



J. MEHTA & COMPANY

CHARTERED ACCOUNTANTS

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, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 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 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 the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the Profits, for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") 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 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 appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss and 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, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the 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 litigation, which would have any impact on its financial position.
 - ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.
 - iii. There has not been any occasion during the year, in case of the Company under report to transfer any sums to the Investor Education and Protection Fund.

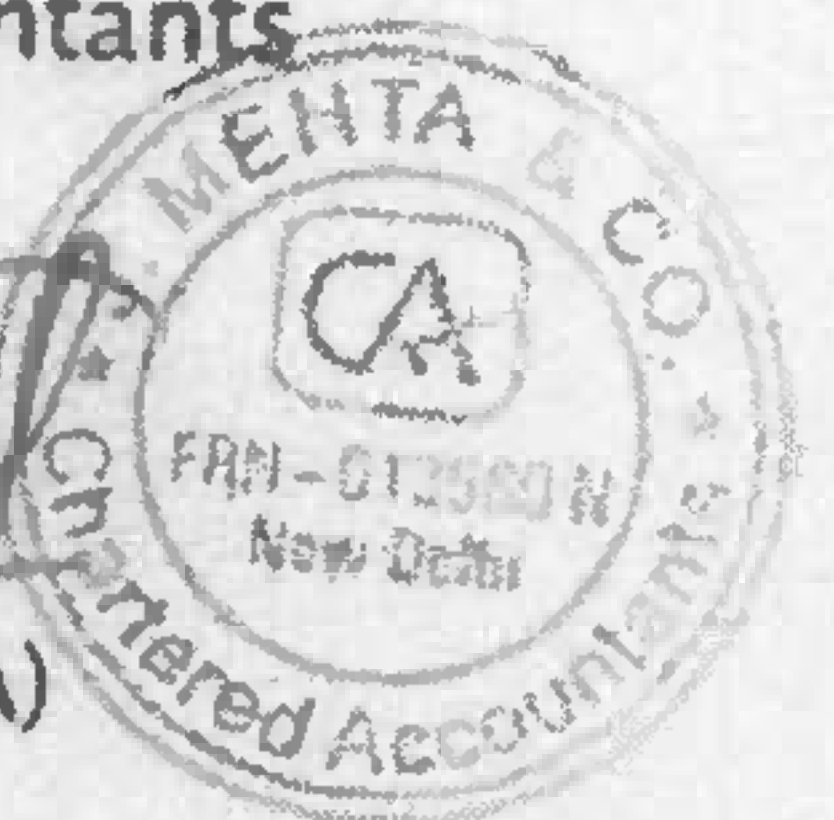
Place : New Delhi
Dated : 31.08.2015

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


(JITENDER MEHTA)

Proprietor

(M.No.-091174)



RE. : LORENZINI APPARELS PRIVATE LIMITED
ENCLOSURE TO AUDITORS' REPORT PURSUANT TO THE
COMPANIES (AUDITOR'S REPORT) ORDER'2015 UNDER
SECTION 143(11) OF COMPANIES ACT,2013.

- i. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) We are informed that the Fixed Assets of the company have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- ii. As per information given to us, the company is maintaining records of the 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 stock records of the company were not produced before us 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.
- iii. a) The company has granted loans to three parties, covered in the register maintained under section 189 of the Companies Act. The maximum amount involved is Rs. 58,86,302/- and the balance outstanding at the end of the year is Rs 53,86,302/-.
- b) In our opinion and according to the information and explanations given to us, the receipt of principal amount and interest, wherever applicable, are also regular.
- c) As informed to us, the company has taken reasonable steps for recovery of principal and interest, in case of overdue amount more than rupees one lakh.
- iv. In our opinion and according to the information and explanations given to us, there are fairly 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 and services. During the course of our audit, no major weakness has been observed in the internal control in respect of these areas.
- v. As per information & explanation given to us and the records before us, the company has not accepted any deposits.
- vi. As explained to us, the Central Govt. has not prescribed for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, in case of this Company.
- vii. a) According to the information and explanations given to us and as per records examined by us, the company is generally regular in depositing undisputed



statutory dues applicable to it with the appropriate authorities, except in case of VAT and TDS, which have been delayed at few instances. There are no arrears of undisputed statutory dues outstanding at the year end for a period of more than six months from the date on which they become payable.

- b) According to the information and explanations given to us and as per our verification of the records of the company, the following disputed amount of the tax/duty that have not been deposited with the appropriate authorities as on 31st March, 2015 are as under :

S. No.	Name of Statute	Nature of Dues	Amount (Rs.)	Period to which amount relates	Forum where amount is pending
1.	Income Tax	TDS Penalty	5,25,200/-	2012-13, 2013-14 & 2014-15	CIT (Appeals), New Delhij

- c) According to the information and explanations given to us, there has not been any occasion during the year, in case of the Company under report to transfer any sums to the Investor Education and Protection Fund,
- viii, 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.
- ix. 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.
- x. 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.
- xi. Based on information and explanations given to us by the management, term loan were applied for the purpose for which loans were obtained.
- xii. 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 on reported during the course of our audit,

Place : New Delhi
Dated : 31.08.2015

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

(Signature)
(JITENDER MEHTA)

Proprietor
(M.No.-091174)



LORENZINI APPARELS PVT. LTD.
NEW DELHI

BALANCE SHEET AS AT 31st MARCH'2015

PARTICULARS	NOTES	FIGURES AT THE END OF 31.03.2015	FIGURES AT THE END OF 31.03.2014
I EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	A	100,000.00	100,000.00
Reserve & Surplus	B	4,302,131.56	3,890,900.61
Share Allotment Money			
Pending Allotment			400,000.00
Non Current Liabilities			
Long Term Borrowings	C	11,057,586.00	3,937,052.10
Other Long Term Liabilities	D	4,200,000.00	9,600,000.00
Current Liabilities			
Short Term Borrowings	E	11,535,952.14	2,465,546.61
Trade Payables	F	21,831,986.43	16,617,705.00
Other Current Liabilities	G	2,254,873.53	4,277,594.23
Short Term Provisions	H	430,000.00	238,000.00
		55,712,529.66	41,526,798.55
II ASSETS			
Non-Current Assets			
Fixed Assets			
- Tangible Assets	I	3,477,020.00	6,186,056.00
- Intangible Assets		13,889.00	22,717.00
Non Current Investments	J	15,530,677.00	-
Deferred Tax Asset	K	975,806.00	426,059.00
Long Term Loans & Advances	L	1,988,391.00	3,571,111.00
Current Assets			
Inventories	M	11,424,451.77	15,576,137.33
Trade Receivables	N	6,934,556.79	6,772,117.01
Cash & Cash Equivalents	O	4,874,520.27	2,119,443.16
Short Term Loans & Advances	P	10,409,996.83	6,853,158.05
Other Current Assets	Q	83,221.00	-
		55,712,529.66	41,526,798.55

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

Place : New Delhi
Dated : 31.08.2015

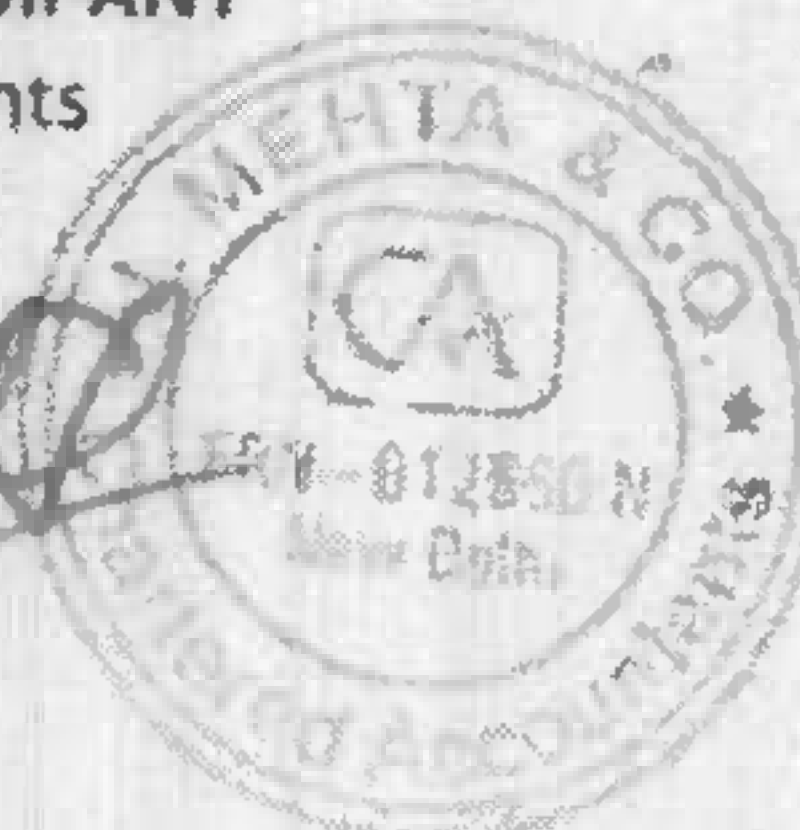
A - AB

(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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH'2015

(I) OPERATING ACTIVITIES	FOR THE YEAR ENDED 31.03.2015	FOR THE YEAR ENDED 31.03.2014
NET PROFIT/LOSS BEFORE TAX AND EXTRA-ORDINARY ITEMS	517,345.95	1,250,175.58
Adjustment for		
- Depreciation & Amortization	2,900,080.00	2,062,954.00
NET CASH FLOW FROM OPERATING ACTIVITIES PRIOR TO THE EFFECT OF CHANGES IN ASSETS & LIABILITIES	3,417,425.95	3,313,129.58
(INCREASE) / DECREASE IN OPERATING ASSETS		
Adjustment for		
- Inventories	4,151,685.56	20,696,893.67
- Trade Receivables	(162,439.78)	(3,543,395.68)
- Other loans & Advances	(1,974,118.78)	(2,266,793.05)
- Other Current Assets	(83,221.00)	
INCREASE / (DECREASE) IN OPERATING LIABILITIES		
Adjustment for		
- Other Current Liabilities	(2,022,720.70)	(2,654,520.18)
- Short Term Borrowing	9,070,405.53	(2,766,407.54)
- Trade Payables	5,214,281.43	(13,645,134.05)
CASH GENERATED FROM OPERATION	17,611,298.21	(866,227.25)
Income Tax Paid	(274,070.00)	(1,147,950.00)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	17,337,228.21	(2,014,177.26)
(II) INVESTING ACTIVITIES		
Purchase of Fixed Assets	(372,008.00)	(1,169,000.00)
Investment Purchased	(15,530,677.00)	
CASH GENERATED INVESTING ACTIVITIES (B)	(15,902,685.00)	(1,169,000.00)
(III) FINANCING ACTIVITIES		
Long Term Borrowings	7,120,533.90	(1,712,782.50)
Security Deposit Refunded	(5,400,000.00)	(2,400,000.00)
Share Allotment Money Repaid	(400,000.00)	400,000.00
CASH GENERATED FINANCING ACTIVITIES (C)	1,320,533.90	(3,712,782.50)
NET INCREASE/DECREASE IN CASH & CASH EQUIVALENT (A+B+C)	2,755,077.11	(6,895,959.76)
CASH & CASH EQUIVALANTS AT THE BEGINNING OF THE YEAR	2,119,443.16	9,015,402.91
CASH & CASH EQUIVALANTS AT THE END OF THE YEAR	4,874,520.27	2,119,443.16

NOTES & SIGNIFICANT ACCOUNTING POLICIES
FORMING PART OF FINANCIAL STATEMENTS

Place : New Delhi
Dated : 31.08.2015

A - AB

(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'2015

PARTICULARS	NOTES	FIGURES FOR THE YEAR ENDED 31.03.2015	FIGURES FOR THE YEAR ENDED 31.03.2014
I INCOME			
Revenue from Operations	R	141,220,864.35	115,971,219.46
Other Income	S	420,969.72	131.31
TOTAL : 'I'		141,641,834.07	115,971,350.77
II EXPENSES			
Purchase of Stock in Trade	T	72,809,946.00	35,273,449.53
Change of Stock In Trade	U	4,151,685.56	20,696,893.68
Employee Benefit Expense	V	10,856,050.00	8,539,910.00
Finance Cost	W	2,303,565.54	2,821,886.93
Depreciation & Amortization Expense	X	2,900,080.00	2,062,954.00
Other Expenses	Y	48,103,161.02	45,326,081.06
TOTAL : 'II'		141,124,488.12	114,721,175.20
III PROFIT BEFORE TAX (I - II)		517,345.95	1,250,175.58
IV Tax Expense			
- Current Tax	Z	466,070.00	476,870.00
- Deferred Tax		(549,747.00)	(52,599.00)
V PROFIT/LOSS FOR THE PERIOD (III - IV)		601,022.95	825,904.58
VI EARNING per equity share:			
- Basic & Diluted		60.10	82.59

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

Place : New Delhi
Dated : 31.08.2015

A-AB

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

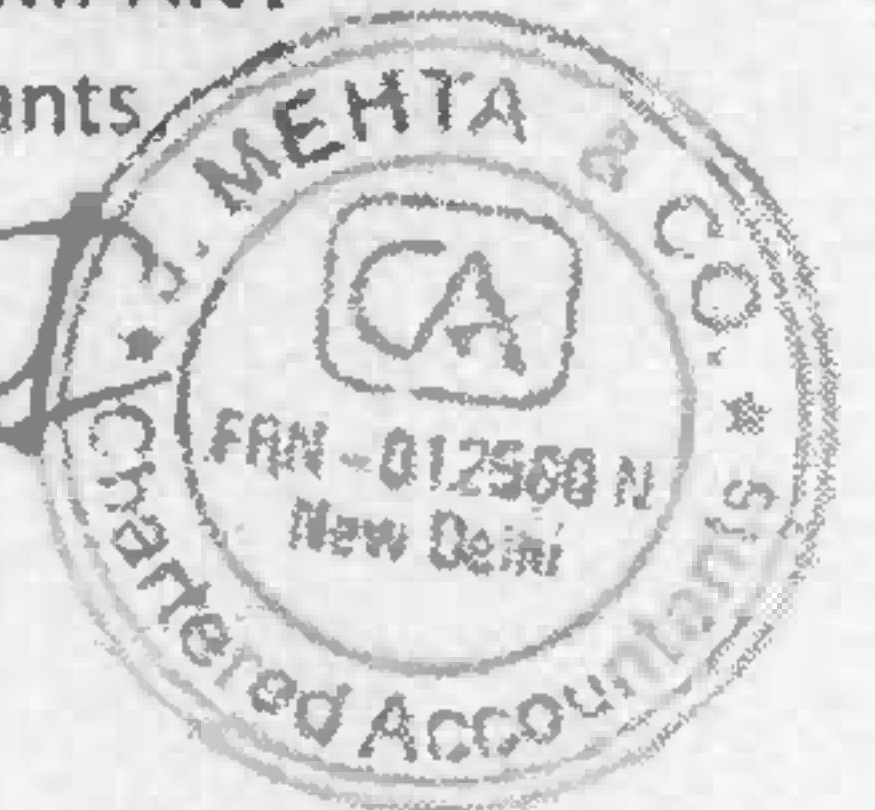
(MRS. DEEPIKA JAIN)
Director
(DIN-02365797)

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, 2015

NOTE A: SHARE CAPITAL

Particulars	As at 31.03.2015		As at 31.03.2014	
	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:-

(Amount in Rs.)

Particulars	As at 31.03.2015		As at 31.03.2014	
	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 :

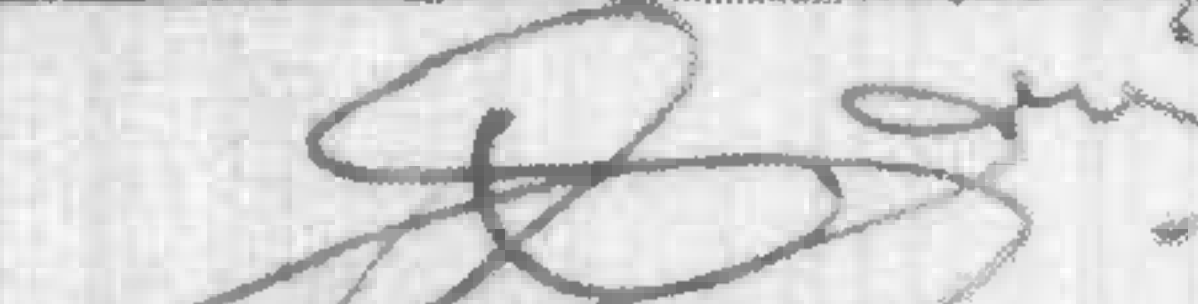
Name of Shareholders	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %
Sandeep Jain	1,000	10.00	6,500	65.00
Deepika Jain	9,000	90.00	3,000	30.00

(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

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
	Surplus in the statement of Profit & Loss	
Balance as per last financial statements	3,890,900.61	3,064,996.03
Profit/(Loss) for the year	601,022.95	825,904.58
Amount available for Appropriation	4,491,923.56	3,890,900.61
Appropriations: Prior Year Adjst of Depreciation	189,792.00	-
Closing Balance of Surplus	4,302,131.56	3,890,900.61
Total	4,302,131.56	3,890,900.61


(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 31.03.2015	As at 31.03.2014
SECURED		
Secured Loan		
- ICICI Bank (Car Loan A/c) (Repayable in 48 Installments of Rs. 69,149/- each)	385,685.00	1,128,076.00
- ICICI Bank (Loan A/c LADEL0002612946) (Repayable in 36 instalments of Rs. 38,665/- each)	-	400,910.10
- ICICI Bank (Used Car Loan A/c LUDEL00026819204) (Repayable in 24 Instalments of Rs. 44,067/- each)	43,491.00	522,787.00
- Reliance Home Finance Limited (Loan agst property) (Repayable in 120 Instalments of Rs. 1,47,840/- each)	9,958,410.00	
	10,387,586.00	2,051,773.10
UNSECURED		
Loan from Related Parties (No terms as to repayment have been specified)	670,000.00	670,000.00
- Barclays Bank (PLC Loan) (Repayable in 36 instalments of Rs. 1,15,688/- each)	-	553,279.00
- Others (No terms as to repayment have been specified)	-	662,000.00
	670,000.00	1,885,279.00
Total	11,057,586.00	3,937,052.10

NOTE D : OTHER LONG TERM LIABILITIES

Particulars	(Amount in Rs.)	
	As at 31.03.2015	As at 31.03.2014
- Security Deposits recd from Franchisees	4,200,000.00	9,600,000.00
Total	4,200,000.00	9,600,000.00

NOTE E : SHORT TERM BORROWINGS

Particulars	(Amount in Rs.)	
	As at 31.03.2015	As at 31.03.2014
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)	3,316,053.83	2,156,080.25
- ICICI Bank (OD A/c No. 003105001197) (Collaterally Secured agst credit card swipes of the company on EDC machines of ICICI Bank)	382,908.31	309,466.36
- Pinnacle Capital Solutions Pvt Ltd	7,336,990.00	
Total	11,535,952.14	2,465,546.61

NOTE F : TRADE PAYABLES

Particulars	(Amount in Rs.)	
	As at 31.03.2015	As at 31.03.2014
Trade Payable- Micro & Small Enterprises		
Trade Payable-Others	21,831,986.43	16,617,705.00
Total	21,831,986.43	16,617,705.00

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

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



LORENZINI APPARELS PVT. LTD.
NEW DELHI

NOTE G : OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
Others		
- Advances from Parties	-	1,537,421.00
- ICICI Bank (A/c No. 102305000641)- Book Overdraft	378,269.25	-
- Payable to Directors	340,370.23	181,370.23
- Expenses Payable	1,536,234.05	2,558,803.00
Total	2,254,873.53	4,277,594.23

NOTE H : SHORT TERM PROVISIONS

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
Provision for Current Tax	430,000.00	238,000.00
Total	430,000.00	238,000.00

NOTE J : NON CURRENT INVESTMENTS

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
<u>Investment in Property</u>		
- Shop No. G-104, situated at Ground Floor, Plot No.2 , Block -1 , Sector-25A, Noida, UP	15,530,677.00	-
Total	15,530,677.00	-

NOTE K : DEFERRED TAX ASSET(NET)

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
<u>Deferred Tax Asset</u>		
Opening Balance	426,059.00	373,460.00
Add: Credit/ Charge during the year on account of depreciation	549,747.00	52,599.00
Closing Balance	975,806.00	426,059.00

NOTE L : LONG TERM LOANS & ADVANCES

(Amount in Rs.)

Particulars	As at 31.03.2015	As at 31.03.2014
<u>Security Deposit (Unsecured, considered good)</u>		
- For Rent to Landlords	1,988,391.00	3,571,111.00
Total	1,988,391.00	3,571,111.00

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

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



**LORENZINI APPARELS PVT. LTD.
NEW DELHI**

NOTE 1 : FIXED ASSETS

S.No.	Assets Description	GROSS BLOCK-Cost/Book Value				NET BLOCK					
		Opening Balance at 01.04.2014	Additions	Sales/Adjustment	Balance as 31.03.2015	As at 31.03.2014	For the year	Accumulated Depreciation Reversed / Adjustment	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
TANGIBLE ASSETS											
I	Vehicle										
1.	Car 110	388,174.00	-	-	388,174.00	274,403.00	41,583.00	-	315,986.00	72,188.00	113,771.00
2.	Car BMW	3,859,660.00	-	-	3,859,660.00	1,979,746.00	631,463.00	-	2,611,209.00	1,248,451.00	1,879,914.00
3.	Car Cruze	1,481,259.00	-	-	1,481,259.00	667,708.00	267,902.00	-	935,610.00	545,649.00	813,551.00
II	Furniture & Fixtures										
I.	Furniture										
III	Office Equipments										
1.	Office Equipments	3,429,049.00	207,201.00	-	3,636,250.00	2,277,264.00	422,981.00	(2,159.00)	2,702,404.00	933,846.00	4,151,785.00
2.	Fire Extinguisher	3,850.00	-	-	3,850.00	2,015.00	1,194.00	(448.00)	3,657.00	193.00	1,835.00
3.	Air Conditioner	5,808.00	-	-	5,808.00	3,097.00	1,477.00	(944.00)	5,518.00	290.00	2,711.00
4.	Dummy (Statute)	832,329.00	34,900.00	-	867,229.00	329,494.00	355,222.00	(34,452.00)	719,168.00	148,061.00	502,835.00
5.	EPABX	234,950.00	-	-	234,950.00	121,073.00	52,844.00	(45,498.00)	219,415.00	15,535.00	113,877.00
6.	Inverter	16,500.00	-	-	16,500.00	9,346.00	42,138.00	(6,329.00)	15,675.00	825.00	7,154.00
7.	Water Filter	205,900.00	-	-	205,900.00	109,226.00	42,138.00	(44,241.00)	195,605.00	10,295.00	96,674.00
8.	Mobile Phone	13,000.00	-	-	13,000.00	7,126.00	74,538.00	(5,224.00)	12,350.00	650.00	5,874.00
9.	CCTV Camera	201,650.00	9,000.00	-	210,650.00	67,242.00	201,458.00	(16,672.00)	158,452.00	52,198.00	134,408.00
10.	Generator	334,994.00	120,907.00	-	455,901.00	142,896.00	157,978.00	-	344,354.00	111,547.00	192,098.00
11.	Refrigerator	343,500.00	-	-	343,500.00	138,308.00	3,567.00	-	296,286.00	47,214.00	205,192.00
IV	Computer Equipments										
1.	Computer Equipments	1,413,765.00	-	-	1,413,765.00	1,268,585.00	38,700.00	(33,825.00)	1,341,110.00	72,655.00	145,180.00
2.	Computer Software	1,517,769.00	-	-	1,517,769.00	702,608.00	598,207.00	-	1,300,815.00	216,954.00	815,161.00
V	INTANGIBLE ASSETS										
1.	Trade Mark	14,289,357.00	372,008.00	-	14,661,365.00	8,103,301.00	2,891,252.00	(189,792.00)	11,184,345.00	3,477,020.00	6,186,056.00
		52,500.00	-	-	52,500.00	29,783.00	8,828.00	-	38,611.00	13,889.00	22,717.00
		52,500.00	-	-	52,500.00	29,783.00	8,828.00	-	38,611.00	13,889.00	22,717.00
		14,341,857.00	372,008.00	-	14,713,865.00	8,133,084.00	2,900,080.00	(189,792.00)	11,222,956.00	3,490,909.00	6,208,773.00
		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										

Notes :

1. Net amount of Rs. 1,89,792/- credited to Accumulated depreciation of respective assets, being the carrying amount of Fixed Assets where the company has ascertained the remaining useful life of the assets as Nil as on 01.04.2014.
2. In case of Intangible Assets, the useful life for amortization of Trade Mark, has been considered as that of 10 years and the asset has been amortized accordingly.



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

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

LORENZINI APPARELS PVT. LTD.
NEW DELHI

NOTE M: INVENTORIES

Particulars	(Amount in Rs.)	
	As at 31.03.2015	As at 31.03.2014
Stock-in-trade (Including WIP)	11,424,451.77	15,576,137.33
Total	11,424,451.77	15,576,137.33

NOTE N: TRADE RECEIVABLES

Particulars	(Amount in Rs.)	
	As at 31.03.2015	As at 31.03.2014
Debts (Unsecured, considered good)		
- Outstanding for a period exceeding six months	320,835.00	602,231.75
- Others	6,613,721.79	6,169,885.26
Total	6,934,556.79	6,772,117.01

NOTE O : CASH & CASH EQUIVALENTS

Particulars	(Amount in Rs.)	
	As at 31.03.2015	As at 31.03.2014
Balances with Banks		
- Axis Bank (A/c No. 361010200001059)	227,409.57	77,683.72
- IDBI Bank (A/c No. 109102000011802)	4,962.97	4,962.97
- IDBI Bank (A/c No. 109102000013527)	58,917.96	45,203.01
- ICICI Bank (A/c No. 102305000641)	-	948,601.46
Cash in Hand	4,583,229.77	1,042,992.00
Total	4,874,520.27	2,119,443.16

NOTE P : SHORT TERM LOANS & ADVANCES

Particulars	(Amount in Rs.)	
	As at 31.03.2015	As at 31.03.2014
Advance to Related Parties		
Others (Unsecured considered good)	5,386,301.83	3,558,709.05
- Advance to Staff	51,050.00	47,550.00
- Advance to Suppliers	4,850,869.00	3,007,048.00
- Advance to UP Vat Deptt -under Appeal	-	78,220.00
- Prepaid Expenses	121,776.00	161,631.00
Total	10,409,996.83	6,853,158.05

NOTE Q : OTHER CURRENT ASSETS

Particulars	(Amount in Rs.)	
	As at 31.03.2015	As at 31.03.2014
- TDS Recoverable from Party	83,221.00	-
Total	83,221.00	-

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

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



LORENZINI APPARELS PVT. LTD.
NEW DELHI

NOTE R: REVENUE FROM OPERATIONS

Particulars	(Amount in Rs.)	
	Year ended 31.03.2015	Year ended 31.03.2014
Sales	155,219,074.35	115,971,219.46
Less: Discount on Sales	13,998,210.00	-
	141,220,864.35	115,971,219.46
Total	141,220,864.35	115,971,219.46

NOTE S: OTHER INCOME

Particulars	(Amount in Rs.)	
	Year ended 31.03.2015	Year ended 31.03.2014
Short & Excess Interest Income	65.72 420,904.00	131.31 -
Total	420,969.72	131.31

NOTE T: PURCHASE OF STOCK IN TRADE

Particulars	(Amount in Rs.)	
	Year ended 31.03.2015	Year ended 31.03.2014
Purchases (Including Consumable Stores)	72,809,946.00	35,273,449.53
Total	72,809,946.00	35,273,449.53

NOTE U: CHANGE OF Stock In Trade

Particulars	(Amount in Rs.)	
	Year ended 31.03.2015	Year ended 31.03.2014
Stock In Trade (at close) Traded Goods	11,424,451.77	15,576,137.33
Less: Stock In Trade (at commencement) Traded Goods	15,576,137.33	36,273,031.00
Total	4,151,685.56	20,696,893.68

NOTE V : EMPLOYEE BENEFIT EXPENSE

Particulars	(Amount in Rs.)	
	Year ended 31.03.2015	Year ended 31.03.2014
Directors Remuneration	1,800,000.00	1,800,000.00
Salary to Employees	8,607,141.00	6,319,150.00
Staff Welfare Expenses	448,909.00	420,760.00
Total	10,856,050.00	8,539,910.00

NOTE W: FINANCE COST

Particulars	(Amount in Rs.)	
	Year ended 31.03.2015	Year ended 31.03.2014
Interest on OD	439,072.00	413,771.60
Interest on Bill Discounting/WCLoan	795,325.00	-
Interest on Car Loan	160,118.90	560,528.50
Credit Card Charges	393,614.23	555,972.02
Bank Charges	103,121.41	235,085.93
Interest on TDS	124,667.00	542,116.00
Interest on VAT	230,793.00	514,412.88
Loan Processing Fees	116,854.00	-
Total	2,303,565.54	2,821,886.93

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

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



LORENZINI APPARELS PVT. LTD.
NEW DELHI

NOTE X: DEPRICIATION & AMORTIZATION

(Amount in Rs.)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Depreciation	2,900,080.00	2,062,954.00
Total	2,900,080.00	2,062,954.00

NOTE Y: OTHER EXPENSES

(Amount in Rs.)

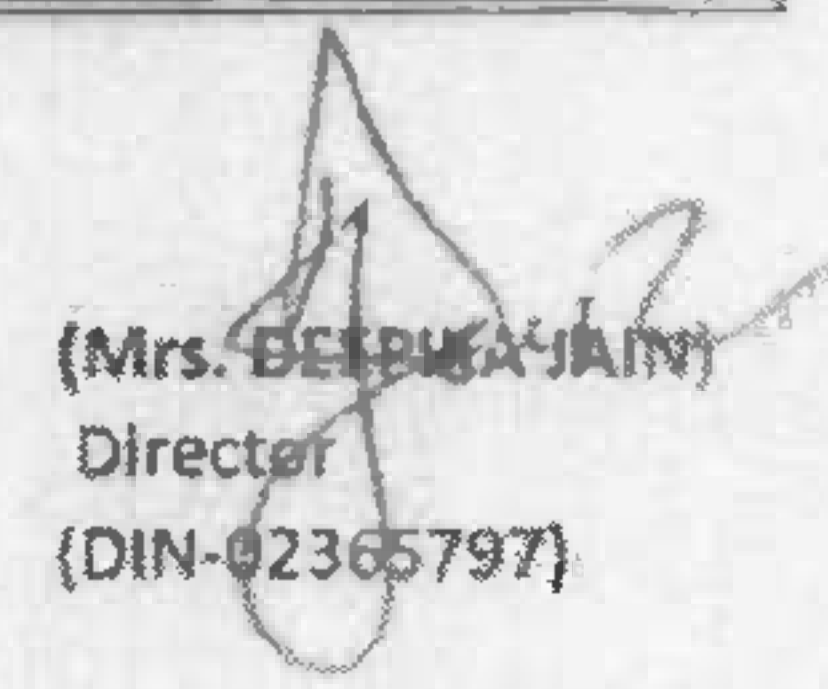
Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Fabrication/Job Charges	21,120,492.50	12,972,612.00
Alteration Charges	330,581.00	496,280.00
Printing & Stationery	125,434.50	105,018.00
Freight & Cartage	9,400.00	11,055.00
Postage & Courier Charges	115,706.89	118,555.37
ShowRoom Expenses	204,840.00	470,705.00
Business Promotion	145,430.19	247,341.36
Conveyance	334,950.00	264,527.00
Telephone Expenses	287,021.00	355,819.00
Electricity & Water Expenses	1,545,429.00	2,206,108.00
Travelling Expenses	154,034.24	34,675.00
Commision Paid	2,930,028.40	4,258,653.00
Diwali Expenses	145,300.00	120,715.00
Vehicle Running & Maint.	255,966.00	166,488.00
Office/Showooms Rent	13,087,789.00	19,382,025.00
Generator Running & Maintenance	253,550.00	159,000.00
Books & Periodicals	1,530.00	1,010.00
Repair & Maintenance	116,382.00	90,835.00
Advertising & Publicity	523,865.00	114,828.00
Cartage Outward	208,440.00	279,000.00
Foreign Exchange Fluctuation	-	68,253.01
Computer Repair & Maintenance Charge	59,935.00	77,062.00
Packing Material	308,840.50	208,164.00
Modeling & Photoshoot Expenses	462,975.00	-
Sampling Expenses	355,903.79	437,938.95
Filing Fees	4,000.00	2,500.00
Additional Sales tax	95,937.00	-
Additional Service tax Demand	-	14,830.00
Donation	12,000.00	-
Stamp Duty W/off	32,460.00	233,320.00
Sundry Party w/off	2,837,221.18	-
Insurance Charges	143,664.00	194,871.00
General Expenses	16,519.00	13,140.00
Rebate & Discount	95,638.83	73,077.37
Mall Maintenance Charges	1,062,144.00	1,668,127.00
Legal/Professional Charges	537,353.00	311,008.00
Auditor's Remuneration	182,400.00	168,540.00
Total	48,103,161.02	45,326,081.06

NOTE Z: TAX EXPENSE

(Amount in Rs.)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
CURRENT TAX		
Provision for Current Tax	430,000.00	238,000.00
Excess Provision for Income Tax	36,070.00	238,870.00
	466,070.00	476,870.00
DEFERRED TAX		
Provision for Deferred Tax	(549,747.00)	(52,599.00)
	(549,747.00)	(52,599.00)
Total	(83,677.00)	424,271.00


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


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



M/s LORENZINI APPARELS PVT. LTD.

NEW DELHI

AA. NOTES ON ACCOUNTS

1. CONTINGENT LIABILITIES

VAT Demand (2011-12)-Under Appeal NIL (Rs. 1,56,430/-)
Income Tax (TDS Penalty) Rs. 5,25,200/-(NIL)

The Company has filed appeal against the above said demand of Penalty with the Appropriate Authority.

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

- Expenses-Travelling/others Rs. 1,24,668/- (Rs 1,55,184/-)

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 2015 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 31.03.2015 is as under:

Particulars	Deferred Tax Asset As on 31.03.2014	Credit/charge during the year	Deferred Tax Asset as on 31.03.2015
Depreciation	Rs. 4,26,059/-	Rs. 5,49,747/-	Rs. 9,75,806/-

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 31.03.2015

Nature of transaction	Amount	Amount	Balance as on 31.03.15
- Loan Received / Repaid	---	---	6,70,000/-
- Loan Given / Recvd back	19,06,689/-	5,00,000/-	53,86,302/-
- Directors' Remuneration	18,00,000/-	--	3,40,370/-
- Interest Received on loans	---	4,20,904/-	---

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

10. Details of Auditors' Remuneration are as under :

	2014-15	2013-14
Audit Fees	1,10,000.00	1,00,000.00
Income Tax	50,000.00	50,000.00
Service Tax/Ed.cess	22,400.00	18,540.00
	<u>1,82,400.00</u>	<u>1,68,540.00</u>

11. Earning per Share

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

	2014-15	2013-14
Profit after Tax (A)	6,01,023/-	8,25,905/-
Wtd. Average No. of Shares	10,000	10,000
Nominal Value per share	10/-	10/-
Earning per Share (Rs.)	60.10	82.59

AB. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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 and as reduced by accumulated depreciation, if any.



4. DEPRECIATION

Depreciation on fixed assets has been provided on 'WDV method' based on the useful life of the assets as prescribed in schedule II to the Companies Act, 2013.

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: 31.08.2015


(SANDEEP JAIN)

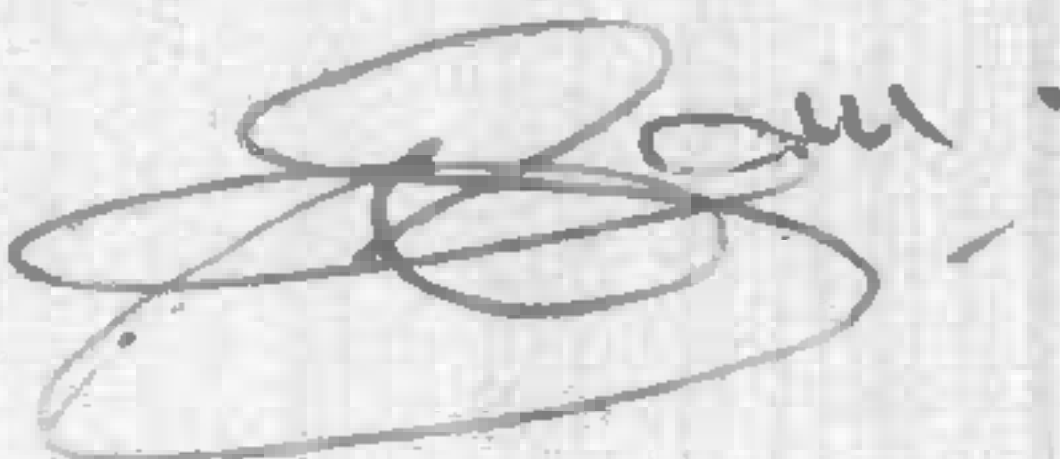
Mg. Director

(DIN-02365790)


(Mrs. DEEPIKA JAIN)

Director

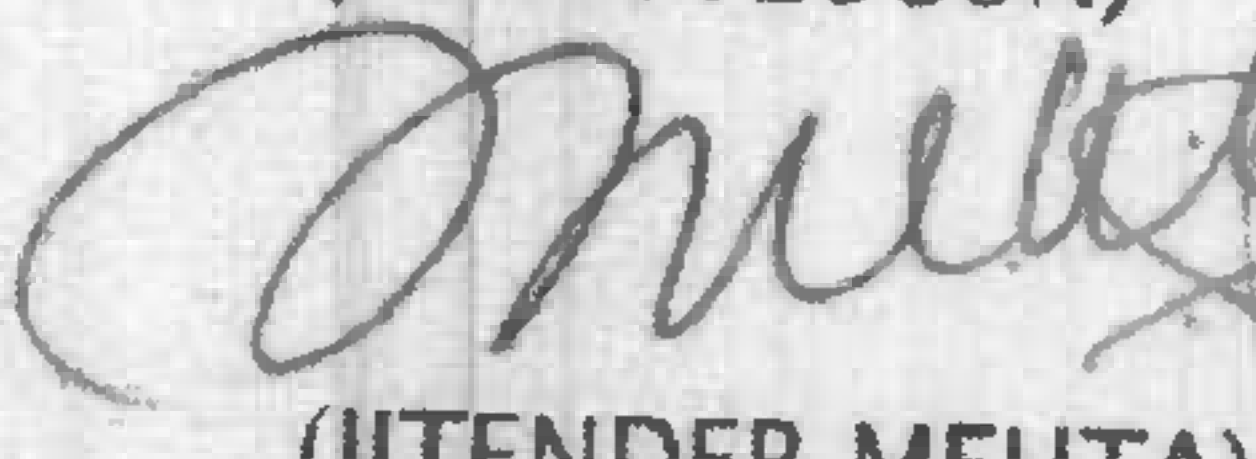
(DIN-02365797)


As per our separate report of even date.

For J. MEHTA & COMPANY

Chartered Accountants

(FRN-012560N)


(JITENDER MEHTA)

Proprietor

(M.No. 091174)

