

# **LORENZINI APPARELS LIMITED**

**ELEVENTH ANNUAL REPORT**

**2017 -2018**

## **Company Information**

### **BOARD OF DIRECTORS**

MR. SANDEEP JAIN : MANAGING DIRECTOR  
MRS. DEEPIKA JAIN : WHOLE TIME DIRECTOR & CFO  
MR. PARDEEP SINGH : INDEPENDENT DIRECTOR  
MR. RAJIT SEHGAL : DIRECTOR  
MR. MOHINDER RUSTAGI : INDEPENDENT DIRECTOR

**CHIEF FINANCIAL OFFICER** : MRS. DEEPIKA JAIN

---

**STATUTORY AUDITORS** : **MITTAL & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
MUMBAI

---

**BANKERS** : SYNDICATE BANK, AXIS BANK,  
ICICI BANK & IDBI BANK

**SHARES LISTED WITH** : BSE SME

---

**REGISTERED OFFICE:** TA 168 & 187 Ground Floor, Gali No. 2,  
Tuglakabad Extn New Delhi New Delhi  
110019

---

**WEBSITE** : [www.mymonteil.com](http://www.mymonteil.com)  
**EMAIL** : [lorenzini\\_apparels@yahoo.co.in](mailto:lorenzini_apparels@yahoo.co.in)

**CONTACT NO.** : 011-40504731  
**REGISTRAR & TRANSFER AGENT** : Skyline Financial Services Private Limited D-  
153, 1<sup>st</sup> Floor, Okhla, Industrial Area, Phase-1,  
New Delhi-110020.

## **CONTENTS**

<b>NOTICE</b>	<b>4-12</b>
<b>DIRECTORS REPORT</b>	<b>13-20</b>
<b>ANNEXURES TO DIRECTORS REPORT</b>	<b>21-27</b>
<b>INDEPENDENT AUDITORS REPORT</b>	<b>28-34</b>
<b>BALANCE SHEET</b>	<b>35-36</b>
<b>PROFIT &amp; LOSS ACCOUNT</b>	<b>37</b>
<b>CASH FLOW STATEMENT</b>	<b>38-39</b>
<b>SCHEDULES FORMING PART OF THE BALANCE SHEET &amp; PROFIT &amp; LOSS ACCOUNT</b>	<b>40-53</b>
<b>ATTENDANCE SLIP</b>	<b>54</b>
<b>PROXY FORM</b>	<b>55-56</b>
<b>BALLOT FORM</b>	<b>57</b>
<b>MAP FOR AGM</b>	<b>58</b>

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE ELEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF LORENZINI APPARELS LIMITED WILL BE HELD ON THURSDAY , 16<sup>TH</sup> DAY OF AUGUST, 2018 AT 10:30 A.M. AT C- 64, OKHLA INDUSTRIAL AREA, PHASE- I, NEW DELHI- 110020 TO TRANSACT THE FOLLOWING BUSINESS:**

---

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2018 together with the Reports of Board of Directors and Auditors thereon.
2. To consider appointment of a Director in place of Mrs. Deepika Jain (DIN - 02365797), who retires by rotation, offers herself for re-appointment 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 Section 152 of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded for the reappointment of Mrs. Deepika Jain, as Director of the Company, liable to retire by rotation.”

### **SPECIAL BUSINESS:**

3. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution to ratify the appointment of M/s Mittal & Associates, Chartered Accountants (FRN No. 106456W) as the Statutory Auditor of the Company, to fill the Casual Vacancy.

**“RESOLVED THAT** subject to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s Mittal & Associates (Registration No.106456W) Chartered Accountants, be and are hereby appointed as Statutory Auditors of the company, to fill the casual vacancy caused by the resignation of M/s. S C Verma & Associates, Chartered Accountants;

**RESOLVED FURTHER THAT** M/s Mittal & Associates, Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold the office from May 17, 2018, until the conclusion of the 11<sup>th</sup> Annual General Meeting of the Company to be held in the year 2018, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.”

4. To consider and, if thought fit, to pass with or without modification (s) the following resolutions as an Ordinary Resolution for the appointment of M/s Mittal & Associates, Chartered Accountants (FRN No. 106456W) as the Statutory Auditor of the Company.

**RESOLVED THAT** subject to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s. Mittal & Associates, Chartered Accountants (FRN No. 106456W), be and are hereby appointed as the Statutory Auditor of the Company, to hold the office from the conclusion of 11<sup>th</sup> Annual General Meeting, for a single tenure of 5 (five) years, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company;

**RESOLVED FURTHER THAT** any of the Director or Company Secretary of the Company, be and are hereby authorized to do all such act, deeds and things, as may be deemed necessary and is also

empowered to file necessary e – forms with the concerned Registrar of Companies, to give effect to the  
aforementioned resolution.”

**For and on behalf of the Board  
Lorenzini Apparels Limited**

**Date: 16/07/2018  
Place: New Delhi**

**Sd/-  
Sandeep Jain  
Managing Director  
DIN: 02365790**

**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/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXY FORM IN MGT-11 DULY FILLED UP AND EXECUTED MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING. PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013, A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING AND HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. 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 MEMBER. THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ANNEXED TO THIS REPORT. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.
3. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or Depository Participant(s). Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
4. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip at the Registration Counter at the AGM.
5. A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. The Register of Members and Share Transfer Books shall remain closed from 11<sup>th</sup> August, 2018 to 16<sup>th</sup> August, 2018 (both days inclusive).
7. Members desiring any further information on the business to be transacted at the meeting should write to the company at least 15 days before the date of the meeting so as to enable the management to keep the information, as far as possible, ready at the meeting.
8. Members are requested to notify the company their change of address, if any, to registered office of the Company.
9. Members are requested to bring their attendance slip and copy of the Annual Report with them at the Annual General Meeting.
10. All correspondence relating to shares may be addressed to the registered office of the company.

11. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
12. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
13. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
14. Members may kindly note that no 'Gifts' will be distributed at the Annual General Meeting.
15. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their vote electronically through the electronic voting service facility arranged by Central Depository Services Limited (CDSL). Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again. Instructions and other information relating to e-voting are given in this Notice under Note No. 25.
16. Members desiring any information/clarification on the Accounts are requested to write to the Company in advance at least seven (7) days before the meeting so as to keep the information ready at the time of Annual General Meeting.
17. As per provisions of the Companies Act, 2013 facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registered Office of the Company.
18. The Route map and landmark venue of the AGM is enclosed.
19. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
20. Members are requested to address all the correspondence to the Registrar and Share Transfer Agents, Skyline Financial Services Private Limited having registered office at D-153, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-1, New Delhi-110020.
21. The Annual Report 2017-18, the Notice of the Eleventh AGM and instructions for e-voting, along with the Attendance slip and Proxy form, are being sent by electronic mode to all the members whose email addresses are registered with the Company / Depository Participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
22. Members may also note that the Notice of the Eleventh AGM and the Annual Report 2017-18 will be available on the Company's website, [www.mymonteil.com](http://www.mymonteil.com). The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on

working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: -[lorenziniapparels@yahoo.co.in](mailto:lorenziniapparels@yahoo.co.in)

23. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment / re-appointment at the AGM, is mentioned in the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules there under.

24. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, i.e. Skyline Financial Services Private Limited having registered office at D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020.

**25. Voting Through Electronic Means:**

a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

b) The facility for voting through electronic voting system ('Insta Poll') shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through 'Insta Poll'.

c) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

d) The Company shall also provide facility for voting through ballot form/polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.

e) The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).

f) The Board of Directors of the Company has appointed Mr. Vikas Verma & Associates, Company Secretaries, New Delhi as Scrutinizer to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.

g) The cut-off date for the purpose of voting (including remote e-voting) is 10<sup>th</sup> August, 2018.

h) Remote e-voting facility will be available during the following period:

Commencement of remote e-voting	Monday, 13 <sup>th</sup> August, 2018, 9:00 A.M.
---------------------------------	--



End of remote e-voting	Wednesday, 15 <sup>th</sup> August, 2018, 5:00 P.M.
------------------------	---

Please note that remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled upon expiry of aforesaid period.

- i) The Scrutinizer, after scrutinizing the votes cast at the meeting (Insta Poll) and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.mymonteil.com](http://www.mymonteil.com). The results shall simultaneously be communicated to the Stock Exchanges.
26. The shareholder needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license to enter the AGM hall.

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

- (i) The voting period begins on Monday, 13<sup>th</sup> August, 2018 at 09:00 A.M. and ends on Wednesday, 15<sup>th</sup> August, 2018 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 10<sup>th</sup> August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>

Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>
--	--

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. Lorenzini Apparels Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## Item No. 2

### Details of Director Seeking Appointment/ Re-appointment at the Annual General Meeting

Name of the Director	Deepika Jain
Director Identification Number (DIN)	02365797
Date of Birth	29/08/1981
Nationality	Indian
Date of Appointment on Board	09/05/2007
Qualification	M. Com
Shareholding in Advitiya Trade India Limited	6,09,505
List of Directorships held in other Companies (excluding Alternate Directorship and Section 8 Companies)	None
Memberships of Audit and Stakeholders' Relationship Committees across Public Companies	1
Experience	Eight Year Experience in the accounts & finance, retails & quality check
Remuneration paid or sought to be paid	6.00 Lacs
Relationship with other Directors/KMP	Wife of Mr. Sandeep Jain (i.e. Managing Director of the Co.)
No. of meetings attended during the year	13

**For and on behalf of the Board  
Lorenzini Apparels Limited**

**Date: 16/07/2018  
Place: New Delhi**

**Sd/-  
Sandeep Jain  
Managing Director  
DIN: 02365790**

**EXPLANATORY STATEMENT U/S 102 OF THE COMPANIES ACT, 2013:**

The following explanatory statement sets out all material facts relating to the Special Business(es) set out in the accompanying notice of the Eleventh Annual General Meeting of the Members of Lorenzini Apparels Limited to be held on Thursday, 16<sup>th</sup> day of August, 2018 at 10:30 A.M. at C-64, Okhla Industrial, Industrial Area, Phase I, New Delhi- 110020

**Item No. 3 & 4:**

M/s S C Verma & Associates, Chartered Accountants (FRN No. 004180N ) vide their resignation letter dated 12<sup>th</sup> May, 2018 had shown their inability to continue to act as the Statutory Auditor of the Company and as a result of which a casual vacancy was created in the said office.

In order to fill up such casual vacancy, the Board in their meeting held on 17<sup>th</sup> May, 2018 had appointed M/s Mittal & Associates, Chartered Accountants, to conduct the audit for the period 2017 – 2018.

Pursuant to the provisions of Section 139(8) of the Companies Act, 2013, the members need to approve the appointment of M/s Mittal & Associates, Chartered Accountants, in the General Meeting of the Company within 3 (three) months from the date of appointment by the Board.

Hence, the Board has proposed their appointment for the approval of the members in item number 3 of the notice.

Further, the Board has proposed their appointment in item number 4 of the notice, for a period of 5 (five) years.

The board of directors has proposed the two resolutions for your approval.

None of the directors and key managerial personnel is interested in these resolutions.

**For and on behalf of the Board  
Lorenzini Apparels Limited**

**Date: 16/07/2018  
Place: New Delhi**

**Sd/-  
Sandeep Jain  
Managing Director  
DIN: 02365790**

**DIRECTOR'S REPORT**

Dear Members,  
**Lorenzini Apparels Limited**

Your Directors have pleasure in presenting the First Annual Report on the business and operations of the Company along with Audited Financial Statements for the financial year 2017-18.

**1. FINANCIAL RESULTS:**

<b>Particular</b>	<b>As on 31<sup>st</sup> March, 2018</b>	<b>As on 31<sup>st</sup> March, 2017</b>
Sales	23,82,02,652.00	16,43,63,715.00
Other Income	35,397.00	1,25,098.00
<b>Total Income</b>	<b>23,82,38,049.00</b>	<b>16,44,88,813.00-</b>
Total Expenses	23,24,54,196.00	16,11,94,449.00
<b>Profit Before Tax</b>	<b>57,83,853.00</b>	<b>32,94,364.00</b>
Less: Income Tax –Current Year	14,89,342.00	12,83,406.00
Less: Deferred Tax	(59,761.00)	(1,03,839.00)
<b>Profit/(Loss) after tax</b>	<b>43,54,272.00</b>	<b>21,14,797.00</b>

**2. RESULTS OF OPERATIONS & STATE OF COMPANY'S AFFAIRS**

This was the eleventh financial year of the Company. The Company has performed modestly in present year despite challenging economic conditions. Nevertheless, your Directors are optimistic about the future and expect the business to perform well for the forthcoming year. Your Directors are relentlessly striving for the betterment of the business.

**3. CHANGE IN THE NATURE OF BUSINESS**

There were no Changes in the Nature of Business of the Company during the Financial Year.

**4. SHARE CAPITAL**

The Authorized Share Capital of the Company is Rs. 10,20,00,000/- divided into 1,02,00,000 Equity Shares of Rs. 10/- each. During the year under review, the Company has issued 78,56,066 equity shares of Rs. 10 each.. On March 31, 2018, the paid-up capital stood at Rs. 10,13,89,160/- divided into 1,01,38,916 Equity Shares of Rs. 10/- each.

**5. DIVIDEND**

The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2018. Since the Board have considered it financially prudent in the long-terms interest of the company to re-invest the profits into the business of the company to build a strong reserve base and grow the business of the company.

**6. TRANSFER TO RESERVES**

During the period, the company has not transferred any profit into the General Reserve of the Company.

**7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**8. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT**

There have been no material changes and commitments were recorded during the financial year which materially affects the financial position of the Company till the date of this report.

**9. DEPOSIT**

The company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet for the FY 2017-18.

**10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE U/S 186 OF THE COMPANIES ACT, 2013**

The particulars of loans, guarantees and investments have been disclosed in the financial statements which also form part of this report.

**11. CORPORATE SOCIAL RESPONSIBILITY**

The company has not developed and implemented any Corporate Social Responsibility Initiatives as provisions of section 135(1) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 since the aforesaid provisions are not applicable.

**12. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as prescribed under Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 are annexed herewith at "**Annexure No. I**"

**13. INTERNAL FINANCIAL CONTROL SYSTEM**

According to Section 134(5) (e) of the Companies Act, 2013, the term financial control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of business,

including adherence to the company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The company has a well-placed, proper and adequate Internal Financial Control System which ensures that all the assets are safeguarded and protected and the transactions are authorized, recorded and reported correctly.

To further strengthen the internal control process, the company has developed the very comprehensive compliance management tool to drill down the responsibility of the compliance from top management to executive.

#### **14. CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONNAL**

<b>Sl. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Effective Date</b>	<b>Nature of Change</b>
1	Rajit Sehgal	05281112	26/06/2017	Appointment
2	Sanchit Jaiswal- Company Secretary	NA	26/06/2017	Appointment
3	Laveena Jain- Company Secretary	NA	22/09/2017	Appointment

Mr. Sanchit Jaiswal- Company Secretary & KMP resigned on 26.06.2017

Ms. Laveena Jain- Company Secretary & KMP resigned on 06.04.2018.

Mrs. Deepika Jain (DIN-02365797) Director liable to be retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

#### **15. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company has in place a Nomination & Remuneration Committee in accordance with the requirements of the Companies Act, 2013 read with the rules made there under and Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Committee has formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the key managerial personnel and other employees, composition and the criteria for determining qualifications, positive attributes and independence of a Director. The Nomination and Remuneration committee comprises of Mr. Mohinder Rustagi (Chairman), Mr. Pardeep Singh (Member) and Mr. Rajit Sehgal (Member).

During the year, there was no meeting held as there was no appointment.

Nomination & Remuneration Policy is uploaded on website of the Company i.e. [www.mymonteil.com](http://www.mymonteil.com)

#### **16. INDEPENDENT DIRECTOR'S DECLARATION**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, confirming that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

## **17. BOARD EVALUATION**

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“SEBI Listing Regulations”).

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

It includes circulation of questionnaires to all Directors for evaluation of the Board and its Committees, Board composition and its structure, its culture, its effectiveness, its functioning, information availability, etc. These questionnaires also cover specific criteria and the grounds on which all Directors in their individual capacity will be evaluated.

The board and the nomination and remuneration committee reviewed the individual Directors' responses on the questionnaire regarding the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## **18. NUMBER OF MEETINGS OF THE BOARD**

During the year the Board met 13 (Thirteen) times to deliberate on various matters. The Meetings were held as on 03/05/2017, 15/05/2017, 06/06/2017, 16/06/2017, 26/06/2017, 01/07/2017, 19/07/2017, 06/08/2017, 25/08/2017, 31/08/2017, 11/10/2017, 16,10,2017, 16/01/2018. The maximum interval between any two meetings did not exceed 120 days.

<b>S. No</b>	<b>Name of the Director</b>	<b>No of board Meetings held during the year during his/her tenure as director</b>	<b>No. of Meetings attended during the year</b>
1	Sandeep Jain	13	13
2	Deepika Jain	13	13
3	Pardeep Singh	13	13
4	Rajit Sehgal	9	9
5.	Mohinder Rustagi	13	13



## **19. AUDIT COMMITTEE**

As per the provision of section 177 of the Companies Act, 2013 the constitution of Audit Committee is to monitor and provide effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity, and quality of Financial Reporting. The Audit committee comprises of:

<b>Serial No.</b>	<b>Name of Member</b>	<b>DIN</b>	<b>Position</b>
1	Mohinder Rustagi	07762470	Non-Executive Independent Director
2	Sandeep Jain	02365790	Managing Director
3	Pardeep Singh	03065859	Non-Executive Independent Director

During the period under review, there was one (1) meeting held of Audit Committee on 06/08/2017.

## **20. STAKEHOLDERS RELATIONSHIP COMMITTEE**

As per the provision of section 178 of the Companies Act, 2013 the constitution of Stakeholders Relationship Committee is as follow:

<b>Serial No.</b>	<b>Name of Member</b>	<b>DIN</b>	<b>Position</b>
1	Mr. Mohinder Rustagi	07762470	Non-Executive Independent
2	Mr. Sandeep Jain	02365790	Managing Director
3	Mrs. Deepika Jain	02365797	Whole Time Director & CFO

During the year under review, no meeting was held for Stakeholders Relationship Committee.

## **21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

Particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rules, 2014 in prescribed Form AOC-2 is annexed herewith at "**Annexure II**".

## **22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The company does not have any Subsidiary, Joint Venture or Associate Company; hence provisions of section 129(3) of the Companies Act, 2013 relating to preparation of consolidated financial statements are not applicable.

**23. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

As per the provisions of Companies Act, 2013, every Listed Company shall establish a vigil mechanism (similar to Whistle Blower mechanism). In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a vigil mechanism/ whistle blower policy for directors and employees to report genuine concerns has been established and approved by Board.

**24. PARTICULARS OF EMPLOYEES U/S 197(12) OF THE COMPANIES ACT, 2013**

The Provision of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, regarding statement of particulars of employees is not applicable on the Company.

**25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.**

There were no significant order was passed by any regulatory authority or court or tribunal.

**26. DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED U/S 134(3) (c):**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that: -

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis.
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively
- (f) the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**27. AUDITORS**

**STATUTORY AUDITOR**

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, **M/s Mittal & Associates, Chartered Accountants**, were appointed as statutory auditors of the Company on 17<sup>th</sup> May 2018 to fill the casual vacancy caused by the resignation of M/s S C Verma & Associates.

The notes on accounts referred to in the auditors' report are self-explanatory and therefore don't call for any further comments by the Board of directors.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification or explanation.

### **SECRETARIAL AUDITOR**

In terms of Section 204 of the Act and Rules made there under, Vikas Verma & Associates, Practicing Company Secretaries were appointed as Secretarial Auditors for the financial year 2017-18. The Secretarial Audit Report for the financial year ended on March 31, 2018 is annexed herewith marked as "**Annexure-III**" to this Report.

There are no qualifications or adverse remarks in the Secretarial Auditors' Report which require any clarification or explanation.

### **28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As per SEBI Listing Regulations, Management Discussion and Analysis are attached, which form part of this report annexed herewith at **Annexure No. IV**.

### **29. RISK MANAGEMENT**

During the year, The Board had developed and implemented an appropriate risk management policy for identifying the element of risk which, in the opinion of the Board may threaten the existence of the company and safeguarding the company against those risks.

### **30. CODE OF CONDUCT AND ETHICS**

The Board of directors of the Company has adopted a Code of Conduct and Ethics for the Directors and Senior Executives of the Company. The object of the Code is to conduct the company's business ethically and with responsibility, integrity, fairness, transparency and honesty. The Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and with the environment in which the Company operates.

### **31. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your Company has a policy and framework for employees to report sexual harassment cases at workplace and the process ensures complete anonymity and confidentiality of information. No complaints of sexual harassment were raised in the financial year 2017-18.

### **32. ANNUAL RETURN**

As per the provisions of section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Annual Return in Form **MGT -7** is available at the website of the Company i.e. [www.mymonteil.com](http://www.mymonteil.com).

Following policies are also available at [www.mymonteil.com](http://www.mymonteil.com):

1. Code of Conduct for Insider Trading.
2. Code of Ethics for Board Members and Senior Managers.
3. Policy on materiality of related party transactions
4. Policy for Identification of Group Company.
5. Policy for determination of material Litigation.
6. Policy For determination of outstanding dues to creditors.
7. Policy for preservation of documents.
8. Sexual Harassment Policy.
9. Whistle Blower Policy.
10. Policy for Determination of Materiality of Events.

### **33. LISTING WITH STOCK EXCHANGES**

At present the equity shares of the Company are listed on the BSE SME Platform of Bombay Stock Exchange. The Company confirmed it has paid Annual Listing Fees due to the Bombay Stock Exchange for the year 2018-19.

### **34. ACKNOWLEDGEMENT**

The directors thank the Company's employees, customers, vendors, investors and academic institutions for their continuous support.

The directors also thank the Government of India and concerned government departments / agencies for their co-operation.

**For & on behalf of  
Lorenzini Apparels Limited**

**Date: 16/07/2018  
Place: Delhi**

**Sd/-  
Sandeep Jain  
Managing Director  
DIN:02365790**

**Sd/-  
Deepika Jain  
Whole Time Director  
DIN:02365797**

# ANNEXURES TO DIRECTOR'S REPORT

## Annexure-I

### CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The particulars as per the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption are as under:

#### (A) CONSERVATION OF ENERGY

Steps taken or impact on conservation of energy	N.A.
The steps taken by the company for utilizing alternate sources of energy	
The capital investment on energy conservation equipment's	

#### (B) TECHNOLOGY ABSORPTION

1. **Efforts made towards technology absorption: N.A.**
2. **Benefits derived like product improvement, cost reduction, product development or import substitution: N.A.**
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

Detail of technology imported	N.A.
Year of Import	
Has technology been fully absorbed	
If not fully absorbed, areas, where this has not taken place, reasons there for and future plans of action.	

#### 4. **Expenses incurred on Research and Development**

During the period under review particulars regarding expenditures on research and development are as under:

<b>Particulars</b>	N.A.
Capital Expenditures	
Recurring Expenditures	
<b>Total</b>	
<b>Total Research and development expenses as % of turnover</b>	

For & on behalf of  
Lorenzini Apparels Limited

Date: 16/07/2018  
Place: Delhi

Sd/-  
Sandeep Jain  
Managing Director  
DIN:02365790

Sd/-  
Deepika Jain  
Whole Time Director  
DIN:02365797

**FORM NO. AOC- 2**

*(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

**Details of contracts or arrangements or transactions not at arm's length basis:** The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2017-18.

**Details of material contracts or arrangement or transactions at arm's length basis:** The Company has not entered into any contract or arrangement or transaction with its related parties which is at arm's length during financial year 2017-18.

**For & on behalf of  
Lorenzini Apparels Limited**

**Date: 16/07/2018  
Place: Delhi**

**Sd/-  
Sandeep Jain  
Managing Director  
DIN:02365790**

**Sd/-  
Deepika Jain  
Whole Time Director  
DIN:02365797**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 2018**

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

To,  
The Members,

**Lorenzini Apparels Limited**

CIN: - L17120DL2007PLC163192

ADDRESS: -TA 168 & 187 Ground Floor,  
Gali No. 2, Tuglakabad Extn New Delhi 110019

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LORENZINI APPARELS LIMITED** (hereinafter called the '**Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **LORENZINI APPARELS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **LORENZINI APPARELS LIMITED** for the financial year ended on 31<sup>st</sup> March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

Secretarial Standards issued by The Institute of Company Secretaries of India.

The Listing Agreements/Regulations entered into by the Company with Stock Exchange(s).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above without any reservation.

We further report the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions of the Board were unanimous and the same are captured and recorded as part of the minutes.

We further report that there is scope to improve the systems and processes in the company and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



I further report that during the period there were no specific instances / events pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

**Thanking you,**

**For M/s. Vikas Verma & Associates  
(Practicing Company Secretary)**

**Vikas Kumar Verma  
Membership No.9192  
CP No. 10786**

**Date: 14.07.2018  
Place: Delhi**

**MANAGEMENT DISCUSSION AND ANALYSIS**

**1. Industry structure and developments**

Indian economy is going through a period of rapid 'financial liberalisation'. Today, the 'intermediation' is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products.

Over the years, our company has built a strong presence in the market through its cumulative experience, strong distribution network as well as sound systems and processes.

**2. Opportunities and threats**

Being a manufacturing company, our company is exposed to specific risks that are particular to its business and the environment within which it operates including interest rate volatility, economic cycle, and market risk.

**3. Segment-wise or product-wise performance**

During the year under review, since company is being working in a single segment therefore the specific performance does not stand eligible.

**4. Outlook**

The presence of a stable government at the centre will be a major catalyst in taking major decisions which would push forward the pace of reforms and thereby directly improving the macro-economic environment. It is now being forecasted that in the near future, the Indian economy will become the fastest growing emerging market.

The Government is looking at easing investment conditions in India and focusing on project clearances. Also, 2018 is expected to see a rush of foreign direct investments (FDI) coming into India supported by FII inflows, thanks to liberalising the defence, insurance and construction sectors. It is expected that Government's major structural/economic liberalization policies will be reflected in 2018 Union Finance Budget and the same is expected to further boost the industry sentiments.

Looking at the Indian economy the company has plans to diversify its business in future.

**5. Risks and areas of concern**

Our strength is our determination and team work, weakness is the low equity base, opportunities are multiples and threats are the vibrations in the economy and government policies.

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavor is to maximize returns. The Company continues to take all steps necessary to minimize its expenses through detailed studies and interaction with experts.

## **6. Internal control systems and their adequacy**

The Company has carried out the internal audit in-house and has ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transaction are appropriately authorised, recorded and reported. Exercises for safeguarding assets and protection against unauthorised use are undertaken from time to time. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective. All these measures are continuously reviewed by the management and as and when necessary improvements are affected.

## **7. Discussion on financial performance with respect to operational performance**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Further, the financial performance during the year under reference has been impressive in terms of sales. Even though there has been a decent increase in the turnover, the volume of profits has also increased as compared to last year.

## **8. Material developments in human resources/industrial relations front, including number of people employed.**

The company had sufficient numbers of employees at its administrative office. The company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The company enjoyed excellent relationship with workers and staff during the last year.

## **9. Cautionary Statement**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

**For & on behalf of  
Lorenzini Apparels Limited**

**Date: 16/07/2018  
Place: Delhi**

**Sd/-  
Sandeep Jain  
Managing Director  
DIN:02365790**

**Sd/-  
Deepika Jain  
Whole Time Director  
DIN:02365797**

## Independent Auditor's Report

To the Members of  
LORENZINI APPARELS LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of **LORENZINI APPARELS LIMITED** (“**the Company**”) which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements

## 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, of the state of affairs of the Company as at March 31, 2018, and its Profit/Loss and its Cash Flow for the year ended on that date.

## Other Matter

The financial statements of the Company for the year ended March 31, 2017, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 6<sup>th</sup> June, 2017.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it 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 aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Mittal & Associates**

Chartered Accountants

FRN.: 106456W

**Hemant Bohra**

Partner

Membership Number: 165667

Place: Mumbai

Date: 28<sup>th</sup> May 2018

## “Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

- 1)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - (c) The title deeds of immovable properties are held in the name of the company.
- 2)
  - (a) The management has conducted the physical verification of inventory at reasonable intervals.
  - (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7)
  - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, GST and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
  - (b) According to the information and explanation given to us, there are no dues of sales tax, service tax, duty of customs, duty of excise, value added tax, GST outstanding on account of any dispute except Income Tax are outstanding on account of dispute

Name of Statute	Nature of the dues	Due Amount (Rs.)	period to which the due relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	225117	2009-10	ASSESSING OFFICER
Income Tax Act, 1961	Income Tax	496	2012-13	ASSESSING OFFICER
Income Tax Act, 1961	Income Tax	91730	2013-14	ASSESSING OFFICER
Income Tax Act, 1961	Income Tax	4630	2017-18	CPC

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) The company has raised money by way of initial public offer. In our opinion and according to the information and explanations given to us, the amount raised through IPO has been applied for the purposes for which they were raised.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Mittal & Associates**

Chartered Accountants  
FRN.: 106456W

**Sd/-**

**Hemant Bohra**

Partner

Membership Number: 165667

Place of Signature: Mumbai

Date: 28<sup>th</sup> May 2018



“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of  
LORENZINI APPARELS LIMITED

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

We have audited the internal financial controls over financial reporting of LORENZINI APPARELS LIMITED (“the Company”) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **For Mittal & Associates**

Chartered Accountants  
FRN. 106456W

Sd/-

**Hemant Bohra**

Partner

Membership Number: 165667

Place: Mumbai

Date: 28<sup>th</sup> May 2018

**LORENZINI APPARELS LIMITED**  
**TA 168 & 187, Ground Floor, Gali No.2, Tuglakabad Extn, New Delhi-110019**  
**Balance Sheet as at 31/03/2018**

		Note No.	As at 31 March, 2018	As at 31 March, 2017
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2	101,389,160	22,828,500
	(b) Reserves and surplus	3	5,892,947	8,575,909
			<b>107,282,107</b>	<b>31,404,409</b>
<b>2</b>	<b>Share application money pending allotment</b>			-
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	4	6,904,481	8,164,697
	(c) Other long-term liabilities	5	14,504,209	10,600,000
			<b>21,408,690</b>	<b>18,764,697</b>
<b>4</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	6	1,076,333	12,192,417
	(b) Trade payables	7	42,091,414	34,242,523
	(c) Other current liabilities	8	6,069,818	3,237,578
	(d) Short-term provisions	9	1,740,677	1,163,377
			<b>50,978,242</b>	<b>50,835,895</b>
	<b>TOTAL</b>		<b>179,669,039</b>	<b>101,005,001</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	10	17,235,126	18,808,688
	(ii) Intangible assets		-	3,095
	(b) Deferred tax assets (net)	11	1,202,019	1,142,258
	(c) Long-term loans and advances	12	4,004,443	2,425,294
			<b>22,441,588</b>	<b>22,379,335</b>
	<b>Current assets</b>			
	(a) Current investments		-	-
	(b) Inventories	13	120,146,655	49,351,876
	(c) Trade receivables	14	24,464,896	27,561,656
	(d) Cash and cash equivalents	15	9,159,420	1,228,405
	(e) Short-term loans and advances	16	3,215,570	183,629
	(f) Other current assets	17	240,909	300,100
			<b>157,227,451</b>	<b>78,625,666</b>
	<b>TOTAL</b>		<b>179,669,039</b>	<b>101,005,001</b>

**Significant Accounting Policies**  
**Notes forming part of this Balance Sheet**  
As per our report of even date

1 to 28

**For Mittal & Associates**  
**Chartered Accountants**  
FRN:- 106456W

**For and on behalf of the Board of Directors**

**Sd/-**

**Sd/-**

**Sandeep Jain**  
**Managing**  
**Director**

**Deepika Jain**  
**Whole Time Director & CFO**

**Hemant Bohra**  
**Partner**  
**M.No.- 165667**  
Place : Mumbai  
Date : 28/05/2018

Place : Mumbai  
Date : 28/05/2018

**LORENZINI APPARELS LIMITED**

TA 168 & 187, Ground Floor, Gali No.2, Tuglakabad Extn, New Delhi-110019

**Statement of Profit and Loss for the year ended on 31/03/2018**

	<b>Particulars</b>	<b>Note No.</b>	<b>For the year ended 31/03/2018</b>	<b>For the year ended 31 March, 2017</b>
<b>1</b>	Revenue from operations (gross)	18	238,202,652	164,363,715
	Other Income	19	35,397	125,098
	<b>Total Revenue</b>		<b>238,238,049</b>	<b>164,488,813</b>
<b>2</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	20	129,418,107	74,284,684
	(b) Purchases of stock-in-trade	21	96,989,751	55,404,400
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	-65,194,359	-30,816,316
	(d) Employee benefits expense	23	12,307,823	11,799,464
	(f) Finance Expenses	24	3,394,103	3,911,719
	(e) Depreciation & Amortization Expenses	10	2,244,350	1,468,671
	(e) Other expenses	25	53,294,421	45,141,827
	<b>Total expenses</b>		<b>232,454,196</b>	<b>161,194,449</b>
<b>3</b>	<b>Profit / (Loss) before exceptional item and tax (1-2)</b>		<b>5,783,853</b>	<b>3,294,364</b>
<b>4</b>	Exceptional items		-	-
<b>5</b>	<b>Profit / (Loss) before extraordinarily items and tax (7 ± 8)</b>		<b>5,783,853</b>	<b>3,294,364</b>
<b>4</b>	Extraordinary Item		-	-
<b>5</b>	<b>Profit &amp; Loss before tax (9+10)</b>		<b>5,783,853</b>	<b>3,294,364</b>
<b>6</b>	<b>Tax expense:</b>			
	(a) Current tax expense for current year		1,489,342	1,283,406
	(b) Deferred tax Liabilities/Assets		-59,761	-103,839
			<b>1,429,581</b>	<b>1,179,567</b>
<b>7</b>	<b>Profit / (Loss) for the year (13 ± 14)</b>		<b>4,354,272</b>	<b>2,114,797</b>
<b>8</b>	<b>Earnings per share (of ` 10/- each):</b>			
	(a) Basic		0.78	1.86
	(b) Diluted		0.78	1.86
	<b>Significant Accounting Policies</b>	<b>1</b>		
	<b>Notes forming part of this Balance Sheet</b>	<b>1 to 28</b>		
	As per our report of even date			
	<b>For Mittal &amp; Associates</b>	<b>For and on behalf of the Board of Directors</b>		
	<b>Chartered Accountants</b>			
	<b>FRN:- 106456W</b>	<b>Sd/-</b>	<b>Sd/-</b>	
		<b>Sandeep Jain</b>	<b>Deepika Jain</b>	
		<b>Managing Director</b>	<b>Whole Time Director &amp; CFO</b>	
	<b>Hemant Bohra</b>			
	<b>Partner</b>			
	<b>M. No.- 165667</b>			
	Place : Mumbai		Place : Mumbai	
	Date : 28/05/2018		Date : 28/05/2018	

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018**

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>Cash Flow From Operating Activities:</b>	-	-
Net Profit before tax as per Profit And Loss A/c	5,783,853	3,294,364
<b>Adjustments for:</b>		
Depreciation & Amortisation Expense	2,244,350	1,468,671
Finance Cost	3,394,103	3,911,719
Preliminary exp.	-284,800	-
<b>Operating Profit Before Working Capital Changes</b>	<b>11,137,507</b>	<b>8,674,754</b>
Adjusted for (Increase)/ Decrease in:		
Inventories	-70,794,779	-33,696,076
Trade receivables	3,096,760	-24,100,622
Loans And Advances	-4,611,090	4,656,592
Other current assets	59,191	-148,476
Short-Term Borrowings	-11,116,085	4,442,189
Trade Payables	7,848,891	14,746,516
Other Current Liabilities	2,832,240	1,395,435
Short-Term Provisions	577,300	987,377
<b>Cash Generated From Operations</b>	<b>-72,107,571</b>	<b>-31,717,065</b>
<b>Appropriation of Profit</b>		
Net Income Tax paid	-1,489,342	-1,283,406
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>-62,459,407</b>	<b>-24,325,717</b>
<b>Cash Flow From Investing Activities:</b>		
Net (Purchases)/Sales of Fixed Assets (including capital work in progress)	-2,192,304	-1,273,400
Net (Increase)/Decrease in Long Term Loans & Advances		
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>-2,192,304</b>	<b>-1,273,400</b>
<b>Cash Flow from Financing Activities:</b>		
Proceeds From issue of Share Capital	73,332,836	24,743,475
Net Increase/(Decrease) in Long Term Borrowings	-1,260,216	-3,694,050
Net Increase/(Decrease) in Other Long Term Liabilities	3,904,209	4,400,000
Finance Cost	-3,394,103	-3,911,719
<b>Net Cash Flow from/(used in) Financing Activities ( C)</b>	<b>72,582,726</b>	<b>21,537,706</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	7,931,015	-4,061,411
Cash & Cash Equivalents As At Beginning of the Year	1,228,405	5,289,815
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>9,159,420</b>	<b>1,228,405</b>

Significant Accounting Policies

1

Notes forming part of this Balance Sheet

1 to 28

**For Mittal & Associates**

**Chartered Accountants**

FRN:- 106456W

**Hemant Bohra**

Partner

M.No.- 165667

Place : Mumbai

Date : 28/05/2018

**For and on behalf of the Board of Directors**

**Sd/-**

**Sandeep Jain**

**Managing Director**

**Sd/-**

**Deepika Jain**

**Whole Time Director & CFO**

Place : Mumbai

Date : 28/05/2018

## **SIGNIFICANT ACCOUNTING POLICIES**

### **1. Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### **2. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### **3. Tangible Fixed Assets**

Fixed assets are stated at cost of acquisition or construction (net of Cenvat credits). All cost relating to the acquisition and installation of Fixed assets are capitalized and include borrowing cost directly attributable to construction or acquisition of fixed assets, up to the date of asset is put to use and adjustment arising out of exchange rate variation relating to liabilities attributable to those fixed assets. Fixed Assets are stated at historical cost less depreciation.

### **4. Depreciation and Amortization cost**

Depreciation has been provided based on life assigned to each asset in accordance with schedule II of the Companies Act 2013. Share Issue expenses has been written off in five years. During the year company has adjusted excess/short depreciation against the reserve.

### **5. Intangible Assets**

Intangible assets are recognized when it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives.

### **6. Borrowing cost**

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the Statement of Profit and loss Account in the period in which they are incurred.

### **7. Inventories**

- a. Inventories of raw are valued at cost or net realizable value, whichever is less. Net realizable value is the estimated selling price is the ordinary course of business less estimated cost necessary to make the sale.



- b. Stock of Work-in-progress valued at estimated cost.
- c. Stock of finished goods is valued at cost or market price, whichever is less.

## **8. 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, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## **9. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

- a. Sales are accounted for on handed over the possession to the customers and are exclusive of the Service Tax & GST, rebate & discount, rate difference but inclusive of the sales tax, if any.
- b. Other income is recognized and accounted on accrual basis unless otherwise stated.

## **10. Segment Reporting**

The Company primary segment is of trading & manufacturing of Garments thus having one segment of reporting. There is no other segment in which company is engaged.

## **11. Leases**

Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight - line basis over the lease term.

## **12. Earnings per share**

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effect of all diluted potential equity shares.

## **13. Taxes on income**

Tax expense comprise of current & deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the relevant accounting year in accordance with the Income Tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. The deferred tax for timing

differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized In future.

In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit. At each Balance Sheet date the Company reassesses the unrecognized deferred tax assets.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement.

The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

The Company has the policy of reviewing and passing proper adjustment entries for Income Tax paid, Provision for Income Tax made and excess/short tax provision for the year after filling Income Tax returns. The Company also makes a fair estimate of the Income Tax liability for the said year and gives effects to it in the Books of Accounts.

#### **14. Provisions and Contingent Liabilities**

The company estimates the probability of any loss that might be incurred on outcome of contingencies on the basis of available information.

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the management's current estimates.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonable estimated, a disclosure is made in financial statements.

**For Mittal & Associates**  
**Chartered Accountants**

FRN:- 106456W

**Hemant Bohra**  
Partner  
M.No.- 165667  
Place : Mumbai  
Date : 28/05/2018

**For and on behalf of the Board of Directors**

**Sd/-**  
**Sandeep Jain**                      **Deepika Jain**  
**Managing Director**              **Whole Time Director & CFO**  
  
Place : Mumbai  
Date : 28/05/2018

**LORENZINI APPARELS LIMITED**

**Notes forming part of the financial statements**

**Note 2 Share capital**

Particulars	As at March, 31			
	2018		2017	
	Number of shares	₹	Number of shares	₹
<b>Authorised Equity shares of ` 10/- each with voting rights</b>	<b>10,200,000</b>	<b>102,000,000</b>	<b>3,200,000</b>	<b>32,000,000</b>
	<b>10,200,000</b>	<b>102,000,000</b>	<b>3,200,000</b>	<b>32,000,000</b>
<b>Issued, subscribed and paid up capital Equity shares of ` 10/- each with voting rights</b>	<b>10,138,916</b>	<b>101,389,160</b>	<b>2,282,850</b>	<b>22,828,500</b>
<b>Total</b>	<b>10,138,916</b>	<b>101,389,160</b>	<b>2,282,850</b>	<b>22,828,500</b>

a) Details of reconciliation of the number of shares outstanding:

Particulars	Opening Balance	Issue During the year	Bonus issued during the year	Closing Balance
Equity shares with voting rights				
<b>Year ended 31 March, 2018</b>				
- Number of shares	2,282,850	7,171,211	684,855	10,138,916
- Amount (₹)	22,828,500	71,712,110	6,848,550	101,389,160
<b>Year ended 31 March, 2017</b>				
- Number of shares	10,000	1,832,850	440,000	2,282,850
- Amount (₹)	100,000	18,328,500	4,400,000	22,828,500

**Details of shares held by each shareholder holding more than 5% shares:**

Name of Stakeholders	As at March,31 2018		As at March,31 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Sandeep Jain	5,058,761.00	49.89	1,813,500.00	79.44
Deepika Jain	609,505.00	6.01	468,850.00	20.54
<b>Total</b>	<b>5,668,266.00</b>	<b>55.90</b>	<b>2,282,350.00</b>	<b>99.98</b>

**Terms / rights attached to equity shares:**

The Company has only one class of equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share.

**Note 3 Reserves and surplus**

Particulars	INR	
	As at 31 March, 2018	As at 31 March, 2017
	\	\
<b>(a) Securities premium account</b>		
<b>Opening balance</b>	6,414,975	-
Add : Premium on shares issued during the year	1,620,726	6,414,975
Less : Utilised during the year for:		
Issuing bonus shares	6,414,975	-
Writing off preliminary expenses	284,800	-
<b>Closing balance</b>	<b>1,335,926</b>	<b>6,414,975</b>
<b>(b) Profit &amp; Loss a/c</b>		
<b>Opening balance</b>	2,160,934	4,446,137
Add: Profit / (Loss) for the year	4,354,272	2,114,797
Less: Utilised for Issue of Bonus Shares	433,575	4,400,000
Less: Depreciation for previous year	1,524,611	
<b>Closing balance</b>	<b>4,557,021</b>	<b>2,160,934</b>
	\	\
<b>Total</b>	<b>5,892,947</b>	<b>8,575,909</b>

**Note 4 Long-term borrowings**

Particulars	As at 31 March, 2018	As at 31 March, 2017
		\
<b>Term loans</b>		
<b>Secured</b>		
ICICI Bank (Car Loan ) Secured	804,868	2,064,396
NBFC-Secured Loans- BAJAJ FINANCE LTD - 401LAP23781512 (mortgage against Immovable property)	7,407,113	8,018,393
<b>Less: Current Maturities</b>	<b>1,307,500</b>	<b>1,918,092</b>
<b>TOTAL</b>	<b>6,904,481</b>	<b>8,164,697</b>

**Term loan from Bajaj Finance Ltd.**

Secured by hypothecation of Building-Shop 104, Plot 2, Sector 25, Block I, Noida and personal guarantee of Directors, carrying interest rate @ 11.90% p.a. and repayable in 112 monthly installment of Rs. 124060

**Vehicle loan from ICICI Bank Ltd.**

Secured against vehicle financed and carrying interest rate @ 9.75

**Vehicle Loan No. LADEL00033650147**

Repayable in 36 equally monthly instalment of Rs. 30993

**Vehicle Loan No. LUDEL00034298387**

Repayable in 36 equally monthly instalment of Rs. 53911

**Note 5 Other Long-term Liabilities**

Particulars	As at 31 March, 2018	As at 31 March, 2017
	\	\
<b>Other long term Liabilities</b>		
Security Deposit from Franchises	14,504,209	10,600,000
<b>TOTAL</b>	<b>14,504,209</b>	<b>10,600,000</b>

**Note 6 Short-term borrowings**

Particulars	As at 31 March,2018	As at 31 March,2017
	\	\
(a) Loans repayable on demand		
From banks		
Secured-IDBI Bank (OD A/c No.109651100000143)	-	2,656,216
Secured-ICICI Bank (OD A/c No.003105001197)	-	349,590
Secured-NBFC Loans	-	9,186,611
IDBI BANK(C/A NO.109102000013527)	53,133	-
<b>Total</b>	<b>53,133</b>	<b>12,192,417</b>
(b) Other loans and advances		
From NBFC -Unsecured	1,023,200	-
<b>Total</b>	<b>1,023,200</b>	<b>-</b>
<b>Total</b>	<b>1,076,333</b>	<b>12,192,417</b>

**Note 7 Trade payables**

Particulars	As at 31 March,2018	As at March,2017
	\	\
<b>Trade payables:</b>		
Creditors	42,091,414	16,097,863
Director's Account Payable	-	18,144,660
<b>Total</b>	<b>42,091,414</b>	<b>34,242,523</b>

**Note 8 Other current liabilities**

Particulars	As at 31 March,2018	As at March,2017
	\	\
Current maturities of long-term debt (Refer Note (i) below)	1,307,500	1,918,092

Creditor For Expense	3,689,406	-
Statutory Payable	1,072,912	1,319,486
<b>Total</b>	<b>6,069,818</b>	<b>3,237,578</b>

**Note 9 Short-term provisions**

<b>Particulars</b>	<b>As at 31 March,2018</b>	<b>As at March,2017</b>
Provision - Others:		
Provision for tax (Net of advance Tax)	685,939	662,657
Provision for Expenses	1,054,738	500,720
<b>Total</b>	<b>1,740,677</b>	<b>1,163,377</b>

**LORENZINI APPARELS LIMITED**

Notes forming part of the financial statements  
Note 10 Fixed assets

Tangible Assets

Tangible assets	Gross block				Depreciation				Net block	
	Balance as at 1 April, 2017	Additions	Disposals	Balance as at 31/03/2018	Balance as at 1 April, 2017	Earlier year Depreciation charged against reserve	Depreciation / amortisation expense for the year upto 31/03/2018	Balance as at 31/03/2018	Balance as at 31/03/2018	Balance as at 31 March, 2017
(a) Plant & Machinery	-	221,500.00	-	221,500.00	-	-	39,660.00	39,660.00	181,840	-
(b) Building-Shop 104, Plot 2, Sector 25, Block I, Noida	15,530,677.00	-	-	15,530,677.00	-	1,524,611.00	682,095.00	2,206,706.00	13,323,971	15,530,677
(c) Furniture & Fixtures	4,592,834.00	1,506,095.43	-	6,098,929.43	3,314,965.40	-	685,002.00	3,999,967.40	2,098,962	1,277,869
(d) Vehicles	2,828,953.00	196,834.84	-	2,828,953.00	1,502,018.01	-	479,624.00	1,981,642.01	847,311	1,326,935
(e) office Equipment/plant	2,956,559.00	267,873.74	-	3,153,393.84	2,516,709.25	-	254,655.00	2,771,364.25	382,030	439,850
(f) Computers	3,162,289.00	-	-	3,430,162.74	2,928,931.01	-	100,219.00	3,029,150.01	401,013	233,358
<b>Total</b>	<b>29,071,312.00</b>	<b>2,192,304.01</b>	<b>-</b>	<b>31,263,616.01</b>	<b>10,262,623.67</b>	<b>1,524,611.00</b>	<b>2,241,255.00</b>	<b>14,028,489.67</b>	<b>17,235,126</b>	<b>18,808,688</b>
<b>Previous year</b>	<b>27,797,912.00</b>	<b>1,273,450.00</b>	<b>-</b>	<b>29,071,312.50</b>	<b>8,799,350.00</b>	<b>-</b>	<b>1,463,274.00</b>	<b>10,262,623.67</b>	<b>18,808,688</b>	<b>18,998,562</b>

### Note 11 Deferred Tax

Particulars	As at 31 March,2018	As at March,2017
	\	\
<b>Deferred tax (liability) / asset</b>		
Tax effect of items constituting deferred tax assets		
Opening Balance	1,142,258	1,038,419
Provision for compensated absences, gratuity and other employee benefits		
Adjusted with PL appropriation a/c		-
On difference between book balance and tax balance of fixed assets	59,761	103,839
Tax effect of items constituting deferred tax assets	1,202,019	1,142,258
<b>Net deferred tax (liability) / asset</b>	<b>1,202,019</b>	<b>1,142,258</b>

### Note 12 Long term Advances

Particulars	As at 31 March, 2018	As at 31 March, 2017
	\	\
(a) Security deposits		
Unsecured, considered good	4,004,443	2,425,294
<b>Total</b>	<b>4,004,443</b>	<b>2,425,294</b>

### Note 13 Inventories

Particulars	As at 31 March, 2018	As at 31 March, 2017
	\	\
Finished Goods	75,507,655	32,021,457
Stock in Trade	34,508,500	12,800,339
<b>Total</b>	<b>110,016,155</b>	<b>44,821,796</b>

### Note 14 Trade receivables

Particulars	As at 31 March,2018	As at March,2017
	\	\
<b>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
Secured, considered good	-	-
Unsecured, considered good	1,318,405	1,353,473
Doubtful		
	<b>1,318,405</b>	<b>1,353,473</b>
Less: Provision for doubtful trade receivables		-
	1,318,405	1,353,473
<b>Trade receivables outstanding for a period less than six months from the date they were due for payment</b>		
Secured, considered good	-	-



Unsecured, considered good Doubtful	23,146,491	26,208,183
	<b>23,146,491</b>	<b>26,208,183</b>
Less: Provision for doubtful trade receivables	-	-
	23,146,491	26,208,183
<b>Total</b>	<b>24,464,896</b>	<b>27,561,656</b>

**Note 15 Cash and cash equivalents**

Particulars	As at 31 March,2018	As at March,2017
	、	、
(a) Cash on hand	1,423,321	599,510
(b) Balances with banks (Note @ below)		
(i) In current accounts	7,736,099	628,894
<b>Total</b>	<b>9,159,420</b>	<b>1,228,405</b>

**Note 16 Short-term loans and advances**

Particulars	As at 31 March, 2018	As at March,2017
	、	、
<b>(a) Loans and advances (employee)</b>		
Unsecured, considered good	725,750	117,310
<b>Total</b>	<b>725,750</b>	<b>117,310</b>
<b>(b) Prepaid expenses</b>		
Unsecured, considered good	66,756	42,400
<b>Total</b>	<b>66,756</b>	<b>42,400</b>
<b>(c) Balances with government authorities</b>		
Unsecured, considered good	-	23,919
<b>Total</b>	<b>-</b>	<b>23,919</b>
<b>(d) Others (specify nature)</b>		
Unsecured Advance given to suppliers	2,423,064	-
<b>Total</b>	<b>2,423,064</b>	<b>-</b>
<b>Total</b>	<b>3,215,570</b>	<b>183,629</b>

**Note 17 Other current assets**

Particulars	As at 31 March, 2018	As at March,2017
	、	、
(a) TDS Recoverable from Party	240,909	-
(b) Stock of Packing Materials	-	15,300
(c) preliminary expenses	-	284,800
<b>Total</b>	<b>240,909</b>	<b>300,100</b>

**Note 18 Revenue from operations**

Particulars	For the year ended 31/03/2018	For the year ended 31 March, 2017

		\	\
(a)	<b>Sale of products</b>	238,202,652	164,363,715
	<b>Total</b>	<b>238,202,652</b>	<b>164,363,715</b>

**Note 19 Other income**

	Particulars	For the year ended 31/03/2018	For the year ended 31 March, 2017
		\	\
(a)	Rebate and Discounts	-	66,646
(b)	Miscellaneous Income	35,397	58,452
	<b>Total</b>	<b>35,397</b>	<b>125,098</b>

**Note 20 Cost of materials consumed**

Particulars	For the year ended 31/03/2018	For the year ended 31 March, 2017
	\	\
opening stock	4,530,080	1,650,320
Add: Purchase	135,018,527	77,164,444
Closeing stock	10,130,500	4,530,080
<b>Total</b>	<b>129,418,107</b>	<b>74,284,684</b>

**Note 21 Purchase**

Particulars	For the year ended 31/03/2018	For the year ended 31 March, 2017
	\	\
Purchases (Including Consumables Stores)	96,989,751	55,404,400
<b>Total</b>	<b>96,989,751</b>	<b>55,404,400</b>

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

Particulars	For the year ended 31/03/2018	For the year ended 31 March, 2017
	\	\
<b><u>Inventories at the end of the year:</u></b>		
Finished Goods	75,507,655	32,021,457
Stock-in-trade	34,508,500	12,800,339
	110,016,155	44,821,796
<b><u>Inventories at the beginning of the year:</u></b>		
Finished Goods	32,021,457	7,500,800
Stock-in-trade	12,800,339	6,504,680
	44,821,796	14,005,480
<b>Net (increase) / decrease</b>	<b>(65,194,359)</b>	<b>(30,816,316)</b>

**Note 23 Employee benefits expense**

Particulars	For the year ended	For the year ended
	31/03/2018	31 March, 2017
	\	\
Salaries and wages (Director's Remnueration 25,00,000/-)	11,611,291	11,596,832
Staff welfare expenses	696,532	202,632
<b>Total</b>	<b>12,307,823</b>	<b>11,799,464</b>

**Note 24 Finance costs**

Particulars	For the year ended	For the year ended
	31/03/2018	31 March, 2017
	\	\
(a) Interest expense on:		
(i) Borrowings	1,050,455	2,109,590
(ii) Bank Charges	273,828	266,234
(iii) Others	2,069,820	1,535,895
<b>Total</b>	<b>3,394,103</b>	<b>3,911,719</b>

**Note 25 Other expenses**

Particulars	For the year ended	For the year ended
	31/03/2018	31 March, 2017
	\	\
Fabrication/Job Charges	11,187,356	16,960,312
Alteration/Measurement Charges	156,563	145,569
Printing & Stationery	213,158	152,287
Postage & Courier	491,822	375,343
Show Room Expenses	572,655	213,890
Commission	12,824,138	12,206,191
Business Promotion	833,903	112,625
Conveyance Expenses	566,477	139,093
Telephone Expenses	140,058	153,156
Power & Fuel	1,631,354	1,021,096
Travelling Expenses	658,480	233,198
Credit Card Charges	491,259	-
Vehicle Running Expenses	77,722	7,620
Rent	9,799,144	9,043,973
Generator Running & Maintenance	83,015	283,000
Repair & Maintenance	196,093	610,721
Advertising Expenses	1,005,001	589,983
Carriage Outward	372,456	155,630
Packing Material	242,347	66,263
Modelling & Photoshoot Expenses	208,800	239,662
Sampling Expenses	665,805	493,500
Insurance Charges	120,832	257,080
General Expenses	175,241	52,782
Mall Maintenance Charges	991,274	880,886

Professional Expenses	3,346,799	676,769
additional TDS	1,178,005	-
Rebate & Discount	5,064,664	71,200
<b>Total</b>	<b>53,294,421</b>	<b>45,141,827</b>

**Note 26 Details of Related party transaction**

Note	Particulars				
	<b>Related party transactions</b>				
	<b>Details of related parties:</b>				
	<b>Description of relationship</b>	<b>Names of related parties</b>			
	<b>Key Management Personnel (KMP)- Directors</b>	<b>Sandeep Jain, Deepika Jain</b>			
	<b>Relatives of KMP</b>	<b>Vijay Kumar Jain, Praveen Jain</b>			
	<b>Entity in which KMP / Relatives of KMP can exercise significant influence</b>	<b>Sandeep Jain HUF</b>			
	<b>Details of related party transactions during the period ended 31/03/2018 and balances outstanding as at 31/03/2018</b>				
		<b>KMP</b>	<b>Closing Balance as at 31st March 2018</b>	<b>Entities in which KMP / relatives of KMP have significant influence</b>	<b>Closing Balance as at 31st March 2018</b>
	<b>Transactions during the year</b>				
	Issue Of Bonus share	6,847,950	-	-	-
	Share Issued Other Than Bonus Issue	27,012,110	-	-	-
	Loan Taken	16,577,729	-	<b>475,000</b>	-
	Loan Reapid Through Bank	5,889,286	-	<b>900,000</b>	-
	Directors Remuneration	1,200,000	-	-	-

**Note 27 Disclosures under Accounting Standards (contd.)**

Note	Particulars	For the year ended 31/03/2018	For the year ended 31 March, 2017
	<b>Earnings per share-Diluted</b>	0.78	1.86
	<b><u>Basic/Basic (excluding extra Ordinarily items)/ Diluted Continuing operations/ Total Operations</u></b>		
	Net profit / (loss) for the year from continuing operations	4,354,272	2,114,797
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	4,354,272	2,114,797

Weighted average number of equity shares	5,585,786	1,136,988
Par value per share	10.00	10.00
Earnings per share from continuing operations - Basic	0.78	1.86
Basic earning per share is calculated by adjusting bonus shares and right shares during the year.		
<b>Calculation of Weighted Average No. of Shares</b>		
Opening Balance	2282850	2282850
Bonus Issue	684855	540378.7397
Preferential Issue of Shares	7171217	2762557
<b>Total</b>	<b>10138922</b>	<b>5585786</b>
The company do not have any potential equity shares to be converted in future, therefore diluted earning per share is same.		

**Note - 28 Contingent Liability**

SR. No	Liability	As at 31st March,2018
1	Income tax Liability pending before A.O.( )	321973
<b>Total</b>		<b>321973</b>

**ATTENDANCE SLIP**

**LORENZINI APPARELS LIMITED**

CIN: L17120DL2007PLC163192

Regd. Office: TA 168 & 187 Ground Floor, Gali No. 2,  
Tuglakabad Extn New Delhi 110019 IN

Website: [www.mymonteil.com](http://www.mymonteil.com)

Tel: +91 011-40504731

**11<sup>th</sup> ANNUAL GENERAL MEETING**

I, We hereby accord my/our presence at the 11<sup>th</sup> Annual General Meeting of the Company at C-64, Okhla Industrial Area, Phase I, New Delhi- 110020 on Thursday, 16<sup>th</sup> day of August, 2018, 2018 at 10:30 A.M.

.....  
.....  
Member Folio No      Member's/ Proxy Name in Capital Letters      Members/      Proxy  
Signature

Note:

Please complete the Folio No. and name, sign the attendance slip and handover at the attendance verification counter at the meeting hall.

**PROXY FORM**

**LORENZINI APPARELS LIMITED**

CIN: L17120DL2007PLC163192

Regd. Office: A 168 & 187 Ground Floor, Gali No. 2,  
Tuglakabad Extn New 110019

Website: [www.mymonteil.com](http://www.mymonteil.com)

Tel: +91 011-40504731

I/We, being the member(s) of ..... Equity Shares of the above named company appoint:

Name: ..... Address  
.....

Email ID ..... Signature.....or  
falling him;

Name: ..... Address  
.....

Email ID ..... Signature.....or  
falling him;

As my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 11<sup>th</sup> Annual General Meeting of the Company at C-64, Okhla Industrial Area, Phase I, New Delhi- 110020 on Thursday, 16<sup>th</sup> day of August, 2018 at 10:30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Sr. No.</b>	<b>RESOLUTIONS</b>	<b>FOR</b>	<b>AGAINST</b>
<b>ORDINARY BUSINESS</b>			
1	Adoption of audited financial statements of the Company for the financial year 2017-18		
2	To appoint a Director in place of Mrs. Deepika Jain (DIN - 02365797), who retires by rotation and being eligible, seeks re-appointment.		
<b>SPECIAL BUSINESS</b>			
3	Ratification of appointment of M/s Mittal & Associates, Chartered Accountants (FRN 106456W) as statutory auditor of the Company, to fill the casual vacancy		
4	Appointment of Ms. Mittal & Associates, Chartered Accountants (FRN 106456W) as statutory auditor of the Company		

Signed this ..... day of ..... 2018

Signature of Shareholder .....

Signature of Proxy holder .....

Affix  
Revenue  
Stamp of Rs.  
1

---

Notes:

- This form of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the resolutions, explanatory statements and notes please refer to the Notice of 11<sup>th</sup> Annual General Meeting.
- Please complete all details including details of member(s) in the above box before submission.



## BALLOT FORM

Serial No.:

1. Name (s) of Shareholder(s) / Beneficial Owner :  
Including joint-holders, if any
2. Registered Address of the Sole / :  
First named Shareholder
3. Registered Folio No. / Client ID No.:
4. No. of Shares held:
5. I / we hereby exercise my / our vote in respect of the Ordinary Resolution / s enumerated below by recording my / our assent / dissent to the said Resolution/s by placing Tick (√) mark at the appropriate box below:

S.No.	Ordinary Resolution	I / We assent the Resolution	I / We dissent the Resolution
1.	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 <sup>st</sup> March, 2018 together with the Reports of Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mrs. Deepika Jain (DIN - 02365797), who retires by rotation and being eligible, seeks re-appointment.		
	<b>Special Resolution</b>		
3.	To ratify the appointment of M/s. Mittal & Associates, Chartered Accountants (FRN No. 106456W) as the Statutory Auditor of the Company, to fill the Casual Vacancy.		
4.	Appointment of M/s. Mittal & Associates, Chartered Accountants (FRN No. 106456W) as the Statutory Auditor of the Company.		

Place  
Date

Signature of the Shareholder / Beneficial Owner

**VENUE ROUTE MAP:**

**Lorenzini Apparels Limited**

C-64, Okhla Industrial Area, Phase I,

New Delhi- 110020

Nearest landmark: Ramlila Ground, Okhla Industrial Area

