

LORENZINI APPARELS PRIVATE LIMITED

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

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

CIN: U17120DL2007PTC163192

NOTICE

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

A. AS ORDINARY BUSINESS

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

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

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

B. AS SPECIAL BUSINESS

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

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

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

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

By order of the Board

(SANDEEP JAIN)

Chairman

(DIN-02365790)

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

New Delhi-110 085

Dated : 22.09.2014

Place : New Delhi

NOTES :

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

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

ITEM NO. III

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

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

By order of the Board


(SANDEEP JAIN)

Chairman

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Add: - A-2/70, Sector-5, Rohini,
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DIRECTORS' REPORT

Dear Members,

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

FINANCIAL RESULTS

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

OPERATIONS

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

DIVIDEND

Yours Directors do not recommend any dividend.

DIRECTORS

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

DEPOSITS

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

DIRECTORS RESPONSIBILITY STATEMENT

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

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

PARTICULARS OF EMPLOYEES

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

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AUDITORS' REMARKS

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

AUDITORS

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

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

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

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

APPRECIATION

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

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

(SANDEEP JAIN)

Chairman

(DIN:02365790)

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

New Delhi-110 085

Place : New Delhi

Dated : 22.09.2014



INDEPENDENT AUDITOR'S REPORT

To the Members of LORENZINI APPARELS PRIVATE LIMITED

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

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



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