



MONTEIL®  
MAYANK...

CIN-L17120DL2007PLC163192

To,

Date: 01.09.2022

BSE Limited,  
PhirozeJeejeebhoy Towers,  
Dalal Street, Mumbai-400001

**Scrip Code: 540952**

**SUB: Submission of Annual Report 2021-22 under Regulation 34(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015**

Dear Sir/Ma'am,

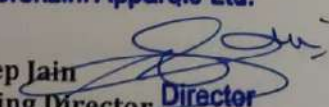
Pursuant to Regulation 34 of the SEBI (LODR) Regulation 2015, please find enclosed herewith the 15<sup>th</sup> Annual Report for the financial year ended March 31, 2022 along with the Notice of the Annual General Meeting to be held on Saturday, 24<sup>th</sup> September, 2022 at 11:00 A.M. at C-64, Okhla Industrial Area, Phase-I, Delhi-110020.

The Annual Report for the financial year 2021-22 uploaded on the website of the company i.e. [www.mymonteil.com](http://www.mymonteil.com)

Please take the same in your records

For and on behalf of,  
Lorenzini Apparels Limited

**For Lorenzini Apparels Ltd.**

Sandeep Jain  
Managing Director   
DIN: 02365790

**LORENZINI APPARELS LIMITED**

Office Address: C-64, Okhla Industrial Area, Phase - 1, New Delhi-110020, Contact No: 011-40504731  
Website: [www.mymonteil.com](http://www.mymonteil.com) | E-mail: [info@monteil.co.in](mailto:info@monteil.co.in)



# **LORENZINI APPARELS LIMITED**

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**FIFTEENTH ANNUAL REPORT**

**Financial Year 2021 -2022**

**COMPANY INFORMATION****BOARD OF DIRECTORS**

|                   |   |                      |
|-------------------|---|----------------------|
| MR. SANDEEP JAIN  | : | MANAGING DIRECTOR    |
| MS. DEEPIKA JAIN  | : | WHOLE TIME DIRECTOR  |
| MR. MOHAN CHAUHAN | : | INDEPENDENT DIRECTOR |
| MR. RAJIT SEHGAL  | : | DIRECTOR             |
| MR. YOGESH KUMAR  | : | INDEPENDENT DIRECTOR |

**KEY MANAGERIAL PERSONNEL**

|                    |   |  |
|--------------------|---|--|
| MS. DEEPIKA JAIN   | : | CHIEF FINANCIAL OFFICER                |
| MS. SHIVANI SHARMA | : | COMPANY SECRETARY & COMPLIANCE OFFICER |

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|                           |   |   |
|---------------------------|---|---|
| <b>STATUTORY AUDITORS</b> | : | <b>M/s MITTAL &amp; ASSOCIATES</b><br>CHARTERED ACCOUNTANTS<br>MUMBAI |
|---------------------------|---|---|

|                             |   |  |
|-----------------------------|---|--|
| <b>SECRETARIAL AUDITORS</b> | : | <b>M/s KMPM &amp; CO.</b><br>611, 6th FLOOR, PRAGATI TOWER, RAJENDRA<br>PLACE-110008 |
|-----------------------------|---|--|

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|----------------|---|------|
| <b>BANKERS</b> | : | HDFC |
|----------------|---|------|

|                           |   |         |
|---------------------------|---|---------|
| <b>SHARES LISTED WITH</b> | : | BSE SME |
|---------------------------|---|---------|

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**REGISTERED OFFICE & CONTACT:**C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW  
DETAILS DELHI SOUTH DELHI-110020

|                    |   |              |
|--------------------|---|--------------|
| <b>CONTACT NO.</b> | : | 011-40504731 |
|--------------------|---|--------------|

|                |   |  |
|----------------|---|--|
| <b>WEBSITE</b> | : | <a href="http://www.mymonteil.com">www.mymonteil.com</a> |
|----------------|---|--|

|              |   |  |
|--------------|---|--|
| <b>EMAIL</b> | : | <a href="mailto:lorenzini_apparels@yahoo.co.in">lorenzini_apparels@yahoo.co.in</a> |
|--------------|---|--|

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|   |   |
|---|---|
| <b>REGISTRAR &amp; TRANSFER AGENT :</b> | SKYLINE FINANCIAL SERVICES PRIVATE LIMITED<br>D-153 A, 1 <sup>st</sup> Floor, Okhla, Industrial Area, Phase-1, New Delhi-<br>110020 |
|---|---|

**15<sup>TH</sup> AGM NOTICE OF LORENZINI APPARELS LIMITED**

**NOTICE IS HEREBY GIVEN THAT THE FIFTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF LORENZINI APPARELS LIMITED WILL BE HELD ON SATURDAY, 24<sup>TH</sup> DAY OF SEPTEMBER, 2022 AT 11:00 A.M. AT C- 64, OKHLA INDUSTRIAL AREA, PHASE- I, NEW DELHI - 110020 TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

- 1. TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON**
- 2. TO APPOINT MR. RAJIT SEHGAL (DIN: 05281112), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT**

**SPECIAL BUSINESS:**

- 3. TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF MR. SANDEEP JAIN AS MANAGING DIRECTOR OF THE COMPANY AND APPROVAL OF REMUNERATION:**

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 (“Act”) read with Schedule V thereof, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015 (as applicable) and any other rules prescribed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the timing in force) and the relevant provision of the Articles of Association of the Company, and the applicable provisions of SEBI (listing Obligations and Disclosure Requirements) regulations, 2015 and such other applicable laws and provisions, if any, consent of the members of the Company is hereby accorded for the re-appointment of Mr. Sandeep Jain (DIN: 02365790) as Managing Director of the Company, liable to retire by rotation, for a period of 5 (five) years, with effect from July 01, 2022 and upon such terms and conditions including remuneration as set out hereunder:

| <b>Particulars</b>           | <b>Terms and Conditions</b>   |
|------------------------------|---|
| Term Period                  | Upto 5 years w.e.f. July 01 <sup>st</sup> , 2022  |
| Salary                       | Salary of Rs. 1,00,000 (Rupees One lakh Only) per month for the period of 3 Years from the effective date of his appointment                                      |
| Other benefits & perquisites | As per Company’s policy not exceeding Rs. 15,000/- per month.   |
| Sitting Fees                 | Mr. Sandeep Jain shall not be paid any sitting fees for attending meetings of the Board/ Committee thereof, during his tenure as Managing Director of the Company |

**RESOLVED FURTHER THAT** pursuant to Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Mr. Sandeep Jain shall be the Key Managerial Personnel of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to decide the terms & conditions of re-appointment including alteration of such terms & conditions as it may deem appropriate and to determine the remuneration to be paid to Mr. Sandeep Jain in the capacity of Managing Director of the Company during his tenure of 5 years on the recommendation of Nomination & Remuneration



Committee of the Company and subject to provisions of the Companies Act, 2013 and the rules made thereunder

**RESOLVED FURTHER THAT** notwithstanding anything contained herein above, in the event of any loss, absence of inadequacy of profits of the company in any financial year during the term of Mr. Sandeep Jain, the Salary, Perquisites and any other allowances as detailed in the above resolutions shall continue to be paid to Mr. Sandeep Jain, in accordance with the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Mr. Sandeep Jain in the capacity of Managing Director will be entrusted with the powers, authorities, functions, duties, responsibilities etc. by the Board of Directors of the Company, from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

**4. TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF MS. DEEPIKA JAIN AS WHOLETIME DIRECTOR & CFO OF THE COMPANY AND APPROVAL OF REMUNERATION:**

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (“Act”) read with Schedule V thereof, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015 (as applicable) and any other rules prescribed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the relevant provisions of the Articles of Association of the Company and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other applicable laws and provisions, if any, consent of the members of the Company is hereby accorded for re-appointment of Ms. Deepika Jain (DIN: 02365797) as Whole-time Director & CFO of the Company, liable to retire by rotation for a period of 5 (five) years, with effect from July 01, 2022 and upon such terms and conditions including remuneration as set out hereunder:

| Particulars                  | Terms and Conditions   |
|------------------------------|--|
| Term Period                  | Upto 5 years w.e.f. July 01, 2022  |
| Salary                       | Salary of Rs. 1,00,000 (Rupees One lakh Only) per month for a period of 3 years from the effective date of her appointment   |
| Other benefits & perquisites | As per Company’s policy not exceeding Rs. 15,000/- per month.  |
| Sitting Fees                 | Ms. Deepika Jain shall not be paid any sitting fees for attending meetings of the Board/ Committee thereof, during her tenure as Managing Director of the Company. |

**RESOLVED FURTHER THAT** pursuant to Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Ms. Deepika Jain shall be the Key Managerial Personnel of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to decide the terms & conditions of re-appointment including alteration of such terms & conditions as it may deem appropriate and to determine the remuneration to be paid to Ms. Deepika Jain in the capacity of Whole-time Director & CFO of the Company during her tenure of 5 years on the recommendation of Nomination & Remuneration Committee of the Company and subject to provisions of the Companies Act, 2013 and the rules made thereunder.

**RESOLVED FURTHER THAT** notwithstanding anything contained herein above, in the event of any loss, absence of inadequacy of profits of the company in any financial year during the term of Ms. Deepika Jain, the Salary, Perquisites and any other allowances as detailed in the above resolutions shall continue to be paid to Ms. Deepika Jain, in accordance with the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Ms. Deepika Jain in the capacity of Whole-time Director & CFO will be entrusted with the powers, authorities, functions, duties, responsibilities etc. by the Board of Directors of the Company, from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the aforesaid resolution."

#### **5. TO CONSIDER AND APPROVE THE ALTERATION IN ARTICLES OF ASSOCIATION OF THE COMPANY**

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:

**RESOLVED THAT** pursuant to Section 14 and other applicable provisions of the Companies Act, 2013 read with the relevant rules framed thereunder, including any Statutory modification or re-enactment thereof for the time being in force, consent of the members be and is hereby given for:

*Substitution of Article 1 of the Article of Association of the company with the following:*

Subject to the provisions of the Companies Act, 2013 and these Articles, the Board of Directors of the company may issue, allot or otherwise dispose off the Securities of the company to such persons on such terms and conditions and at such time as they think fit and with full power to give any person the option to call of or be allotted Securities of the company of any class either at premium or at par and for such time and for such consideration as the board of directors think fit, provided that option or right to call of shares shall not be given to any person except with the sanction of the company in General Meeting. Provided that the term Securities shall have same meaning as defined under the Companies Act, 2013 or the rules framed thereunder as amended from time to time.

*Substitution of Article 3 (ii) of the Article of Association of the company with the following:*

The provisions of Articles (2) and (3) shall mutatis mutandis apply to securities (including Warrants, Shares, Debentures and other Securities) of the company.

**RESOLVED FURTHER THAT** the board of directors of the company be and are hereby authorised to do all such acts, deeds, matters and things and to take all such actions as may be necessary, expedient, desirable, incidental or ancillary for the purpose of giving effect to this resolution."

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

**Place: New Delhi  
Date: 24/08/2022**

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

**Notes:****DISPATCH OF ANNUAL REPORT IN ELECTRONIC FORM AND PROCESS FOR REGISTRATION OF EMAILID FOR OBTAINING COPY OF ANNUAL REPORT BY E-MAIL:**

- i. In accordance with the MCA and the SEBI Circulars and owing to the difficulties involved in dispatching of physical copies of the Annual Report for the financial year 2021-22 ( including the Financial Statements, Board's Report, Auditor's report or other documents required to be attached thereto) (the Annual Report 2021-22), and the Notice of the AGM, are being sent in electronic mode to Members and other persons entitled to receive the Notice, whose e-mail address is registered with the Company or the Depository Participant(s).
- ii. The Members holding Equity Shares of the Company in Demat Form or Physical Form and who have not yet registered their e-mail address are requested to follow the procedure stated in point given below for the purpose of registration.
- iii. A copy of the Annual Report 2021-22 along with the Notice of the AGM and Explanatory Statement is available on the website of the Company at <https://www.mymonteil.com>, BSE Limited (BSE) at [www.bseindia.com](http://www.bseindia.com) and Central Depository Services (India) Limited (CDSL) at [www.cdslindia.com](http://www.cdslindia.com).

**PROCEDURE FOR REGISTRATION OF EMAIL IDS WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND FOR E-VOTING ON THE RESOLUTIONS SET OUT IN THIS NOTICE:**

- i. In case the shares are held in physical mode, shareholders are requested to provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN and Aadhar Card by e-mail to the Company at [lorenzini\\_apparels@yahoo.co.in](mailto:lorenzini_apparels@yahoo.co.in)
  - ii. In case the shares are held in demat mode, please provide DPID & CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, self-attested scanned copy of client master or copy of Consolidated Account statement, PAN and Aadhar Card to the respective Depository Participants.
  - iii. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained in these notes.
  - iv. Alternatively shareholder/members may send a request to [www.cdslindia.com](http://www.cdslindia.com) in for procuring user id and password for e-voting by providing above mentioned documents.
2. A member entitled to attend and vote at the annual general meeting (the "meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company
  3. Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
  4. In terms of Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not 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 shareholder
  5. 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



6. 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.
7. In Compliance with the MCA Circulars and SEBI Circular, Notice of AGM along with the Annual Report is being sent only through electronic mode to those members whose email addresses are registered with the Company or the Depository. Members may note that the Notice and Annual Report will also be available on the Company's website <https://www.mymonteil.com> and website of the stock exchange i.e. Bombay Stock Exchange Limited at <https://www.bseindia.com>, and on the website of Company's Registrar and Transfer Agent.
8. 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.
9. 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
10. 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.
11. Members may kindly note that no 'Gifts' will be distributed at the Annual General Meeting.
12. Members desiring any information/clarification on the Accounts are requested to write to the Company in advance atleast seven (7) days before the meeting so as to keep the information ready at the time of Annual General Meeting.
13. The Route map and landmark venue of the AGM is enclosed.
14. 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.
15. 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-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020.
16. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
17. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant. Alternatively, member may send signed copy of the request letter providing the email address, mobile number and self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via email to [lorenziniapparels@yahoo.co.in](mailto:lorenziniapparels@yahoo.co.in) for obtaining the Annual Report and Notice of e-AGM.

18. In terms of Section 152 of the Act, Mr. Rajit Sehgal (DIN: 05281112), Director of the Company, liable to retire by rotation at the Meeting and being eligible, offer himself for appointment. The Board of Directors of the Company recommend his appointment.
19. Details of Directors retiring by rotation/seeking appointment/re-appointment at the ensuing Annual General Meeting are provided in the explanatory statement annexed to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.
20. 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. 24.
21. The Register of Members and Share Transfer Books of the Company will remain closed from **Sunday, September 18, 2022 to Saturday, September 24, 2022**(both day inclusive).
22. The Company's Registrar and Share Transfer Agents, Skyline Financial Services Private Limited at D-153A, First Floor Okhla Industrial Area, Phase-I New Delhi - 110020.
23. 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, Skyline Financial Services Private Limited at D-153A, First Floor Okhla Industrial Area, Phase-I New Delhi - 110020.
24. M/s KMPM & Co., Company Secretary, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
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 member's 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 National Securities Depository Limited (“NSDL”) 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 General Meeting*).

f) The Board of Directors of the Company has appointed M/s. KMPM & Co., Company Secretary, 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: **17<sup>th</sup> September, 2022**

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

|                                 |   |
|---------------------------------|---|
| Commencement of remote e-voting | <b>Wednesday, 21<sup>st</sup> September, 2022 at 09:00 A.M(IST)</b> |
| End of remote e-voting          | <b>Friday, 23<sup>rd</sup> September, 2022 at 05:00 P.M(IST)</b>    |

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 Two working 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.

j) 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 MEMBERS FOR REMOTE E-VOTING- PHYSICAL AGMARE ASUNDER:-**

- (i) The voting period begins on <21<sup>st</sup> September, 2022at 9:00 a.m.> and ends on <23<sup>rd</sup> September, 2022 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(record date) of <17<sup>th</sup> September, 2022> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs



and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- ) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode** is given below:

| Type of shareholders  | Login Method   |
|---|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly</li> </ol> |

|  |  |
|--|--|
| <p>Individual Shareholders holding securities in demat mode with <b>NSDL</b></p>                                     | <p>access the system of all e-Voting Service Providers.</p> <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" "Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol> |
| <p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>   |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

| Login type  | Helpdesk details  |
|---|---|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33. |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30          |

(v) Login method for e-Voting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) 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 e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

| <b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b> |   |
|--|---|
| PAN  | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>                 |
| Dividend Bank Details <b>OR</b> Date of Birth (DOB)  | 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. <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 (3).</li> </ul> |

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Lorenzini Apparels Limited > on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the 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.
- (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - 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.



- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Auth letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [lorenzini\\_apparels@yahoo.co.in](mailto:lorenzini_apparels@yahoo.co.in) (designated email address by company) , if they have voted individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 22 55 33.

**For and on Behalf of  
Lorenzini Apparels Limited**

**Sandeep Jain  
Managing Director  
DIN: 02365790**

## ANNEXURE-I

ANNEXURE TO THE NOTICE**DETAILS OF DIRECTOR RETIRING BY ROTATION/SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSURING ANNUAL GENERAL MEETING**

|   |   |
|---|---|
| <b>Name</b>   | Mr. Rajit Sehgal  |
| <b>Age</b>  | 40 Years  |
| <b>Qualification</b>  | Bachelor of Arts (vocational studies) from the University of Delhi  |
| <b>Experience (including expertise in specific functional area)/Brief Resume</b>    | Mr. Rajit Sehgal has experience of more than 11 years in the business of manufacturing of automobile components.                      |
| <b>Terms and Conditions of Appointment /Reappointment</b>                           | As per the resolution passed by the shareholders for appointment of Mr. Rajit Sehgal  |
| <b>Remuneration last drawn (including sitting fees, if any)</b>                     | Nil   |
| <b>Date of first appointment on the Board</b>                                       | 26/06/2017  |
| <b>Shareholding in the Company as on March 31, 2022</b>                             | 50,130 Equity shares  |
| <b>Relationship with other Directors / Key Managerial Personnel</b>                 | Not having any relationship with other Directors / Key Managerial Personnel   |
| <b>Number of meetings of the Board attended during the year</b>                     | 11  |
| <b>Directorships of other Boards as on March 31, 2022</b>                           | <ul style="list-style-type: none"> <li>• SUNYMOLD INDUSTRY PRIVATE LIMITED</li> <li>• SUN STAR INNOVATIONS PRIVATE LIMITED</li> </ul> |
| <b>Membership / Chairmanship of Committees of other Boards as on March 31, 2022</b> | Mr. Rajit Sehgal is a member of the Audit Committee and Nomination & Remuneration Committee of Lorenzini Apparels Limited             |



**EXPLANATORY STATEMENT PURSUANT TO SECTION 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 Fifteenth Annual General Meeting of the Members of Lorenzini Apparels Limited to be held on Saturday, 24 September, 2022 at C-64, Okhla Industrial Area Phase-I New Delhi South Delhi-110020 at 11:00 P.M

**ITEM NO. 3:**

Considering the significant contribution made by Mr. Sandeep Jain towards the growth of the Company during last five years, the Board of Directors of the Company at its meeting held on August 24, 2022 has, subject to the approval of the Shareholders, re-appointed Mr. Sandeep Jain as Managing Director of the Company for another term of 5 (five) years with effect from July 1, 2022 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

It is also being informed that the Nomination & Remuneration Committee of the Company has considered and recommended the above said appointment and other terms in its meeting held on August 24, 2022.

In view of aforesaid facts, the Board of Directors of the Company in its meeting held on August 24<sup>th</sup> 2022 had approved the re-appointment of Mr. Sandeep Jain as Managing Director of the Company as set out in the Resolution.

Mr. Sandeep Jain shall be a key managerial personnel of the Company within the meaning of Section 203 of the Companies Act, 2013,

**Annexure attached to this Notice.****GENERAL INFORMATION**

|   |   |   |                                     |                                    |
|---|---|---|-------------------------------------|------------------------------------|
| 1 | Nature of Industry  | Retail of Garments                            |                                     |                                    |
| 2 | Date of commencement of commercial production   | The Company was incorporated on 9th May, 2007 |                                     |                                    |
| 3 | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable                                |                                     |                                    |
| 4 | Financial performance   | Financial Year                                | Profit Before Tax (Rupees in Lakhs) | Profit after Tax (Rupees in Lakhs) |
|   |   | 2019-20                                       | 68.52                               | 36.84                              |
|   |   | 2020-21                                       | 25.62                               | 7.96                               |
|   |   | 2021-22                                       | 104.09                              | 53.76                              |
| 5 | Foreign investments or collaborators, if any  | Not Applicable                                |                                     |                                    |

**INFORMATION ABOUT THE APPOINTEE:**

|   |   |  |
|---|---|--|
| 1 | Background Details  | Mr. Sandeep Jain, aged 40 years, is the Promoter and Managing Director of the Company. He has completed his Higher Secondary from Gurgaon, Haryana. He has experience of over a decade in the readymade garments industry. He has vast experience in the production, retailing and online marketing functions also.                  |
| 2 | Past Remuneration   | Rs. 10,50,000/-  |
| 3 | Recognition or awards   | Not Applicable   |
| 4 | Job profile and her suitability   | Mr. Sandeep Jain is responsible for day-to-day management of the Company, subject to overall superintendence, control and direction of the Board of Directors. Taking into consideration his experience and expertise in this industry, He is best suited for the responsibilities of current assigned role.                         |
| 5 | Remuneration proposed and justification   | 1. Salary of Rs. 1,00,000 (Rupees One lakh Only) per month<br>2. Other Benefits & perquisites-As per Company's policy not exceeding Rs. 15,000/- per month.<br>3. Mr. Sandeep Jain shall not be paid any sitting fees for attending meetings of the Board/ Committee thereof, during his tenure as Managing Director of the Company. |
| 6 | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any | Mr. Sandeep Jain is a Shareholder (Promoter) of the Company with 51.57 % equity shares of the total number of shares of the Company.   |

|  |  |
|--|--|
| <b>Other Information</b>   |  |
| Reasons of loss or inadequate profits  | Due to stiff competition, other external and internal factors  |
| Steps taken or proposed to be taken for improvement  | The Company has taken various strategic measures to increase revenue and profit.   |
| Expected increase in productivity and profits in measurable terms  | Barring unforeseen circumstances, the Company hopes to increase the revenue and profits by improved margins in current year and expecting to increase the profits at the rate of 25% to 30%. |
| <b>Disclosures</b>   |  |
| The shareholders of the Company shall be informed of the remuneration package of the managerial persons. |  |

**Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS-2) regarding Managing Director (Mr. Sandeep Jain) seeking revision in remuneration:**

|  |                         |
|--|-------------------------|
| <b>Name of the Directors</b>               | Sandeep Jain            |
| Director Identification Number (DIN)       | 02365790                |
| Date of Birth                              | 15/12/1981              |
| Nationality                                | Indian                  |
| Date of first appointment on Board         | 09/05/2007              |
| Qualification                              | Higher Secondary        |
| Shareholding in Lorenzini Apparels Limited | 52,28,761 Equity shares |

|   |  |
|---|--|
| List of Directorships held in other Companies(excluding Alternate Directorship and Section 8 Companies) | <ul style="list-style-type: none"> <li>• Invern Lifestyle Private Limited</li> <li>• Mr. Button Private Limited</li> </ul>   |
| Memberships of Audit and Stakeholders' Relationship Committees across Public Companies                  | Mr. Sandeep Jain is a member of the stakeholder's relationship Committee of Lorenzini Apparels Limited   |
| Experience  | Mr. Sandeep Jain has experience of over a decade in the readymade garments industry. He has vast experience in the production, retailing and online marketing functions also   |
| Remuneration paid or sought to be paid  | <ol style="list-style-type: none"> <li>1. Salary of Rs. 1,00,000 (Rupees One lakh Only) per month</li> <li>2. Other Benefits &amp; perquisites-As per Company's policy not exceeding Rs. 15,000/- per month.</li> <li>3. Mr. Sandeep Jain shall not be paid any sitting fees for attending meetings of the Board/ Committee thereof, during his tenure as Managing Director of the Company.</li> </ol> |
| Relationship with other Directors/KMPs  | Mr. Sandeep Jain is Spouse of Ms. Deepika Jain   |
| No. of meetings attended during the year  | 11 (Eleven)  |

Mr. Sandeep Jain shall be liable to retire by rotation in accordance with Section 152 of the Companies Act, 2013 and there will be no break in his office as Managing Director in case he is re-appointed by the shareholders.

As required under the provisions of Section 196, 197, Schedule V of the Companies Act, 2013(Act) and any other applicable provisions of the Act, the special resolution is being placed before the members/shareholders for approval.

Except Mr. Sandeep Jain and Ms. Deepika Jain, being related to each other, none other Director and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 3.

The Board of Directors of the Company recommends the resolution set forth at item no. 3 of the Notice for approval of the members as a Special Resolution.

#### **ITEM NO. 4:**

Considering the significant contribution made by Ms. Deepika Jain towards the growth of the Company during last five years, the Board of Directors of the Company at its meeting held on August 24<sup>th</sup> 2022 has, subject to the approval of the Shareholders, re-appointed Ms. Deepika Jain as Whole-time Director & CFO of the Company for another term of 5 (five) years with effect from July 1, 2022 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

It is also being informed that the Nomination & Remuneration Committee of the Company has considered and recommended the above said appointment in its meeting held on August 24 2022.

In view of aforesaid facts, the Board of Directors of the Company in its meeting held on August 24<sup>th</sup> 2022 had approved the appointment of Ms. Deepika Jain as Whole-time Director & CFO of the Company as set out in the Resolution.

Ms. Deepika Jain shall be a key managerial personnel of the Company within the meaning of Section 203 of the Companies Act, 2013,

**GENERAL INFORMATION**

|   |   |   |                                     |                                    |
|---|---|---|-------------------------------------|------------------------------------|
| 1 | Nature of Industry  | Retail of Garments                            |                                     |                                    |
| 2 | Date of commencement of commercial production   | The Company was incorporated on 9th May, 2007 |                                     |                                    |
| 3 | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable                                |                                     |                                    |
| 4 | Financial performance   | Financial Year                                | Profit Before Tax (Rupees in Lakhs) | Profit after Tax (Rupees in Lakhs) |
|   |   | 2019-20                                       | 68.52                               | 36.84                              |
|   |   | 2020-21                                       | 25.62                               | 7.96                               |
|   |   | 2021-2022                                     | 104.09                              | 53.76                              |
| 5 | Foreign investments or collaborators, if any  | Not Applicable                                |                                     |                                    |

**INFORMATION ABOUT THE APPOINTEE:**

|   |   |  |
|---|---|--|
| 1 | Background Details  | Ms. Deepika Jain holds a Master's Degree in Commerce and has more than 10 years of vast experience in dealing with the areas related to accounting, retailing and quality check division of the Company. She is associated since incorporation as Promoter-cum-Director of the Company   |
| 2 | Past Remuneration   | Rs. 10,50,000/-  |
| 3 | Recognition or awards   | Not Applicable   |
| 4 | Job profile and her suitability   | Ms. Deepika Jain is responsible for day-to-day management of the Company, subject to overall superintendence, control and direction of the Board of Directors. Taking into consideration her qualifications and expertise in this industry, she is best suited for the responsibilities of current assigned role.                    |
| 5 | Remuneration proposed and justification   | 1. Salary of Rs. 1,00,000 (Rupees One lakh Only) per month<br>2. Other Benefits & perquisites-As per Company's policy not exceeding Rs. 15,000/- per month.<br>3. Ms. Deepika Jain shall not be paid any sitting fees for attending meetings of the Board/ Committee thereof, during her tenure as Managing Director of the Company. |
| 6 | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any | Ms. Deepika Jain is a Shareholder (Promoter) of the Company with 6.21 % Equity Shares of the total number of shares of the Company   |



| <b>Other Information</b>   |  |
|--|--|
| Reasons of loss or inadequate profits  | Due to stiff competition, other external and internal factors  |
| Steps taken or proposed to be taken for improvement  | The Company has taken various strategic measures to increase revenue and profit.   |
| Expected increase in productivity and profits in measurable terms  | Barring unforeseen circumstances, the Company hopes to increase the revenue and profits by improved margins in current year and expecting to increase the profits at the rate of 25% to 30%. |
| <b>Disclosures</b>   |  |
| The shareholders of the Company shall be informed of the remuneration package of the managerial persons. |  |

**Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS-2) regarding Managing Director (Ms. Deepika Jain) seeking revision in remuneration:**

|   |  |
|---|--|
| <b>Name of the Directors</b>  | Deepika Jain   |
| Director Identification Number (DIN)  | 02365797   |
| Date of Birth   | 29/08/1981   |
| Nationality   | Indian   |
| Date of first appointment on Board  | 09/05/2007   |
| Qualification   | Post Graduate (M.Com)  |
| Shareholding in Lorenzini Apparels Limited  | 6,29,505 Equity Shares   |
| 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(One) in Lorenzini Apparels Limited   |
| Experience  | 11 years of experience in Accounts, Finance, Retail and quality check  |
| Remuneration paid or sought to be paid  | 1. Salary of Rs. 1,00,000 (Rupees One lakh Only) per month<br>2. Other Benefits & perquisites-As per Company's policy not exceeding Rs. 15,000/- per month.<br>3. Ms. Deepika Jain shall not be paid any sitting fees for attending meetings of the Board/ Committee thereof, during her tenure as Managing Director of the Company. |
| Relationship with other Directors/KMPs  | Ms. Deepika Jain is wife of Mr. Sandeep Jain, Managing Director of the Company   |
| No. of meetings attended during the year  | 11 (Eleven)  |

Ms. Deepika Jain shall be liable to retire by rotation in accordance with Section 152 of the Companies Act, 2013 and there will be no break in her office as Whole-time Director & CFO in case he is re-appointed by the shareholders.

As required under the provisions of Section 196, 197, Schedule V of the Companies Act, 2013(Act) and any other applicable provisions of the Act, the special resolution is being placed before the members/shareholders for approval.

Except Mr. Sandeep Jain and Ms. Deepika Jain, being related to each other, none other Director and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 4.

The Board of Directors of the Company recommends the resolution set forth at item no. 4 of the Notice for approval of the members as a Special Resolution.

**ITEM NO. 5: ALTERATION IN ARTICLE OF ARTICLES OF ASSOCIATION OF THE COMPANY:**

In accordance with the provisions of Companies Act, 2013, the preferential issue of securities of the company must be authorised by the Articles of Association of the company. The existing Article 1 of the Articles of Association of the company authorises the Board of Directors of the company to allot Shares of the company of any class to any person as it deems fit. In order to facilitate the issue of warrants convertible into equity shares it is proposed to alter the Article No. 1 of the Existing Articles of Association with the new Article 1 (as provided in the table below).

**Amendment to Article 3 (ii) of the Article of Association of the company:**

In accordance with the provisions of Companies Act, 2013.

The provisions of Articles (2) and (3) shall mutatis mutandis apply to securities (including Warrants, Shares, Debentures and other Securities) of the company.

| Article No. | Existing Clause   | Amended Clause   |
|-------------|---|--|
| 1           | Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. | Subject to the provisions of the Companies Act, 2013 and these Articles, the Board of Directors of the company may issue, allot or otherwise dispose off the Securities of the company to such persons on such terms and conditions and at such time as they think fit and with full power to give any person the option to call of or be allotted Securities of the company of any class either at premium or at par and for such time and for such consideration as the board of directors think fit, provided that option or right to call of shares shall not be given to any person except with the sanction of the company in General Meeting. Provided that the term Securities shall have same meaning as defined under the Companies Act, 2013 or the rules framed thereunder as amended from time to time. |
| 3 (ii)      | The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.   | The provisions of Articles (2) and (3) shall mutatis mutandis apply to securities (including Warrants, Shares, Debentures and other Securities) of the company.  |

A draft copy of the altered Articles of Association will be available for inspection to the members at the Corporate Office of the company on all working days during 11:00 A.M to 04:00 P.M and during the AGM.

None of the directors and key managerial personnel of the Company/ their relatives are in any way, concerned or interested in this resolution, except to the extent of their Directorship and shareholding in the Company.

The Board of Directors recommends the resolution set forth in Item No. 5, as Special Resolution for the approval by the members of the company.

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



**Place: New Delhi  
Date: 24/08/2022**

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



**LORENZINI APPARELS LIMITED**  
CIN: L17120DL2007PLC163192  
Regd. Office: C-164, Okhla Industrial Area, Phase-1  
New Delhi-110020  
Website: [www.mymonteil.com](http://www.mymonteil.com)  
Tel: +91 011-40504731

**ATTENDANCE SLIP**

|                                 |  |
|---------------------------------|--|
| Regd. Folio/DP ID/Client ID     |  |
| Name and Address of the members |  |
| Number of Shares                |  |

I/We certify that I am a member/ proxy / authorized representative for the member of the Company.

I/We hereby record my presence at the 15<sup>th</sup>Annual General Meeting of the Company held on Saturday, 24<sup>th</sup> day of September, 2022 at 11:00 A.M. at Registered office of the Company situated at C-64, Okhla Industrial Area, Phase I, New Delhi- 110020.

\_\_\_\_\_  
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.

**Form No. MGT-11****PROXY FORM****LORENZINI APPARELS LIMITED**

CIN: L17120DL2007PLC163192

Regd. Office:C-164, Okhla Industrial Area Phase-I

New Delhi-110020

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

Tel: +91 011-40504731

Name of the members (s):

Registered address:

E-mail id:

Folio No/Client Id:

DP ID:

I/We, being the member(s) of \_\_\_\_\_ Equity Shares of the above named Company appoint:

Name:.....

Address:.....

EmailID: .....

Signature.....

or falling him/her

Name: .....

Address: .....

Email ID: .....

Signature: .....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 15<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, 24<sup>th</sup> September, 2022 at 11:00 A.M. at C-64, Okhla Industrial Area, Phase I, New Delhi- 110020 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No.                  | RESOLUTIONS  | FOR | AGAINST |
|--------------------------|--|-----|---------|
| <b>ORDINARY BUSINESS</b> |  |     |         |
| 1                        | To Consider and adopt the Audited Financial Statements of the Company for the Financial Year Ended March 31, 2022 and The Reports of The Board Of Directors And Auditors Thereon |     |         |
| 2                        | To appoint of Mr. Rajit Sehgal (DIN:05281112), who retires by rotation and being eligible, offers himself for re-appointment   |     |         |
| <b>SPECIAL BUSINESS</b>  |  |     |         |
| 3                        | To consider and approve the re-appointment of Mr. Sandeep Jain as managing director of the company and approval of remuneration  |     |         |
| 4                        | To consider and approve the re-appointment of Ms. Deepika Jain as Whole-time Director & CFO of the company and approval of remuneration:   |     |         |
| 5                        | To consider and approve the alteration in articles of association of the company   |     |         |

Signed this ..... day of ..... 2022

Signature of Shareholder .....

Signature of Proxy holder .....

**Notes:**Affix Revenue  
Stamp

*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.*

**BALLOT FORM**

Serial No.:

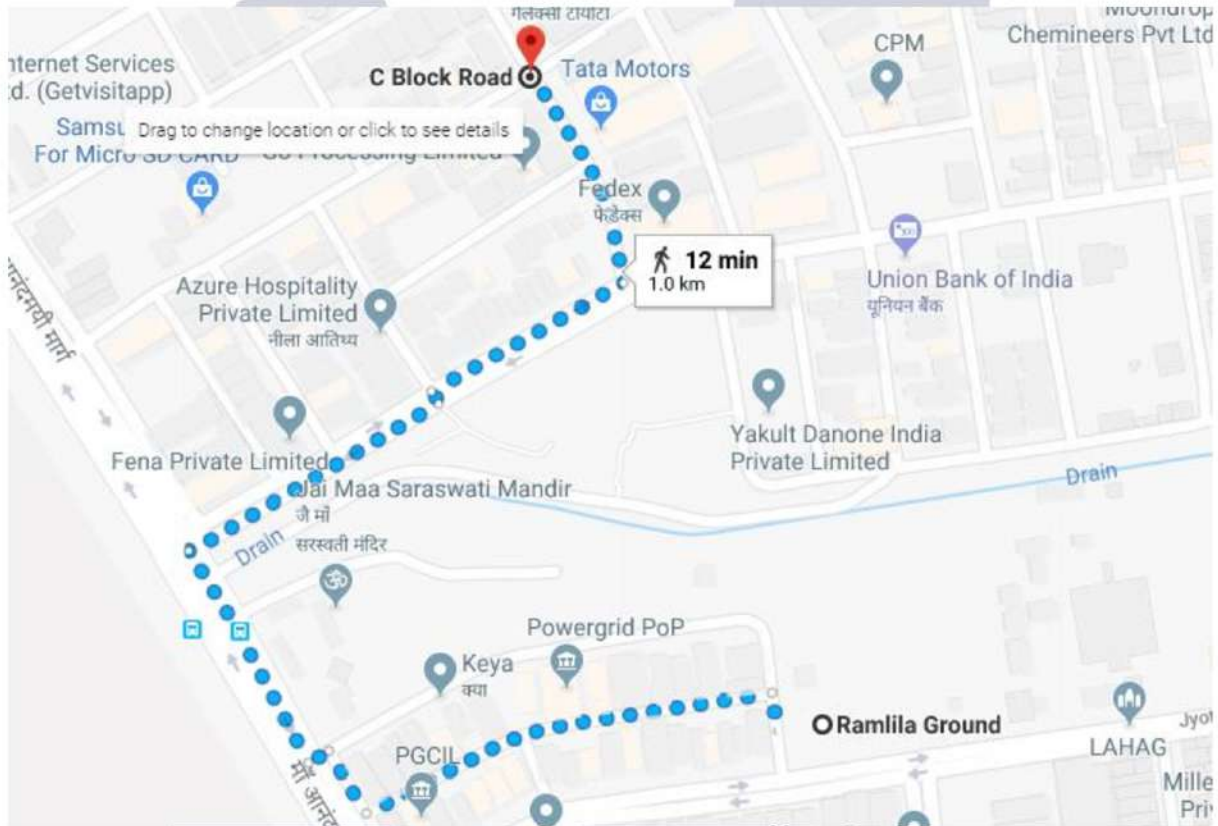
1. Name (s) of Shareholder(s) / Beneficial Owner :  
Including joint-holders, if any
2. Registered Address of the Sole / :  
First named Shareholder
3. Registered Folio No. / Client ID No.:
4. No. of Shares held:
5. I / we hereby exercise my / our vote in respect of the Ordinary Resolution / s enumerated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

| S.No.                   | Ordinary Business  | I / We assent the Resolution | I / We dissent the Resolution |
|-------------------------|--|------------------------------|-------------------------------|
| 1.                      | To Consider and adopt the Audited Financial Statements of the Company for the Financial Year Ended March 31, 2022 and The Reports of The Board Of Directors And Auditors Thereon |                              |                               |
| 2.                      | To appoint of Mr. Rajit Sehgal (DIN:05281112), who retires by rotation and being eligible, offers himself for re-appointment   |                              |                               |
| <b>Special Business</b> |  |                              |                               |
| 3.                      | To consider and approve the re-appointment of Mr. Sandeep Jain as managing director of the company and approval of remuneration  |                              |                               |
| 4.                      | To consider and approve the re-appointment of Ms. Deepika Jain as Whole-time Director & CFO of the company and approval of remuneration:   |                              |                               |
| 5                       | To consider and approve the alteration in articles of association 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



**DIRECTOR'S REPORT**

Dear Members,  
**Lorenzini Apparels Limited**

Your Directors have pleasure in presenting the 15<sup>th</sup> (Fifteenth) Annual Report on the business and operations of the Company together with Audited Financial Statements for the financial year 2021-22. The financial highlights are as follows: -

**FINANCIAL RESULTS:**

The Company's financial performance for the year ended March 31, 2022 is summarized below:

| <b>Particular</b>              | <b>(Amount in INR)</b> |                     |
|--------------------------------|------------------------|---------------------|
|                                | <b>2021-2022</b>       | <b>2020-2021</b>    |
| Revenue from operations        | 244,447,304            | 254,922,542         |
| Other Revenue                  | 1,469,410              | 22,64,110           |
| <b>Total Income</b>            | <b>245,916,714</b>     | <b>25,71,86,652</b> |
| Total Expenses                 | 235,507,848            | 25,46,24,366        |
| <b>Profit Before Tax</b>       | <b>10,408,866</b>      | <b>2,562,286</b>    |
| Less: Income Tax –Current Year | 3,289,380              | 1,158,415           |
| Less: Deferred Tax             | 1,648,714              | 545,078             |
| Less: Previous Year            | 94,941                 | 62,166              |
| <b>Profit/(Loss) after tax</b> | <b>5,375,831</b>       | <b>796,627</b>      |

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

The Company recorded a turnover of Rs. 244,447,304 during the year as against Rs. 254,922,542 in the previous year and the Company has earned a profit after tax of Rs. 5,375,831 as compared to the profit of Rs. 796,627 in the previous financial year. The management of the Company is putting their best efforts to improve the performance of the Company.

During the year the Company has performed modestly but despite of challenging economic conditions and other related factors, we are able to maintain profits and steady revenue in the Company. The Directors are relentlessly striving for betterment of the business and growth of the Company. They are optimistic about the future and expect the business to perform well in the forthcoming year.

**CHANGE IN THE NATURE OF BUSINESS**

There have been no changes in the nature of business of the Company during the Financial Year.

**SHARE CAPITAL AND DEBT STRUCTURE**

The Authorized Share Capital of the Company is Rs. 10,20,00,000/- (Rupees Ten Crore Twenty lakh only) divided into 1,02,00,000 (One Crore Two Lakh only) Equity Shares of INR 10/- each. As on March 31, 2022, the paid-up share capital of the Company is Rs. 10,13,89,160/- (Rupees Ten Crore Thirteen Lakh Eighty-Nine Thousand One Hundred Sixty only) divided into 10138916 Equity Shares of INR 10/- each.



**a) Bonus Issue**

As per Section 63 of Companies Act, 2013 and rule 14 of Companies (Share Capital and Debenture) Rules, 2014, during the period under review, your Company has not issue bonus shares.

**b) Issue of equity shares with differential rights**

As per Section 43(2) of Companies Act, 2013 and rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014, during the period under review, your Company has not issued equity shares with differential rights.

**c) Issue of sweat equity shares**

As per Section 54 of Companies Act, 2013 and rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014, during the period under review, your Company has not issued Sweat equity shares.

**d) Issue of employee stock options**

As per Section 62(1)(b) of Companies Act, 2013 and rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014, during the period under review, your Company has not issued Sweat equity shares.

**e) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees**

As per Section 68 of Companies Act, 2013 and rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 there are no voting rights exercised directly or indirectly by the employees in respect of shares held by them.

**DIVIDEND**

The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2022. 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.

**TRANSFER TO RESERVES**

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

**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.

**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 Financial Year 2021-22.

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

No changes and commitments were recorded during the financial year which materially affects the financial position of the Company till the date of this report.

**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 read together with Notes annexed to and forming an integral part of the Financial Statements.

**CORPORATE SOCIAL RESPONSIBILITY**

As per the provisions of Section 135 of the Companies Act, 2013 read with rules framed thereunder, certain class of companies is required to spend 2% of its average net profit during 3 preceding years on CSR activities. It also provides for formation of CSR committee of the Board. The rules prescribe the activities qualify under CSR and the manner of spending the amount. The company is not covered under section 135 of the Companies Act, 2013 and the rules framed there under for the financial year under review.

**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- I”

**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.

**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.

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

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant details are furnished below:

| <b>Name of the Director / Employee</b>                 | <b>Sandeep Jain</b> | <b>Deepika Jain</b>                             |
|--|---------------------|---|
| Designation  | Managing Director   | Whole-Time Director and Chief Financial Officer |
| Remuneration received                                  | Rs. 10,50,000/-     | Rs. 10,50,000/-                                 |
| Nature of employment, whether contractual or otherwise | Permanent employee  | Permanent employee                              |

|  |  |  |
|--|--|--|
| Date of commencement of employment                                   | 01.04.2017                                   | 01.04.2017                                     |
| The age of such employee   | 40 Years                                     | 40 Years                                       |
| The last employment held by such employee before joining the Company | -  | -  |
| The percentage of equity shares held by the employee in the Company  | 49.89%                                       | 6.21%  |
| Whether any such employee is a relative of any director              | Deepika Jain is the wife of Mr. Sandeep jain | Sandeep Jain is the spouse of Ms. Deepika Jain |

**Notes:**

1. There were confirmed employees on the rolls of the Company as on 31st March 2022-**75 employees**.
2. Median remuneration of employees of the Company during the financial year 2021-2022 was **NIL**.

**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.

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, integrity and ethical behaviour.

The Vigil Mechanism - cum - Whistle Blower Policy may be accessed on the Company's website at the link: [www.mymonteil.com](http://www.mymonteil.com).

During the financial year 2021-22, no cases under this mechanism were reported to the Company.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All contracts/arrangements/transactions entered by the Company with related parties are at arm's length basis. The details of the related party transactions are set out in Notes to the Financial Statements of the Company and form AOC - 2 pursuant to section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is set out in **Annexure-II**.

The policy on Related Party Transactions, as approved by the Board, may be accessed on the Company's website at the link: [www.mymonteil.com](http://www.mymonteil.com).

**CORPORATE GOVERNANCE**

As the Company is listed on the **BSE-SME** platform, the requirement of furnishing Corporate Governance Report under Regulation 27(2) read with Schedule V of the Listing Obligations & Disclosure Requirements Regulations, 2015 is not applicable to the Company. Whenever this regulation becomes applicable to the Company at a later date, the Company will comply with the requirements of those regulations within six months from the date on which the provisions become applicable to our Company.

**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.

**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(s) passed by any regulatory authority or court or tribunal against the Company during the year under review.

**MANAGEMENT DETAILS / INFORMATION**

**a) DIRECTORS & KEY MANAGERIAL PERSONNAL**

As on March 31, 2022 the Board of Directors of the Company comprised of the following:

| S.No. | Name          | DIN/PAN    | Designation             |
|-------|---------------|------------|-------------------------|
| 1.    | Sandeep Jain  | 02365790   | Managing Director       |
| 2.    | Deepika Jain  | 02365797   | Whole time Director     |
| 3.    | Deepika Jain  | AEQPJ0266D | Chief Financial Officer |
| 4.    | Rajit Sehgal  | 05281112   | Director                |
| 5.    | Mohan Chauhan | 08627458   | Independent Director    |
| 6.    | Yogesh Kumar  | 08722626   | Independent Director    |
| 7.    | Monika Joshi* | BADPJ8077N | Company Secretary       |

\*Ms. Monika Joshi resigned from the post of Company Secretary on 04<sup>th</sup> April, 2022 and Ms. Shivani Sharma is appointed as the Company Secretary of the Company on 14<sup>th</sup> May, 2022.

**b) Directors seeking appointment and re-appointment**

In accordance with the provision of Section 152 of the Companies Act 2013 and the Article of Association of the Company, Mr. Rajit Sehgal, Director of the Company is retiring at the forthcoming Annual General Meeting and being eligible, has offered herself for re-appointment. Directors recommended his reappointment.

**c) Independent Directors and Declaration by Independent Director(s)**

In accordance with the requirement under the Companies Act, 2013 and Company has received necessary declaration from the Independent Directors to the effect that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, they fulfil the conditions specified in the Act and the Rules made there under for the appointment as Independent Directors and are independent of the management.

**d) Mechanism of Performance Evaluation of the Board, Committees and Individual Directors**

In line with the provisions of section 134(3) of the Companies Act, 2013 and Rules made thereunder read with the relevant provisions of the SEBI Listing regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors. The performance of the Board of Directors and its Committees were evaluated on various parameters such as structure, composition, experience, performance of specific duties and obligations, quality of decision making and overall effectiveness.

The performance of individual Directors was evaluated on parameters, such as meeting attendance, participation and contribution and independent judgment.



The Board members noted from time to time the suggestions/ inputs of Independent Directors, Nomination Committee and Audit Committee and also discussed various initiatives to further improve the Board effectiveness.

In a separate meeting of Independent Directors held on 31.03.2022 performance of non-independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated

#### **e) Meetings of the Board**

The Company prepares the schedule of the Board Meeting in advance to assist the Directors in scheduling their program. The agenda of the meeting is circulated to the members of the Board well in advance along with necessary papers, reports, recommendations and supporting documents so that each Board member can actively participate on agenda items during the meeting.

The Board met 11 (Eleven) times during the Financial Year 2021-2022. The maximum interval between any two meetings did not exceed 120 days. The Meetings were held as on 15/04/2021, 28/06/2021, 04/08/2021, 31/08/2021, 09/09/2021, 27/09/2021, 20/10/2021, 13/11/2021, 23/11/2021, 26/11/2021 and 21/12/2021

| S.No. | Date of Meeting | Total Number of directors associated as on the date of meeting | Attendance                    |                 |
|-------|-----------------|--|-------------------------------|-----------------|
|       |                 |  | Numbers of Directors Attended | % of Attendance |
| 1.    | 15/04/2021      | 5  | 5                             | 100             |
| 2.    | 28/06/2021      | 5  | 5                             | 100             |
| 3.    | 04/08/2021      | 5  | 5                             | 100             |
| 4.    | 31/08/2021      | 5  | 5                             | 100             |
| 5.    | 09/09/2021      | 5  | 5                             | 100             |
| 6.    | 27/09/2021      | 5  | 5                             | 100             |
| 7.    | 20/10/2021      | 5  | 5                             | 100             |
| 8.    | 13/11/2021      | 5  | 5                             | 100             |
| 9.    | 23/11/2021      | 5  | 5                             | 100             |
| 10.   | 26/11/2021      | 5  | 5                             | 100             |
| 11.   | 21/12/2021      | 5  | 5                             | 100             |

#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE AND OTHER MATTERS PROVIDED UNDER SECTION 178 (3)**

The Company has in place a Nomination & Remuneration Committee in accordance with the requirements of the Companies Act, 2013.

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 and the policy is available on the website of the Company i.e., [www.mymonteil.com](http://www.mymonteil.com)

#### **COMMITTEES OF THE BOARD**

The Board committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. The Board committees are set up under the formal approval of the Board, to carry out clearly defined roles which are considered to be performed by the members of the Board, as a part of good governance practice. All



decisions and recommendations of the committees are placed before the Board for information or for approval. The minutes of the meetings of all the committees are placed before the Board for their review.

The Board of Lorenzini Apparels Limited currently has 3(Three) Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Relationship Committee

The major terms of reference of the Committees, its composition and number of meetings held during the year ended March 31, 2022 are as follows:

**a) AUDIT COMMITTEE**

The Composition of the Audit Committee as on March 31, 2022 is as follows:

| Sr. No. | Name of the Director | DIN      | Designation in the Committee             |
|---------|----------------------|----------|--|
| 1       | Mr. Mohan Chauhan    | 08627458 | Chairman & Member (Independent Director) |
| 2       | Mr. Yogesh Kumar     | 08722626 | Member (Independent Director)            |
| 3       | Mr. Sandeep Jain     | 02365790 | Member (Non-Executive Director)          |

**Meetings of the Audit Committee**

During the year the Audit Committee met 3 (Three) times. The details of the meetings held during the year ended March 31, 2022 along with the attendance of Directors are as follows:

| S.No. | Date of Meeting | Total Number of members of the Committee associated as on the date of meeting | Attendance                    |                 |
|-------|-----------------|---|-------------------------------|-----------------|
|       |                 |   | Numbers of Directors Attended | % of Attendance |
| 1.    | 28/06/2021      | 3   | 3                             | 100             |
| 2.    | 31/08/2021      | 3   | 3                             | 100             |
| 3.    | 13/11/2021      | 3   | 3                             | 100             |

In case any person requires more information/ details regarding the Audit Committee the person may access the Company's website at the link: [www.mymonteil.com](http://www.mymonteil.com)

**b) NOMINATION AND REMUNERATION COMMITTEE**

The major terms of reference of the Nomination and Remuneration Committee are as follows:

- Identification of persons qualified to become directors and be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;

- Specifying the manner for effective evaluation of performance of Board, its committees and individual directors;
- Recommending to the Board a policy, relating to the remuneration for the directors, keymanagerial personnel and other employees.

Composition of Nomination & Remuneration Committee as on March 31, 2022:

| Sr. No. | Name of the Director | DIN      | Designation in the Committee             |
|---------|----------------------|----------|--|
| 1       | Mr. Mohan Chauhan    | 08627458 | Chairman & Member (Independent Director) |
| 2       | Mr. Rajit Sehgal     | 05281112 | Member (Non-Executive Director)          |
| 3       | Mr. Yogesh Kumar     | 08627458 | Member (Independent Director)            |

Meetings of the Nomination & Remuneration Committee

During the year the Committee met 2 (Two) times. The details of the meeting held during the year ended March 31, 2022 along with the attendance of Directors are as follows:

| S.No. | Date of Meeting | Total Number of members of the Committee associated as on the date of meeting | Attendance                    |                 |
|-------|-----------------|---|-------------------------------|-----------------|
|       |                 |   | Numbers of Directors Attended | % of Attendance |
| 1.    | 04/08/2021      | 3   | 3                             | 100             |
| 2.    | 31/08/2021      | 3   | 3                             | 100             |

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

### c) STAKEHOLDERS RELATIONSHIP COMMITTEE MEETING

The Board of Directors of the Company has constituted Stakeholders Relationship Committee under Section 178 of the Companies Act, 2013.

The major terms of reference of the Stakeholders Relationship Committee include:

- Consideration & Resolution of the grievances of security holders of the Company;
- Reviewing of Transfer / Transmission requests / Demat / Remat requests of the securityshareholders and issuance of duplicate share certificate, if any.

Composition of the Stakeholders Relationship Committee as on March 31, 2022:

| Sr. No. | Name of the Director | DIN      | Position in the Committee                |
|---------|----------------------|----------|--|
| 1       | Mr. Mohan Chauhan    | 08627458 | Chairman & Member (Independent Director) |
| 2       | Mr. Sandeep Jain     | 02365790 | Member (Executive Director)              |
| 3       | Ms. Deepika Jain     | 02365797 | Member (Executive Director)              |

### Meetings of the Stakeholders Relationship Committee

During the year the Stakeholders Relationship Committee met 4 (Four) times. The details of the meeting held during the year ended March 31, 2022 along with the attendance of Directors are as follows:

| S.No. | Date of Meeting | Total Number of members of the Committee associated as on the date of meeting | Attendance                    |                 |
|-------|-----------------|---|-------------------------------|-----------------|
|       |                 |   | Numbers of Directors Attended | % of Attendance |
| 1.    | 07/04/2021      | 3   | 3                             | 100             |
| 2.    | 09/07/2021      | 3   | 3                             | 100             |
| 3.    | 08/10/2021      | 3   | 3                             | 100             |
| 4.    | 20/01/2022      | 3   | 3                             | 100             |

### **INDEPENDENT DIRECTORS MEETING**

The Independent Directors met on 31<sup>st</sup> March, 2022, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Director and Non- Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

As per the provisions of the Companies Act, 2013 read with Schedule IV, following are the Independent Directors of the Company.

| Sr. No. | Name of member    | DIN      | Position                            |
|---------|-------------------|----------|-------------------------------------|
| 1.      | Mr. Mohan Chauhan | 08627458 | Non- Executive Independent Director |
| 2.      | Mr. Yogesh Kumar  | 08722626 | Non-Executive Independent Director  |

### **COMPLIANCE OF SECRETARIAL STANDARDS**

The applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively have been duly complied by your Company.

### **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 that it has paid Annual Listing Fees to the Bombay Stock Exchange for the year 2021-22.

**AUDITORS****• STATUTORY AUDITOR**

**M/s Mittal & Associates, Chartered Accountants**, (FRN 106456W) were appointed as Statutory Auditors of the Company from the conclusion 11<sup>th</sup> Annual General Meeting till the conclusion 16<sup>th</sup> Annual General Meeting of the Company will be held in year 2023.

**• SECRETARIAL AUDITOR**

**M/s KMPM & Co.** Practicing Company Secretaries, were appointed as Secretarial Auditors for the financial year 2021-22. The Secretarial Audit Report for the financial year ended on March 31, 2022 is annexed herewith marked as “**Annexure-III**” to this Report.

**• INTERNAL AUDITOR**

**M/S. BURHAN & ASSOCIATES**, Chartered Accountants, FRN (036633N) were appointed as Internal Auditors of the Company for the financial year 2021-22.

**EXPLANATIONS OR COMMENTS OF THE BOARD ON QUALIFICATION(S), RESERVATION(S) OR ADVERSE REMARK(S) OR DISCLAIMER MADE BY:**

**The Statutory Auditor in its Report;** 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.

**The Company Secretary in practice in his Report;** There are no qualifications or adverse remarks in the Secretarial Auditors’ Report except existing Independent – Non Executive Directors, Mr. Mohan Chauhan and Mr. Yogesh Kumar have not yet appeared for the Online Proficiency Self-Assessment Test pursuant to the Section 150(1) of the Companies Act, 2013 read with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Board of Directors are assuring that the aforesaid compliance will be complied with on or before 30th September, 2022.

**INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:**

Pursuant to provisions of Section 143(12) and sub section (14) of the Companies Act, 2013, as amended from time to time, the Auditors have not reported any incident of fraud to the Company during the year under review.

**SECRETARIAL STANDARDS:**

The Company duly complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to regulation 34 of the SEBI (listing obligation and disclosure requirement) regulation 2015, the management discussion and analysis report and corporate governance report are appended as **Annexure-IV** and forms a part of this Annual Report

**RISK MANAGEMENT**

The Board has developed appropriate framework and processes for identifying, assessing, and mitigating risk associated with the Company and developed procedures for reviewing management’s action on

implementation of the same. Major risks which in the opinion of the Board may threaten the existence of the Company are identified by the businesses and functions are systematically addressed through appropriate actions on a continuous basis, safeguarding the Company against those risks. The details of the same are set out in Management Discussion and Analysis Report

**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. During the financial year ended March 31, 2022 the Company has not received any complaints pertaining to sexual harassment.

**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 -9** is available at the website of the Company at [www.mymonteil.com](http://www.mymonteil.com).

**ACKNOWLEDGEMENT**

The Directors express their gratitude to the esteemed customers, shareholders, distributors, dealers, consultants and all the stakeholders of the Company for their unstinted support. The Directors also placed on record their belief that the consistent growth of the Company was only made possible by the solidarity, cooperation and support of its employees at all levels. The Directors seek and look forward to the same support during the future years of growth of the Company.

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

**Date: 24/08/2022  
Place: New Delhi**

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

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



**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**

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

|  |      |
|--|------|
| Details of technology imported   | N.A. |
| Year of Import   |      |
| Has technology been fully absorbed   |      |
| If not fully absorbed, areas where absorption has not taken place, and the reasons thereof |      |

**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> |      |

**5. Foreign exchange earnings and Outgo-**

The Foreign Exchange earned in terms of actual inflows during the year- NIL

The Foreign Exchange outgo during the year in terms of actual outflows- NIL

**Annexure- II****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 arm's length transactions under third proviso thereto:**

**1. Details of contracts or arrangements or transactions not at arm's length basis: Nil**

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

| <i>Name of the related party and nature of relationship</i>                           | <i>Nature of contracts/ arrangement s/ Transactions</i> | <i>Duration of the Contract/ arrangement/ transaction</i> | <i>Salient Terms &amp; conditions of the Contract/ arrangement/ transaction</i> | <i>Date of Approval by the Board, if any</i> | <i>Amount receivable</i> |
|---|---|---|---|--|--------------------------|
| <i>Invern Lifestyle Private Limited (Mr. Sandeep Jain is Director in the company)</i> | <i>Sale of Goods</i>                                    | <i>As per the Contract</i>                                | <i>As per the Contract</i>  | <i>N.A</i>                                   | <i>Rs. 34,875/-</i>      |
| <i>Mr. Button Private Limited (Mr. Sandeep Jain is Director in the Company)</i>       | <i>Sale of Goods</i>                                    | <i>As per the contract</i>                                | <i>As per the Contract</i>  | <i>N.A</i>                                   | <i>Rs. 68,58,854/-</i>   |

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

**Date: 24/08/2022  
Place: New 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 2022**

[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  
Add: -C-64,Okhla Industrial Area,  
Phase-I, New Delhi-110020

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 Company , 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 March 31, 2022 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 Company for the financial year ended on March 31, 2022, 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;**(No transaction has been recorded during the Audit Period)**
- 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, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(No transaction has been recorded during the Audit Period)**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(No transaction has been recorded during the Audit Period as the Company has not formulate and launch any scheme as mention in said Regulation nor company issue any Sweat Equity Share)**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2020, **(Not Applicable during Audit Period as Company has not issue any Debt instrument/securities);**
  - 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, 2021; **(No transaction has been recorded during the Audit Period)**

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(No transaction has been recorded during the Audit Period as company has not brought back its Securities)**
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. Other laws as may be applicable specifically to the company:
  - (a) The Micro, Small and Medium Enterprises Development Act, 2006
  - (b) Income Tax Act, 1961
  - (c) The Finance Act, 2021
  - (d) The Central Goods and Services Tax Act, 2017

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. 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 subject to below mentioned observation:

We further report that, the compliance by the company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that, based on the information provided by the company, its officers and authorized representatives during the conduct of the audit and also on the review of the quarterly compliance report by respective department heads/ company secretary/ CEO taken on record by the Board of Directors of the company, in my opinion, adequate system and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws like labour law, competition law and environmental law.

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 are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period of the Company has no specific instances / events pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above

We further report that, during the financial year 2021-2022, the company has entered in the transaction with related parties on arm's length price basis which is covered under Section 188 of the Companies Act, 2013, more specifically mentioned in the auditor report provided by the auditor

We further report that, existing Independent – Non Executive Directors Mr. Mohan Chauhan and Mr. Yogesh Kumar have not yet appeared for the Online Proficiency Self-Assessment Test pursuant to the Section 150(1) of the Companies Act, 2013 read with Rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. However the Management has assured us that the aforesaid compliance will be complied with on or before 30th September, 2022

**Note:** This report is to be read with Annexure A, which forms an integral part of this report

**For KMPM& Co.  
(Company Secretaries)**

**Pawan Kumar Mahur  
Managing Partner  
M.No. F 8462  
COP No. 16961  
FRN: P2020DE081800**

**Place: New Delhi  
Date: 20/08/2022  
UDIN- F008462D000820702**



**Annexure -A**

To,  
The Members,  
**Lorenzini Apparels Limited**  
CIN: - L17120DL2007PLC163192  
Add: -C-64,Okhla Industrial Area,  
Phase-I, New Delhi-110020

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for your opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For KMPM& Co.**  
**(Company Secretaries)**

**Pawan Kumar Mahur**  
**Managing Partner**  
**M.No. F 8462**  
**COP No. 16961**  
**FRN: P2020DE081800**

**Place: New Delhi**  
**Date:20/08/2022**  
**UDIN- F008462D000820702**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The last two years the country's economy has seen turbulence and uncertainty in terms of COVID - 19. Economic activity which was recovering with the ebbing of the third wave, rapid stride towards universal vaccination, and supportive fiscal and monetary policies now faces significant headwinds from the exacerbating geopolitical developments and the accompanying sharp rise in global commodity prices and weakening global growth outlook. The global recovery from the COVID-19 pandemic is turning out to be muted relative to earlier expectations. Downside risks to even this subdued recovery have jumped significantly from the escalation of geopolitical tensions, which have led to a broad-based increase in global commodity prices and are expected to have a large negative impact on global trade and growth. Growth and inflation outcomes are at high risk across the world as well as in India. In the face of this extraordinary risk, the positive effects expected from the release of pent-up demand, especially for contact-intensive services, the government's thrust on infrastructure and capital expenditure, congenial financial conditions and improving capacity utilisation appear ephemeral.

#### **1. Industry structure and developments**

After a prolonged period of economic sluggishness followed by a stabilization phase, the overall economy and specially the real estate sector has started to show signs of an upward trend in the current year. The residential property market has started to show a positive movement. Lower interest rates coupled with various discount schemes offered by developers in recent quarters have boosted the demand and confidence in the sector. Also, due to Covid the importance of a well planned home is a key additional driver of Residential sector. Increased transparency via RERA is also providing additional comfort to buyers. The positive trend for residential real estate will continue this year.

#### **2. Opportunities and threats**

The property market in India is set to benefit from increased economic activity in the coming months. Over the past few years, record all-time low interest rates have opened up opportunities for many first-time buyers as well as investors. With the economy returning to normalcy and employees getting back to offices, there would be a gradual increase in demand for commercial office spaces along with residential also. Both our parcels are well located to take advantage of the positive trends in residential and commercial real estate.

Due to premium concessions offered, we have seen a significant amount of new project launches. This may create a situation of surplus supply in the residential market which could put pressures on the pricing. Further, the continued threat of Covid could also dampen the spirit in the market.

The government has removed a 5% basic customs duty on cotton imports which will help to stabilise cotton prices. Shortage in supply with increased prices of cotton would be threat for continuity of supply

While the industry continues to be influenced by wild swings in commodity prices, it is also facing major challenges in the form of hike in fuel price, increasing wages and raw material costs. Key threats for the brand continue to be the constant inflow of cheaper alternatives from the unorganized sector as well as inflow of low priced material from neighbouring countries.

Being a retail Company of garments, 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 Company is currently operating with a lean cost business model. Retail Division has taken necessary steps to reduce the credit risk and increased the distribution. The Indian economy is heading towards a steady recovery, which we could see during the festive season of FY'22.

The presence of a stable government at the center 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.

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

#### **5. Risks and areas of concern**

The continued threat of Covid remains a major risk for the industry this year. Apart from that, rising inflation continues to be a major concern for the sector as this is putting a stress on the margins.

The price of cotton has risen too much now, which is a major concern for the textile industry. However with the abolition of import duty, prices should cool down.

Prices of raw materials as well as energy costs, the two major input costs for the PSF division are significantly dependent on crude oil price. Changes in oil prices could lead to impact on margins and profitability. With the main input costs based in US\$, fluctuations in the Indian Rupee/US\$ exchange rate could impact the business and margin. Supply and price of cotton crop in India and globally could have an impact on the demand of PSF. Increased competition due to surplus capacity in the country has resulted in pressure on margins due to price undercutting in the market.

In any business, risks and prospects are inseparable. As a responsible management, the Company's 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 an Internal Control System, commensurate with the size, scale and complexity of its operations.

M/s Burhan & Associates, were the Internal Auditors of the Company for FY 2021-22. The reports and findings of the internal auditors and the internal control system are periodically reviewed by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the internal audit report, process owners undertake corrective action in the respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the internal audit report, process owners undertake corrective action in the respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

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

The total revenue from operations of the Company for the year ended March 31, 2022 stood at Rs.254,922,542 as against Rs. 254,922,542 for the year ended March 31, 2021. The Company has earned a profit (after tax) of Rs. 5,375,831 for the Year ended March 31, 2022 as compared to Rs. Rs. 796,627 for the year ended March 31, 2021.

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.**

At Lorenzini, employees are its prime assets and a vital key to its success. The company is committed to creating a professional culture to nurture and enable people to grow in their careers alongside Company's success. The company constantly strives to strengthen its manpower in alignment with the business needs and continue to engage them through various initiatives in the realm of learning & development opportunities, reward & recognition, employee engagement activities and career growth.

**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: 24/08/2022  
Place: New Delhi**

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

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

## **INDEPENDENT AUDITOR'S REPORT**

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To The Members of **LORENZINI APPARELS LIMITED**

### **Report on the Audit of the Financial Statements:**

#### **Opinion**

We have audited the accompanying financial statements of **LORENZINI APPARELS LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

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 Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and its cash flows for the year ended on that date.

#### **Basis for opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. 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.

#### **Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexure to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon.



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **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 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 Standards and other accounting principles generally accepted in India. 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by Section 143(3) of the Act, based on our audit 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 purposes 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 Statement of Cash Flow dealt with by this Report are in agreement with the relevant 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 the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended 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 did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund.
2. As required by the **Companies (Auditor's Report) Order, 2020 ("the Order")** issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Mittal & Associates**  
**Chartered Accountants**  
**Firm Registration number: 106456W**

**Place: Mumbai**  
**Date: 26<sup>th</sup> May, 2022**

**Sd/-**  
**Hemant Bohra**  
**Partner**  
**Membership number: 165667**  
**UDIN: 22165667AJRFQT2109**

## **Annexure “A” to the Independent Auditor’s Report**

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(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **LORENZINI APPARELS LIMITED** of even date)

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

We have audited the internal financial controls over financial reporting of **LORENZINI APPARELS LIMITED** (“the Company”) as of March 31, 2022 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 Board of Directors of the Company 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. 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 respective 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.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.

### **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.

### **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, to the best of our information and according to the explanations given to us, 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, 2022, 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  
Firm Registration number: 106456W**

**Place: Mumbai  
Date : 26<sup>th</sup> May, 2022**

**Sd/-  
Hemant Bohra  
Partner  
Membership number: 165667  
UDIN: 22165667AJRFQT2109**

## **Annexure “B” to the Independent Auditor’s Report**

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(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **LORENZINI APPARELS LIMITED** of even date)

- 1) In case of the Company’s Property, Plant and Equipments and Intangible Assets:
  - (a) 1. According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment;  
2. The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Property, Plant & Equipment have been physically verified by the management in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. 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) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- 2)
  - (a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
  - (b) The Company has not been sanctioned working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- 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 (f) 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 deposits during the year and does not have any unclaimed deposits as at March 31, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- 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. Thus, reporting under clause 3(vi) of the order is not applicable to 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 generally been regular in depositing undisputed statutory dues including Income-Tax, Goods and Services Tax and any other material statutory dues applicable to it with the appropriate authorities.  
(b) 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, 2022 for a period of more than six months from the date on when they become payable.  
(c) According to the information and explanation given to us, there are no dues of Income Tax, Goods and Services Tax, duty of customs outstanding on account of any dispute.
- 8) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- 9) (a) 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 and financial institutions.  
(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.  
(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.  
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the

Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to information and explanations given to us, and the procedures performed by us, the company does not have any subsidiaries, joint ventures or associate companies, therefore reporting under clause 3(ix)(e) and (f) is not applicable to the company.

- 10) (a) In our opinion, and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer.  
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally)
- 11) (a) 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.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.  
(c) The company has not received any whistle blower complaints during the year (and upto the date of this report).
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (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) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 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) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.  
(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.  
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.  
(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- 17) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors of the Company during the year.
- 19) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20) The provision of sub-section (5) of Section 135 of the Companies Act, 2013 not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

- 21) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For Mittal & Associates  
Chartered Accountants  
Firm Registration number: 106456W**

**Place: Mumbai  
Date: 26<sup>th</sup> May, 2022**

**Sd/-  
Hemant Bohra  
Partner  
Membership number: 165667  
UDIN:22165667AJRFQT2109**

**LORENZINI APPARELS LIMITED**  
**Balance Sheet as at 31st March 2022**

| PARTICULARS   | Note No. | As at 31st March,<br>2022 | As at 31st March,<br>2021 |
|---|----------|---------------------------|---------------------------|
| EQUITY AND LIABILITIES                                |          |                           |                           |
| ( Amount in Rs.)                                      |          |                           |                           |
| <b>1 Shareholders' funds</b>                          |          |                           |                           |
| (a) Share capital                                     | 2        | 101,389,160               | 101,389,160               |
| (b) Reserves and surplus                              | 3        | 22,105,806                | 16,729,975                |
| (c) Money received against share warrants             |          |                           |                           |
| <b>2 Share Application Money Pending Allotment</b>    |          |                           |                           |
| <b>3 Non Current Liabilities</b>                      |          |                           |                           |
| (a) Long term borrowing                               | 4        | 30,653,381                | 40,110,716                |
| (b) Deferred tax liabilities (Net)                    | 10       | 503,451                   | -                         |
| (c) Other Long term liabilities                       |          | -                         | -                         |
| (d) Long term provisions                              |          | -                         | -                         |
| <b>4 Current Liabilities</b>                          |          |                           |                           |
| (a) Trade payables                                    | 5        | 63,041,647                | 59,080,935                |
| (b) Short Term Borrowing                              | 6        | 58,866,612                | 49,303,131                |
| (c) Other current liabilities                         | 7        | 14,551,877                | 7,230,185                 |
| (d) Short Term Provision                              | 8        | 3,289,344                 | 1,158,379                 |
| <b>TOTAL</b>  |          | <b>294,401,277</b>        | <b>275,002,480</b>        |
| <b>ASSETS</b>   |          |                           |                           |
| <b>1 Non-current assets</b>                           |          |                           |                           |
| (a) Property, Plant & Equipment and Intangible assets | 9        |                           |                           |
| (i) Property, Plant & Equipment                       |          | 22,911,200                | 21,433,718                |
| (ii) Intangible assets                                |          | 1,383,831                 | 1,585,665                 |
| (ii) Capital work in progress                         |          | -                         | -                         |
| (iv) Intangible assets under development              |          | -                         | -                         |
| (b) Deferred tax assets (net)                         | 10       | -                         | 1,145,263                 |
| (c) Non Current Investment                            |          | 3,206,558                 | 3,206,558                 |
| (d) Long-term loans and advances                      | 11       | -                         | -                         |
| (e) Other Non-Current Assets                          | 12       | 8,847,675                 | 7,931,909                 |
| <b>2 Current assets</b>                               |          |                           |                           |
| (a) Current Investment                                |          | -                         | -                         |
| (b) Trade receivables                                 | 13       | 51,004,376                | 54,521,043                |
| (c) Inventories                                       | 14       | 189,164,830               | 162,486,267               |
| (d) Cash and cash equivalents                         | 15       | 9,323,249                 | 4,394,990                 |
| (e) Short-term loans and advances                     | 16       | 7,415,942                 | 16,999,560                |
| (f) Other Current Assets                              | 17       | 1,143,616                 | 1,297,507                 |
| <b>TOTAL</b>  |          | <b>294,401,277</b>        | <b>275,002,480</b>        |

Significant Accounting Policies and Notes to Accounts

1 to 33

Significant Accounting Policies and Notes

referred to above form an integral part of the Balance Sheet

As per our report of even date attached

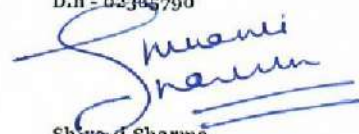
For Mittal & Associates  
Chartered Accountants  
FRN :106456W

For and on behalf of the Board of Directors  
**For Lorenzini Apparels Ltd** **For Lorenzini Apparels Ltd.**

Hemant Bohra  
Partner  
M. No. 165667  
UDIN:22165667AJRFQT2109

  
**Director**

Sandeep Jain  
Managing Director  
Din - 02365790

  
**Shruani Sharma**  
Company Secretary

  
**Director**

Deepika Jain  
Whole time Director  
Din - 02365797

  
**Deepika Jain**  
CFO

Date : 26<sup>th</sup> May, 2022  
Place : Delhi

**LORENZINI APPARELS LIMITED****Statement of Profit and Loss for the year ended 31st March'2022**

| PARTICULRS   | Note | 2021-22            | 2020-21            |
|--|------|--------------------|--------------------|
|  |      | ( Amount in Rs.)   |                    |
| I. Revenue From Operations                                   | 18   | 244,447,304        | 254,922,542        |
| II. Other Income   | 19   | 1,469,410          | 2,264,110          |
| <b>Total Income</b>  |      | <b>245,916,714</b> | <b>257,186,652</b> |
| <b>EXPENSES</b>  |      |                    |                    |
| III. Cost of materials consumed                              | 20   | 39,198,524         | 12,268,483         |
| IV. Purchase of Stock in Trade                               | 21   | 62,184,516         | 166,315,096        |
| V. Change In Inventory                                       | 22   | 5,809,431          | (2,404,526)        |
| VI. Employee Benefits Expense                                | 23   | 22,182,363         | 13,189,003         |
| VII. Finance Costs   | 24   | 5,896,392          | 5,736,235          |
| VIII. Depreciation and Amortization Expense                  | 9    | 5,626,962          | 4,812,603          |
| IX. Other Expenses   | 25   | 94,609,659         | 54,707,471         |
| <b>Total expenses</b>  |      | <b>235,507,848</b> | <b>254,624,366</b> |
| <b>X. Profit/(Loss) Before Tax</b>                           |      | <b>10,408,866</b>  | <b>2,562,286</b>   |
| <b>XI. Tax Expense:</b>                                      |      |                    |                    |
| Deferred Tax Expenses/(Income)                               |      | 1,648,714          | 545,078            |
| Tax of Previous Year   |      | 94,941             | 62,166             |
| Current Tax  |      | 3,289,380          | 1,158,415          |
| <b>XII. Profit/ (Loss) For The Period</b>                    |      | <b>5,375,831</b>   | <b>796,627</b>     |
| XIII Earnings per equity share:                              | 31   |                    |                    |
| (1) Basic  |      | 0.53               | 0.08               |
| (2) Diluted  |      | 0.53               | 0.08               |
| <b>Significant Accounting Policies and Notes to Accounts</b> |      | 1 to 33            |                    |

Significant Accounting Policies and Notes referred to above form an integral part of the Statement of Profit & Loss

As per our report of even date attached

For Mittal & Associates  
Chartered Accountants  
FRN :106456W

Hemant Bohra  
Partner  
M. No. 165667  
UDIN:22165667AJRFQT2109

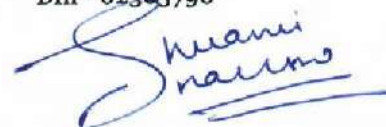
Date : 26th May, 2022  
Place : Delhi

For and on behalf of the Board of Directors

For Lorenzini Apparels Ltd. For Lorenzini Apparels Ltd.

  
Director

Sandeep Jain  
Managing Director  
Din - 02365790



Shivani Sharma  
Company Secretary

  
Director

Deepika Jain  
Whole time Director  
Din - 02365797



Deepika Jain  
CFO



**LORENZINI APPARELS LIMITED**

**Cash Flow Statement for the Year ended 31st March' 2022**

(Amount in Rs.)

| Particulars   | 2021-22             | 2020-21            |
|---|---------------------|--------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                  |                     |                    |
| Net Profit (Loss) before tax (As per Profit & Loss Account) | 10,408,866          | 2,562,286          |
| Adjustments for:-   |                     |                    |
| Depreciation  | 5,626,962           | 4,812,603          |
| (Profit)/Loss on sale of Asset                              | 21,269              | (11,432)           |
| Interest Income on FD                                       | (202,254)           | (43,270)           |
| Interest & Finance Charges                                  | 5,896,392           | 5,494,785          |
| Operating profit(loss) before working capital changes       | 21,751,235          | 12,814,973         |
| Adjustments for:-   |                     |                    |
| (Decrease)/Increase in Other Current Liabilities            |                     |                    |
| Trade Payable   | 3,960,713           | (17,078,272)       |
| Other Current Liabilities                                   | 7,321,692           | (2,803,505)        |
| Short Term Provision  | 2,130,965           | (1,017,675)        |
| Short Term Borrowing  | 9,563,481           | 23,159,330         |
| Decrease/(Increase) in Other Current Assets                 |                     |                    |
| Trade Receivables   | 3,516,667           | 12,267,594         |
| Inventory   | (26,678,563)        | (10,062,135)       |
| Other Current Assets  | 153,891             | 85,523             |
| Loans & Advance   | 8,667,852           | (12,762,375)       |
| Cash Generated from Operation                               | 30,387,932          | 4,603,459          |
| Less :Tax Paid/Payable                                      | (3,384,321)         | (1,220,581)        |
| <b>Net Cash Flow from Operating Activities (a)</b>          | <b>27,003,611</b>   | <b>3,382,878</b>   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES:</b>                 |                     |                    |
| Purchase of Fixed Assets                                    | (6,902,610)         | (5,596,596)        |
| (Increase)/ Decrease in Non Current Investment              | 0                   | 0                  |
| Interest Income on FD                                       | 202,254             | 43,270             |
| (Profit)/Loss on sale of Asset                              | (21,269)            | 11,432             |
| <b>Net Cash Flow from investing Activities (b)</b>          | <b>(6,721,625)</b>  | <b>(5,541,894)</b> |
| <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>                 |                     |                    |
| Interest & Finance Charges                                  | (5,896,392)         | (5,494,785)        |
| Increase/ (Decrease) in Long Term Borrowing                 | (5,827,517)         | 9,148,262          |
| Increase/ (Decrease) in Other Long Term Liabilities         | (3,629,818)         | (3,953,466)        |
| <b>Net Cash Flow from Financing Activities (c)</b>          | <b>(15,353,728)</b> | <b>(299,989)</b>   |
| <b>Net Increase in Cash and Equivalents (a+b+c)</b>         | <b>4,928,259</b>    | <b>(2,459,005)</b> |
| Opening Cash And Cash Equivalents                           | 4,394,990           | 6,853,995          |
| <b>Closing Cash And Cash Equivalents</b>                    | <b>9,323,249</b>    | <b>4,394,990</b>   |

Significant Accounting Policies and Notes referred to above form an integral part of the Balance Sheet As per our report of even date attached

For Mittal & Associates  
Chartered Accountants  
FRN :106456W

For and on behalf of the Board of Directors  
For Lorenzini Apparels Ltd. For Lorenzini Apparels Ltd.

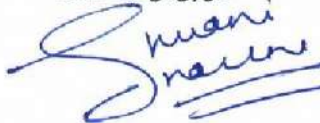
  
Director

  
Director

Hemant Bohra  
Partner  
M. No. 165667  
UDIN:22165667AJRFQT2109

Sandeep Jain  
Director  
Din - 02365790

Deepika Jain  
Whole time Director  
Din - 02365797

  
Shivani Sharma  
Company Secretary

  
Deepika Jain  
CFO

Date : 26th May, 2022  
Place : Delhi



LORENZINI APPARELS LIMITED

SCHEDULE OF FIXED ASSETS ATTACHED TO AND FORMING PART TO THE BALANCE SHEET AS ON 31ST MARCH 2022

Note-09

| PARTICULARS                    | GROSS BLOCK          |                                 |                  |                           | DEPRECIATION BLOCK  |                              |                  |                           | NET BLOCK                  |                          |
|--------------------------------|----------------------|---------------------------------|------------------|---------------------------|---------------------|------------------------------|------------------|---------------------------|----------------------------|--------------------------|
|                                | AS ON<br>01.04.2021  | ADDITIONS<br>DURING THE<br>YEAR | SALES/<br>ADJ    | TOTAL AS ON<br>31.03.2022 | AS ON<br>01.04.2021 | DEPRECIATION<br>FOR THE YEAR | SALES/<br>ADJ    | TOTAL AS ON<br>31.03.2022 | W.D.V. AS ON<br>31.03.2022 | W.D.V. AS ON<br>31.03.21 |
| <b>TANGIBLE ASSETS</b>         |                      |                                 |                  |                           |                     |                              |                  |                           |                            |                          |
| (A) Plant & Machinery          | 221,500              | -                               | -                | 221,500                   | 121,623             | 18,087.00                    | -                | 139,710                   | 81,790                     | 99,877                   |
| (B) Computers and Data         | 3,748,637            | 247,470                         | -                | 3,996,107                 | 3,570,862           | 113,163.00                   | -                | 3,684,025                 | 312,081.36                 | 177,774                  |
| Processing Units               |                      |                                 |                  |                           |                     |                              |                  |                           |                            |                          |
| (C) Office Equipments          | 5,332,790            | 1,226,640                       | -                | 6,559,430                 | 3,667,406           | 1,009,885.00                 | -                | 4,677,291                 | 1,882,138.72               | 1,665,384                |
| (D) Furniture and Fixtures     | 12,509,268           | 5,767,489                       | -                | 18,276,757                | 6,635,340           | 2,341,117.00                 | -                | 8,976,457                 | 9,300,300                  | 5,873,928                |
| (E) Motor Vehicles             | 7,434,304            | 2,311,280                       | 5,151,000        | 4,594,584                 | 4,014,958           | 621,001.00                   | 2,229,731        | 2,406,228                 | 2,188,356                  | 3,419,346                |
| (F) Buildings                  | 15,530,677           |                                 |                  | 15,530,677                | 5,333,268           | 1,050,875.00                 |                  | 6,384,143                 | 9,146,534                  | 10,197,409               |
| <b>TOTAL (A)</b>               | <b>44,777,176</b>    | <b>9,552,879</b>                | <b>5,151,000</b> | <b>49,179,055</b>         | <b>23,343,458</b>   | <b>5,154,128.00</b>          | <b>2,229,731</b> | <b>26,267,855</b>         | <b>22,911,200</b>          | <b>21,433,718</b>        |
|                                |                      |                                 |                  |                           |                     |                              |                  |                           |                            |                          |
| <b>INTANGIBLE ASSETS</b>       |                      |                                 |                  |                           |                     |                              |                  |                           |                            |                          |
| (F) Intangible Assets          | 2,460,000            | 271,000                         | -                | 2,731,000                 | 874,335             | 472,834                      | -                | 1,347,169                 | 1,383,831                  | 1,585,665                |
| <b>TOTAL (B)</b>               | <b>2,460,000</b>     | <b>271,000</b>                  | <b>-</b>         | <b>2,731,000</b>          | <b>874,335</b>      | <b>472,834</b>               | <b>-</b>         | <b>1,347,169</b>          | <b>1,383,831</b>           | <b>1,585,665</b>         |
| <b>GRAND TOTAL (A+B) (Rs.)</b> | <b>47,237,176.45</b> | <b>9,823,879</b>                | <b>5,151,000</b> | <b>51,910,055</b>         | <b>24,217,793</b>   | <b>5,626,962</b>             | <b>2,229,731</b> | <b>27,615,024</b>         | <b>24,295,031</b>          | <b>23,019,383</b>        |
| <b>PREVIOUS YEAR (Rs)</b>      | <b>42,118,662</b>    | <b>5,664,164</b>                | <b>67,568</b>    | <b>47,715,257</b>         | <b>19,883,271</b>   | <b>4,812,603</b>             | <b>-</b>         | <b>24,695,874</b>         | <b>23,019,383</b>          | <b>22,235,391</b>        |

For Lorenzini Apparels Limited  
For Lorenzini Apparels Ltd. For Lorenzini Apparels Ltd.

  
Director

Sandeep Jain  
Managing Director  
Din - 02365790

  
Director

Deepika Jain  
Whole time Director  
Din - 02365797

Date : 26th May, 2022  
Place : Delhi

**1 SIGNIFICANT ACCOUNTING POLICIES****1.1 Accounting Convention**

The accompanying financial statements are prepared in accordance with Generally Accepted Accounting Principles in India ("GAAP"), under the historical cost convention, on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the companies act, 2013 ("The Act"), read with Rule 7 of Companies (Accounts), Rule 2014, the provisions of the Act ( to the extent notified).

**1.2 Use of Estimates**

The presentation of financial statements in conformity with general accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reported period. Differences between the actual result and estimates are recognized in the period in which the results are known / materialized.

**1.3 Property, Plant & Equipment**

Property Plant & Equipment are stated at their original cost including freight, duties, taxes and other incidental expenses relating to acquisition and installation.

**1.4 Depreciation**

Depreciation on assets is provided on WDV method over the useful life of assets as prescribed in Schedule II of the Companies Act 2013. Depreciation for assets purchased / sold during a period is proportionally charged. Intangible assets are amortised over there estimated useful life on WDV method.

**1.5 Impairment Of Assets**

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in the profit and loss account to the extent the carrying amount exceeds recoverable amount.

**1.6 Provisions And Contingencies**

A Provision is recognized when Company has a present obligation as a result of a past event And it is probable that an out flow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at balance sheet date. A disclosure by way of contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require outflow of resources. Where there is possible obligation or a present obligation that likelihood of outflow of resources is remote, no provision or disclosure is made. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimate.

**1.7 Revenue Recognition**

- a) Revenue from the Sale of Goods is recognized as and when invoice issued.
- b) Interest on Fixed Deposit is recognised on time proportionate basis.
- c) All the Income & Expenditure having a material bearing on the financial statements are recognized on accrual basis.

**1.8 Inventories**

The stock is valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and includes all applicable cost of bringing the goods to their present location and condition.

**1.9 Transactions in Foreign Currency****a) Initial Opeartions**

Foreign Currency transactions are recorded in the reporting currency by applying to the foreign currency amount the Exchange Rate between the reporting currency and the foreign currency at the date of the transaction.

**b) Conversion**

Foreign Currency monetary items are reported using the closing rate. Non-monetary items, Other than Fixed Assets, which are carried in terms of historical cost denominated in the Foreign Currency, are reported using the exchange rate at the date of the transaction.

**c) Exchange Operations**

Exchange difference arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements are recognized as income or as expense in the year in which they arise, except those arising from investment in non integral operations.

1.10

#### Taxation

- a) Provisions for current tax is made after taking into consideration benefits admissible under the provision of Income Tax Act 1951.
- b) Deferred Tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and law that have been enacted or substantively enacted as on Balance Sheet date. The deferred tax asset like unabsorbed depreciation and carry forward Losses under taxation laws is recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax Assets are reviewed at each Balance sheet date and written down or written up to reflect the amount that is virtually/reasonably certain (as the case may be) to be realized.

#### 1.10 Employee Benefits

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit & loss account of the year in which the related service is rendered.
- b) The Provisions of Employees Provident Fund applicable to the company as the company have minimum required number of employees during the financial year and registration under the relevant Act has been obtained.
- c) The provisions of Employee state insurance act is applicable to the company , registration under the relevant Act has been obtained.
- d) Provision of gratuity has been made during the years for those employees who have completed/near to completion of 5 years of service with the organisation. The provision is covered under non funded gratuity scheme.
- e) Provision of leave Encashment and bonus are applicable and applied as per the requirement of statute.

1.11

#### Prior Period Adjustment, Extra Ordinary Items and Changes in Accounting Policy

Prior period adjustment, extra-ordinary items and changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed.

1.12

#### Earning Per Share

- a) The Company's Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company.
- b) Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the period.
- c) Diluted earnings per share is computed using the weighted average number of common and dilutive shares outstanding during the year including share based payments, except where the result would be anti-dilutive.



NOTES TO ACCOUNTS

2  
2.1

| Share Capital                   | (Amount in Rs.)        |                     |                        |                     |
|---------------------------------|------------------------|---------------------|------------------------|---------------------|
|                                 | As at 31st March, 2022 |                     | As at 31st March, 2021 |                     |
|                                 | Number                 | Amount              | Number                 | Amount              |
| <b>Authorised</b>               |                        |                     |                        |                     |
| Equity Shares of Rs.10 each     |                        |                     |                        |                     |
| -with voting right              | 1,02,00,000            | 10,20,00,000        | 1,02,00,000            | 10,20,00,000        |
|                                 | <b>1,02,00,000</b>     | <b>10,20,00,000</b> | <b>1,02,00,000</b>     | <b>10,20,00,000</b> |
| <b>Issued</b>                   |                        |                     |                        |                     |
| Equity Shares of Rs.10 each     |                        |                     |                        |                     |
| -with voting right              | 1,01,38,916            | 10,13,89,160        | 1,01,38,916            | 10,13,89,160        |
|                                 | <b>1,01,38,916</b>     | <b>10,13,89,160</b> | <b>1,01,38,916</b>     | <b>10,13,89,160</b> |
| <b>Subscribed &amp; Paid up</b> |                        |                     |                        |                     |
| Equity Shares of Rs.10 each     |                        |                     |                        |                     |
| -with voting right              | 1,01,38,916            | 10,13,89,160        | 1,01,38,916            | 10,13,89,160        |
|                                 | <b>1,01,38,916</b>     | <b>10,13,89,160</b> | <b>1,01,38,916</b>     | <b>10,13,89,160</b> |

2.2

- Terms and rights attached to equity shares**
- The Company has only one class of equity shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.
  - The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
  - In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3

**Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the reporting period**

| Particulars                               | As at 31st March, 2022                          |              | As at 31st March, 2021 |              |
|---|---|--------------|------------------------|--------------|
|   | Number  | Amount       | Number                 | Amount       |
|   | Shares outstanding at the beginning of the year | 1,01,38,916  | 10,13,89,160           | 1,01,38,916  |
| Add: Issued During the Year               | -   | -            | -                      | -            |
| Shares outstanding at the end of the year | 1,01,38,916                                     | 10,13,89,160 | 1,01,38,916            | 10,13,89,160 |

2.4

**\*Disclosure of Equity shares in the company held by each shareholder holding more than 5%**

| Name of Shareholder | As at 31st March, 2022    |              | As at 31st March, 2021    |              |
|---------------------|---------------------------|--------------|---------------------------|--------------|
|                     | No. of Equity Shares held | % of Holding | No. of Equity Shares held | % of Holding |
|                     | Sandeep Jain              | 50,58,761    | 49.89%                    | 50,58,761    |
| Deepika Jain        | 6,29,505                  | 6.21%        | 6,09,505                  | 6.01%        |
| Total               | 56,88,266                 | 56.10%       | 56,68,266                 | 55.90%       |

2.5

**Details of Share held by Promoters**

| Promoter Name      | As at 31st March 2022     |              |          | As at 31st March 2021     |              |           |
|--------------------|---------------------------|--------------|----------|---------------------------|--------------|-----------|
|                    | No. of Equity Shares held | % of Holding | % Change | No. of Equity Shares held | % of Holding | % Change  |
| Sandeep Jain       | 50,58,761                 | 49.89%       | 0.00%    | 50,58,761                 | 49.89%       | -         |
| Deepika Jain       | 6,29,505                  | 6.21%        | 3.28%    | 6,09,505                  | 6.01%        | -         |
| Sandeep Jain (HUF) | 1,00,000                  | 0.99%        | 100.00%  | -                         | 0.00%        | -         |
| Puveen Jain        | 3,20,130                  | 3.16%        | 356.48%  | 70,130                    | 0.69%        | 53846.15% |
| Total              | 61,08,396                 | 60.25%       | 8%       | 56,68,266                 | 55.90%       | -         |

| Reserves & Surplus  | ( Amount in Rs.)          |                           |
|---|---------------------------|---------------------------|
|   | As at 31st March,<br>2022 | As at 31st March,<br>2021 |
|   | Amount                    | Amount                    |
| <b>(A) Security Premium</b>                                   |                           |                           |
| Opening Balance   | 1,335,926                 |                           |
| Add: Received During the Year                                 | -                         |                           |
| <b>Closing Balance</b>  | 1,335,926                 | 1,335,926                 |
| <b>(B) Profit and Loss</b>                                    |                           |                           |
| Opening Balance - Profit / (Loss) (as per last Balance Sheet) | 15,394,049                | 14,597,421                |
| Add- Net Profit / (Loss) For the current year                 | 5,375,831                 | 796,627                   |
| <b>Closing Balance</b>  | <b>22,105,806</b>         | <b>16,729,975</b>         |

| Long term Borrowing        | ( Amount in Rs.)          |                           |
|----------------------------|---------------------------|---------------------------|
|                            | As at 31st March,<br>2022 | As at 31st March,<br>2021 |
|                            | Amount                    | Amount                    |
| <b>Secured Loan</b>        |                           |                           |
| - *From bank               | 4,112,609.04              | 3,570,796.00              |
| - From NBFC                | -                         | 2,531,303.92              |
| <b>Un Secured Loan</b>     |                           |                           |
| -From Bank                 | 534,283.00                | 2,174,610.00              |
| <b>## Security Deposit</b> | 26,006,489                | 31,834,006                |
| <b>Total</b>               | <b>30,653,381</b>         | <b>40,110,716</b>         |

\* Rs. 37,44,731/- Secured by hypothecation of Building-Shop 104, Plot 2, Sector 25, Block I, Noida and personal guarantee of Directors, carrying interest rate @ 7.25% p.a. AND

\* Rs. 16,85,635/- Secured by hypothecation of Vehicle, carrying interest rate @ 7.25% p.a.

## Refundable , non interest bearable Security Deposit Taken from different business partners located at different part of the country on long term basis.

| Trade Payables                        | ( Amount in Rs.)          |                           |
|---------------------------------------|---------------------------|---------------------------|
|                                       | As at 31st March,<br>2022 | As at 31st March,<br>2021 |
|                                       | Amount                    | Amount                    |
| <b>Trade Payables</b>                 |                           |                           |
| Micro and Small Enterprise            | 39,274,810                | 7,047,573                 |
| Other than Micro and Small Enterprise | 23,766,837                | 52,033,361                |
| <b>Total</b>                          | <b>63,041,647</b>         | <b>59,080,935</b>         |

#### Trade Payables Ageing Schedule

| Particulars               | ( Amount in Rs.)          |                           |
|---------------------------|---------------------------|---------------------------|
|                           | As at 31st March,<br>2022 | As at 31st March,<br>2021 |
|                           | Amount                    | Amount                    |
| i) MSME                   |                           |                           |
| Less than 1 year          | 34,158,103                | 5,654,467                 |
| 1-2 Years                 | 5,116,707                 | 1,156,618                 |
| 2-3 Years                 | -                         | 193,544                   |
| More than 3 Years         | -                         | 42,945                    |
|                           | <b>39,274,810</b>         | <b>7,047,573</b>          |
| ii) Others                |                           |                           |
| Less than 1 year          | 20,168,203                | 46,787,953                |
| 1-2 Years                 | 2,200,795                 | 4,811,487                 |
| 2-3 Years                 | 967,103                   | 248,612                   |
| More than 3 Years         | 245,428                   | -                         |
|                           | <b>23,581,528</b>         | <b>51,848,052</b>         |
| iii) Disputed dues- MSME  |                           |                           |
| Less than 1 year          | -                         | -                         |
| 1-2 Years                 | -                         | -                         |
| 2-3 Years                 | -                         | -                         |
| More than 3 Years         | -                         | -                         |
|                           | -                         | -                         |
| iv) Disputed dues- Others |                           |                           |
| Less than 1 year          | -                         | -                         |
| 1-2 Years                 | 185,309                   | 185,309                   |
| 2-3 Years                 | -                         | -                         |
| More than 3 Years         | -                         | -                         |
|                           | <b>185,309.00</b>         | <b>185,309.00</b>         |
| <b>Total</b>              | <b>63,041,647</b>         | <b>59,080,935</b>         |



| Short Term Borrowing                           | ( Amount in Rs.)  |                   |
|--|-------------------|-------------------|
|  | As at 31st March, | As at 31st March, |
|  | 2022              | 2021              |
|  | Amount            | Amount            |
| <b>Loan repayable on Demand</b>                |                   |                   |
| From Bank                                      | 55,932,726        | 44,301,491        |
| <b>Current Maturity of Long Term borrowing</b> |                   |                   |
| BMW FINANCIAL SERVICES                         | -                 | 992,993           |
| SBI LOAN 39361878736 - AUTOMATIC LOAN          |                   | 1,360,000         |
| HDFC LOAN 452167460 - AUTOMATIC LOAN           | 1,317,757         |                   |
| IDFC FIRST BANK                                | 1,616,129         | 2,648,647         |
| <b>Total</b>                                   | <b>58,866,612</b> | <b>49,303,131</b> |

| Other Current Liabilities                | ( Amount in Rs.)  |                   |
|--|-------------------|-------------------|
|  | As at 31st March, | As at 31st March, |
|  | 2022              | 2021              |
|  | Amount            | Amount            |
| <b>Remuneration Payable to Directors</b> | 23,200            | 10,374            |
| <b>Others -Non Trade Payables</b>        |                   |                   |
| Others -Non Trade Payables               | 9,047,344         | 6,333,181         |
| <b>Others -Govt dues- Taxes</b>          |                   |                   |
| Tds Payable                              | 518,960           | 231,869           |
| Sales Tax Payable                        | 2,050,299         | 844,784           |
| <b>Others -Govt dues</b>                 | 84,231            | 70,616            |
| Employer EPF                             | 74,503.00         |                   |
| Employer ESIC                            | 9,729.00          |                   |
| <b>Advance From Customers</b>            | 864,701           | 193,293           |
| <b>Employees &amp; Worker</b>            |                   |                   |
| Others -Non Trade Payables-Due to staff  | 1,963,141         | 1,235,636         |
| <b>Total</b>                             | <b>14,551,877</b> | <b>7,230,185</b>  |

| Short Term Provision                    | ( Amount in Rs.)  |                   |
|---|-------------------|-------------------|
|   | As at 31st March, | As at 31st March, |
|   | 2022              | 2021              |
|   | Amount            | Amount            |
| Provision for Taxation ( Net off Taxes) | 3,289,344         | 1,158,379         |
| <b>Total</b>                            | <b>3,289,344</b>  | <b>1,158,379</b>  |

| Deffered Tax Assets/Liabilities (Net) | ( Amount in Rs.)  |                   |
|---------------------------------------|-------------------|-------------------|
|                                       | As at 31st March, | As at 31st March, |
|                                       | 2022              | 2021              |
| Deffered Tax Assets                   | -                 | 1,145,263         |
| Deffered Tax Liabilities              | 503,451           | -                 |
| <b>Total</b>                          | <b>503,451</b>    | <b>1,145,263</b>  |

The movement of Deferred Tax recognized is given below.

| Timing Differences on account of           | For the year ended 31st March, 2022 |                   | For the year ended 31 March 2021 |              |
|--|-------------------------------------|-------------------|----------------------------------|--------------|
|  | Deferred Tax                        | Deferred Tax      | Deferred Tax                     | Deferred Tax |
|  | Assets                              | Liability         | Assets                           | Liability    |
| Depreciation on Fixed Assets               | -                                   | 503,451           | 1,145,263                        |              |
| <b>Net Deferred Tax Assets/Liabilities</b> | <b>-</b>                            | <b>503,451.00</b> | <b>1,145,263</b>                 |              |

|    |   | ( Amount in Rs.)                    |                                     |
|----|---|-------------------------------------|-------------------------------------|
| 11 | Long Term Loans and Advances                            | As at 31st March,<br>2022<br>Amount | As at 31st March,<br>2021<br>Amount |
|    | Unsecured- Considered Good<br>(Unless Otherwise Stated) |                                     |                                     |
|    | Security Deposit  |                                     |                                     |
|    | -Fixed Deposits   | -                                   | -                                   |
|    | <b>Total</b>  | -                                   | -                                   |

|    |   | ( Amount in Rs.)                    |                                     |
|----|---|-------------------------------------|-------------------------------------|
| 12 | Other Non-Current Assets                                | As at 31st March,<br>2022<br>Amount | As at 31st March,<br>2021<br>Amount |
|    | Unsecured- Considered Good<br>(Unless Otherwise Stated) |                                     |                                     |
|    | Security Deposit  |                                     |                                     |
|    | -Unsecured, considered good                             | 8,847,675                           | 7,931,909                           |
|    | <b>Total</b>  | <b>8,847,675</b>                    | <b>7,931,909</b>                    |

|    |  | ( Amount in Rs.)                    |                                     |
|----|--|-------------------------------------|-------------------------------------|
| 13 | Trade Receivables                                      | As at 31st March,<br>2022<br>Amount | As at 31st March,<br>2021<br>Amount |
|    | Unsecured Considered Good<br>(Unless Otherwise Stated) |                                     |                                     |
|    | Considered Good  |                                     |                                     |
|    | Exceeding Six months                                   | 13,812,654                          | 7,913,431                           |
|    | Others   | 37,191,712                          | 46,607,612                          |
|    | Doubtful debts   |                                     |                                     |
|    | Less:Provision for doubtful debts                      | -                                   | -                                   |
|    | <b>Total</b>   | <b>51,004,376</b>                   | <b>54,521,043</b>                   |

| Trade Receivables ageing schedule                      |              |                                     |                                     |
|--|--------------|-------------------------------------|-------------------------------------|
| Particulars  |              | As at 31st March,<br>2022<br>Amount | As at 31st March,<br>2021<br>Amount |
| i) Undisputed Trade receivables - considered good      |              |                                     |                                     |
| Less than 6 months                                     |              | 37,191,712                          | 46,607,612                          |
| 6 months - 1 year                                      |              | 38,415                              | 34,875                              |
| 1-2 years  |              | 6,579,083                           | 683,390                             |
| 2-3 years  |              | -                                   | 4,979,302                           |
| More then 3 years                                      |              | 4,979,302                           | -                                   |
| ii) Undisputed Trade receivables - considered doubtful |              |                                     |                                     |
| Less than 6 months                                     |              |                                     |                                     |
| 6 months - 1 year                                      |              |                                     |                                     |
| 1-2 years  |              |                                     |                                     |
| 2-3 years  |              |                                     |                                     |
| More then 3 years                                      |              |                                     |                                     |
| iii) Disputed Trade receivables - considered good      |              |                                     |                                     |
| Less than 6 months                                     |              |                                     |                                     |
| 6 months - 1 year                                      |              |                                     |                                     |
| 1-2 years  |              |                                     | 2,215,864                           |
| 2-3 years  |              | 2,215,864                           |                                     |
| More then 3 years                                      |              |                                     |                                     |
| iv) Disputed Trade receivables - considered doubtful   |              |                                     |                                     |
| Less than 6 months                                     |              |                                     |                                     |
| 6 months - 1 year                                      |              |                                     |                                     |
| 1-2 years  |              |                                     |                                     |
| 2-3 years  |              |                                     |                                     |
| More then 3 years                                      |              |                                     |                                     |
|  | <b>Total</b> | <b>51,004,376</b>                   | <b>54,521,043</b>                   |

| 14 | Inventories    | ( Amount in Rs.)   |                    |
|----|----------------|--------------------|--------------------|
|    |                | As at 31st March,  | As at 31st March,  |
|    |                | 2022               | 2021               |
|    |                | Amount             | Amount             |
|    | Raw Materials  | 71,580,516         | 39,092,521         |
|    | Finished Goods | 117,584,314        | 123,393,745        |
|    | <b>Total</b>   | <b>189,164,830</b> | <b>162,486,267</b> |

| 15 | Cash and cash equivalents | ( Amount in Rs.)  |                   |
|----|---------------------------|-------------------|-------------------|
|    |                           | As at 31st March, | As at 31st March, |
|    |                           | 2022              | 2021              |
|    |                           | Amount            | Amount            |
|    | Balances with banks       | 160,370           | -                 |
|    | Cash on Hand              | 2,358,936         | 3,676,860         |
|    | Fixed Deposit             | 6,803,943         | 718,130           |
|    | <b>Total</b>              | <b>9,323,249</b>  | <b>4,394,990</b>  |

| 16 | Short-term loans and advances                          | ( Amount in Rs.)  |                   |
|----|--|-------------------|-------------------|
|    |  | As at 31st March, | As at 31st March, |
|    |  | 2022              | 2021              |
|    |  | Amount            | Amount            |
|    | Unsecured Considered Good<br>(Unless Otherwise Stated) |                   |                   |
|    | Others   |                   |                   |
|    | Advance to Creditors                                   | 7,415,942         | 16,999,560        |
|    | <b>Total</b>   | <b>7,415,942</b>  | <b>16,999,560</b> |

| 17 | Other Current Assets        | ( Amount in Rs.)  |                   |
|----|-----------------------------|-------------------|-------------------|
|    |                             | As at 31st March, | As at 31st March, |
|    |                             | 2022              | 2021              |
|    |                             | Amount            | Amount            |
|    | Advance to Staff            | 390,773           | 774,242           |
|    | Prepaid Expenses            | 335,603           | 196,774           |
|    | Advance Tax                 | 234,867           | 193,510           |
|    | INTEREST RECEIVABLE         | -                 | -                 |
|    | Tds receivable from Parties | 182,373           | 132,981           |
|    | <b>Total</b>                | <b>1,143,616</b>  | <b>1,297,507</b>  |

| 18 | Revenue from operations     | ( Amount in Rs.)   |                    |
|----|-----------------------------|--------------------|--------------------|
|    |                             | 2021-22            | 2020-21            |
|    |                             | Amount             | Amount             |
|    | Sale of Goods Less Return   |                    |                    |
|    | Total Sales                 | 244,447,304        | 254,922,542        |
|    | Less- Inter Branch Transfer | -                  | -                  |
|    | <b>Total (A+B)</b>          | <b>244,447,304</b> | <b>254,922,542</b> |

| 19 | Other Income                         | ( Amount in Rs.)    |                  |
|----|--------------------------------------|---------------------|------------------|
|    |                                      | 2021-22             | 2020-21          |
|    |                                      | Amount              | Amount           |
|    | Interest Income - FD                 | 202,254             | 43,270           |
|    | Gain/ (Loss) on sale of Fixed Assets | (21,269)            | 11,432           |
|    | Miscellaneous Income                 | 2,918               | 37,252           |
|    | Rebate & Discount                    | 1,285,507           | 2,172,157        |
|    | <b>Total</b>                         | <b>1,469,409.52</b> | <b>2,264,110</b> |

( Amount in Rs.)

| Other Expenses                           | 2021-22           | 2020-21           |
|--|-------------------|-------------------|
|  | Amount            | Amount            |
| Fabrication/Job Charges                  | 21,540,142        | 5,166,267         |
| Printing & Stationery                    | 235,789           | 214,862           |
| Postage & Courier                        | 565,394           | 669,903           |
| Audit Fees                               | 120,000           | 120,000           |
| Show Room Expenses                       | -                 | 24,405            |
| Commission                               | 26,457,738        | 18,826,824        |
| Business Promotion                       | 373,728           | 849,594           |
| Conveyance Expenses                      | 1,102,661         | 773,675           |
| Telephone Expenses                       | 230,638           | 152,635           |
| Power, Electricity & Fuel                | 3,314,779         | 1,734,061         |
| Travelling Expenses                      | 1,226,766         | 1,208,210         |
| Credit Card Machine Charges              | 612,939           | 410,532           |
| Vehicle Running Expenses                 | 344,383           | 186,303           |
| Rent                                     | 23,863,299        | 12,771,820        |
| Repair & Maintenance-Computer            | 200,297           | 164,369           |
| Repair & Maintenance-Building and others | 1,434,929         | 615,371           |
| Advertising Expenses                     | 2,511,439         | 2,454,044         |
| Carriage Outward                         | 1,919,598         | 920,986           |
| Packing Material                         | 1,566,472         | 715,877           |
| Sampling Expenses                        | 647,091           | 692,963           |
| Insurance Charges                        | 287,517           | 165,886           |
| General Expenses                         | 131,962           | 138,836           |
| Mall Maintenance Charges                 | 2,490,708         | 2,474,261         |
| Professional Expenses                    | 1,191,447         | 1,386,183         |
| Security Exp                             | 304,836           | 304,836           |
| Software maintenance charges             | 861,682           | 117,338           |
| Bank Charges                             | 108,441           | 151,561           |
| Internship Expenses                      | -                 | 187,075           |
| Loan Guarantee Fees                      | 507,507           | 505,542           |
| Bad Debts                                | -                 | 120,564           |
| Consumable                               | 162,266           | 32,140            |
| GST Expenses                             | 135,925           | -                 |
| Stamp Duty Charges                       | 159,285           | 450,548           |
| <b>Total</b>                             | <b>94,609,659</b> | <b>54,707,471</b> |

## Payment to Auditor as :

| Particulars                | Current Year   | Previous Year  |
|----------------------------|----------------|----------------|
| Statutory Audit Fee        | 120,000        | 120,000        |
| Taxation And other Matters | -              | -              |
| <b>Total</b>               | <b>120,000</b> | <b>120,000</b> |

## Contingent Liabilities

- a) Claims against the company not acknowledged as debts - **NIL**
- b) Estimated value of contracts on capital account, (excluding capital advances), remaining to be executed and not provided for- **NIL**
- c) Disputed demand relating to Income tax **Rs. 2,89,468**

27 Balances of Sundry Receivables/Debtors and Sundry Payables/ creditors are subject to confirmation.

28 Cash balance as at 31st March 2022 is verified and confirmed by the management.

29 In the opinion of the board, the Current assets, Loans and Advances have a value on the realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.



( Amount in Rs. )

|  | ( Amount in Rs. )      |                         |
|--|------------------------|-------------------------|
|  | Current Year<br>Amount | Previous Year<br>Amount |
| Expenditure/Earnings in Foreign Currency |                        |                         |
| a) Expenditure in Foreign Currency       | -                      | -                       |
| b) Earnings in Foreign Currency          | -                      | -                       |

## Earnings per equity Share

| Particulars   | ( Amount in Rs. ) |               |
|---|-------------------|---------------|
|   | Current Year      | Previous year |
| Profit attributable to equity holders for Basic EPS           | 5,375,831         | 796,627       |
| Total No. Of Equity Shares as at 31st March                   | 10,138,916        | 10,138,916    |
| Weighted Average number of Equity Shares for basic EPS (No's) | 10,138,916        | 10,138,916    |
| Earnings Per Share - Basic (Rs)                               | 0.53              | 0.08          |
| Diluted Earnings Per Share - Diluted (Rs)                     | 0.53              | 0.08          |

\* The weighted average number of shares takes into account the weighted average effect of changes in equity share transactions during the year.

## Related parties as identified by the management are classified as:

| Description of relationship   | Name of Parties  |
|---|--|
| Key Management Personnel  |  |
| Director  | 1) Sandeep Jain  |
| Director  | 2) Deepika Jain  |
| Relatives of KMP  | 1) Vijay Kumar Jain<br>2) Praveen Jain   |
| Entity in which KMP/ Relative of KMP can Exercise significant influence | 1) sandeep Jain (HUF)<br>2) Invern Lifestyle Private Limited<br>3) MR Button Private Limited |

## Transactions with Related Parties

| Name of Related Party               | Key Management Personnel | Relatives of KMP /Entity in which KMP/ Relative of KMP can Exercise significant influence | Amount in Rupees |               |
|-------------------------------------|--------------------------|---|------------------|---------------|
|                                     |                          |   | Current Year     | Previous Year |
| <b>Remuneration Paid</b>            |                          |   |                  |               |
|                                     |                          |   | 2,100,000        | 1,200,000     |
| 1) Sandeep Jain                     |                          |   | 1,050,000        | 500,000       |
| 2) Deepika Jain                     |                          |   | 1,050,000        | 500,000       |
| <b>Receivable</b>                   |                          |   | 38,415           | 34,875        |
| 1) Invern Lifestyle Private Limited |                          |   | 34,875           | 34,875        |
| 2) MR Button Private Limited        |                          |   | 6,858,854        | -             |
| <b>Sale</b>                         |                          |   | 6,858,854        | -             |
| 1) Invern Lifestyle Private Limited |                          |   | -                | -             |
| 2) MR Button Private Limited        |                          |   | 6,858,854        | -             |
| <b>Opening Balance of Loan</b>      |                          |   | -                | -             |
| 1) Sandeep Jain (HUF)               |                          |   | -                | -             |
| <b>Loan Taken During The year</b>   |                          |   | 300,000          | 2,750,000     |
| 1) Sandeep Jain (HUF)               |                          |   | 300,000          | 2,750,000     |
| <b>Loan Repaid During The year</b>  |                          |   | 300,000          | 2,750,000     |
| 1) Sandeep Jain (HUF)               |                          |   | 300,000          | 2,750,000     |
| <b>Unsecured Loan O/S</b>           |                          |   |                  |               |
| 1) Sandeep Jain (HUF)               |                          |   |                  |               |
| 2) Deepika Jain                     |                          |   |                  |               |
| <b>Salary Payables</b>              |                          |   | 23,200           | 742,181       |
| 1) Sandeep Jain                     |                          |   | 48,200           | (19,627)      |
| 2) Deepika Jain                     |                          |   | (25,000)         | 30,000        |

## Disclosure as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed as no such details has been provided by such SME entities to the company.