

LORENZINI APPARELS PRIVATE LIMITED

REGD. OFFICE : F-39, FIRST FLOOR, V3S SHOPPING MALL, DELHI-110 092

PH: 9811113461; E-MAIL : lorenzini_apparels@yahoo.co.in

CIN: U17120DL2007PTC163192

NOTICE

Notice is hereby given that the 7th Annual General Meeting of the members of M/s LORENZINI APPARELS PRIVATE LIMITED shall be held on Tuesday, the 30th September'2014 at 11:30 A.M. at the registered office of the company at F-39, First Floor, V3S Shopping Mall, Delhi-110 092 to transact the following business :-

A. AS ORDINARY BUSINESS

i) To receive, consider and adopt the Balance Sheet as at 31st March'2014, Statement of Profit & Loss for the year ended on the date, Auditors' Report and Directors' Report thereon.

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. J. Mehta & Company, Chartered Accountants (FRN: 012560N), the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office for five years from the conclusion of this Annual General Meeting to the conclusion of the Annual General Meeting to be held in the year 2019 at such remuneration as may be determined by the Board of Directors of the Company from time to time."

B. AS SPECIAL BUSINESS

iii) To consider and if thought fit to pass with or without modification the following resolution as special resolution:

"RESOLVED THAT pursuant to the provisions of the section 180(1)(c) of the companies Act, 2013 consent of the members of the company be and is hereby given to board of directors to borrow money from banks, financial institutions, body corporate or other lenders whether secured or unsecured, long term or short term, an amount which may exceed the paid up capital and reserves but not exceeding Rs. 2,00,00,000/- (Rs. Two Crore only).

FURTHER RESOLVED THAT borrowings already made under the provisions of the Companies Act, 1956, having exceeded the limit prescribed under the Companies Act, 2013 be and are hereby ratified.

FURTHER RESOLVED THAT the board of directors of the company be and is hereby authorized to do, act or take any action which may be required to be necessary for the above said resolution."

By order of the Board

(SANDEEP JAIN)

Chairman

(DIN-02365790)

Add: - A-2/70, Sector-5, Rohini,

New Delhi-110 085

Dated : 22.09.2014

Place : New Delhi

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint proxy who need not to be a member of the company. The proxy form duly completed must reach company's registered office at least 48 hours before the time of the meeting.
2. Explanatory statement pursuant to the provisions of section 102 of the companies Act, 2013 is attached herewith and forms part of this notice

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION OF 102 OF
THE COMPANIES ACT, 2013**

ITEM NO. III

Your company has made borrowings which exceed its paid up capital and free reserve and thereby exceed the limit as prescribed in section 180 of the companies Act, 2013. The company had made borrowings fund under the previous Act, of 1956 under which private companies were exempt from any limits. However the new companies Act, 2013 has laid down limits on private companies also. Therefore the borrowings made earlier having exceeded the limits require the approval of members. The company seeks consent of members to ratify borrowings made earlier. The board of directors also seeks approval of members to authorize board of directors to enhance its power to borrow an amount exceeding stipulated limits but not exceeding Rs. 2,00,00,000/- (Rs. Two Crores only). Your consent is required by passing special resolution.

None of the directors or other key managerial personnel is interested in the resolution except to the extent of their shareholding.

By order of the Board


(SANDEEP JAIN)

Chairman

(DIN-02365790)

Add: - A-2/70, Sector-5, Rohini,
New Delhi-110 085

Dated : 22.09.2014

Place : New Delhi

LORENZINI APPARELS PRIVATE LIMITED

REGD. OFFICE : F-39, FIRST FLOOR, V3S SHOPPING MALL, DELHI-110 092

PH: 9811113461; E-MAIL : lorenzini_apparels@yahoo.co.in

CIN: U17120DL2007PTC163192

DIRECTORS' REPORT

Dear Members,

The directors feel pleasure in presenting herewith the 7th Annual Report together with the audited statement of accounts for the year ended on 31st March'2014.

FINANCIAL RESULTS

PARTICULARS	(Rs. in thousand)	
	CURRENT YEAR (2013-14)	PREVIOUS YEAR (2012-13)
Gross Turnover	115971	131612
Profit before Taxation	1250	516
Provision for Taxation	424	948
Profit after Taxation	826	(375)

OPERATIONS

The company is engaged in the business of trading of garments through its retail outlets , online stores and through supplies to e-commerce companies.. During the year, the company has achieved the gross turnover of Rs. 11.60 crores and it has come down by approx 12% as compared to that of previous year. However, the profit of the company has increased due to reduction in rental costs. .No amount has been transferred to general reserve out of profits. Yours directors feel confident about the future prospects of the company.

DIVIDEND

Yours Directors do not recommend any dividend.

DIRECTORS

There is no change in the constitution of the directors during the financial year ended 31st March' 2014.

DEPOSITS

Company has not accepted deposits from the public within the meaning of section 58 A of the Companies Act'1956.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of section 217(2AA) of the Companies Act'1956, yours directors state :

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that your 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 & fair view of the state of affairs of the company at the end of the financial year and of the profit & loss of the company for the year under review;
- iii) that yours directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that your directors have prepared the annual accounts for the year on a 'going concern' basis.

PARTICULARS OF EMPLOYEES

As required under section 217(2A) of The Companies Act'1956 read with Companies (Particulars of Employees) Rules'2011, none of the employee was in receipt of the remuneration, particulars of which are required to be given in this Report.

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AUDITORS' REMARKS

As per Clause 9 of CARO,2003, annexed to the Para 1 of the Auditors Report, regarding delay in depositing the undisputed statutory dues and also in relation to non-compliance of Provident Fund, your directors do hereby reply and submit that could not comply with the Provisions of the PF due to high turnover of the employees. Further, company is generally regular in depositing undisputed statutory dues, except in few cases of VAT and TDS due to financial constraints. Your director further ensure regular compliance of all statutory provisions in future.

AUDITORS

The retiring auditors M/s J. Mehta & Company, Chartered Accountants, retire at the conclusion of this annual general meeting. Board proposes to appoint the retiring auditors for five years as per section 139 of the companies Act, 2013 from the conclusion of this Annual General Meeting of the company to the conclusion of Annual General meeting to be held in the year 2019.

The company has been in the receipt of the consent for the appointment as auditors from M/s J. Mehta & Company, Chartered Accountants and a prescribed certificate under section 139 of the companies Act, 2013.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

- a) **Conservation of Energy**
- Your company is not in the manufacturing activity hence consumption of energy is limited to lighting and other electrical appliances. Company has taken sufficient measures for the conservation of energy. However, It has not proposed any additional investments for reduction of consumption of energy hence no impact is available as required to be stated.
- The form A as prescribed by the Act is not applicable to the company
- b) **Technology Absorption**
i) Your Directors are having technical expertise and understands the innovation in the use of technology. No technology had been imported during the year.
ii) Further, in order to make improvement in the business activities, Research Development is a Continuous process. However no major expenditure has been incurred on research and development.
- c) **Foreign Exchange Earnings and Outgo**
The company is engaged in the business of import of goods and it has neither taken any initiative nor has any plans to develop export of products and services. Total Foreign Exchange Earned and Used are as follow :
- i) Foreign Exchange Earned
Total Foreign Exchange Earned NIL (NIL)
- ii) Foreign Exchange Used
The year end foreign currency exposure are given below:
- | | |
|------------------------------------|-------------------------------|
| - Agst. Import of Goods | NIL (Rs. 29.28 Lacs) |
| - Agst Travelling & Other Expenses | Rs. 1.55 Lacs (Rs. 2.12 Lacs) |

APPRECIATION

Directors wish to place on record their deep sense of appreciation for the services by those associated with the company.

For and on behalf of the Board.
For LORENZINI APPARELS PRIVATE LIMITED

(SANDEEP JAIN)

Chairman

(DIN:02365790)

Add: - A-2/70, Sector-5, Rohini,

New Delhi-110 085

Place : New Delhi

Dated : 22.09.2014



INDEPENDENT AUDITOR'S REPORT

To the Members of LORENZINI APPARELS PRIVATE LIMITED

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance Accounting Principles generally accepted In India, including the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 8/2014 dated 4th April, 2014 of the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.



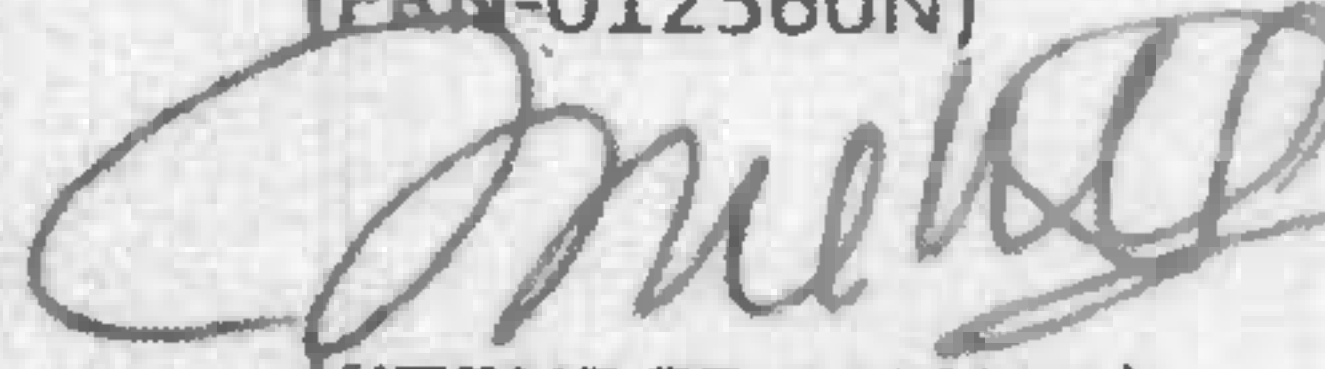
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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order;
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards notified under the Act read with the General Circular 8/2014 dated 4th April, 2014 of the Ministry of Corporate Affairs.
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place : New Delhi
Dated : 22.09.2014

For J. MEHTA & COMPANY
Chartered Accountants
(FRN-012560N)



(JITENDER MEHTA)
Proprietor
(M.No. 091174)



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

RE : LORENZINI APPARELS PRIVATE LIMITED

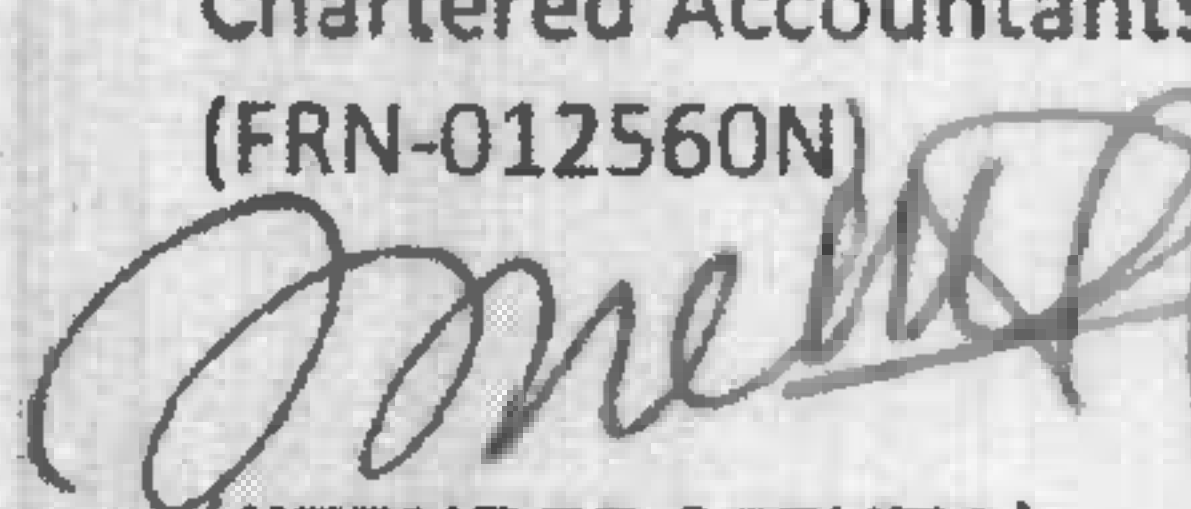
1. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
b) Fixed Assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
c) There was no substantial disposal of fixed assets during the year.
2. As informed to us, the company is maintaining records of inventory and the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification. However, the stock records of the same were not produced for verification as these are lying at various locations and outlets of the company. The stock has been taken as valued, verified and certified by the management.
3. a) As per information & explanation given to us and the records produced before us, the company has granted unsecured loan to three parties, covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved is Rs. 35,58,709/- and the balance outstanding is Rs. 35,58,709/-.
b) In our opinion and according to the information and explanations given to us, the rate of interest wherever applicable and other terms and conditions of loans given by the company are not prima facie prejudicial to the interest of the company.
c) As informed to us, the company has not taken any loan from the parties, covered in the register maintained under section 301 of the Companies Act'1956. Accordingly, the paras (iii)(d)(e) of the order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been observed in the internal controls.
5. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 5.00 lacs or more in respect of any party.
6. As informed to us the company has not accepted any deposits for the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Govt. has not prescribed for the maintenance of cost records under section 209 (1) (d) of the Companies Act for this Company.
9. a) According to the records examined by us the company is generally regular in depositing undisputed statutory dues, *except that in the case of VAT and TDS, which are being deposited late in most of the cases. Further, in our opinion, the provisions of Provident Fund Act have not been complied with by the company.* As informed to us by the management, the provisions of any other statutory law are not applicable to the company during the year.
b) According to the information and explanations given to us, no undisputed amount payable in respect of any statutory dues, applicable to the company, were outstanding at the year end for a period of more than six months for the date they became payable.



- c) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty, cess etc. that have not deposited on account of any dispute.
10. The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
11. Based on our audit procedures and the information and explanations given by the management, the company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
12. According to the information and explanation given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the company does not attract any special statute applicable to Chit Fund and Nidhi/Mutual benefit Fund/Societies.
14. As the Company is not dealing in shares, securities, debentures and other investments, the para is not applicable.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. According to the information and explanations given to us and on the basis of the record examined by us, the company has not taken any term loan during the year.
17. According to the information and explanation given to us and on an overall examination of the Balance sheet, we report that no funds raised on short-term basis have been used for long-term investment.
18. There was no any allotment of shares during the year. Thus there was no any preferential allotment to persons covered in the Register maintained under section 301 of the Act.
19. The company has not issued any debentures during the year.
20. The company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed and as per information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

Place : New Delhi
Dated : 22.09.2014

For J. MEHTA & COMPANY
Chartered Accountants
(FRN-012560N)


(JITENDER MEHTA)
Proprietor
(M.No. 091174)



LORENZINI APPARELS PVT. LTD.
NEW DELHI

BALANCE SHEET AS AT 31st MARCH'2014

PARTICULARS	NOTES	FIGURES AT THE END OF 31.03.2014	FIGURES AT THE END OF 31.03.2013
I EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	A	100,000.00	100,000.00
Reserve & Surplus	B	3,890,900.61	3,064,996.03
Share Allotment Money Pending Allotment			
		400,000.00	-
Non Current Liabilities			
Long Term Borrowings	C	3,937,052.10	5,649,834.60
Other Long Term Liabilities	D	9,600,000.00	12,000,000.00
Current Liabilities			
Short Term Borrowings		2,465,546.61	5,231,954.15
Trade Payables	E	16,617,705.00	30,262,839.05
Other Current Liabilities	F	4,277,594.23	6,932,114.41
Short Term Provisions	G	238,000.00	948,000.00
		41,526,798.55	64,189,738.24
II ASSETS			
Non-Current Assets			
Fixed Assets			
- Tangible Assets	H	5,370,895.00	6,781,163.00
- Intangible Assets		837,878.00	321,564.00
Deferred Tax Asset	I	426,059.00	373,460.00
Long Term Loans & Advances	J	3,571,111.00	5,166,190.00
Current Assets			
Inventories	K	15,576,137.33	36,273,031.00
Trade Receivables	L	6,772,117.01	3,228,721.33
Cash & Cash Equivalents	M	2,119,443.16	9,015,402.91
Short Term Loans & Advances	N	6,853,158.05	3,030,206.00
		41,526,798.55	64,189,738.24

**NOTES & SIGNIFICANT ACCOUNTING POLICIES
FORMING PART OF FINANCIAL STATEMENTS**

Place : New Delhi
Dated : 22.09.2014

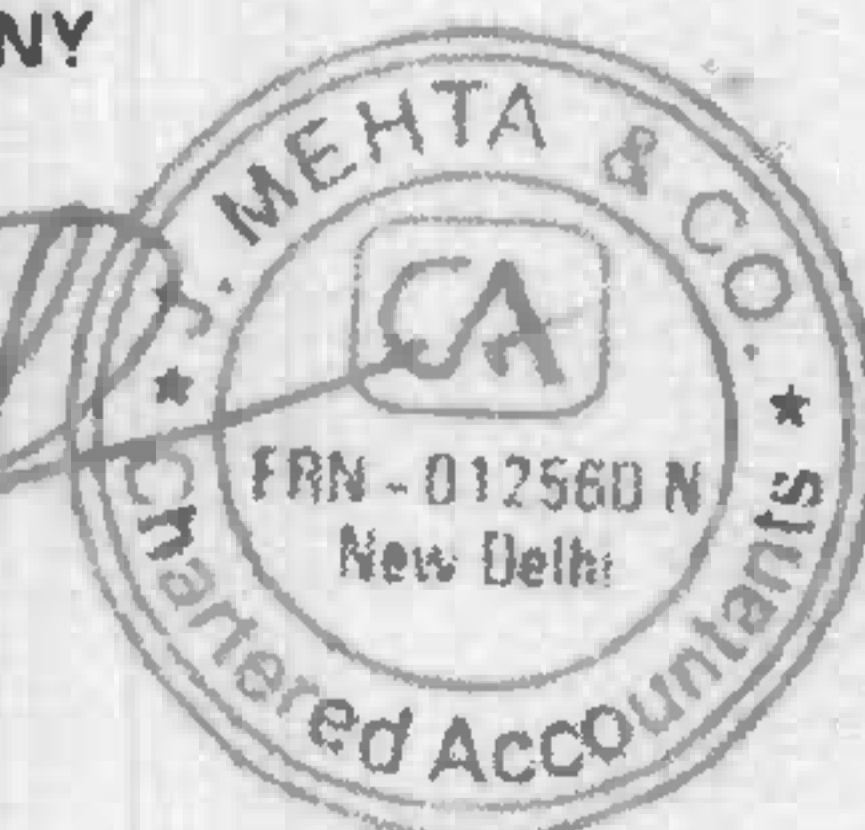
A - Y

(SANDEEP JAIN)
Mg. Director
(DIN-02365790)

(Mrs. DEEPIKA JAIN)
Director
(DIN-02365797)

As per our separate report of even date.
For J. MEHTA & COMPANY
Chartered Accountants.
(FRN-012560N)

(JITENDER MEHTA)
Proprietor
(M.No. 091174)



LORENZINI APPARELS PVT. LTD.
NEW DELHI

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH'2014

PARTICULARS	NOTES	FIGURES FOR THE YEAR ENDED 31.03.2014	FIGURES FOR THE YEAR ENDED 31.03.2013
I INCOME			
Revenue from Operations	O	115,971,219.46	131,603,812.94
Other Income	P	131.31	7,960.94
TOTAL : 'I'		115,971,350.77	131,611,773.88
II EXPENSES			
Purchase of Stock in Trade	Q	35,273,449.53	66,635,534.43
Change of Stock in Trade	R	20,696,893.68	(7,910,944.00)
Employee Benefit Expense	S	8,539,910.00	8,081,674.00
Finance Cost	T	2,821,886.93	2,629,026.15
Depreciation & Amortization Expense	U	2,062,954.00	2,137,956.00
Other Expenses	V	45,326,081.06	59,521,959.44
TOTAL : 'II'		114,721,175.20	131,095,206.02
III PROFIT BEFORE TAX (I - II)		1,250,175.58	516,567.86
IV Tax Expense	W		
- Current Tax		476,870.00	1,050,610.00
- Deferred Tax		(52,599.00)	(159,426.00)
V PROFIT/LOSS FOR THE PERIOD (III - IV)		825,904.58	(374,616.14)
VI EARNING per equity share:			
- Basic & Diluted		82.59	(37.46)

NOTES & SIGNIFICANT ACCOUNTING POLICIES
FORMING PART OF FINANCIAL STATEMENTS

Place : New Delhi
Dated : 22.09.2014

A-Y

(SANDEEP JAIN)
Mg. Director
(DIN-02365790)

(Mrs. DEEPIKA JAIN)
Director
(DIN-02365797)

As per our separate report of even date.
For J. MEHTA & COMPANY
Chartered Accountants
(FRN-012560N)

(JITENDER MEHTA)
Proprietor
(M.No. 091174)



LORENZINI APPARELS PVT. LTD.
NEW DELHI

NOTES & SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE A: SHARE CAPITAL

Particulars	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	Amount	No. of Shares	Amount
Authorized Shares				
Equity shares Rs. 10/- each	200,000	2,000,000.00	200,000	2,000,000.00
Issued, Subscribed & Fully Paid up Shares				
Equity shares Rs. 10/- each fully paid up	10,000	100,000.00	10,000	100,000.00
	10,000	100,000.00	10,000	100,000.00

(a) 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. In the event of Liquidation of the company the holders of equity shares will be entitled to receive remaining assets of the company.

(b) Reconciliation of the Shares outstanding at the beginning and at the end of reporting period :

Particulars	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares outstanding at the beginning of the year	10,000	100,000.00	10,000	100,000.00
Equity shares issued during the year	-	-	-	-
Equity shares outstanding at the end of the year	10,000	100,000.00	10,000	100,000.00

(c) Shareholders holding more than 5% of equity shares as at the end of the year :

Name of Shareholders	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %
Sandeep Jain	6,500	65.00	6,500	65.00
Deepika Jain	3,000	30.00	3,000	30.00

(d) Aggregate no. of equity Shares brought back and Bonus shares issued for consideration other than cash, during the period since company has incorporated till the reporting date is Nil (Nil).

NOTE B: RESERVES & SURPLUS

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Surplus in the statement of Profit & Loss		
Balance as per last financial statements		
Profit/(Loss) for the year	3,064,996.03	3,439,612.17
Amount available for Appropriation	825,904.58	(374,616.14)
Appropriations:	3,890,900.61	3,064,996.03
Closing Balance of Surplus	3,890,900.61	3,064,996.03
Total	3,890,900.61	3,064,996.03

(SANDEEP JAIN)
Mg. Director
(DIN-02365790)

(Mrs. DEEPIKA JAIN)
Director
(DIN-02365797)



LORENZINI APPARELS PVT. LTD.
NEW DELHI

NOTE C : LONG TERM BORROWINGS

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
SECURED		
Secured Loan		
- ICICI Bank (Car Loan A/c) (Repayable in 48 instalments of Rs. 69,149/- each)	1,128,076.00	1,793,468.00
- ICICI Bank (Loan A/c LADEL0002612946) (Repayable in 36 instalments of Rs. 38,665/- each)	400,910.10	799,743.60
- ICICI Bank (Used Car Loan A/c LUDEL00026819204) (Repayable in 24 instalments of Rs. 44,067/- each)	522,787.00	
	2,051,773.10	2,593,211.60
UNSECURED		
Loan from Related Parties (No terms as to repayment have been specified)		
- Barclays Bank (PLC Loan) (Repayable in 36 instalments of Rs. 1,15,688/- each)	670,000.00	670,000.00
- Others (No terms as to repayment have been specified)	553,279.00	1,724,623.00
	662,000.00	662,000.00
Total	1,885,279.00	3,056,623.00
	3,937,052.10	5,649,834.60

NOTE D : OTHER LONG TERM LIABILITIES

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
- Security Deposits recd from Franchisees	9,600,000.00	12,000,000.00
Total	9,600,000.00	12,000,000.00

NOTE E : SHORT TERM BORROWINGS

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
SECURED		
Secured Loan		
- IDBI Bank (OD A/c No. 109651100000143) (Collaterally Secured agst credit card swipes of the company on EDC machines of IDBI Bank)	2,156,080.25	4,846,096.54
- ICICI Bank (OD A/c No. 003105001197)	309,466.36	385,857.61
Total	2,465,546.61	5,231,954.15

NOTE E : TRADE PAYABLES

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Trade Payable- Micro & Small Enterprises		
Trade Payable-Others	16,617,705.00	30,262,839.05
Total	16,617,705.00	30,262,839.05

NOTE F : OTHER CURRENT LIABILITIES

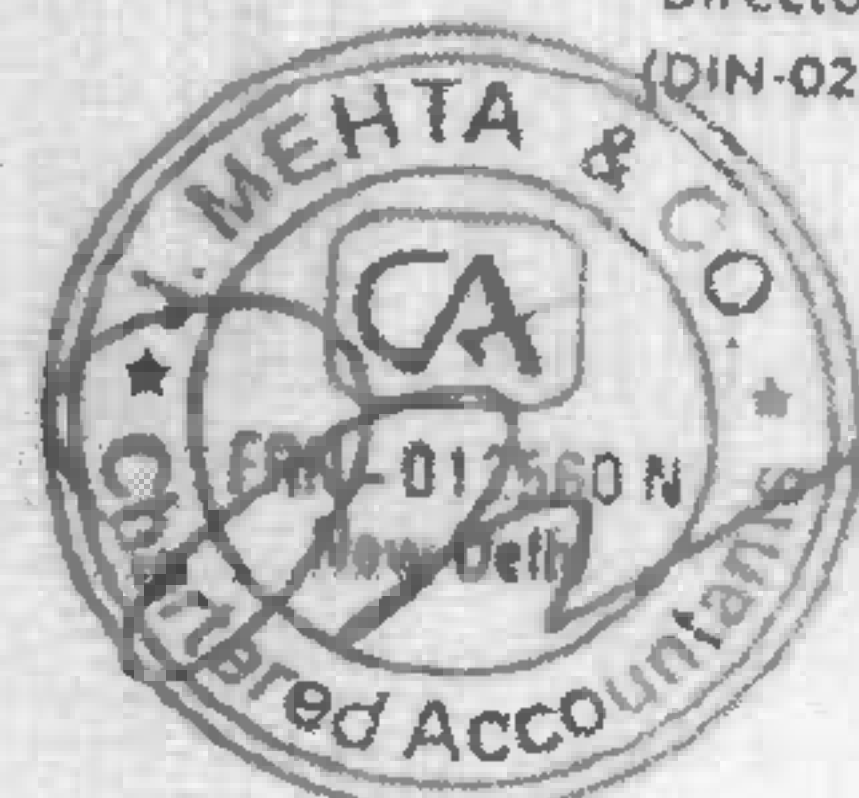
Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Others		
- Advances from Parties	1,537,421.00	
- IDBI Bank-Book Overdraw (C/A No. 102305000641)		73,490.37
- Payable to Directors	181,370.29	186,196.26
- Expenses Payable	2,558,803.00	6,672,427.78
Total	4,277,594.23	6,932,114.41

NOTE G : SHORT TERM PROVISIONS

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Provision for Current Tax	238,000.00	948,000.00
Total	238,000.00	948,000.00

(SANSEEP JAIN)
Mr. Director
(DIN-02365790)

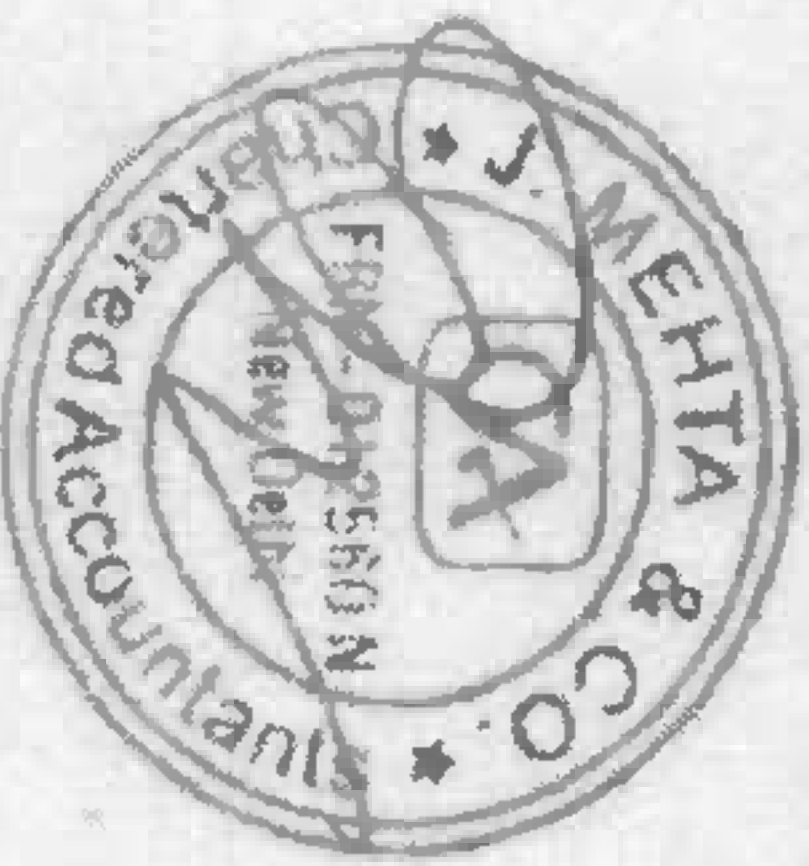
(Mrs. DEEPIKA JAIN)
Director
(DIN-02365797)



LORENZINI APPARELS PVT. LTD.
NEW DELHI

NOTE H : FIXED ASSETS

S.No.	Assets Description	GROSS BLOCK-Cost/Book Value				DEPRECIATION				NET BLOCK		
		Opening Balance at 01.04.2013	Additions	Sales/Adjustment	Balance as 31.03.2014	As at 31.03.2013	For the Year	Adjustment	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013	
TANGIBLE ASSETS												
I	Vehicle											
1.	Car I10	388,174.00	-	-	388,174.00	25.89%	234,657.00	39,746.00	-	274,403.00	113,771.00	153,517.00
2.	Car BMW	3,859,660.00	-	-	3,859,660.00	25.89%	1,323,006.00	1,556,740.00	-	1,979,746.00	1,879,914.00	2,536,654.00
3.	Car Cruze	1,481,259.00	-	-	1,481,259.00	25.89%	383,498.00	284,212.00	-	667,708.00	813,551.00	1,097,761.00
II	Furniture & Fixtures											
1.	Furniture	3,429,049.00	-	-	3,429,049.00	18.10%	2,022,718.00	254,546.00	-	2,277,264.00	1,151,785.00	1,406,331.00
III	Office Equipments											
1.	Office Equipments	3,850.00	-	-	3,850.00	13.91%	1,719.00	295.00	-	2,015.00	1,835.00	2,131.00
2.	Fire Extinguisher	5,808.00	-	-	5,808.00	13.91%	2,659.00	438.00	-	3,097.00	2,711.00	3,149.00
3.	Air Conditioner	791,829.00	40,500.00	-	832,329.00	13.91%	254,667.00	74,827.00	-	329,494.00	502,835.00	537,162.00
4.	Dummy (Statute)	234,950.00	-	-	234,950.00	13.91%	102,673.00	18,401.00	-	121,073.00	113,877.00	132,277.00
5.	EPABX	16,500.00	-	-	16,500.00	13.91%	8,190.00	1,155.00	-	9,345.00	7,154.00	8,310.00
6.	Inventor	205,900.00	-	-	205,900.00	13.91%	93,606.00	15,622.00	-	109,226.00	96,674.00	112,294.00
7.	Water Filter	13,000.00	-	-	13,000.00	13.91%	6,177.00	943.00	-	7,126.00	5,874.00	6,823.00
8.	Mobile Phone	201,650.00	-	-	201,650.00	13.91%	45,525.00	21,717.00	-	67,242.00	134,408.00	156,125.00
9.	CCTV Camera	334,994.00	-	-	334,994.00	13.91%	111,858.00	31,035.00	-	142,896.00	192,098.00	223,136.00
10.	Generator	265,000.00	-	-	265,000.00	13.91%	106,161.00	32,147.00	-	138,308.00	205,192.00	158,839.00
11.	Refrigerator	7,200.00	-	-	7,200.00	13.91%	2,512.00	652.00	-	3,164.00	4,036.00	4,688.00
IV	Computer Equipments											
1.	Computer Equipment	1,413,765.00	-	-	1,413,765.00	40.00%	1,171,799.00	96,785.00	-	1,268,585.00	145,180.00	241,966.00
Computer Equipments		12,652,588.00	119,000.00	-	12,771,588.00		5,871,425.00	1,529,261.00	-	7,400,693.00	5,370,895.00	6,781,163.00
V	INTANGIBLE ASSETS											
1.	Trade Mark	52,500.00	-	-	52,500.00	13.91%	26,112.00	3,671.00	-	29,783.00	22,717.00	26,388.00
2.	Computer Software	467,769.00	1,050,000.00	-	1,517,769.00	40.00%	172,593.00	530,015.00	-	702,608.00	815,161.00	295,176.00
INTANGIBLE ASSETS		520,269.00	1,050,000.00	-	1,570,269.00		198,705.00	533,686.00	-	732,391.00	837,878.00	321,564.00
TOTAL		13,172,857.00	1,169,000.00	-	14,341,857.00		6,070,130.00	2,062,954.00	-	8,133,084.00	6,208,773.00	7,102,727.00
TOTAL		11,185,904.00	1,986,953.00	-	13,172,857.00		3,932,174.00	2,137,956.00	-	6,070,130.00	7,102,727.00	7,253,730.00



(Sandeep Jain)
Mg. Director
(DIN-02365790)

(Mrs. Deepika Jain)
Director
(DIN-02365797)

LORENZINI APPARELS PVT. LTD.
NEW DELHI

NOTE I : DEFERRED TAX ASSET(NET)

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Deferred Tax Asset		
Opening Balance	373,460.00	214,034.00
Add: Credit/ Charge during the year on account of depreciation & disallowances	52,599.00	159,426.00
Closing Balance	426,059.00	373,460.00

NOTE J : LONG TERM LOANS & ADVANCES

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Security Deposit (Unsecured, considered good)		
- For Rent to Landlords	3,571,111.00	5,166,190.00
Total	3,571,111.00	5,166,190.00

NOTE K: INVENTORIES

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Stock-in-trade (Including WIP)	15,576,137.33	36,273,031.00
Total	15,576,137.33	36,273,031.00

NOTE L: TRADE RECEIVABLES

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Debts (Unsecured, considered good)		
- Outstanding for a period exceeding six months	602,231.75	
- Others	6,169,885.26	3,228,721.33
Total	6,772,117.01	3,228,721.33

NOTE M : CASH & CASH EQUIVALENTS

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Balances with Banks		
- Axis Bank (A/c No. 361010200001059)	77,683.72	4,124.23
- IDBI Bank (A/c No. 109102000011802)	4,962.97	4,962.97
- IDBI Bank (A/c No. 109102000013527)	45,203.01	2,954.71
- ICICI Bank (A/c No. 003105000641)	948,601.46	
Cash In Hand	1,042,992.00	9,003,361.00
Total	2,119,443.16	9,015,402.91

NOTE N : SHORT TERM LOANS & ADVANCES

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Advance to Related Parties	3,558,709.05	1,933,525.00
Others (Unsecured considered good)		
- Advance to Staff	47,550.00	59,673.00
- Advance to Suppliers	3,007,048.00	492,075.00
- Advance to UP Vat Deptt -under Appeal	78,220.00	78,220.00
- Prepaid Expenses	161,631.00	427,793.00
- Income Tax/TDS Refundable(2008-09)		38,920.00
Total	6,853,158.05	3,030,206.00

(SANDEEP JAIN)
Mg. Director
(DIN-02365790)

(Mrs. DEEPIKA JAIN)
Director
(DIN-02365797)



LORENZINI APPARELS PVT. LTD.
NEW DELHI

NOTE O: REVENUE FROM OPERATIONS

Particulars	(Amount in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
Sales	115,971,219.46	131,603,812.94
Total	115,971,219.46	131,603,812.94

NOTE P: OTHER INCOME

Particulars	(Amount in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
Short & Excess	131.31	331.94
Sundry Party W/off	-	5,245.00
Discount Received	-	2,384.00
Total	131.31	7,960.94

NOTE Q: PURCHASE OF STOCK IN TRADE

Particulars	(Amount in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
Purchases - Domestic	35,273,449.53	58,377,543.37
Excise Duty Paid	-	4,930,628.00
Purchases - Import	-	2,928,430.00
Custom duty, Clearing & Forwarding and other incidental charges	-	398,933.06
Total	35,273,449.53	66,635,534.43

NOTE R: CHANGE OF Stock In Trade

Particulars	(Amount in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
<u>Stock In Trade (at close)</u> Traded Goods	15,676,137.33	36,273,031.00
<u>Less: Stock in Trade(at commencement)</u> Traded Goods	36,273,031.00	28,362,087.00
Total	20,696,893.68	(7,910,944.00)

NOTE S: EMPLOYEE BENEFIT EXPENSE

Particulars	(Amount in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
Salary to Employees	6,319,150.00	5,857,643.00
Directors Remuneration	1,800,000.00	1,800,000.00
Staff Welfare Expenses	420,760.00	424,031.00
Total	8,539,910.00	8,081,674.00

NOTE T: FINANCE COST

Particulars	(Amount in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
Interest on OD/Term Loan	413,771.60	446,809.00
Interest on Car Loan	560,528.50	771,116.60
Credit Card Charges	555,972.02	884,591.88
Bank Charges	235,085.93	207,379.67
Interest on TDS	542,116.00	-
Interest on Service Tax/VAT	514,412.88	319,129.00
Total	2,821,886.93	2,629,026.15

(KANDEEP JAIN)
Mg. Director
(DIN-02365797)

(Mrs. DEEPIKA JAIN)
Director
(DIN-02365797)



LORENZINI APPARELS PVT. LTD.
NEW DELHI

NOTE U: DEPRICIATION & AMORTIZATION

Particulars	(Amount in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
Depredation	2,062,954.00	2,137,956.00
Total	2,062,954.00	2,137,956.00

NOTE V: OTHER EXPENSES

Particulars	(Amount in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
Fabrication Charges	12,972,612.00	19,496,163.00
Alteration Charges	496,280.00	519,997.00
Printing & Stationery	105,018.00	310,830.00
Freight & Cartage	11,055.00	57,831.00
Postage & Courier Charges	118,555.37	215,240.80
ShowRoom Expenses	470,705.00	336,603.00
Business Promotion	247,341.36	968,713.79
Conveyance	264,527.00	217,264.00
Telephone Expenses	355,819.00	451,814.00
Electricity & Water Expenses	2,206,108.00	2,306,190.00
Travelling Expenses	34,675.00	141,233.70
Travelling Expenses- Foreign	-	60,642.84
Commision Paid	4,258,653.00	4,095,431.00
Diwali Expenses	120,715.00	134,325.00
Vehicle Running & Maint.	166,488.00	167,423.00
Office/Showooms Rent	19,382,025.00	25,029,115.00
Generator Running & Maintenance	159,000.00	237,310.00
Books & Periodicals	1,010.00	12,364.00
Repair & Maintenance	90,835.00	315,792.00
Advertising & Publicity	114,828.00	88,739.31
Cartage Outward	279,000.00	292,200.00
Foreign Exchange Fluctuation	68,253.01	111,681.14
Computer Repair & Maintenance Charge	77,062.00	107,215.00
Packing Material	208,164.00	42,998.00
Modeling Expense	-	317,263.00
Website Design	-	125,000.00
Sampling Expenses	437,938.95	432,740.86
Filing Fees	2,500.00	2,100.00
Additional Sales tax	-	16,500.00
Additional Service tax Demand	14,830.00	21,209.00
Additional Excise Duty	-	85,347.00
Stamp Duty W/off	233,320.00	338,758.00
Security Service Charge	-	8,110.00
Insurance Charges	194,871.00	220,203.00
General Expenses	13,140.00	81,080.00
Rebate & Discount	73,077.37	-
Mall Maintenance Charges	1,668,127.00	1,873,766.00
Legal/Professional Charges	311,008.00	114,226.00
Auditor's Remuneration	168,540.00	168,540.00
Total	45,326,081.06	59,521,959.44

NOTE W: TAX EXPENSE

Particulars	(Amount in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
CURRENT TAX		
Provision for Current Tax	238,000.00	948,000.00
Excess Provision for Income Tax	238,870.00	102,610.00
	476,870.00	1,050,610.00
DEFERRED TAX		
Provision for Deferred Tax	(52,599.00)	(159,426.00)
	(52,599.00)	(159,426.00)
Total	424,271.00	891,184.00

(SARDEEP JAIN)
Mg. Director
(DIN-02365790)

(Mrs. DEEPIKA JAIN)
Director
(DIN-02365797)



M/s LORENZINI APPARELS PVT. LTD.
NEW DELHI

X. NOTES ON ACCOUNTS

1. CONTINGENT LIABILITIES

UP-VAT Demand (2011-12)-Under Appeal 1,56,430/- (1,56,430/-)
Further, The company had deposited a sum of Rs. 78,220/- on account of stay of the above said Demand.

2. Previous year's figures have been regrouped or rearranged, wherever considered necessary.

3. In the opinion of directors, current assets and loans and advances have a value on realization in the ordinary course of the business at least equal to the amount at which these have been stated in the Balance Sheet.

4. Foreign Currency Exposures

The year end Foreign Currency Exposure is given below:

I) Expenditure in Foreign Currency

- Purchases	Rs. NIL		(Rs. 29,28,430/-)
- Expenses-Travelling/others	Rs. 1,55,184/-		(Rs. 2,11,573/-)

II) Earnings in Foreign Currency

Rs. NIL	(NIL)
---------	-------

5. The Company has not received any memorandum/declaration (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March 2014 as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is Nil.

6. The Company has not provided for the Employees Benefits as on the date of the Balance Sheet. In the opinion of the management, no provision is required for employees' benefits, as at present consolidated salaries are being paid to employees and there are no retirement benefit plans.

7. Deferred Tax Asset/Liability

As required by Accounting Standard (AS-22) 'Taxes on Income' issued by the ICAI, the Co. has recognized deferred taxes, which result from timing difference between book profits and tax profits. The deferred Tax Asset as on 31.03.2014 is as under:

Particulars	Deferred Tax Asset As on 31.03.2013	Credit/charge during the year	Deferred Tax Asset as on 31.03.2014
Depreciation	Rs. 3,73,460/-	Rs. 52,599/-	Rs. 4,26,059/-

8. Related Parties Disclosures

The Related Parties disclosure and transactions with them during the year in the ordinary course of business are as follow:

Key Management Personnel

- Sandeep Jain
- Deepika Jain

List of Related Parties

- V.K. Jain
- Praveen Jain

Transactions with the Related Parties during the year and balance as 31.03.2014

Nature of transaction	Amount	Amount Returned	Balance as on 31.03.14
- Loan Received / Repaid	---	----	6,70,000/-
- Loan Given /Received back	14,54,434/-	1,00,000/-	35,58,709/-
- Directors' Remuneration	18,00,000/-	---	1,81,370/-



9. The parties' accounts, whether in debit or credit, are subject to confirmation.

10. Details of Auditors' Remuneration are as under :

	<u>2013-14</u>	<u>2012-13</u>
Audit Fees	1,00,000.00	1,00,000.00
Income Tax	50,000.00	50,000.00
Service Tax/Ed,cess	18,540.00	18,540.00
	<u>1,68,540.00</u>	<u>1,68,540.00</u>

11. Earning per Share

Basic & Diluted Earning per Share of the Company is as under:

	<u>31.03.2014</u>	<u>31.03.2013</u>
Profit after Tax (A)	8,25,905/-	(3,74,617/-)
Wtd. Average No. of Shares	10,000	10,000
Nominal Value per share	10/-	10/-
Earning per Share	82.59	---

12. The company is a Small and Medium sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act,1956. Accordingly, the company has complied with the Accounting Standards as applicable to Small and Medium-sized Company.

Y. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FIANANCIAL STATMENTS

The accounts of the company are prepared under historical cost convention and on accrual basis, in accordance with the generally accepted accounting principles in India, the applicable Accounting Standards issued by the ICAI and the relevant provisions of The Companies Act,1956, except otherwise stated.

2. USE OF ESTIMATES

The preparation of financial statements requires management to make certain estimates assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual amounts and estimates are recognized in the period in which they materialize.

3. FIXED ASSETS

Fixed Assets have been stated at cost. The cost means cost of acquisition inclusive of freight, duties and incidental expenses.

4. DEPRECIATION

Depreciation on fixed assets has been provided on 'written down value' method at the rates and in the manner specified under schedule XIV of the Companies Act'1956.

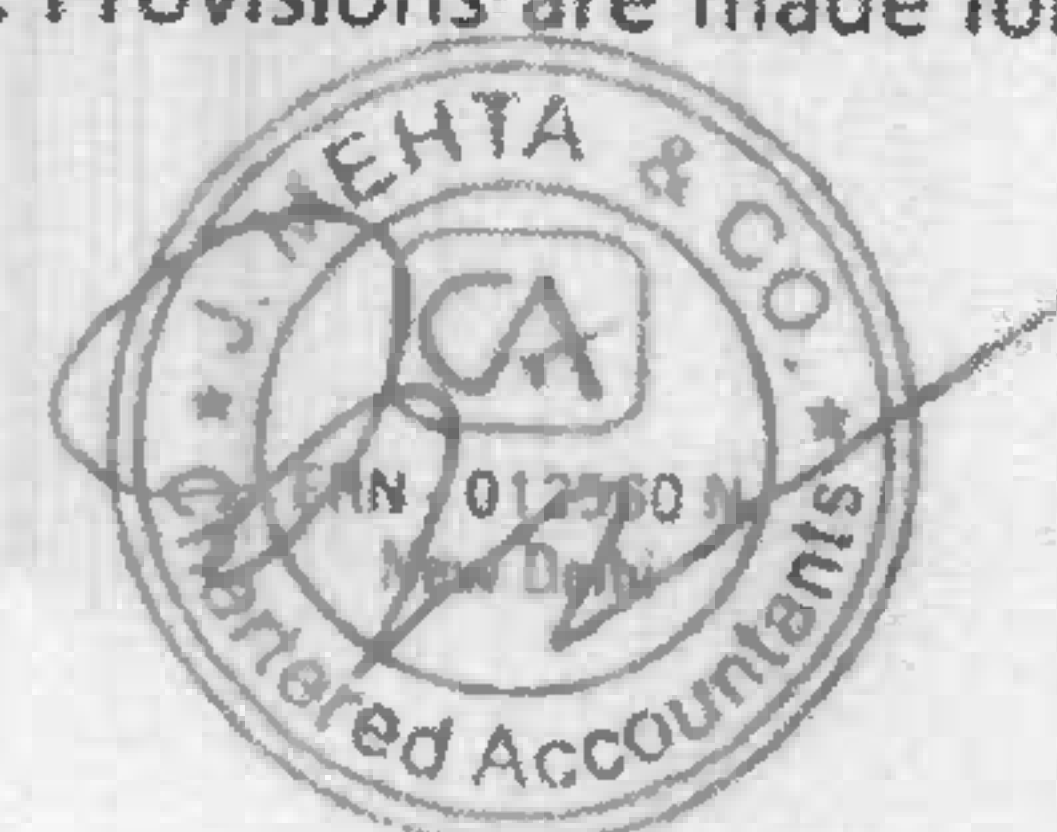
5. INVENTORY

Inventories of stock in trade are valued at lower of cost and market value and has been taken at as valued, verified and certified by the management.

6. REVENUE RECOGNITION & ACCRUAL OF EXPENSES

Sales are recognized at Sale Value exclusive of taxes and are recorded at net of discounts and sales returns, if any.

All expenses are charged to Profit & Loss Account as and when accrued. Provisions are made for all known losses and liabilities.



7. **FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transaction.

Foreign exchange differences arising at the time of settlement are recognized as income or expense, as "Exchange Difference" in the Statement of Profit & Loss.

All Liabilities /Assets on account of foreign currency are converted at the exchange rate prevailing at the end of the year.

8. **BORROWING COSTS**

Borrowing Cost related to general business activities are recognized as an expense in the period in which these are incurred.

9. **TAXES ON INCOME**

Provision for Current Income Tax is made on the current tax rate based on the assessable income computed under the Income Tax Act, 1961.


Deferred Tax Assets and Liabilities are recognized for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted as a the Balance Sheet date.

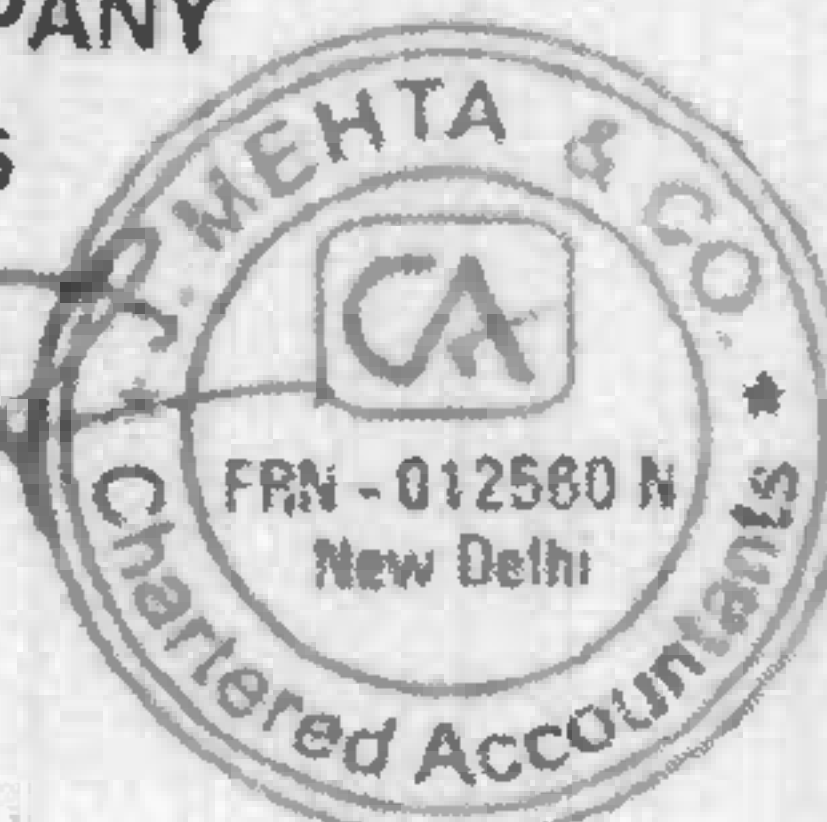
Place : New Delhi
Dated: 22.09.2014


(SANDEEP JAIN)
Mg. Director
(DIN-02365790)


(Mrs. DEEPIKA JAIN)
Director
(DIN-02365797)

As per our separate report of even date,
For J. MEHTA & COMPANY
Chartered Accountants
(FRN-012560N)


(JITENDER MEHTA)
Proprietor
(M.No. 091174)



LORENZINI APPARELS PVT. LTD.
NEW DELHI

SCHEDULE FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT & LOSS
(Information pursuant to part IV of Sec. VI of Companies Act'1956)

BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.	U17120DL2007PTC163192		
State Code	55		
Balance Sheet Date	31	03	2014
	(Date)	Month	Year

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. thousands).

Public Issue	----
Rights Issue	----
Bonus Issue	----
Private Placement	----

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

	(Amount in Rs. Thousands)
Equity & Liabilities	41527
Assets	41527
<u>Equity & Liabilities</u>	
Shareholders' Funds	3991
Share Application Money	400
Non Current Liabilities	13537
Current Liabilities	23599
<u>Assets</u>	
Non Current Assets	10206
Current Assets	31321

IV. PERFORMANCE OF COMPANY (Amount in Rs. Thousands)

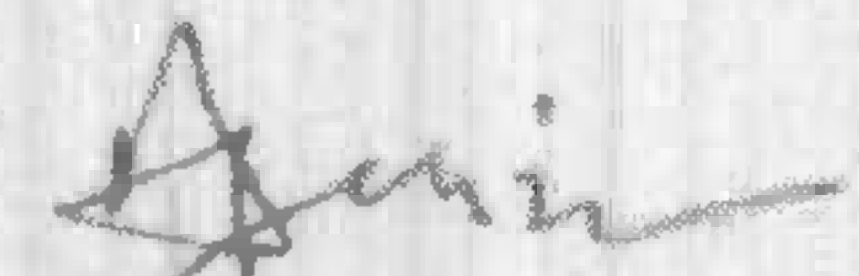
Turnover	115971
Total Expenditure	114721
Profit /Loss (Before Tax)	1250
Profit /Loss (After Tax)	826
Earning Per Share (in Rs).	82.59

V. GENERIC NAMES OF 1 PRINCIPLES PRODUCTS/SERVICES OF COMPANY

	(As per Monetary Terms)
Item Code No. (ITC Code)	----
Products Description	Garments

Place : New Delhi
Dated: 22.09.2014


(SANDEEP JAIN)
Mg. Director
(DIN-02365790)


(Mrs. DEEPIKA JAIN)
Director
(DIN-02365797)

