Related Party Disclosures for the year ended 31st Mar, 2022

In accordance with the requirement of Accounting Standard (IndAS-24) Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are :-

List of Related Parties :-

A) Key Management Personnel :

L Vinay Reddy, Chairman and Managing Director
 Taruna Vinay Reddy, Non Executive Director
 R Govindarajan, Chief Financial Officer upto March 21, 2022
 Divya Shirmoli, Company Secretary upto July 31, 2021
 Vineesh Vijayan, Company Secretary w.e.f. Dec., 4, 2021

B) Other Related Parties

Entities where Key Management Personnel exercises significant influence/ Group Companies :
 Federal Brands Ltd.
 Microtex Clothing Pvt. Ltd
 Tracking Fresh Foods Private Limited
 Juvenca Online Private Ltd.
 Tecknit Industries

Note: 26.8. Information on related party as required by Accounting Standard

(IndAS-24) on Related Party Disclosures for the year ended 31st March, 2022

| | Y.E. 31.3.2022 | Y.E. 31.3.2021 |
|--|-----------------------|-----------------------|
| 1. Remuneration Paid to Key Managerial Personnel | 14 | 17 |
| Mr. Govindarajan Raghunathan | 12 | 12 |
| Ms Divya Shrimali | 1 | 4 |
| Mr. Vineesh Vijayan T. | 1 | - |
| | - | - |
| 2. Sitting Fees - Directors | 3 | 3 |



| | Y.E. 31.3.2022 | Y.E. 31.3.2021 |
|---|----------------|----------------|
| 3. Dividend Paid - Promoters | - 47 | - 47 |
| 6. Sale of goods to Juvenca Online Pvt. Ltd | - 27 | - 27 |
| Outstanding balance as on... | 22 | 18 |

Note: 26.9: Financial risk management objectives and policies

The Company's activities expose it to the following risks:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

a) Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks, investments, and other financial instruments.

i) Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally secured by obtaining security deposits/bank guarantee or other forms of credit insurance. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in note __

ii) Financial instrument and cash deposit

Credit risk is limited as the Company generally invest in deposits with banks. Investments primarily include investments in liquid mutual fund units. Counterparty credit limits are reviewed by the Company periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected short term operational expenses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans/internal accruals.

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.



Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company does not have significant debt obligations with floating interest rates, hence, is not exposed to any significant interest rate risk.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

Note: 26.10: Segment information

For management purposes, the Company has one business unit based on its products and has one reportable segment. The management monitors the operating results of its single business unit for the purpose of making decisions about resource allocation and performance assessment.

Note: 26.11: Financial assets measured at fair value:

(Rs. In Lacs)

| Financial Assets | As at 31st March, 2021 | As at 31st March, 2020 |
|-------------------------|-----------------------------------|-----------------------------------|
| Investments | 79,74,36,432 | 58,23,85,169 |

The carrying value of trade receivables, trade payables, cash and cash equivalents, borrowings and other current financial assets and liabilities approximate their fair values largely due to the short-term maturities.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values of the investments in mutual funds are derived from quoted market prices in active markets.

Not: 26.12: Capital management

The Company's objective is to maintain a strong capital base to ensure sustained growth in business.

The Capital Management focuses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Company is predominantly equity financed. Further, the Company has sufficient cash, cash equivalents, current investments and financial assets which are liquid to meet the debts.

Note 26.13: Amount payable to Micro Small Medium Enterprises

Trade payables as at 31st March, 2022 1,54,25,109 include (Previous year Rs. 59,58,277/-) amount due to Micro Small Medium Enterprises. However, those enterprises are ascertained in cases where they are registered in that category.

Note 26.14: Corporate Social Responsibility

As per Companies Act, 2013, all companies having networth of Rs. 500 crores or more, turnover of Rs. 1000 crores or more or net profit of Rs. 5 Crores or more during any financial year are required to spend at least 2% of average net profit of the Company's three immediately preceding financial years. Accordingly, the Company was not required to spend towards CSR activities in financial year 2020-21. Because Company's net profit was less than Rs. 5 crores in three immediately preceding financial year. Expenditure related to Corporate Social Responsibility incurred as per Section 135 of Companies Act, 2013 read with Schedule VII thereof: Rs. 2.50 lakhs.

Note 27: There is no benami properties held is held by the company.



Note 28: All the immovable properties title deeds are held in the name of the company, those which are owned by the company.

Note 29: The borrowings by the company from Banks or Financial Institutions against are against Investment. Therefore, the submission of quarterly stock statements in bank is not required.

Note 30: The Company is not declared as wilful defaulter by any bank or financial institution or other lender

Note 31: CSR Expenditure – CSR liability not arise because Net Profit is less than prescribed limit. Although we have paid Rs. 2.50 lakhs.

Note 32: There is no undisclosed income of previous year recorded by the company in the current year.

Note 33: The Company has not traded in crypto currency in the current year

Note 34: No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 35: No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 36: On July 11, 2021 around 3:15 p.m a Fire broken out at one of our factory, situated at No.46/2, Guruprasanna Industrial Area, Doddakalsandra Post, Konanakunte Cross, Kanakapura Main Road, Bangalore-560062. The fire was controlled with the help of the Fire Department but stock of raw materials i.e fabric and machinery got burnt in the fire. Fortunately, no casualties happened. The stock and machinery was fully insured and the incident did not have any significant impact on the business operations of the Company. An FIR was filed by the Company. The Company has filed insurance claim and it is under process. The information regarding fire was disseminated on BSE and NSE on July 12, 2021.

Note 37: Previous Year Figure : Previous year figures have been regrouped / re-casted wherever considered necessary to make them comparable with those of the current year



INVESTOR SAFEGUARDS

In order to serve you better and prevent risks associated with dealing in securities, we request you to follow the general safeguards as detailed hereunder:

Demat / Exchange

With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.

Registration of Nomination and NECS Mandate

Members holding shares in physical form are requested to register Nomination in their folio(s) by sending duly completed Nomination Form to the Registrar of the Company.

Members who have not registered their NECS Mandate are requested to send their NECS Mandate Form to the Registrar of the Company or to their DP, as the case may be. For any change in bank particulars either due to banker having migrated their operations to core banking solutions or merged with another bank, Members are requested to register a fresh NECS Mandate with the revised bank particulars. Please register your NECS Mandate for timely receipt of dividend payments and to avoid fraudulent encashment of dividend warrants.

Unclaimed Dividend

Details of unclaimed dividends are available on the Investor Centre page on the website of the Company www.lovableindia.in. Those Members whose dividends remain unclaimed are requested to check the details of unclaimed dividends on the website and send their requests to the Registrar / Investor Service Department of the Company for issuance of fresh Demand Drafts.

E-Communication

To receive Company related information and communication promptly, Members are requested to register / update their e-mail addresses with the Company/ RTA. Members who hold shares in demat form can request their DP to update the e-mail address in their records. The Companies Act, 2013 and Rules framed thereunder governing e-communication have been notified and the Company shall be sending notice, documents, financial statements, etc. through electronic mode to the Members who have provided their email address to the Company or Depository Participants. Members may send request for hard copy of such notices, documents, financial statements, etc. to the Registrar / Investor Service Department of the Company.

Consolidation of Multiple Folios

Members are requested to consolidate their shareholdings under multiple folios, to save themselves from the burden of receiving multiple communications as also to facilitate one point tracking of all corporate benefits on their shares.

PAN Requirement for Transfer of Shares in Physical Form

SEBI has mandated submission of Permanent Account Number (PAN) for securities market transactions and off market / private transactions involving transfer of shares of listed companies in physical form. Therefore, it shall be mandatory for the transferee(s) to furnish a copy of their PAN card to the Registrar / Investor Service Department of the Company for registration of such transfers. Members / Investors are, therefore, requested to take note of the same and submit their PAN card copy to the Registrar / Investor Service Department of the Company.



General Safeguards

- Please send Share Certificate(s) and high value dividend warrants / cheques / demand drafts by registered post or courier so as to avoid loss of document in transit.
- Exercise due diligence and notify any change in address, stay abroad or demise of any shareholder as soon as possible to the Company or DP, as the case may be.
- Deal only with SEBI registered intermediaries and obtain a valid Contract Note / Confirmation Memo from the broker / sub-broker, within 24 hours of execution of the trade.
- Do not disclose your Folio Nos. / DP ID and Client ID to any unknown person.
- Do not hand over signed blank transfer deeds, delivery instruction slips to any unknown person.
- Do not leave your demat account dormant for long.
- Obtain periodic statement of holdings from the concerned DP and verify the holdings periodically.



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ACTIVE TOPS

PERFORMANCE BOTTOMS

JACKETS & HOODIES



we're

**Made
to
Move**

**RESET
AND
RESTART**



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