

# **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**

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## **NOTICE**

Notice is hereby given that the 9<sup>th</sup> Annual General Meeting of the members of M/s LORENZINI APPARELS PRIVATE LIMITED will be held on Friday, the 30<sup>th</sup> day of September, 2016 at 12:30 P.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 31<sup>st</sup> March'2016, Statement of Profit & Loss for the year ended on the date, Auditors' Report and Directors' Report thereon.
- II) To ratify the appointment of M/s J. METHA & COMPANY, Chartered Accountants as Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

For and on behalf of the Board



(SANDEEP JAIN)

Chairman

(DIN-02365790)

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

Dated : 29.08.2016

Place : New Delhi

## **NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to vote instead of himself and proxy need not to be a member of the company.
2. The proxy form duly completed must reach company's registered office at least 48 hours before the time fixed for holding the aforesaid meeting. Attendance slip is attached herewith.

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## DIRECTOR'S REPORT

The Members,  
LORENZINI APPARELS PRIVATE LIMITED

Your Directors have pleasure in presenting their 9<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

## FINANCIAL SUMMARY

Particulars	(Amount in Rs.)	
	As at the end of current reporting period	As at the end of Previous reporting period
Total Revenue	12,11,96,517.10	14,16,41,834.07
Total Expenses	12,08,50,064.49	14,11,24,488.12
Profit or Loss before Exceptional and Extraordinary items and Tax	3,46,452.61	5,17,345.95
Less: Exceptional/Extraordinary items	0.00	0.00
Profit or Loss before Tax	3,46,452.61	5,17,345.95
Less: Current Tax	1,76,000.00	4,30,000.00
Deferred Tax	(-)62,613.00	(-)5,49,747.00
Profit or Loss After Tax	2,33,065.61	6,37,092.95
Add: Balance as per Last Balance Sheet	43,02,161.17	38,90,900.61
Less: Prior Period Adjustments-Dep	0.00	1,89,792.00
Less : Short/Excess Provision of Tax	(-)89,060.00	(-)36,070.00
Balance Transferred to Balance Sheet	44,46,137.17	43,02,131.56

## REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your company is in the business of trading of garments through its retail outlets, online stores and through supplies to e-commerce companies. The Company has achieved the Gross turnover of Rs. 1211.97 Lacs as compared to Rs 1416.42 Lacs in the previous year. Your Directors are optimistic about the company's business and hopeful of the better performance in the next year. There was no change in the nature of business of the company.

## MATERIAL CHANGES AND COMMITMENT

There is no material change/commitment in the state of affairs after the end of financial year to the date of this report which could have affected the company.

## DIVIDEND

Your Directors do not recommend any dividend due to future requirements of funds and to strengthen the financial position of the company.

#### **RESERVES**

The company has not transfer any fund to general reserves during the year.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There was no director who was appointed/ceased/reappointed during the year under review. The Company is not mandatorily required to appoint any whole time Key Managerial Personnel (KMP).

#### **MEETINGS**

The company has conducted 6 (Six) Board meetings during the financial year under review, which were held on 06.04.2015, 18.06.2015, 31.08.2015, 12.10.2015, 22.12.2015 and 05.03.2016. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### **STATUTORY AUDITORS**

The Auditors, M/s J. Mehta & Company, Chartered Accountants (FRN-012560N) were appointed for a period of five years in the AGM held on 30<sup>th</sup> September, 2014 and are eligible for reappointment, subject to ratification by the shareholders at the ensuing Annual General Meeting of the Company.

#### **AUDITORS' REPORT**

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The observations made by the Auditors of the Company in their Report, read with the Notes to Accounts are self-explanatory and do not need any further clarification.

#### **SECRETARIAL AUDIT REPORT**

The provisions relating to submission of Secretarial Audit Report are not applicable to the company.

#### **RISK MANAGEMENT POLICY**

The Company doesn't have any Risk Management Policy as the elements of risk threatening the Company's existence are minimal.

#### **EXTRACT OF ANNUAL RETURN**

As required pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in (Form MGT 9) is attached as a part of this Annual Report as Annexure 'I'.

#### **DEPOSITS**

The company has neither accepted nor renewed any deposits during the year under review.

#### **SHARE CAPITAL**

The Paid up Capital of the Company as on 31<sup>st</sup> March 2016 was Rs. 1.00 Lac . There was no change in the Authorised or Paid-up Capital/Subscribed Capital during the year under review.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

There are no loans, guarantees or investments made by the company under section 186 of the Companies Act, 2013 during the year under review. Hence the Provisions of the Section are not applicable.

#### **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate Internal Financial Controls with reference to its financial statements, commensurate with the size, scale and complexity of its operations. The Company's internal financial control procedures ensure that Company's financial statements are reliable and prepared in accordance with the applicable laws.

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

The particulars of contracts or arrangements entered into by the Company with related parties pursuant to Section 188 of the Companies Act, 2013 are furnished in Annexure II and is attached to this report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

##### **Conservation of Energy**

Your company not being involved in the manufacturing activities, the consumption of energy is limited to lighting and other electrical appliances only. 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.

##### **Technology absorption**

The Company's Directors are having technical expertise and have been upgrading their technology from time to time. No technology had been imported during the year. Further, in order to make improvement in the business activities, Research Development is a continuous process. No expenditure was incurred on Research & Development and Technology Absorption & Up gradation.

##### **Foreign Exchange Earnings and Outgo**

Total Foreign Exchange Earned and Used are as follows:

- |                            |                |
|----------------------------|----------------|
| i) Foreign Exchange Earned | NIL            |
| ii) Foreign Exchange Used  | Rs. 4,76,606/- |

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The company does come under the purview of the requirement of disclosures or spend any amount under the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

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

The company does not have any Subsidiary, joint Venture or Associate Company during the year under review.

#### **PARTICULARS OF EMPLOYEES**

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees is not required to be given as none of the employee is getting salary as stipulated in the rules.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

The provisions of Section 149 for appointment of Independent Directors do not apply to the company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board hereby submits its Responsibility Statement that —

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had 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;
- d. the directors had prepared the annual accounts on a going concern basis; and the Company, being unlisted, sub clause (e) of Section 134(3) of the Companies Act 2013, pertaining to laying down Internal financial controls, is not applicable to the Company ; and
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **ACKNOWLEDGEMENTS**

The Directors place on record their sincere appreciation for the assistance and co-operation extended by the Bankers, Investors, various Government Authorities and all other Associates for their continued support extended to the company during the year under review.

For and on behalf of the Board



(SANDEEP JAIN)

Chairman

(DIN-02365790)

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

Dated : 29.08.2016

Place : New Delhi

**FORM NO. AOC -2**

(FY 2015-16)

(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 transaction under third proviso thereto.


**Details of Contracts or Arrangements or Transactions not at Arm's length basis**

Sl. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	N.A
2.	Nature of contracts/arrangements/transaction	
3.	Duration of the contracts/arrangements/transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Justification for entering into such contracts or arrangements or transactions	
6.	Date of approval by the Board	
7.	Amount paid as advances, if any	
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

**Details of Contracts or Arrangements or Transactions at Arm's length basis****A. Sandeep Jain**

Sl. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Sandeep Jain (Director)
2.	Nature of contracts/arrangements/transaction	Rent of Office
3.	Duration of the contracts/arrangements/transaction	For Two years
4.	Salient terms of the contracts or arrangements or transaction including the value, if any.	Rs. 6,00,000/- p.a.
5.	Date of approval by the Board	06.04.2015
6.	Amount paid as advances, if any	—

For and on behalf of the Board

  
(SANDEEP JAIN)  
Chairman

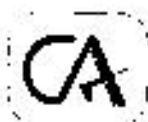
(DIN-02365790)

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

Dated : 29.08.2016

Place : New Delhi



**J. MEHTA & COMPANY**

CHARTERED ACCOUNTANTS

322-323, Dakha Chambers, 206B/38,

Naiwala, Karol Bagh, New Delhi-110005

Tel.: 011- 28751434, 011-425 42519

E-mail - [cajmehta@gmail.com](mailto:cajmehta@gmail.com)**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, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

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



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of the Statement of Profit and Loss, of the Profit, for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A', a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement, dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the

