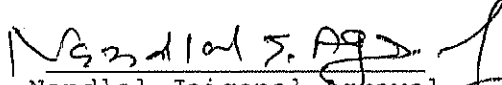
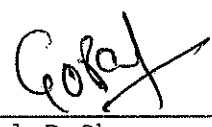
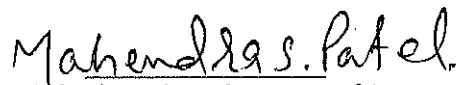

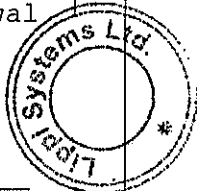
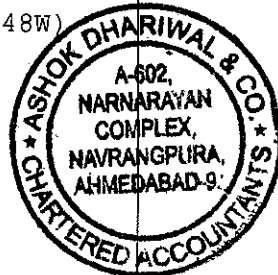
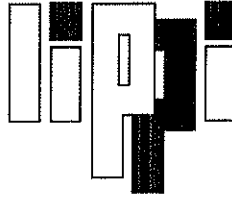


**FORM A**

**Pursuant to clause 31(a) of Listing Agreement**

No.	Particulars	Details
1.	Name of the Company	Lippi Systems Limited
2.	Annual Financial statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N - A
5.	<p>To be Signed by:</p> <ul style="list-style-type: none"> <li>CEO/Managing Director</li> <li>CFO</li> <li>Audit Committee Chairman</li> <li>Auditor of the company</li> </ul>	<p>   Nandlal Jaigopal Agrawal  (DIN: 00336556) </p> <p>   Gopal D Sharma </p> <p>   (Mr Mahendra Patel)  (DIN: 03017155) </p> <p> Ashok Dhariwal &amp; Co  Chartered Accountant  (Registration No: 100648W) </p> <p>   (CA Ashok Dhariwal)  Partner  M. No: 36452 </p>  



**21 st  
ANNUAL REPORT  
2013 - 2014**

**LIPPI SYSTEMS LIMITED**

**(CIN: L22100GJ1993PLC020382)**

**AHMEDABAD**

# **LIPPI SYSTEMS LIMITED**

## **BOARD OF DIRECTORS**

Shri Nandlal J. Agrawal	Managing Director
Shri Kunal N. Agrawal	Director
Shri Sanjaybhai C. Agrawal	Director
Shri Minesh C. Shah	Director
Shri Kamlesh S. Sharma	Director
Shri Tirthraj A. Pandya	Director
Shri Mahendra S. Patel	Director
Shri Gopal D. Sharma	CFO

## **Company Secretary**

Shri Darshan B. Shah

## **AUDITORS**

Ashok Dhariwal & Co.  
Chartered Accountants  
A/602, Nar Narayan Complex,  
Navrangpura,  
Ahmedabad - 380 009.

## **BANKERS**

Indian Overseas Bank.  
Stadium Road Branch,  
Ahmedabad - 380 009.

## **REGISTERED OFFICE**

3rd Floor, Satya Complex,  
Opp. IOC Petrol Pump,  
132ft Ring Road, Satellite,  
Ahmedabad - 380 015.

## **LIPPI SYSTEMS LIMITED**

### **NOTICE TO MEMBER**

Notice is hereby given that 21st Annual General Meeting of the members of the company will be held on Tuesday, 30<sup>th</sup> September, 2014 at 11:30 a.m. at the registered office of the company at 3<sup>rd</sup> Floor, Satya Complex, Nr. Ashwamegh IV, 132 Feet Ring Road, Satellite, Ahmedabad – 380015, to transact the following business:-

### **ORDINARY BUSINESS**

1. To receive and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013, Profit and Loss account for the year ended on that date together with the directors report and auditor's report thereon.
2. To appoint Mr. Sanjay C Agrawal (DIN:00075210), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the company to hold office from the conclusion of this AGM until the conclusion of the fourth consecutive AGM and to fix their remuneration and to pass the following resolution thereof;

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s. Ashok Dhariwal & Co., Chartered Accountants (Registration No. 100648W), be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting of the Company (subject to ratification of the appointment by the members at every AGM held after this AGM) on such remuneration as may be determined by the Board of Directors of the Company on a year to year basis".

### **SPECIAL BUSINESS**

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

"RESOLVED THAT Mr Kunal Nandlal Agrawal (DIN: 00169324), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. September 28, 2013 pursuant to the provisions of section 161 of the Companies Act, 2013 and Article of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder

## **LIPPI SYSTEMS LIMITED**

(including any statutory modification(s) or re-enactment thereof)("the Act") read with Schedule IV of the Act and clause 49 of the Listing Agreement, Shri Kamlesh S Sharma (holding DIN 01563040), an Independent Director of the Company, in respect of whom the Board has received recommendation from the Remuneration Committee of the Board (now Nomination and Remuneration Committee) for the appointment, be and is hereby appointed as an Independent Director on the Board of the Company to hold office for a term up to five (5) consecutive years effective from 1st April, 2014 up to 31st March, 2019."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof)("the Act") read with Schedule IV of the Act and clause 49 of the Listing Agreement, Shri Tirthraj A Pandya (holding DIN 02972285), an Independent Director of the Company, in respect of whom the Board has received recommendation from the Remuneration Committee of the Board (now Nomination and Remuneration Committee) for the appointment, be and is hereby appointed as an Independent Director on the Board of the Company to hold office for a term up to five (5) consecutive years effective from 1st April, 2014 up to 31st March, 2019."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof)("the Act") read with Schedule IV of the Act and clause 49 of the Listing Agreement, Shri Mahendra S Patel (holding DIN 03017155), an Independent Director of the Company, in respect of whom the Board has received recommendation from the Remuneration Committee of the Board (now Nomination and Remuneration Committee) for the appointment, be and is hereby appointed as an Independent Director on the Board of the Company to hold office for a term up to five (5) consecutive years effective from 1st April, 2014 up to 31st March, 2019."

Place: Ahmedabad

For and on Behalf Of Board Of Directors

Date: 20/08/2014

**Nandlal J. Agrawal**

Chairman & Managing Director

(DIN : 00336556).

## **LIPPI SYSTEMS LIMITED**

### **NOTES :**

1. A member entitled To attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The proxies in order to be effective must be lodged with the company not less than 48 hours before the commencement of the meeting.
3. As per clause 49 of the listing agreement(s), information regarding appointment/re-appointment of Directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business to be transacted are annexed hereto.
4. The Register of Members and Share Transfer books of the company will remain close from Tuesday, the 23rd September, 2014 to Monday, the 29th September, 2014 (both days inclusive).
5. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.
6. Members are requested to bring their attendance slip along with their copies of Annual Report to the meeting.
7. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
8. Voting through electronic means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement (including any statutory modification or re-enactment thereof for the

time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

## **LIPPI SYSTEMS LIMITED**

### **The instructions for e-voting are as under:**

#### **Section A - E-voting Process-**

**Step1:** Open your web browser during the voting period and log on to the e-Voting Website: [www.evotingindia.com](http://www.evotingindia.com).

**Step2:** Click on "Shareholders" to cast your vote(s)

**Step3:** Select the Electronic Voting Sequence Number (EVSN) i.e. "140903086" along with "COMPANYNAME" i.e. "Lippi Systems Limited" from the drop down menu and click on "SUBMIT".

**Step4:** Please enter User ID –

- a. For account holders in CDSL :- Your 16 digits beneficiary ID
- b. For account holders in NSDL :- Your 8 Character DP ID followed by 8 Digits Client ID
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

**Step5:** Enter the Image Verification as displayed and Click on Login.

**Step6:** If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

**Step7:** If you are a first time user follow the steps given below:

**7.1** Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. For members who have not updated their PAN with the Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

**7.2** Enter the Date of Birth (DOB) recorded in the demat account or registered with the Company for the demat account in DD/MM/YYYY format#

**Step8:** After entering these details appropriately, click on "SUBMIT" tab.

**Step9:** First time user holding shares in Demat form will now reach Password Generation menu wherein they are required to create their login password in the password field. Kindly note that this password can also be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If Demat account holder has forgotten the changed password then Enter the User ID

## **LIPPI SYSTEMS LIMITED**

and the image verification code and click on Forgot Password and enter the details as prompted by the system.

Members holding shares in physical form will then directly reach the Company selection screen.

**Step10:** Click on the EVSN of the Company i.e. "140903086" to vote.

**Step11:** On the voting page, you will see Resolution description and against the same the option 'YES/NO' for voting. Select the relevant option as desired YES or NO and click on submit.

**Step12:** Click on the Resolution File Link if you wish to view the Notice.

**Step13:** After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

**Step14:** Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

### **SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS**

- I.** The e-Voting period commences on September 24, 2014 (9.00 a.m.) and ends on September 25, 2014 (6.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date (record date) of August 22, 2014 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii.** The voting rights of shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.
- iii.** CS Nitesh Shah, Practicing Company Secretary (Membership No.: ACS 35681; CP No: 13222) (Address: 1, Padmavati Apartment, Satyanarayan Society, Ramnagar, Sabarmati, Ahmedabad-380005, Gujarat, India) has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- iv.** The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any and submit forth with to the Chairman of the Company.
- v.** The Results shall be declared on the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.lippisystems.com](http://www.lippisystems.com) and on the website of CDSL <https://www.evotingindia.co.in> within two days of the passing of the resolutions at



## **LIPPI SYSTEMS LIMITED**

the AGM of the Company and communicated to the BSE Limited and Ahmedabad Stock Exchange Limited, where the shares of the Company are listed.

- vi. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
- vii. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- viii. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.
- ix. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- x. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### **Contact Details:**

**Company :** Lippi Systems Limited (CIN: L22100GJ1993PLC020382),  
3rd Floor, Opp. IOC Petrol Pump, Nr. Ashwamegh-IV, 132ft Ring Road,  
Satellite, Ahmedabad-380015, Gujarat, India.  
**Phone Number :** 079-26750060/61/62 **Fax :** 079-26750063  
**E-mail ID :** [officelippi@gmail.com](mailto:officelippi@gmail.com)

### **Registrar and Transfer Agent:**

Cameo Corporate Services Limited  
"Subramanian Building", 1, Club House Road, Chennai-600002  
**Phone Number :** 044-28460390, **Fax:** 044-28460129  
**E-mail :** [investor@cameoindia.com](mailto:investor@cameoindia.com).

**e-Voting Agency :** Central Depository Services (India) Limited  
**E-mail ID :** [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**Scrutinizer :** CS Nitesh Shah,  
Practising Company Secretary  
**E-mail ID :** [niteshshah16@gmail.com](mailto:niteshshah16@gmail.com).

## **LIPPI SYSTEMS LIMITED**

### **ANNEXURE TO NOTICE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **For Item no: 4**

Mr. Kunal N Agrawal graduated in 2007 with a bachelor's degree in Commerce from the Gujarat University of Ahmedabad and also has an MBA in Finance & Marketing from the University of North Carolina at Charlotte(U.S) . He is young and dynamic person with good experience in the field of Finance and Marketing.

Considering his versatile and diversified experience, the Board of Directors on the recommendation of Nomination and Remuneration Committee at its meeting held on September 28, 2013 appointed Mr. Kunal N Agrawal as an Additional Director at a remuneration of 5 lacs (Rupees Five Lacs Only) per annum including salary, perks and other benefits with a liberty to the Board of Directors or Nomination and Remuneration Committee to revise the remuneration without approval of Shareholders within the prescribed ceiling limit of Schedule V and other applicable provisions of the Companies Act, 2013.

In the event of absence or inadequacy of profits of the Company in any financial year, Mr. Kunal N Agrawal will be entitled to receive the remuneration, perquisites and benefits as aforesaid, subject to the compliance with the applicable provisions of Schedule V of the Companies Act, 2013. The Whole Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.

The Board of Directors recommends the said resolution for your approval.

Mr. Kunal N Agrawal is deemed to be interested in the said resolution as it relates to his appointment. Mr. Nandlal J Agrawal is MD of Company, he is also interested in the said resolution .None of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

#### **For Item no: 5 to 7**

Mr. Kamlesh Sharma, Mr. Tirthraj Pandya and Mr. Mahendra Patel has been acting as Independent Director on the Board of the Company under the provisions of Clause 49 of the Listing Agreement since March 2004, March 2010 and April 2010 Respectively . Pursuant to the recommendations of Remuneration Committee (now Nomination and Remuneration Committee) of the Board, your Board has at their meeting held on 14th August, 2014 recommended the appointment of aforesaid Directors as Independent Directors on the Board of the Company for a term of five (5) consecutive years effective from 1st April, 2014 till 31st March, 2019.

## **LIPPI SYSTEMS LIMITED**

The Companies Act, 2013 and the rules made thereunder ("the Act"), which became effective from 1st April, 2014, have brought sea changes in the laws relating to Independent Directors ("INEDs") encompassing their appointment, tenure of such appointment, role and responsibilities, retirement, etc. In terms of provisions of Section 149(10) of the Act, an INED shall hold office for a term up to five (5) consecutive years and as per Schedule IV of the Act, the appointment of INEDs shall be approved at the meeting of the shareholders. As per the provisions of Section 149(13) read with explanation to Section 152(6) of the Act, the period of office of INEDs will not be liable to determination by retirement of directors by rotation at the Annual General Meeting.

Mr. Kamlesh Sharma, Mr. Tirthraj Pandya and Mr. Mahendra Patel given his consent and the declaration regarding his independence in terms of the provisions of the Act. In the opinion of the Board, he fulfill the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as Independent Director of the Company.

The resolution contained in Item no. 5 to 7 of the accompanying Notice, accordingly, seek members' approval for appointment of Mr. Kamlesh Sharma, Mr. Tirthraj Pandya and Mr. Mahendra Patel as an Independent Director on the Board of the Company.

Except Mr. Kamlesh Sharma, Mr. Tirthraj Pandya and Mr. Mahendra Patel, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution as set out at Item no. 5 to 7 The Board recommends this resolution for your approval.

Place: Ahmedabad

For and on Behalf Of Board Of Directors

Date: 20/08/2014

**Nandlal J. Agrawal**

Chairman & Managing Director

(DIN : 00336556)



# **LIPPI SYSTEMS LIMITED**

## **DIRECTORS REPORT**

To,  
The Members of,  
**LIPPI SYSTEM LIMITED**

Your directors have pleasure in presenting their Annual Report together with the Audited Annual accounts for the year ended on 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS:**

Amt. (Rs in Lacs)

<b>Particulars:</b>	<b>2013-14</b>	<b>2012-13</b>
Net Sales	2839.28	1382.58
Other Income	30.16	13.19
Finance Cost	102.71	68.13
Depreciation	143.87	124.25
Income Tax Provision	7.56	29.50
Deferred Tax Liability	12.04	(10.87)
Net Profit	23.17	37.99

### **OPERATIONS:**

Your directors are pleased to report that for the year under review, your Company has been able to achieve a net turnover of Rs. 28.39 crores as compared to Rs. 13.83 crores for the previous year. However, in spite of all in turnover, your company could achieve a net profit of Rs. 23.17 lacs as against a net profit of Rs. 37.99 lacs for the preceding year.

Your directors expect some better results for the current year.

### **DIVIDEND:**

In view of the marginal profits for the year under review, your directors have not recommended any dividend for the year under report.

### **FIXED DEPOSITS:**

During the year under review your company has not accepted any fixed deposits from the public and therefore no information is required to be furnished in respect of outstanding deposits.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:**

The particulars in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo, pursuant to Section 217 (1) (e) of the Companies Act read with Companies (Disclosure of particulars in Report of Directors) Rules, 1988 are provided by way of annexure to this report.

### **PARTICULARS OF EMPLOYEES:**

The company has no employees whose salary exceeds the limit prescribed under Section 217 (2A) of the Companies Act, 1956. Hence the information required to be given under the said Section read with the companies (Particulars of Employees) Rules, 1975 do not apply.

## **LIPPI SYSTEMS LIMITED**

### **AUDIT COMMITTEE:**

Pursuant to Section 177 of the Companies Act, 2013 the board of directors has constituted an audit committee. The audit committee comprises of Shri Minesh C Shah (DIN: 00045178) , Shri Mahendra Patel (DIN: 03017155) and Shri Tirthraj Pándya (DIN: 02972285).

### **DIRECTORS RESPONSIBILITY STATEMENT:**

Your Directors confirm that :

- (i) In the preparation of annual accounts, the applicable accounting standards have been followed.
- (ii) Appropriate accounting policies have been selected and applied consistently and have made judgments and estimate that are reasonable and prudent so as to give a true and a fair view of state of affairs of the Company as at 31st March, 2014 and of the profit of the company for the year ended on that date.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956/2013 for safeguarding the assets of your company and for preventing and detecting a fraud and other irregularities,
- (iv) The Directors had prepared the annual accounts on a "going concern basis".

### **CORPORATE GOVERNANCE:**

A report on Corporate Governance is also enclosed and forms part of the annual report.

### **DIRECTORS:**

Shri Sanjay Agrawal (DIN: 00075210) retire by rotation and being eligible offered themselves for re-appointment.

### **AUDITORS:**

The Auditors M/s. Ashok Dhariwal & Co., Chartered Accountants retire at the ensuring General Meeting. The company has received a certificate from the auditors stating that their appointment, if made, will be within the limits prescribed under section 139(2) of the Companies Act, 2013. The Board propose to re-appoint them. The Notes on Financial Statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

### **ACKNOWLEDGEMENT:**

The Board wishes to place on record their sincere appreciation and acknowledge with gratitude the effort put in and co-operation extended by bankers, shareholders, employees at all levels and all other associated persons, bodies or agencies for their continued support.

Place: Ahmedabad

For and on Behalf Of Board Of Directors

Date: 02/09/2014

**Nandlal J. Agrawal**

Chairman & Managing Director

(DIN : 00336556)

## LIPPI SYSTEMS LIMITED

### ANNEXURE TO DIRECTOR'S REPORT:

Information as per section 217(1) (e) of the Companies Act, 1956.

**(A) CONSERVATION OF ENERGY:**

- (B) All possible measure are being taken on regular basis for conservation of energy.  
 (C) Total energy consumption and energy consumption per unit of production.  
 (D) Total energy consumption per unit of production in prescribed form:

**(A) POWER AND FUEL CONSUMPTION IN RESPECT OF:**

Particulars	Year ended 2013-14	Year ended 2012-13
<b>1) Electricity</b>		
<b>a) Purchased</b>		
Unit Nos.	1442898	1336143
Total Amt. (Rs)	9537707	8521109
Rate Per Unit (Rs)	6.61	6.38
<b>b) Own Generation</b>		
Through Diesel Generation Set		
Units	10540	15960
Unit per litre of Diesel Oil	3.29	3.19
Cost per Unit	17.00	19.80

**(B) CONSUMPTION PER UNIT OF PRODUCTION:**

Particulars	2013-14	2012-13
Consumption per square meter of Production Electricity (No. of Units)	345.80	208.20

**RESEARCH AND DEVELOPMENT:**

The company has no specific research and development department. However the company has well equipped quality control department to check the quality of its products and effective steps are being taken for its improvement.

**FOREIGN EXCHANGE EARNING AND OUTGO:**

The information required to be given in respect of foreign exchanges and outgo is provided in the notes forming part of accounts. Members are requested to refer the same.



## LIPPI SYSTEMS LIMITED

### REPORT ON CORPORATE GOVERNANCE

#### COMPANY PHILOSOPHY ON CODE OF GOVERNANCE:

A brief statement on company's philosophy on code of Governance:

The company always strives to achieve optimum performance at all levels by adhering to corporate governance practices, such as fair and transparent business practices, effective management controls at all levels, adequate representation of promoter, executive and independent director on the board, accountability of performance at all levels, monitoring of executive performance by the Board and transparent and timely disclosure of financial and management information.

#### **Board Of Directors:**

There are seven members of Board of the Directors of the company of Executive Directors and independent directors. There is no institutional nominee on the Board. During the year Ten meetings of the Board were held. The Board of directors was met on 01.04.2013, 15.05.2013, 30.05.2013, 14.08.2013, 28.08.2013, 14.09.2013, 15.11.2013, 06.01.2014, 15.02.2014 and 25.03.2014.

**The composition and attendance of Board of Directors are as:**

Sl. no.	Name of Director	Category of Director	No. of Board Meetings attended	Attendance at the last AGM	No. of committee/ membership held other than Lippi Systems Ltd.
1	Shri Nandlal Agrawal	Managing Director-Chairman	10	Yes	None
2	Shri Sanjay Agrawal	Non-executive	7	No	None
3	Shri Minesh Shah	Executive	8	Yes	None
4	Shri Kamlesh Sharma	Independent	8	Yes	None
5	Shri Tirthraj Pandya	Independent	7	Yes	None
6	Shri Mahendra Patel	Independent	8	Yes	None
7	Shri Kunal Agrawal	Executive	7	Yes	None

@ Only Remuneration Committee, Shareholders/ Investors Grievance Committee and Audit Committee is considered for the purpose.

The information required to be given for the Directors seeking appointment/ re-appointment at the Annual General Meeting as per Clause 49 (VI) is as under-

Shri Sanjay C Agrawal (DIN: 00075210) is Commerce Graduate, aged about 39 years. He is Non-Executive Director of the Company. He possesses wide experience in the field of finance, accounts and business administration.

The Board of directors of the company has constituted various committees of the members of the board. The terms of reference of these committees have determined by the board from time to time.

## **LIPPI SYSTEMS LIMITED**

### **AUDIT COMMITTEE:**

Audit Committee comprises of Shri Mahendra Patel (Chairman) (DIN: 03017155), Shri. Minesh C Shah (DIN: 00045178), and Shri Tirthraj Pandya (DIN: 02972285).

The terms of reference of the Committee are as is specified in Clause 49 of the Listing agreement. During the financial year the Committee met on 15.05.2013, 14.08.2013, 16.08.2013, 18.09.2013, 09.11.2013, 01.01.2014, 15.02.2014 and 18.03.2014. The minutes of the Audit Committee are circulated to the members.

### **Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee consists of Shri Kamlesh Shurma (Chairman) (DIN: 01563040), Shri Mahendra Patel (DIN: 03017155), and Shri Sanjay Agrawal (DIN: 00075210).

The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. The committee has been constituted to recommend/ review the remuneration package of Managing/ whole time Directors.

### **Stakeholders Relationship Committee:**

The Board has constituted Share Transfer cum Investors Grievances Committee consisting of Shri Tirthraj Pandya (Chairman) (DIN: 02972285), Shri Sanjay Agrawal (DIN: 00075210) and Shri Mahendra Patel (DIN: 03017155). The terms of reference of the Committee are as specified in Clause 49 of the Listing agreement. The members of Share transfer cum investors Grievances Committee normally meets twice in every month. No complaint was pending as on 31st March, 2014.

### **Details of remuneration to Directors during the year ending on 31st March, 2014:**

During the year the company has paid an amount of Rs. 3.60 lacs, Rs. 8.45 lacs and 5.00 lacs to Shri Nandlal J. Agrawal (DIN: 00336556), Shri Minesh C. Shah (DIN: 00045178) and Kunal N Agrawal (DIN: 00169324) respectively. The company is neither paying any sitting fees nor providing any perquisite to its non-executive director.

### **GENERAL BODY MEETINGS:**

Last Three AGM's were held at the registered office of the company at 3rd Floor, Satya Complex, Nr. Ashwamegh IV, 132ft Ring Road, Satellite, Ahmedabad at 11.30 a.m. on Friday, 30th September, 2011, at 11.30 on Friday 28th September, 2012 and on Friday, 27th September, 2013 for the year 2010-11, 2011-12 and 2012-13 respectively.

No resolution is proposed to be passed through postal ballot during the ensuing meeting.

### **Disclosures:**

-No transaction of material has been entered into by the company with its promoters, Directors or management or relatives etc. that may have potential conflict with the interest of the company.

-There were no instances of non-compliances or penalty imposed on the company by Stock Exchanges or SEBI or any other statutory authority or any matter related to capital markets, during the last three years.



## **LIPPI SYSTEMS LIMITED**

### **Means of Communication:**

During the year, the quarterly/ six monthly/ yearly results of the company were submitted to Stock Exchanges immediately after the meeting of the Board and were also published in newspapers.

Management Discussion and Analysis Report forms a part of this Annual Report. f

### **General Shareholder Information:**

#### **Annual General Meeting:**

The ensuing Annual General Meeting ("the AGM") of the company will be held on Tuesday, 30<sup>th</sup> September, 2014 at 11.30 am, at the registered office of the Company at 3rd Floor, Satya Complex, Nr. Ashwamegh IV, 132ft Ring Road, Satellite, Ahmedabad-380015.

#### **Financial Calendar**

The Financial year of the company is for period of 12 months from 1st April to 31st March. The financial result of the company is scheduled to be published as under:

Results for the first quarter ending on 30th June, 2014, for the second quarter ending on 30th September, 2014, for the third quarter ending on 31st December, 2014 and (Audited or un-audited) for the financial year ending at 31st March, 2015 will be published by the end of, 14th August, 2014, 14th November, 2014, 14th February, 2015 and by end of May, 2014, respectively and the Annual General Meeting for the year ending March, 2014 will be held by end of September, 2014.

#### **Dates of Book Closure:**

The Register of Members and Share Transfer Books of the company will remain closed from Friday, the 23rd September, 2014 to Thursday, the 29th September, 2014 (both days inclusive). f

#### **Dividend Payment:**

The board of directors of the company has not recommended any dividend for the financial year ended on 31st March, 2014.

#### **Listing on Stock Exchanges:**

The Stock Exchange Ahmedabad (ASEL) - Stock Code No.: 32511

The Stock Exchange, Mumbai (BSE) - Stock Code No.: 526604

The listing fees of both Mumbai and Ahmedabad Stock Exchange have been paid.

#### **Dematerialization of Shares**

The company's shares are available for dematerialization on both the depositories viz. National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March, 2014, 64,08,000 shares representing 91.5429% of the equity share capital of the company has been dematerialized. The ISIN No. for Equity Shares of the Company-INE845B01018

## LIPPI SYSTEMS LIMITED

### Share holding pattern and Distribution of Shareholdings as on 31st March, 2014.

#### Shareholding pattern.

Category	No. of Shares held	% of Shareholding
1. Promoters	2230438	31.86
2. Mutual Funds	Nil	Nil
3. Banks, FIs, Insurance companies	Nil	Nil
4. Private Bodies Corporate	106610	1.52
5. Non-Resident Indians	5600	0.08
6. Indian Public	4657352	66.53
<b>TOTAL</b>	<b>7000000</b>	<b>100.00</b>

#### Distribution of Shareholdings

No. of equity shares held	No. of shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	4459	85.85	788928	11.27
501-1000	377	7.26	333131	4.76
1001-2000	177	3.41	276742	3.95
2001-5000	110	2.12	366328	5.23
5001-10000	36	0.69	267548	3.82
10001 and Above	35	0.67	4967323	70.96
<b>TOTAL</b>	<b>5194</b>	<b>100.00</b>	<b>7000000</b>	<b>100.00</b>

#### Market price data for the financial year 2013-14:

#### (xx) High And Low Prices of Shares and its composition with BSE Sensex

Month & Year	Bombay Stock Exchange		BSE Sensex	
	High (Rs)	Low (Rs)	High	Low
April, 2013	5.79	4.99	19622.68	18144.22
May, 2013	5.79	4.99	20443.62	19451.26
June, 2013	5.79	4.99	19860.19	18467.16
July, 2013	5.79	4.99	20351.06	19126.82
August, 2013	5.20	4.95	19569.20	17448.71
September, 2013	5.20	4.95	20739.69	18166.17

## LIPPI SYSTEMS LIMITED

October,2013	4.95	4.95	21205.44	19264.72
November,2013	5.19	5.19	21321.53	20137.67
December,2013	5.44	5.40	21483.74	20568.70
January,2014	5.40	5.00	21409.66	20343.78
February,2014	6.24	4.80	21140.51	19963.12
March,2014	12.07	5.73	22467.21	20920.98

The high and low prices of company shares at Bombay Stock Exchanges price is compiled on the basis of the BSE Website. (bseindia.com)

No transaction have been reported at the Ahmedabad Stock Exchange hence high and low price of shares have not been furnished.

Stakeholders Relationship Committee attends to share transfer formalities normally twice in a month. Demat requests are normally confirmed within 21 days from the date of receipt of requests.

**Registered Office:** 3rd Floor, Satya Complex, Nr. Ashwamegh IV, 132 ft. Ring Road, Satellite, Ahmedabad-380015, Gujarat, India.

**Registrar and Transfer Agents:** Cameo Corporate Services Limited.

'Subramanian building', No.1, Club House Road, Chennai-600002.

Tel: (044) 28460390, 28460425. Fax No. : (044) 28460129.

**Plant Location:** Plot No. 540, Opp. Manpasand Weigh Bridge, Village – Rakanpur,

Tal: Kalol, Dist.: Gandhinagar -382721

### **Investors / Shareholders Correspondence:**

Investors / Shareholders may Correspondence with the company at the register Office of the company at 3rd Floor, Satya Complex, Nr. Ashwamegh IV, 132 ft. Ring Road, Satellite, Ahmedabad-380015. Ph. 079-26750060, 26750061. Fax: 079- 26750063

Place: Ahmedabad

Date: 02.09.2014

By order Of Board Of Directors

**Nandlal J. Agrawal**

Chairman & Managing Director.

(DIN : 00336556)

## **LIPPI SYSTEMS LIMITED**

### **MANAGEMENT DISCUSSIONS AND ANALYSIS**

#### **INDUSTRY STRUCTURE AND OUTLOOK:**

The company is basically engaged in the manufacture of Rotogravure Cylinders by Digital Engraving Process for Packaging, Decorative i.e. laminates & other gravure printing industries. Rotogravure printing process is widely employed by converters in India off course abroad for Decorative & Packaging Laminates. There is a tremendous opportunity available to the company for its development. The company is also engaged in trading business of goods.

#### **RISK AND CONCERN:**

The development of the company would depend on overall macro and micro economic policy of the Government. The rapid changes in technological advancement requiring huge investment in an area of concern for the company. Company at both domestic and at international level is increasing gradually.

#### **OPPORTUNITIES AND THREATS:**

The demand for Electronically Engraved Cylinders is increasing day by day. Up gradation of technology is done by the company in order to become more competitive. Increase in capacity of engraving and manufacturing cylinders for laminates. Marketing and Pre-press division at various places to cater to the needs of the customer. Continuous improvement in quality of our cylinders.

#### **FINANCIAL PERFORMANCE:**

The turnover of the company for the year ended 31st March, 2014 was Rs.28.39 crores as against the previous year's sales of Rs. 13.83 crores. The profit after taxation for the year under review was Rs.23.18 lacs as compared to Rs.37.99 lacs for the preceding year.

#### **CAUTIONARY STATEMENT:**

Statements in the Management Discussions and Analysis Report in regard to projections, estimates and expectations may be "forward looking statement" within meaning of applicable securities laws and regulations. Many unforeseen factors may come into play and affect the actual results, which would be different from what directors envisage in terms of future performance and outlook. Market data and product information contained in this report have been based on information gathered from various sources published and un-published reports, and their accuracy, reliability and completeness cannot be assured.



## **LIPPI SYSTEMS LIMITED**

### **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of,  
**Lippi System Ltd,**

We have examined the compliance of conditions on Corporate Governance by Lippi Systems Limited, for the financial year ended 31st March, 2014, as stipulated in clause 49 of the listing agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the Procedures and implementation thereof adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

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

As required by the guidance note issued by the institute of chartered Accountants of India, we state that there were no investors grievances pending against the company for a period exceeding one month as at 31st March, 2014 as per the records maintained by the company.

Place: Ahmedabad

Date: 30/05/2014

For, **Ashok Dhariwal & company**

**CHARTERED ACCOUNTANTS**

(Registration No. 100648W)

**(CA ASHOK DHARIWAL)**

Partner

M. No. : 36452



## **LIPPI SYSTEMS LIMITED**

**ASHOK DHARIWAL & CO.  
CHARTERED ACCOUNTANTS**

A/602 Narnarayan Complex  
Navrangpura, Ahmedabad- 9

### **Independent Auditors' Report**

To the Members of Lippi Systems Limited

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Lippi Systems Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's 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 notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. 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 misstatements.

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.

## **LIPPI SYSTEMS LIMITED**

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 of the Company for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) 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 Act, 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 account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
  - e. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is Disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Ashok Dhariwal & Co.  
Chartered Accountants  
(Firm Reg. No. 100648W)

(CA Ashok Dhariwal)  
Partner  
M.No. 36452

Place: Ahmedabad  
Date: 30/05/2014

## **LIPPI SYSTEMS LIMITED**

### **Annexure to Independent Auditors' Report**

Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date

1. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars including Quantitative details and situation of fixed assets on the basis of available Information.
  - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
  - a. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
  - a. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
  - b. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.



## **LIPPI SYSTEMS LIMITED**

5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
  - a. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
  - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. In respect of statutory dues:
  - a. According to the records of the company, undisputed statutory dues including Provident Fund, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company has no accumulated losses as at 31st March, 2014 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

## **LIPPI SYSTEMS LIMITED**

13. In our opinion, the Company is not a chit fund /nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
15. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for the loan taken by others from banks or financial institutions during the year.
16. In our opinion, the term loans have been applied for the purpose for which it were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For Ashok Dhariwal & Co.  
Chartered Accountants  
(Firm Reg. No. 100648W)

(CA Ashok Dhariwal)  
Partner  
M.No. 36452

Place: Ahmedabad  
Date: 30/05/2014



## **LIPPI SYSTEMS LIMITED**

### **SIGNIFICANT ACCOUNTING POLICIES:**

#### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENT**

Financial Statements have been prepared under historical cost convention on accrual basis, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956. All Income and Expenditure having a material bearing on the Financial Statement are recognized on accrual basis.

#### **2. USE OF ESTIMATES**

The preparation of Financial Statement in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported accounts of Assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **3. INVENTORY:**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of Raw Material, Packing material, Chemicals, Stores and Consumables, Finished goods, trading and other products are ascertained on weighted average / FIFO basis.

#### **4. CASH FLOW STATEMENT**

##### **(a) Cash & Cash Equivalents (for the purpose of cash flow statement)**

Cash Comprises cash on hand and demand deposits with banks. Cash Equivalents are short-term balances (with original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

##### **(b) Cash Flow Statement**

Cash Flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

#### **5. PRIOR PERIOD AND EXCEPTIONAL ITEMS:**

All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period items". Exceptional items are general non-recurring items of income and expense within profit or loss from ordinary activities, which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the company for the year.

## **LIPPI SYSTEMS LIMITED**

### **6. FIXED ASSETS/INTANGIBLE ASSETS & DEPRECIATION**

- i. Fixed assets are stated at their original cost of acquisition including respective taxes duties freight and other incidental expenses related to acquisition and installation of the respective assets. The Company is providing depreciation on its assets at the rate prescribed as per Schedule XIV of the Companies Act, 1956 at Straight Line Method. However the depreciation on addition made during the year have been provided on pro-rata basis from the date of their purchase/use.
- ii. Addition in Fixed Assets is stated at cost net of CENVAT credit (where applicable).
- iii. Intangible Assets are recognized as per the principle laid down in Accounting Standard 26 – Intangible Assets, as specified in the Companies (Accounting Standard) Rules, 2006 (as amended).

### **7. REVENUE RECOGNITION**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Dividend income is recognized when the right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

### **8. FOREIGN CURRENCY TRANSACTIONS**

**Initial Recognition :** Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

**Conversion :** Monetary items denominated in foreign currencies at the year-end are restated at the year-end rates. Non monetary foreign currency items are stated at cost.

**Exchange Differences :** Any income or expense arising on account of exchange difference either on settlement or on translation is recognized in the Profit & Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

### **9. INVESTMENTS:**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Current investments are carried at the lower of cost and quoted / fair value, computed category wise.

### **10. EMPLOYEE BENEFITS**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered. Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The

## **LIPPI SYSTEMS LIMITED**

expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to Profit and Loss account.

### **11. BORROWING COST**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to statement of Profit & Loss.

### **12. RELATED PARTY TRANSACTIONS :**

Disclosure of transactions with related parties, as required by Accounting Standard 18 - "Related Party Disclosure" as specified in Companies (Accounting Standards) Rules, 2006 (as amended), have been set out in a separate note forming part of the financial statements. Related party as defined under clause 3 of the Accounting Standard 18 have been identified on the basis of representation made by key managerial personnel and information available with the company.

### **13. EARNING PER SHARE**

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with the Accounting Standard 20 as specified in the Companies (Accounting Standard) Rules, 2006 (as amended). The basic EPS has been computed by dividing the income available to Equity Shareholders by the weighted average number of Equity Shares outstanding during the accounting year. The diluted E.P.S. has been computed using the weight average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

### **14. CENVAT CREDIT**

Cenvat benefit is accounted for by reducing the purchase cost of material / fixed assets. Cenvat Credit utilized during the year is accounted in excise duty and utilized. Cenvat balance at the year end is considered as advance excise duty.

### **15. PROVISION FOR BAD AND DOUBTFUL DEBTS**

Provision is made in accounts for Bad Doubtful Debts/Advances which in the opinion of the management are considered irrecoverable.

### **16. TAXES ON INCOME:**

**Deferred Taxation :** In accordance with the Accounting Standard 22 – Accounting for Taxes on Income, as specified in the Companies (Accounting Standard) Rules, 2006 (as amended), the deferred tax for timing difference between the book and the income tax profit for the year is accounted for by using the tax rate and laws that has been enacted and substantively enacted as of the balance sheet date.

Deferred tax assets arising from timing difference are recognized to the extent there is a virtual certainty that the assets can be realized in future.

## **LIPPI SYSTEMS LIMITED**

Net outstanding balance in deferred tax account is recognized as deferred tax liability/assets. The deferred tax account is used solely for reversing timing difference as and when crystallized.

**Current taxation :** Provision for taxation has been made in accordance with the income tax laws prevailing for the relevant assessment year.

### **17. IMPAIRMENT OF FIXED ASSETS:**

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exist, the asset recoverable amount is estimated.

The impairment loss is recognized whenever the carrying cost amount of an asset or its cash generation unit exceed its recoverable amount. The recoverable amount is the greater of the asset net selling price and value in the use which is determined based on the estimated future cash flow discounted to the present value all impairment losses are recognize in the profit and loss account.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and its recognized in the profit and loss account.

### **18. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions involving substantial degree of estimation in measurements are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.



# LIPPI SYSTEMS LIMITED

BALANCE SHEET AS AT MARCH 31, 2014				Amt in Rs.
Particulars	Notes	As at 31st March, 2014	As at 31st March, 2013	
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share capital	1	7,00,00,000	7,00,00,000	
Reserves and Surplus	2	12,50,76,787	12,27,59,298	
<b>Non-current liabilities</b>				
Long-term borrowings	3	4,52,45,164	37,16,962	
Deferred tax liabilities	4	30,33,920	18,29,529	
Long-term provisions	5	18,57,099	15,80,233	
<b>Current liabilities</b>				
Short-term borrowings	6	4,39,89,738	2,51,50,277	
Trade Payables	7	6,49,01,792	1,69,05,258	
Other current liabilities	8	1,27,74,830	45,34,951	
Short-term provisions	9	14,60,072	21,00,568	
<b>TOTAL</b>		<b>36,83,39,402</b>	<b>24,85,77,076</b>	
<b>ASSETS</b>				
<b>Non-current assets</b>				
<b>Fixed assets</b>				
Tangible assets	10	11,49,71,108	5,11,33,170	
Intangible assets	10	1,44,91,902	1,49,00,957	
Non-current investments	11	25,10,000	25,11,000	
Long-term loans and advances	12	10,39,54,950	10,31,90,143	
<b>Current assets</b>				
Inventories	13	2,07,04,236	30,00,382	
Trade receivables	14	9,37,60,153	5,41,56,640	
Cash and Bank Balance	15	1,03,87,170	28,59,497	
Short-term loans and advances	16	71,07,979	1,62,10,199	
Other current assets	17	4,51,904	6,15,088	
<b>TOTAL</b>		<b>36,83,39,402</b>	<b>24,85,77,076</b>	
Significant Accounting Policies				
Notes on Financial Statements 1 to 33				
As per our Report of even date				
For and on behalf of the Board				
For Ashok Dhariwal & Co.				
Chartered Accountants				
(Firm Reg. No.: 100648W)				
<div> <div> <b>(CA Ashok Dhariwal)</b>  <b>Partner</b>  M.No.: 36452 </div> <div> <b>Nandlal J. Agarwal</b>  <b>(Chairman &amp; M.D.)</b>  (DIN : 00336556) </div> <div> <b>Minesh C. Shah</b>  <b>(Director)</b>  (DIN : 00045178) </div> </div>				
<div> <div> Place : Ahmedabad  Date : May 30,2014 </div> <div> <b>Darshan B. Shah</b>  <b>(Company Secretary)</b> </div> </div>				

# LIPPI SYSTEMS LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2014

Amt in Rs.

Particulars	Notes	2013-14	2012-13
<b>I. INCOME</b>			
i) Revenue from Operations (gross)	19	29,51,17,434	14,75,17,658
Less : Excise duty		1,11,89,598	92,59,362
Revenue from Operations (net)		28,39,27,836	13,82,58,296
ii) Other Income	20	30,15,578	13,19,308
<b>Total (I)</b>		<b>28,69,43,414</b>	<b>13,95,77,604</b>
<b>II. EXPENDITURE</b>			
Cost of Materials Consumed	21	2,64,12,139	3,43,91,169
Purchases of Stock-in-Trade		16,99,98,720	2,88,61,798
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	12,153	11,353
Employee Benefit Expenses	23	1,33,41,067	98,79,056
Finance Costs	24	1,02,70,620	68,13,725
Depreciation and Amortization Expense	10	1,43,86,808	1,24,25,073
Other Expenses	25	4,89,57,009	4,15,32,742
<b>Total (II)</b>		<b>28,33,78,516</b>	<b>13,39,14,917</b>
<b>III. Profit before Tax (I-II)</b>		<b>35,64,898</b>	<b>56,62,687</b>
<b>IV. Tax Expense:</b>			
Current tax		7,55,725	29,50,536
MAT Credit Entitlement		(7,12,707)	—
Deferred Tax		12,04,391	10,87,070
<b>Total Tax Expenses (IV)</b>		<b>12,47,409</b>	<b>18,63,466</b>
<b>V. Profit/ (Loss) for the Period (III-IV)</b>		<b>23,17,489</b>	<b>37,99,221</b>
Earnings Per Equity Share Basic and Diluted	29	0.33	0.54
Significant Accounting Policies Notes on Financial Statements	1 to 33		

As per our Report of even date

For and on behalf of the Board

For Ashok Dhariwal & Co.  
Chartered Accountants  
(Firm Reg. No.: 100648W)

(CA Ashok Dhariwal)  
Partner  
M.No.: 36452

Nandlal J. Agarwal  
(Chairman & M.D.)  
(DIN : 00336556)

Minesh C. Shah  
(Director)  
(DIN : 00045178)

Place : Ahmedabad  
Date : May 30, 2014

Darshan B. Shah  
(Company Secretary)



# LIPPI SYSTEMS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Amt in Rs.

Particulars	For the year ended		For the year ended	
	31.03.2014	31.03.2014	31.03.2013	31.03.2013
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before tax		35,64,898		56,62,687
<u>Non-cash adjustment to reconcile profit before tax to net cash flows</u>				
Depreciation/ amortisation on continuing operation	1,43,86,808		1,24,25,073	
Interest income	(9,59,080)		(4,08,058)	
Dividend income	(90)		(90)	
Loss on sale of Fixed Assets	9,38,169		4,25,104	
		1,43,65,807		1,24,42,029
Operating profit / (loss) before working capital changes		1,79,30,705		1,81,04,716
<u>Movements in working capital:</u>				
Decrease/ (increase) in inventories	(1,77,03,854)		2,40,505	
Decrease/ (increase) in trade receivables	(3,96,03,513)		3,39,39,795	
Decrease/ (increase) in other current assets	1,63,184		(4,30,065)	
Increase/ (decrease) in other current liabilities	82,39,879		(48,74,262)	
Increase/ (decrease) in trade payables	4,79,96,534		(7,36,90,832)	
Increase/ (decrease) in long-term provisions	2,76,866		2,07,673	
Increase/ (decrease) in short-term provisions	(6,40,496)		(8,35,484)	
		(12,71,399)		(4,54,42,670)
Cash generated from / (used in) operations		1,66,59,306		(2,73,37,954)
Direct taxes paid (net of refunds)		(43,018)		(29,50,536)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>1,66,16,288</b>		<b>(3,02,88,490)</b>
<b>B. Cash flow from investing activities</b>				
Interest received	9,59,080		4,08,058	
Dividend received	90		90	
Movement in Long-term loans & advances	(7,64,807)		(3,98,66,112)	
Movement in Short-term loans & advances	91,02,220		8,37,18,594	
Sale of non Current Investments	1,000		—	
Purchase of Fixed Assets	(7,94,05,266)		(1,27,39,073)	
Sales of Fixed Assets	6,51,406		4,40,700	
<b>Net cash flow from / (used in) activities (B)</b>		<b>(6,94,56,277)</b>		<b>3,19,62,257</b>

# LIPPI SYSTEMS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Amt in Rs.

Particulars	For the year ended		For the year ended	
	31.03.2014	31.03.2014	31.03.2013	31.03.2013
<b>C. Cash flow from financing activities</b>				
Proceeds from Long Term Borrowings	4,15,28,202		14,19,590	
Proceeds from Short Term Borrowings	1,88,39,461		-	
Repayment of Short Term Borrowings	-		(8,14,729)	
<b>Net cash flow from / (used in) financing activities (C)</b>		6,03,67,663		6,04,861
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		75,27,673		22,78,628
Cash and cash equivalents at the beginning of the year		28,59,497		5,80,869
Effect of exchange differences on restatement of foreign currency Cash and cash		-		-
<b>Cash and cash equivalents at the end of the year</b>		1,03,87,170		28,59,497
<b>Components of cash and cash equivalents</b>				
Cash on Hand	27,336		29,641	
Balance With Banks in Current Account	9,36,021		3,05,856	
Bank deposits with original maturity of less than 3 months	94,23,813		25,24,000	
<b>TOTAL CASH AND CASH EQUIVALENTS (refer note 15)</b>		1,03,87,170		28,59,497

in terms of our report attached.

For and on behalf of the Board

For Ashok Dhariwal & Co.  
Chartered Accountants  
(Firm Reg. No.: 100648W)

(CA Ashok Dhariwal)  
Partner  
M.No.: 36452

Nandlal J. Agarwal  
(Chairman & M.D.)  
(DIN : 00336556)

Minesh C. Shah  
(Director)  
(DIN : 00045178)

Place : Ahmedabad  
Date : May 30, 2014

Darshan B. Shah  
(Company Secretary)



# LIPPI SYSTEMS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

### 1.SHARE CAPITAL

Amt. in Rs.

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Authorised Share Capital</b>		
1,00,00,000 (1,00,00,000) Equity Shares of Rs. 10 (10) each	10,00,00,000	10,00,00,000
<b>Issued, Subscribed and fully paid up</b>		
70,00,000 (70,00,000) Equity Shares of Rs. 10 (10) each fully paid up	70,00,00,000	7,00,00,000
<b>TOTAL</b>	<b>70,00,00,000</b>	<b>7,00,00,000</b>

### (a) Reconciliation of the Number of Shares Outstanding

Amt. in Rs.

Particulars	As at March 31, 2014		As at March 31, 2013	
	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
Equity Shares at the beginning of the year	70,00,000	7,00,00,000	70,00,000	7,00,00,000
Add : Shares issued on exercise of Employee Stock Options	—	—	—	—
Add : Allotted on Rights Issue of Shares	—	—	—	—
Add : Allotted without payment being received in cash on amalgamation	—	—	—	—
Add : Alloted to Qualified Institutional Buyers	—	—	—	—
Less : Shares cancelled on buy back of equity shares	—	—	—	—
Equity Shares at the end of the year	70,00,000	7,00,00,000	70,00,000	7,00,00,000

**(b) Rights, Preferences and Restrictions Attached to each class of shares**  
The Company has only one class of Equity Shares having a par value of Rs. 10/- per share and each holder of the Equity Shares is entitled one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no preferential amounts exist currently. The distribution will be in proportion to the number of shares held by the shareholders.

## LIPPI SYSTEMS LIMITED

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Amt. in Rs.

Particulars	As at March 31, 2014		As at March 31, 2013	
	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
Equity Shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-
Equity Shares allotted as fully paid pursuant to the scheme of amalgamation	-	-	-	-
Equity Shares bought back by the company	-	-	-	-

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2014		As at March 31, 2013	
	Nos.	% Holding	Nos.	% Holding
Mr. Kunal N. Agrawal	6,85,651	9.80%	6,85,651	9.80%
Mr. Nandlal J. Agrawal	5,14,986	7.36%	5,14,986	7.36%
Mr. Dhawarka Vithal Naik	4,50,025	6.43%	4,50,025	6.43%

### 2. RESERVES & SURPLUS

Amt. in Rs.

Particulars	31.03.2014	31.03.2013
<b>2.1 Securities Premium Account</b>		
As per last Balance Sheet	6,40,00,000	6,40,00,000
<b>Closing Balance</b>	<b>6,40,00,000</b>	<b>6,40,00,000</b>
<b>2.2 State Subsidy</b>		
As per last Balance Sheet	15,00,000	15,00,000
<b>Closing Balance</b>	<b>15,00,000</b>	<b>15,00,000</b>
<b>2.3 Surplus in Statement of Profit &amp; Loss Account</b>		
Opening balance	5,72,59,298	5,34,60,077
(+) Net Profit/(Net Loss) For the current year	23,17,489	37,99,221
(-) Cumulative Deffered Tax liability for Earlier Year		
<b>Closing Balance</b>	<b>5,95,76,787</b>	<b>5,72,59,298</b>
<b>TOTAL</b>	<b>12,50,76,787</b>	<b>12,27,59,298</b>

## LIPPI SYSTEMS LIMITED

3. LONG TERM BORROWINGS		Amt. in Rs.
Particulars	31.03.2014	31.03.2013
<b>Secured Borrowings</b>		
Term Loans from banks	4,42,97,256	-
Vehicle Loan (refer note 3.1)	9,47,908	37,16,962
<b>TOTAL</b>	<b>4,52,45,164</b>	<b>37,16,962</b>
<b>3.1 Details of Loans :</b>		
<p>i. Outstanding Term loan of Rs. 323.63 Lacs (including an amount of Rs. 45.90 Lacs classified under current maturity of long term borrowings) relates to acquisition of 0.75 MW windmill and other indigenous machinery. It is secured by the hypothecation of the P&amp;M acquired from the said loan. The loan is repayable in 60 graded monthly installments and is expected to be repaid by September, 2018.</p>		
<p>ii. Outstanding Term loan of Rs. 54.56 Lacs (including an amount of Rs. 13.50 Lacs classified under current maturity of long term borrowings) relates to acquisition indigenous plant and machinery. It is secured by the hypothecation of the P&amp;M acquired from the said loan. The loan is repayable in 60 equal monthly installments of Rs. 1.125 Lacs each and is expected to be repaid by October, 2018.</p>		
<p>iii. Indian Overseas Bank has sanctioned term loan of Rs. 97.5 Lacs, (o/s Rs. 15.29 Lacs as on March 31, 2014) for the purchase of imported plant and machinery costing Rs. 130 Lacs. The said term loan is repayable in 60 monthly installments of Rs. 1,62,500 each and is expected to be repaid by July, 2018. The loan is proposed with buyers credit facility for a period of 3 years and the loan installments to be placed as term deposits every month. On completion of 36 months, loan to be disbursed, less margin and TL installments built-up during the preceding 36 months. The outstanding term loan is secured by the hypothecation of the P&amp;M acquired from the said loan.</p>		
<p>"The company has provided the following as collateral securities for the above loans and working capital facilities :</p>		
<p>(a) Equitable mortgage followed by registered memorandum on Factory Land &amp; Building situated at 540/P-2, Village Rakanpur Sola, Satej Road, Kalol in the name of the Company, (b) Plant &amp; Machinery and other Misc. Assets of the Company and (c) NA Land at Millage Ranchodpura in the name of Satya Prakash Infrastructure Pvt. Ltd. Further the loans are backed by the personal guarantee of Shri Nandlal Agrawal &amp; Shri Sanjay Agrawal along with corporate guarantee of Satya Prakash Infrastructure Pvt. Ltd."</p>		
<p>iv. The outstanding vehicle loans of Rs. 41.84 Lacs (including an amount of Rs. 32.36 Lacs classified under current maturity of long term borrowings) are secured against hypothecation of the respective vehicles. The total outstanding is expected to be repaid by October, 2015.</p>		

## LIPPI SYSTEMS LIMITED

4.DEFERRED TAX LIABILITIES (NET)			Amt. in Rs.
Particulars	2012-13	For the year	2013-14
Deferred Tax Liabilities (DTL)			
On Difference between book depreciation and Tax Depreciation	23,66,819	22,19,164	45,85,983
<b>TOTAL (DTL)</b>	<b>23,66,819</b>	<b>22,19,164</b>	<b>45,85,983</b>
Deferred Tax Assets (DTA)			
Disallowances u/s 43B (Gratuity Provision)	5,37,290	1,24,042	6,61,332
Unabsorbed Depreciation	-	8,90,731	8,90,731
<b>TOTAL (DTA)</b>	<b>5,37,290</b>	<b>10,14,773</b>	<b>15,52,063</b>
<b>DEFERRED TAX LIABILITIES (NET)</b>	<b>18,29,529</b>	<b>12,04,391</b>	<b>30,33,920</b>

5. LONG TERM PROVISIONS			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
Provision for employee benefits			
Provision for gratuity (refer note 23.1)	18,57,099	15,80,233	
<b>TOTAL</b>	<b>18,57,099</b>	<b>15,80,233</b>	

6. SHORT-TERM BORROWINGS			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
Secured Borrowings			
Cash Credit Facilities from Bank (refer note 6.1)	4,39,89,738	2,51,50,277	
<b>TOTAL</b>	<b>4,39,89,738</b>	<b>2,51,50,277</b>	

**6.1** The Cash Credit facilities have been secured against hypothecation of stocks and book debts of the company present and future & the entire current assets of the company. For collateral securities offered, refer point 3.1.

7. TRADE PAYABLES			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
Micro, Small and Medium Enterprises	5,63,095	5,12,119	
Others	6,43,38,697	1,63,93,139	
<b>TOTAL</b>	<b>6,49,01,792</b>	<b>1,69,05,258</b>	

## LIPPI SYSTEMS LIMITED

**7.1** The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under :

Amt. in Rs.		
Particulars	31.03.2014	31.03.2013
Principal amount due and remaining unpaid	5,63,095	5,12,119
Interest due on the above and the unpaid interest	-	-
Amount of Interest paid along with the amounts of payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the management. This has been relied upon by the auditors.

### 8. OTHER CURRENT LIABILITIES

Amt. in Rs.

Particulars	31.03.2014	31.03.2013
Current portion of long term debt (refer note 3.1)	91,76,028	26,72,807
Expenses Payable	21,84,927	12,11,599
Creditors for Capital Expenditure	2,88,095	-
Other payables (refer note 8.1)	11,25,780	6,50,545
<b>TOTAL</b>	<b>1,27,74,830</b>	<b>45,34,951</b>

**8.1** Other Payables include the statutory dues and advance from customers.

### 9. SHORT TERM PROVISIONS

Amt. in Rs.

Particulars	31.03.2014	31.03.2013
<b>Provision for employee benefits</b>		
Provision for Salary & Reimbursements	11,29,711	6,09,950
Provision for gratuity (refer note 23.1)	2,83,135	1,58,568
<b>Others</b>		
Provision for wealth tax	43,018	-
Provision for Income Tax	-	13,32,050
Provision for GTO	4,208	-
<b>TOTAL</b>	<b>14,60,072</b>	<b>2,1,00,568</b>

# LIPPI SYSTEMS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

### 10. FIXED ASSETS

Descriptions	Gross Block			Accumulated Depreciation			Net Block	
	As at 01.04.2013	Additions	Disposals	As at 31.03.2014	As at 01.04.2013	For the year	Adjustment 31.03.2014	As at 31.03.2013
<b>A. Tangible Assets</b>								
Land	1,612,430	-	-	1,612,430	-	-	-	1,612,430
Buildings	29,001,759	8,495,492	-	37,497,251	7,558,988	1,048,872	8,607,860	21,442,771
Plant and Machinery	146,077,984	25,985,836	1,439,000	170,624,820	144,295,289	7,554,175	151,062,375	1,782,695
Furniture and Fixtures	5,463,549	-	-	5,463,549	3,016,372	345,843	-	2,447,177
Vehicles	17,518,524	1,533,495	2,451,540	16,600,479	4,802,507	1,666,051	1,517,312	12,716,017
Electrical Installation	8,513,693	1,423,837	-	9,937,530	5,658,364	444,560	-	2,855,329
Office equipment	2,811,257	413,898	-	3,225,155	1,489,730	141,145	-	1,321,527
Computer	1,439,057	675,885	11,624	2,103,318	368,913	281,812	8,188	1,070,144
Windmill	15,600,000	40,025,731	-	55,625,731	9,714,920	1,644,203	-	5,885,080
<b>Total (A)</b>	<b>228,038,253</b>	<b>78,554,174</b>	<b>3,902,164</b>	<b>302,690,263</b>	<b>176,905,083</b>	<b>13,126,661</b>	<b>2,312,589</b>	<b>51,133,170</b>
<b>B. Intangible Assets</b>								
Computer software	26,215,018	851,092	-	27,066,110	11,314,061	1,260,147	-	14,900,957
<b>Total (B)</b>	<b>26,215,018</b>	<b>851,092</b>	<b>-</b>	<b>27,066,110</b>	<b>11,314,061</b>	<b>1,260,147</b>	<b>-</b>	<b>14,900,957</b>
<b>TOTAL (A + B)</b>	<b>254,253,271</b>	<b>79,405,266</b>	<b>3,902,164</b>	<b>329,756,373</b>	<b>188,219,144</b>	<b>14,386,808</b>	<b>2,312,589</b>	<b>66,034,127</b>
<b>Previous Year</b>	<b>242,842,868</b>	<b>12,739,073</b>	<b>1,328,670</b>	<b>254,253,271</b>	<b>176,256,937</b>	<b>12,425,073</b>	<b>462,866</b>	<b>66,585,931</b>



## LIPPI SYSTEMS LIMITED

11. NON-CURRENT INVESTMENTS			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
Investments in Unquoted Shares of Bank & other co. 2,50,000 (2,50,000) Equity Shares of Suryanagri Securities & Investment Ltd. @ Rs. 10 each fully paid up 20 (20) Shares of The Suvikas People Co-op Banks Ltd. @ Rs. 50 each fully paid up	25,00,000	25,00,000	
Investments in Mutual funds Bank of Baroda Pioneer Liquid fund (1,000 units @ Rs. 10 per unit)	-	1,000	
	10,000	10,000	
<b>TOTAL</b>	<b>25,10,000</b>	<b>25,11,000</b>	
12. LONG TERM LOANS AND ADVANCES			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
(Unsecured, considered good)			
Security Deposits	22,42,243	21,90,143	
Capital Advances	10,10,00,000	10,10,00,000	
MAT Credit Receivable (refer note 12.1)	7,12,707	-	
<b>TOTAL</b>	<b>10,39,54,950</b>	<b>10,31,90,143</b>	
<b>12.1 MAT CREDIT ENTITLEMENT:</b>			
Based on the assessment of the future taxable income, the Management is of the opinion that there is convincing evidence that the company will pay normal income tax within the specified period during which MAT credit is available for set off.			
13. INVENTORIES			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
Raw materials	1,85,47,884	5,48,293	
Finished goods	58,524	70,677	
Stores and spares	16,06,440	18,32,582	
Chemicals	4,27,388	4,74,412	
Packing Materials	64,000	74,418	
<b>TOTAL</b>	<b>2,07,04,236</b>	<b>30,00,382</b>	

# LIPPI SYSTEMS LIMITED

14. TRADE RECEIVABLES			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
Receivables outstanding for a period less than six months from the date they are due for payment			
Unsecured, considered good	8,41,56,938	3,45,80,857	
Receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good	96,03,215	1,95,75,783	
<b>TOTAL</b>	<b>9,37,60,153</b>	<b>5,41,56,640</b>	
15. CASH AND CASH EQUIVALENTS			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
<b>Cash and cash Equivalents</b>			
Balances with banks :			
- in current accounts	9,36,021	3,05,856	
- in deposits with original maturity less than three months	94,23,813	25,24,000	
Cheques / drafts on hand	-	-	
Cash on hand	27,336	29,641	
<b>Total (A)</b>	<b>1,03,87,170</b>	<b>28,59,497</b>	
<b>Other bank balances</b>			
- Deposits with original maturity of more than twelve months	-	-	
<b>Total (B)</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>1,03,87,170</b>	<b>28,59,497</b>	
16. SHORT-TERM LOANS AND ADVANCES			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
(Unsecured, considered good)			
Cenvat Credit Receivable	28,02,702	10,23,594	
Balance with Income Tax Authorities	9,08,880	1,061	
Loans and advances to other parties	33,96,397	1,51,85,544	
<b>Total</b>	<b>71,07,979</b>	<b>1,62,10,199</b>	
17. OTHER CURRENT ASSETS			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
Prepaid expenses	2,08,586	-	
Advance against capital goods	2,43,318	6,15,088	
<b>Total</b>	<b>4,51,904</b>	<b>6,15,088</b>	

## LIPPI SYSTEMS LIMITED

### 18. CONTINGENT LIABILITIES AND COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account (Net of Advances) is for Rs. 2,43,318 (Rs. 6,15,088)

### 19. REVENUE FROM OPERATIONS

Amt. in Rs.

Particulars	31.03.2014	31.03.2013
<b>Sale of Products</b>		
Sales (Including Total Excise)	9,27,66,626	8,18,22,641
Re Engraving Receipt	2,99,08,671	3,44,18,832
Export Sales	7,13,238	21,76,482
Trading Sales	17,17,28,899	2,90,99,703
<b>Total Revenue</b>	<b>29,51,17,434</b>	<b>14,75,17,658</b>
Less: Excise Duty	(1,11,89,598)	(92,59,362)
<b>TOTAL</b>	<b>28,39,27,836</b>	<b>13,82,58,296</b>

### 20. OTHER INCOME

Amt. in Rs.

Particulars	31.03.2014	31.03.2013
Interest Income	9,59,080	4,08,058
Income from Windmill	17,63,290	9,08,845
Bad debts Recovered	1,43,022	-
Gain on Foreign Exchange Fluctuation	1,13,917	-
Other Non-Operating Income	36,179	2,315
Dividend Income	90	90
<b>Total</b>	<b>30,15,578</b>	<b>13,19,308</b>

### 21. COST OF MATERIALS CONSUMED

Amt. in Rs.

Particulars	31.03.2014	31.03.2013
Inventory at the beginning of the year	5,48,293	11,46,650
Add: Purchases during the year	4,44,11,730	3,37,92,812
Less: Inventory at the end of the year	(1,85,47,884)	(5,48,293)
<b>Total</b>	<b>2,64,12,139</b>	<b>3,43,91,169</b>

### 22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Amt. in Rs.

Particulars	31.03.2014	31.03.2013
Opening stock of Finished / Traded Goods	70,677	82,030
Closing stock of Finished / Traded Goods	58,524	70,677
<b>TOTAL</b>	<b>12,153</b>	<b>11,353</b>

## LIPPI SYSTEMS LIMITED

23. EMPLOYEE BENEFIT EXPENSES			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
Salaries and Wages	1,21,63,820	89,39,618	
Contribution to Provident Fund and other funds	4,62,045	2,54,576	
Gratuity Expenses	4,80,760	3,08,949	
Staff Welfare Expenses	2,34,442	3,75,913	
<b>Total</b>	<b>1,33,41,067</b>	<b>98,79,056</b>	
<p><b>23.1</b> The company has made provision in the accounts for gratuity based on actuarial valuation. The particulars under the AS 15 (Revised) furnished below are those which are relevant and available to company for this year.</p> <p><b>A. Defined Contribution Plans</b> Contributions to Defined Contribution Plans, recognised as expense for the year, is as under :</p>			
Particulars	31.03.2014	31.03.2013	
Employer's Contribution to Provident Fund and Pension Fund	4,62,045	2,54,576	
<p><b>B. Defined Benefit Plans</b> Contributions to Defined Benefit Plan is as under :</p> <p><u>Change in defined benefit obligation</u></p>			
Particulars	31.03.2014	31.03.2013	Amt. in Rs.
Opening defined benefit obligation	17,38,801	14,29,852	
Service Cost	2,19,938	1,93,821	
Interest Cost	1,34,686	1,21,537	
Actuarial losses (gains)	1,26,136	(6,409)	
Benefits paid	(79,327)	-	
<b>Closing defined benefit obligation (I)</b>	<b>21,40,234</b>	<b>17,38,801</b>	
<u>Change in plan assets</u>			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
Opening fair value of plan assets	-	-	
Expected return on plan assets	-	-	
Contributions by employer	-	-	
Actuarial losses / (gains)	-	-	
Benefits paid	-	-	
<b>Closing fair value of plan assets (II)</b>	<b>-</b>	<b>-</b>	

# LIPPI SYSTEMS LIMITED

<b>Present value of unfunded obligations (I-II)</b>			<b>21,40,234</b>	<b>17,38,801</b>	
<b>Reconciliation of fair value of assets and obligations</b>			<b>31.03.2014</b>	<b>31.03.2013</b>	
Fair value of Plan assets			-	-	
Present value of obligation			21,40,234	17,38,801	
<b>Amount recognised in Balance Sheet</b>			<b>21,40,234</b>	<b>17,38,801</b>	
<b>The net amount recognised in the statement of Profit &amp; Loss for the year ended March 31, 2014</b>					
<b>Particulars</b>			<b>31.03.2014</b>	<b>31.03.2013</b>	
Current service cost			2,19,938	1,93,821	
Interest on obligation			1,34,686	1,21,537	
Expected return on plan assets			-	-	
Net actuarial losses (gains) recognised in the period			1,26,136	(6,409)	
<b>Total included in 'employee benefit expense'</b>			<b>4,80,760</b>	<b>3,08,949</b>	
<b>Disclosures as required under Para 120(n) of the Accounting Standard -15</b>					
<b>Grauity</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>
(a) Present value of the defined benefit obligation	21,40,234	17,38,801	14,29,851	12,47,458	9,19,513
Fair value of the plan assets	-	-	-	-	-
Surplus / (Deficit) in the plan	21,40,234	17,38,801	14,29,851	12,47,458	9,19,513
(b) Experience Adjustments					
On Plan Liabilities	3,35,338	(71,515)	(41,806)	(1,03,856)	-
On Plan Assets	-	-	-	-	-
<b>Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)</b>					
<b>Particulars</b>			<b>31.03.2014</b>	<b>31.03.2013</b>	
Discount Rate			9.10%	8.10%	
Expected rate of return on Plan Assets			-	-	
Annual increase in Salary costs			6.00%	6.00%	
Mortality			Indian Assured Lives Mortality (2006-08)Ult.	LIC (1994-96) published table	

12

## LIPPI SYSTEMS LIMITED

The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.

Current and non current classification is done based on actuarial valuation certificate.

### 24. FINANCE COSTS

Amt. in Rs.

Particulars	31.03.2014	31.03.2013
Interest Expense		
- Bank Interest	67,53,321	49,41,798
- on Income Tax	1,40,526	2,71,590
- Others	11,84,406	59,706
Other Borrowing Costs	14,80,381	3,11,876
Exchange Rate Difference	7,11,986	12,28,755
<b>Total</b>	<b>1,02,70,620</b>	<b>68,13,725</b>

### 25. OTHER EXPENSES

Amt. in Rs.

Particulars	31.03.2014	31.03.2013
<b>Manufacturing Expenses</b>		
Store and Hardware Consumed	1,25,46,621	93,51,178
Job Charges	2,58,910	2,01,568
Freight & Cartage	14,41,236	6,44,558
Packing Material Consumed	18,92,014	16,25,778
Processing and other expenses	24,36,380	7,69,529
Power & Fuel	99,17,501	89,42,002
Repairs to Machinery	13,40,302	10,87,434
<b>Advertisement and Selling Expenses</b>		
Advertisement Expense	83,052	62,622
Sales Promotion & Exhibition Expenses	5,69,956	2,52,568
<b>Others</b>		
Travelling & Conveyance	15,21,969	14,25,277
Postage & Telephone	7,00,107	8,24,102
Insurance	3,10,610	3,77,046
Rent, Rates & Taxes	26,84,500	6,68,000
Professional & Legal Expenses	9,15,393	6,69,954

## LIPPI SYSTEMS LIMITED

<b>25. OTHER EXPENSES</b>			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
Repairs & Maintenance - Buildings	78,316	95,922	
Repairs & Maintenance - Others	9,37,386	9,28,138	
Factory General Expenses	4,47,913	3,15,434	
Printing & Stationery Expenses	8,57,006	7,47,223	
Electricity Charges	3,82,581	4,20,569	
Auditors' Remuneration (refer note 25.1)	1,05,000	95,000	
Security Expenses	5,22,687	3,86,922	
Web & Internet Expenses	1,31,850	1,43,634	
Bank Charges	5,27,622	4,30,538	
Commission Charges	40,00,918	48,85,675	
CST/VAT Tax & Interest	12,73,132	12,52,230	
Interest on TDS	34,841	20,996	
Excise & Service tax	-	10,31,422	
Office Expenses	5,56,816	3,77,751	
Misc. Expenses	80,487	1,64,822	
Bad debts	-	18,99,703	
Claim & Vataw	7,46,522	7,09,169	
Donation	2,67,200	1,17,000	
Fabrication Charges	-	1,83,874	
Transmission charges	4,50,012	-	
Loss on sale of Fixed Assets	9,38,169	4,25,104	
<b>Total</b>	<b>4,89,57,009</b>	<b>4,15,32,742</b>	

<b>25.1 PAYMENT TO AUDITORS</b>			Amt. in Rs.
Particulars	31.03.2014	31.03.2013	
As Auditors	65,000	55,000	
For Taxation Matters	30,000	30,000	
For Other Services	10,000	10,000	
<b>Total</b>	<b>1,05,000</b>	<b>95,000</b>	

**26.** In the opinion of the management and to the best of their knowledge and belief, the value under the head of current and non-current assets (other than fixed assets and non-current investments) are approximately of the value stated, if realised in ordinary course of business, except unless stated otherwise. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.

## LIPPI SYSTEMS LIMITED

27. The company is organised into two main business segments, namely production of engraving cylinders and trading of copper and paper. The disclosures regarding the segment information is as follows

Amt. in Rs. lacs		
Particulars	31.03.2014	31.03.2013
<b>1. Segment Revenue (Net Revenue)</b>		
a. Manufacturing of Engraving Cylinder	1,121.99	1,091.59
b. Trading Business	1,717.29	290.99
<b>TOTAL</b>	<b>2,839.28</b>	<b>1,382.58</b>
<b>2. Segment Result</b>		
<b>Profit before tax and interest</b>		
a. Manufacturing of Engraving Cylinder	1,35.82	127.12
b. Trading Business	2.53	(0.23)
<b>3. Segment Liabilities</b>		
Less : Interest	102.70	65.76
<b>Total Liabilities</b>	<b>35.65</b>	<b>61.13</b>

### 28. RELATED PARTY DISCLOSURES :

#### 28.1

Amt. in Rs.		
RELATIONSHIP	2013-14	2012-13
1. Holding Company:	Nil	Nil
2. Subsidiary Company:	Nil	Nil
3. Key Managerial personnel & their relatives :	Shri Nandlal Agarwal (Managing Director) Shri Kunal N. Agarwal (Director) Shri Minesh C. Shah (Director) Mrs. Shashi Gupta (Relative of Director)	

#### 28.2 DIRECTORS REMUNERATION

Amt. in Rs.		
Particulars	31.03.2014	31.03.2013
Shri Nandlal Agarwal	3,60,000	3,60,000
Shri Kunal N. Agrawal	5,00,000	-
Shri Minesh C. Shah	8,45,000	7,20,000

#### 28.3

Amt. in Rs.		
Particulars	31.03.2014	31.03.2013
Rent paid to Mrs. Shashi Gupta	19,20,000	3,00,000



# LIPPI SYSTEMS LIMITED

29. EARNINGS PER SHARE (EPS)		Amt. in Rs.
Particulars	31.03.2014	31.03.2013
Net Profit for the year (in Rs.)	23,17,489	37,99,221
Weighted Average Number of shares outstanding during the year	70,00,000	70,00,000
Earning Per Share (in Rs.)	0.33	0.54
Nominal Value of Share (in Rs.)	10	10

30. VALUE OF IMPORTS ON CIF BASIS		Amt. in Rs.
Particulars	31.03.2014	31.03.2013
Paper Trading Import	3,10,52,519	-
Raw Material	18,38,079	-
Stores & Spares	-	38,75,413
Capital Goods	1,20,33,868	-

31. EXPENDITURE IN FOREIGN CURRENCY		Amt. in Rs.
Particulars	31.03.2014	31.03.2013
Bank Charges	5,621	41,244

32. There are no earnings in foreign currency in financial year 2013-14. (Previous year NIL)

32. The Previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation. further the figures have been rounded off to the nearest rupee.

As per our Report of even date

For and on behalf of the Board

For Ashok Dhariwal & Co.  
Chartered Accountants  
(Firm Reg. No.: 100648W)

(CA Ashok Dhariwal)  
Partner  
M.No.: 36452

Nandlal J. Agarwal  
(Chairman & M.D.)  
(DIN : 00336556)

Minesh C. Shah  
(Director)  
(DIN : 00045178)

Place : Ahmedabad  
Date : May 30,2014

Darshan B. Shah  
(Company Secretary)

17

## LIPPI SYSTEMS LIMITED

### Proxy Form

[Pursuant to section 105(6) of the Companies Act,2013 and Rule 19(3) of the Companies (Management and Administration) Rules,2014

CIN :- L22100GJ1993PLC020382  
Name of the company :- LIPPI SYSTEMS LIMITED  
Registered office :- 3rd Floor,Satya Complex, Opp. IOC Petrol Pump,  
Nr. Ashwamegh-IV Satellite, Ahmedabad - 380 015.

Name of the Member(s) :

Registered Address :

Email Id :

Folio No / Client Id :

DP Id :

I / we, being the member(s) of Equity Shares of the above named company, hereby appoint

1. Name :- ..... Address :.....

Email id :.....Signature:..... or failing him ;

2. Name :- ..... Address :.....

Email id :.....Signature:..... or failing him ;

3. Name :- ..... Address :.....

Email id :.....Signature:..... or failing him ;

as my / our proxy to attend and vote (on a poll) for me/us and on my /our behalf at the 21st Annual General Meeting of the Company, to be held on the 30th day of September ,2014 at 11.30 A.M. at registered office of the company Ahmedabad and at any adjournment thereof in respect of such resolutions as are indicated below :

## LIPPI SYSTEMS LIMITED

Resolution No.	Resolutions	Optional *	
Ordinary Business		For	Against
1.	Adoption of financial statements for the year ended 31st March,2014		
2.	Re-appointment of Mr. Sanjay C Agrawal (DIN: 00075210), who retires by rotation		1
3	Appointment of Ashok Dhariwal & Co. Chartered Accountants, as Auditors and fixing their remuneration.		
Special Business			
4	Regularise Mr. Kunal N Agrawal who is Additional Director		
5	Appointment of Mr. Kamlesh S Sharma as Independent Director		
6	Appointment of Mr. Tirthraj A Pandya as Independent Director		
7	Appointment of Mr. Mahendra S Patel as Independent Director		

Signed this..... day of .....2014

Signature of Shareholder.....

Signature of Proxy Holder.....

Affix  
Revenue  
Stamp not  
less than  
Re.0.15

### : Note :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the company, not less 48 hours before the commencement of the meeting.
2. For the resolutions, Explanatory statement and Notes, please refer to the notice of the 21st Annual General Meeting.
3. It is optional to put a "X" in the appropriate column against the resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

## **LIPPI SYSTEMS LIMITED**

CIN :- L22100GJ1993PLC020382

Registered office :- 3rd Floor, Satya Complex, Opp. IOC Petrol Pump, Nr. Ashvamegh –IV, 132 ft Ring Road, Satellite, Ahmedabad – 380 015

E-mail :- info@lippisystems.com web site :- www.lippisystems.com

21st Annual General Meeting Tuesday, 30th September, 2014 at 11:30 A.M

### **ATTENDANCE SLIP**

Folio / DP & Client ID No :

No. of Share held :

Name (s) and Registered Address of Member(s), including joint-holder, if any (in block letters) :

I/We, hereby record my/our presence at the 21st Annual General Meeting of the Company held on Tuesday, 30th September, 2014 at 11:30 A.M at 3rd Floor, Satya Complex, Opp. IOC Petrol Pump, Nr. Ashvamegh –IV, 132 ft Ring Road, Satellite, Ahmedabad – 380 015

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

#### **Notes :**

1. Please fill the name, sign this Attendance Slip and hand it over at the entrance of the Meeting Hall.
2. Members holding shares in physical form are requested to notify the change in their address, if any, to the Company at its Registered Office, quoting their Folio Number(s). Members holding shares in electronic form may update such details with their respective Depository Participant(s).
3. Members are requested to bring this slip along with them as duplicate slips will not be issued at the venue of the Meeting.

**BOOK-POST**

**To,**

If undelivered please return to

**LIPPI SYSTEMS LIMITED**

**Regd Office : 3rd Floor, Satya Complex, Opp. I O C Petrol Pump,  
132ft Ring Road, Satellite, Ahmedabad - 380 015.**