

May 29, 2014

To,

**The Bombay Stock Exchange Ltd**

Phiroze Jeejeeboy Towers

Dalal Street

Mumbai – 400 001

Fax No 022-22723121/1919/3027

**The National Stock Exchange of India Ltd**

“Exchange Plaza” C-1, Block-G

Bandra Kurla Complex, Bandra (East)

Mumbai – 400051

Fax No.: 022-26598237/38/26598347

Dear Sir,

**Sub: Outcome of the Board meeting held on May 29, 2014**

Pursuant to the requirement of the Listing Agreement we submit hereby that the Board of Directors of the Company at their meeting held on Thursday, May 29<sup>th</sup> 2014 have inter-alia considered and approved Audited Financial Results for the year ended 31<sup>st</sup> March, 2014 and recommended Dividend Rs.2.5/- per Equity Share of Rs.10/-each i.e. 25% of the face value for the financial year 2013-2014.

Kindly take the same in your record and acknowledge the receipt.

Thanking You,

Yours faithfully,

For **Lovable Lingerie Limited**



L Vinay Reddy

**Chairman and Managing Director**



**Encl: Audited Financial Results for the Financial year ended March 31<sup>st</sup>, 2014.**

**LOVABLE LINGERIE LTD.**

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2014

(₹ In Lacs)

Sr. No.	Particulars	Quarter ended			Year Ended	
		31/03/2014	31/12/2013	31/03/2013	31/03/2014	31/03/2013
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	<b>Income from Operations</b>					
	(a) Net sales/Income from operations (Net of excise duty)	2,196.40	3,917.91	2,039.67	15,897.12	15,108.64
	(b) other operating income	55.11	-	-	55.11	-
	<b>Total Income from operations (net)</b>	<b>2,251.51</b>	<b>3,917.91</b>	<b>2,039.67</b>	<b>15,952.23</b>	<b>15,108.64</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	671.90	882.01	981.47	4,054.96	3,905.69
	(b) Purchases of stock-in-trade	701.08	950.47	469.78	3,473.44	2,812.96
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(547.32)	(70.65)	(993.50)	(618.13)	(755.54)
	(d) Employee benefits expense	430.26	597.00	425.19	2,103.80	1,748.46
	(e) Depreciation and amortisation expense	103.68	70.84	46.00	315.06	185.10
	(f) Other expenses	752.18	1,015.35	996.70	4,227.60	5,070.07
	<b>Total expenses</b>	<b>2,111.78</b>	<b>3,445.02</b>	<b>1,925.63</b>	<b>13,556.72</b>	<b>12,966.74</b>
3	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>139.73</b>	<b>472.88</b>	<b>114.04</b>	<b>2,395.51</b>	<b>2,141.90</b>
4	Other income	2.86	15.92	197.05	650.67	445.17
5	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>142.59</b>	<b>488.80</b>	<b>311.10</b>	<b>3,046.18</b>	<b>2,587.07</b>
6	Finance costs	10.00	38.66	(33.36)	160.21	39.18
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)</b>	<b>132.59</b>	<b>450.14</b>	<b>344.46</b>	<b>2,885.96</b>	<b>2,547.90</b>
8	Exceptional items	-	-	-	-	-
9	<b>Profit / (Loss) from ordinary activities before tax (7-8)</b>	<b>132.59</b>	<b>450.14</b>	<b>344.46</b>	<b>2,885.96</b>	<b>2,547.90</b>
10	Tax expense	79.83	131.63	41.95	770.02	659.38
11	<b>Net Profit / (Loss) from ordinary activities after tax (9-10)</b>	<b>52.76</b>	<b>318.52</b>	<b>302.52</b>	<b>2,115.94</b>	<b>1,888.52</b>
12	Extraordinary items (net of tax)	-	-	-	-	-
13	<b>Net Profit / (Loss) for the period (11 + 12)</b>	<b>52.76</b>	<b>318.52</b>	<b>302.52</b>	<b>2,115.94</b>	<b>1,888.52</b>
14	Share of profit / (loss) of associates*	-	-	-	-	-
15	Minority interest *	-	-	-	-	-
16	<b>Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15) *</b>	<b>52.76</b>	<b>318.52</b>	<b>302.52</b>	<b>2,115.94</b>	<b>1,888.52</b>
17	Paid-up equity share capital (Face Value of Rs. 10/- per Share)	1,680.00	1,680.00	1,680.00	1,680.00	1,680.00
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	15,715.37
19.i	<b>Earnings per share</b>					
	(a) Basic and diluted EPS before extraordinary items for the year to date and for the previous year) not to be annualised:	0.31	1.90	1.80	12.59	11.24
	(b) Basic and diluted EPS After extraordinary items for the year to date and for the previous year) not to be annualised:	0.31	1.90	1.80	12.59	11.24

See accompanying note to the financial results

\*Applicable in the case of consolidated results.

Note: The classification / disclosure of items in the financial results shall be in accordance with the Revised Schedule VI of the Companies Act, 1956. Further to the above, profit/loss from discontinuing operations, if any, included in the above shall be disclosed with details thereof.

# Interest Expenses has been shown as net off with Interest received from operational activities.

**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

E-mail : loveble.fashion@federalbrands.in • website : www.lovableindia.in • CIN No.: L17110MH1987PLCO44835



**Balance Sheet as at 31st March, 2014**

	Particulars	As at 31.03.2014	As at 31.03.2013
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	a) Share Capital	1,680.00	1,680.00
	b) Reserves and Surplus	17,339.93	15,715.37
	<b>Sub - total- Shareholder funds</b>	<b>19,019.93</b>	<b>17,395.37</b>
<b>2</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	664.17	940.90
	(b) Deferred tax liabilities (net)	269.20	192.61
	(d) Long-term provisions	141.04	135.29
	<b>Sub-total - Non-current liabilities</b>	<b>1,074.41</b>	<b>1,268.80</b>
<b>3</b>	<b>Current liabilities</b>		
	(a) Short-term borrowings	264.22	-
	(b) Trade payables	1,105.79	1,020.97
	(c) Other current liabilities	861.29	930.02
	(d) Short-term provisions	747.09	510.93
	<b>Sub-total - Current liabilities</b>	<b>2,978.39</b>	<b>2,461.91</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>23,072.73</b>	<b>21,126.08</b>
<b>B</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Fixed assets	3,964.31	4,080.99
	(b) Non-current investments	10,462.45	7,981.83
	(c) Long-term loans and advances	143.78	263.84
	(d) Other non-current assets	28.29	28.29
	<b>Sub-total - Non-current assets</b>	<b>14,598.82</b>	<b>12,354.95</b>
<b>2</b>	<b>Current assets</b>		
	(a) Inventories	5,167.89	4,309.15
	(b) Trade receivables	2,651.62	1,736.38
	(c) Cash and cash equivalents	302.97	314.06
	(d) Short-term loans and advances	195.69	94.40
	(e) Other current assets		
	(i) Maturity value receivable on Mutual Fund	-	2,316.09
	(ii) Others	155.75	1.05
	<b>Sub-total - Current assets</b>	<b>8,473.91</b>	<b>8,771.13</b>
	<b>TOTAL - ASSETS</b>	<b>23,072.73</b>	<b>21,126.08</b>



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Part II

Sr. No.	Particulars	Quarter ended			Year ended	
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for the current year ended	Year to date figures for Previous year ended
		31/03/2014	31/12/2013	31/03/2013	31/03/2014	31/03/2013
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>					
1	Public shareholding					
	-Number of shares	5505174	5505174	5505174	5505174	5505174
	-Percentage of shareholding	32.77	32.77	32.77	32.77	32.77
2	Promoters and Promoter Group Shareholding **					
	<b>a) Pledged / Encumbered</b>					
	-Number of shares	Nil	Nil	Nil	Nil	Nil
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	-Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil
	<b>b) Non - encumbered -</b>					
	-Number of shares -	11294826	11294826	11294826	11294826	11294826
	-Percentage of shares (as a % of the total shareholding of the Promoter and promoter group)	100	100	100	100	100
	Percentage of shares (as a % of the total Share Capital)	67.23	67.23	67.23	67.23	67.23

Particulars	3 months ended (31/03/2014)
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginnig of the quarter	0
Received during the quarter	3
Disposed of during the quarter	3
Remaing unresolved at the end of the quarter	0



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**Notes :**

- 1 The above Audited financial results have been reviewed by the Audit Committee and approved by the Board Directors at their meeting held on Thursday, 29th May, 2014.
- 2 The figures for the corresponding period have been regrouped, wherever necessary, to make them comparable.
- 3 As the company business activity falls within a single segment , therefore disclosure requirements of the Accounting Standard (AS) 17 "Segment Reporting" prescribed by companies (Accounting Standards) Rules 2006 are not applicable.
- 4 Pursuant to the provisions of Clause 43/43A of the Listing Agreement with the Exchanges, the IPO proceeds have been utilized as follows:

		(₹ In Lacs)	
Particulars		Object as per Prospectus	Actual Utilization till 31.03.2014
Amount received from Pre-IPO		2,000.00	
Amount received from IPO		9,327.50	
<b>Utilisation of funds upto March 31, 2013</b>			
Setting up manufacturing facility to create additional capacity as Bengaluru		2,284.93	2,009.61
Expenses to be incurred for Brand Building		1,800.00	1,674.41
Brand Development Expenses		600.00	600.00
Investment in Joint Venture		2,500.00	-
Setting up of Exclusive Brand Outlets ("EBO's")		1,412.18	1,046.39
Setting up of Retail Store Modules for "Shop-in-Shop"		361.00	383.70
Upgradation of Design Studios		759.52	271.34
General Corporate Purpose		2,396.16	-
Public Issue Expenses		846.26	755.67
<b>Total</b>		<b>24,287.55</b>	<b>6,741.12</b>

		As per Objects	31.03.2014
Term Loan		1,632.55	996.25
Amount received from Pre-IPO	2,000.00		
Amount received from IPO	9,327.50	11,327.50	5,744.87
<b>Total</b>		<b>12,960.05</b>	<b>6,741.12</b>

<b>Interim Utilisation of IPO Proceeds:</b>		<b>31.03.2014</b>
Balance Unutilised amount temporarily invested in Mutual Funds		5,582.63
Balance with Banks		0.00
<b>Total</b>		<b>5,582.63</b>

- 5 The Board of Directors has recommended a dividend of Rs. 2.5 per Equity Share (25% of Face Value of Equity Shares) for the Financial Year 2013-14. The payment of dividend is subject to the approval of Shareholders in the Annual General Meeting of the Company.
- 6 The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.

Place : Mumbai  
Date: 29.05.2014

For Lovable Lingerie Limited

(L Vinay Reddy)  
Chairman & Managing Director



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# Vinod Kumar Jain & Co

## Chartered Accountants

205, Apollo Arcade, R.K.Singh Marg, Off Old Nagardas Road,  
Andheri (E), Mumbai - 400 069. Tel.: 28215171/7999 Fax:28221010  
E-mail:info@cavinodjain.com • Web: www.cavinodjain.com

### REPORT OF INDEPENDENT AUDITORS TO THE MEMBERS OF LOVABLE LINGERIE LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of Lovable Lingerie Limited ('the Company') which comprise the balance sheet as at 31 March 2014, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility

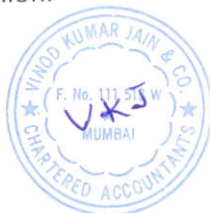
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

#### Auditors Responsibility

Our Responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

### Report on other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As Required by section 227(3) of The Companies Act, 1956, We report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our Audit;
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - d) In our opinion, the Balance Sheet, the Statement of Profit & Loss and Cash flow statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956; and
  - e) on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956

For **Vinod Kumar Jain & Co**

Chartered Accountants  
FRN 111513W

*Vk Jain*

**Vinod Kumar Jain**  
Proprietor. M No. 36373



PLACE: MUMBAI

DATED: 29 MAY 2014