

LORENZINI APPARELS LIMITED

**SIXTEEN ANNUAL REPORT
FINANCIAL YEAR 2022 -2023**



MONTEIL

A M E R I C A N L U X U R Y

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MONTEIL
A M E R I C A N L U X U R Y

ABOUT US

History and Background

LORENZINI APPARELS LIMITED ('the Company') is a public limited Company and incorporated under the provisions of the Companies Act, 1956 on May 09, 2007 with the Registrar of Companies, New Delhi bearing CIN: L17120DL2007PLC163192 Our Company was originally incorporated as "Lorenzini Apparels Private Limited" on May 09, 2007 with the Registrar of Companies, National Capital Territory of Delhi and Haryana as a private limited company under the provisions of the Companies Act, 1956. Subsequently our Company was converted into public limited Company pursuant to shareholders resolution passed at the Extra-Ordinary General Meeting held on March 15, 2017 and the name of our Company was changed to "Lorenzini Apparels Limited". A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the

OUR BUSINESS

Our Company engaged into the business of manufacturing, designing and marketing of readymade garments offering diverse range of formal, semi-formal and casual wear for men and women. We serve our customers through the channels of retail and e-commerce. Our garment manufacturing process includes cutting, stitching, sewing, finishing, inspection and packing. We also outsource the garments manufacturing on job work basis from third party contractors from time to time and provides the technical specifications such as designs, pattern, quality, fabric etc. to them who, based on our specifications, procure the requisite raw materials at their own costs and begin the manufacturing process.

COMPANY INFORMATION**BOARD OF DIRECTORS**

MR. SANDEEP JAIN	:	MANAGING DIRECTOR
MS. DEEPIKA JAIN	:	WHOLE TIME DIRECTOR
MR. MOHAN CHAUHAN	:	INDEPENDENT DIRECTOR
MR. RAJIT SEHGAL	:	NON EXECUTIVE DIRECTOR
MR. YOGESH KUMAR	:	INDEPENDENT DIRECTOR
MR. AJAY	:	INDEPENDENT DIRECTOR

KEY MANAGERIAL PERSONNEL

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

STATUTORY AUDITORS

: **M/s MITTAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
MUMBAI

SECRETARIAL AUDITORS

: **M/s Pawan Mahur & Associates**
611, 6th FLOOR, PRAGATI TOWER, RAJENDRA
PLACE-110008

BANKERS

: HDFC

SHARES LISTED WITH:

BSE LIMITED AND NATIONAL STOCK EXCHANGE OF
INDIA LIMITED

**REGISTERED OFFICE & CONTACT
DETAILS**

: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW
DELHI SOUTH DELHI-110020

CONTACT NO.

: 011-40504731

WEBSITE

: www.mymonteil.com

EMAIL

: lorenzini_apparels@yahoo.co.in

REGISTRAR & TRANSFER AGENT

: SKYLINE FINANCIAL SERVICES PRIVATE LIMITED
D-153 A, 1stFloor, Okhla, Industrial Area, Phase-1,
New Delhi-110020

NOTICE OF THE 16TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **16th ANNUAL GENERAL MEETING** (the **AGM**) of the members of **LORENZINI APPARELS LIMITED** (“the Company” or “Lorenzini”) will be held on Wednesday, September 20, 2023 at 03:00 P.M. IST through **VIDEO CONFERENCING (“VC”)/ OTHER AUDIO-VISUAL MEANS (“OAVM”)** to transact the following business:

ORDINARY BUSINESS**1. Adoption of Financial Statements**

To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors (“the Board”) and the Auditors thereon.

2. Appointment of Mr Rajit Sehgal (DIN: 05281112) as a Director, liable to retire by rotation.

To appoint a director in place of Mr Rajit Sehgal (DIN: 05281112), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of members of the Company, be and are hereby accorded to re-appoint Mr Rajit Sehgal(DIN: 05281112) as a director, who is liable to retire by rotation.”

3. Re-appointment of M/s Mittal & Associates, Chartered Accountants, as a Statutory Auditors

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 139, 142 and any other applicable provision, if any, of the Companies Act 2013 read with Companies (Audit and Auditors) Rules 2014, *including any statutory modification(s) or re-enactment(s) thereof for the time being in force*, and pursuant to the recommendations of the Audit Committee, M/s Mittal & Associates, Chartered Accountants, having FRN No: 106456W, be and are hereby reappointed as the Statutory Auditors of the Company for the second consecutive term of five years, from the conclusion of this 16th Annual General Meeting till the conclusion of the 21st Annual General Meeting to be held in the year 2028, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

SPECIAL BUSINESS**4. 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 the provisions of Section 14 and any other applicable provisions, if any of the Companies Act, 2013, read with rules made thereunder, *including any statutory modification(s) or re-enactment thereof for the time being in force*, on the recommendations of the Board of Directors of the Company, the Articles of Association of the Company be and is hereby amended by deleting the existing Article 60 and substituting with following new Article 60.

60. The person hereinafter named shall become and be the first director of the Company:

(a) Mr. Sandeep Jain

(b) Ms. Deepika Jain

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

5. To Increase the Authorised Share Capital of the Company and consequential amendment to the Capital Clause in the Memorandum of Association.

To consider, and if thought fit, to pass, the following Resolution as an **Ordinary Resolution:-**

“RESOLVED THAT pursuant to the provisions of Section 13, 61 and 64 of the Companies Act, 2013 (the “Companies Act”) read with other applicable provisions, if any, of the Companies Act, *including any amendment(s), statutory modification(s) and re-enactment(s) thereof for the time being in force*, and the rules framed thereunder, on the recommendations of the Board of Directors of the Company, the approval of the Members of the Company be and are hereby accorded to increase the Authorized Share Capital of the Company from the existing Rs. 10,20,00,000/- (Rupees Ten Crores Twenty Lakhs) consisting of 1,02,00,000 (One Crore and Two lakhs) equity shares having face value of Rs. 10 each to Rs 11,70,00,000/- consisting of 1,17,00,000 (One Crore and Seventeen Lakhs) equity shares by creation of additional 15,00,000 (Fifteen Lakh) equity shares;

RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act and the relevant rules framed thereunder, the Memorandum of Association of the Company be and are hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

V. The Authorised Share Capital of the Company is Rs. 11,70,00,000 (Rupees Eleven Crore and Seventy Lakhs) consisting of 1,17,00,000 (One Crore and Seventeen Lakhs)

RESOLVED FURTHER THAT for the purpose of the giving effect to this resolution, the Board, *which expression shall also include a Committee thereof*, be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings, including all forms filing with the Registrar of Companies (“ROC”) as may be required in this connection and to delegate all or any of the powers therein vested in the Board to any Committee thereof to give effect to the aforesaid resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute discretion, to any committee of the Board or any one or more Director(s)/ Company Secretary/ any Officer(s) of the Company to give effect to the aforesaid resolution.”

6. To Approve the Issuance of Warrants Convertible into Equity Shares to the Proposed Allottees, on a Preferential Basis

To consider, and if thought fit, to pass, the following resolution as a **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Section 23, 42, 62(1) (c) and other applicable provisions, if any, of the Companies Act, 2013, (the “Companies Act”), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, and other applicable rules made thereunder, *including any amendment(s), statutory modification(s) or re-enactment thereof for the time being in force*, and in accordance with the enabling provisions of the Memorandum of Association and the Articles of Association of the Company, and in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India (“SEBI”), including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (“SEBI LODR Regulations”), and subject to other applicable rules, regulations and guidelines issued by Ministry of Corporate Affairs (“MCA”), and BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) (collectively,

“Stock Exchanges”) where the equity shares of the Company are listed and traded, and/ or any other statutory / regulatory authority, as amended, and the rules and regulations framed thereunder and subject to such approvals, permissions, consents and sanctions as agreed by the board of directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee constituted by the Board to exercise its power including the powers conferred by this resolution), subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, approval of the Members of the Company be and are hereby accorded to authorize the Board to create, issue, offer and allot upto 12,85,601 (Twelve Lakhs Eighty Five Thousand Six Hundred and One) warrants, each convertible into, or exchangeable for, 1 (One) fully paid-up equity share of the Company having face value of Rs. 10 (Rupees Ten only) (“Warrants”), at a price of Rs. 202.24 (Rupees Two Hundred Two and Twenty Four Paise only) each (including the warrant subscription price and the warrant exercise price) payable in cash (“Warrant Issue Price”) aggregating upto Rs. 25,99,99,946.24 (Rupees Twenty Five Crore Ninety Nine Lakh Ninety Nine Thousand Nine Hundred Forty Six and Twenty Four Paise Only) (“Total Issue Size”) to persons / entity enlisted below (“Warrant Holder”/ “Proposed Allottees”) who are neither promoters nor are they part of the promoter group, and will be categorized as public shareholders of the Company on a preferential basis (“Preferential Issue”), upon receipt of Rs. 50.56 (Rupees Fifty and Fifty Six Paise only) for each Warrant, which is equivalent to 25% (twenty five per cent) of the Warrant Issue Price as upfront payment (“Warrant Subscription Price”) entitling the Warrant Holder(s) to apply for and get allotted 1 (one) equity share of the Company against every Warrant held, and the balance Warrant Issue Price of Rs. 151.68 (Rupees One Hundred Fifty One and Sixty Eight Paise only) (“Warrant Exercise Price”) which is equivalent to remaining 75% (Seventy Five per cent) of the Warrant Issue Price (“Warrant Exercise Price”), to be paid on or before 31st March 2025 i.e., within 18 (Eighteen) months from the date of allotment of the Warrants after receipt of a written notice from the proposed allottee, for each Warrant proposed to be converted, in such manner and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the terms of this Preferential Issue, provisions of SEBI ICDR Regulations, or other applicable laws in this respect:

Sl No.	Name of Allottees	Catagory	No. of Warrants
1	Aryadeep Tie Up Private Limited	Public	247230
2	Kiwi Dealcom Private Limited	Public	247230
3	Orchard Road Properties Private Limited	Public	148340
4	Pearl Dealers Private Limited	Public	247230
5	One Tree Hill Properties Private Limited	Public	148341
6	Chillypot Trading Private Limited	Public	247230

RESOLVED FURTHER THAT in terms of Regulation 161 of the SEBI ICDR Regulations, the relevant date for the purpose of determining the floor price for the issue of Warrants is Monday, August 21, 2023, being the date 30 days prior to the date on which this resolution shall be considered to be passed i.e Wednesday, September 20, 2023.

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of Warrants and the equity shares to be allotted pursuant to the exercise of the Warrants shall be subject to the following terms and conditions apart from others as prescribed under applicable laws and regulations:

- i. In accordance with the provisions of Chapter V of SEBI ICDR Regulations, 25% (Twenty Five Per Cent) of the Warrant Issue Price, shall be paid by the proposed allottees to the Company on or before allotment of the Warrants and the balance 75% (Seventy Five Per Cent) of the Warrant Issue Price shall be paid at the time of exercise of option to apply for fully paid up equity shares of Rs. 10 each of the Company, against each such Warrant held by the Warrant Holder;
- ii. The Warrant Holders shall be entitled to exercise option to convert any or all of the Warrants into equity shares of the Company on or before 31 March 2025 i.e., within 18 months from the date of allotment, after receipt of a written notice from the proposed allottee, specifying the number of Warrants proposed to be exercised along with the aggregate Warrant Exercise Price

payable thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of equity shares of the Company to the Warrant Holders;

- iii. The respective proposed allottee shall make payment of Warrant Subscription Price and Warrant Exercise Price from their own bank account into the designated bank account of the Company and in the case of joint holders, shall be received from the bank account of the person whose name appears first in the application;
- iv. The tenure of Warrants shall not exceed beyond 31 March 2025 i.e., within 18 months from the date of allotment, In the event the right attached to the Warrants is not exercised on or before 31 March 2025 i.e., within 18 months from the date of allotment, the unexercised Warrants shall lapse, and the warrant subscription price paid by the Warrant Holder in relation to such Warrants, at the time of subscription, shall stand forfeited;
- v. In terms of Regulation 166 of SEBI ICDR Regulations, the price of Warrants determined above and the number of equity shares to be allotted on exercise of the Warrants shall be subject to appropriate adjustments, if applicable. If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the Warrants shall continue to be locked- in till the time such amount is paid by the Warrant Holder;
- vi. Upon exercise of the option by Warrant Holder(s), the Company shall issue and allot appropriate number of equity shares and perform all such actions as required including to credit the same to the designated demat account of the Warrant Holder, within 15 days from the date of exercise by the Warrant Holder in terms of regulation 162(2) of the SEBI ICDR Regulations;
- vii. The equity shares so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu with the existing equity shares of the Company, including entitlement to voting powers and dividend subject to the requirements of all applicable laws;
- viii. The Warrants by itself, until exercised and converted into equity shares, shall not give to the Warrant Holders thereof any rights with respect to that of an equity shareholder of the Company;
- ix. The equity shares arising from the conversion of the convertible equity warrants shall be listed on the BSE Limited and the National Stock Exchange of India Limited where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be and shall inter alia be governed by the regulations and guidelines issued by SEBI or any other statutory authority. Further, the Board be and is hereby authorised to make the necessary applications and to take all such steps as may be deemed necessary and appropriate for the listing of the Equity Shares proposed to be allotted to the Investor upon exercise of the option of conversion of the convertible equity warrants, for the admission of such Equity Shares with the depositories, viz. NSDL & CDSL, and for the credit of such Equity Shares allotted to the Investor's demat account;

RESOLVED FURTHER THAT the Board be and are hereby authorized to accept any modification(s) or modify the terms of issue of Warrants, subject to being in compliance with the provisions of the Companies Act and with the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members;

RESOLVED FURTHER THAT the Board be and is hereby authorised to make an offer to each of the Proposed Allottees through a private placement offer letter in Form PAS - 4 together with an application

form to be issued to the Proposed Allottees inviting them to subscribe to the Warrants, as prescribed under the Companies Act after passing of this resolution with a stipulation that the allotment of the said Warrants would be made only upon receipt of the in-principle approval from the Stock Exchanges, receipt of the consideration as aforesaid, receipt of permission from any regulatory or statutory authority and within the timelines prescribed under the applicable laws;

RESOLVED FURTHER THAT the amount received by the Company for application of the Warrants pursuant to the Preferential Issue shall be kept by the Company in a separate bank account and shall be utilized by the Company only after filing of Form PAS-3 with the Registrar of Companies ("ROC") in accordance with Section 42 of the Companies Act and rules made thereunder and such consideration shall be deemed to be considered as Warrant application money and the same may be applied towards allotment of equity shares stated above;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (which expression shall deem to include any of its duly constituted Committee) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries, monitoring agency, independent registered valuer and advisors for the Preferential Issue), including making applications to BSE or NSE for obtaining in-principle approval, filing of requisite documents with the ROC, National Securities Depository Limited ("NSDL"), Central Depository Services (India) Limited ("CDSL") (collectively referred to as "Depositories") and/ or such other authorities as may be necessary for this purpose, seeking approvals from lenders (where applicable), to take all such steps as may be necessary for the admission of the Warrants and also the equity shares allotted pursuant to the exercise of Warrants with the Depositories and for the credit of such Warrants and also the equity shares allotted pursuant to the exercise of the Warrants to the respective dematerialized securities account of the Proposed Allottees and to delegate all or any of the powers conferred by the aforesaid resolutions on it to any committee of directors or any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, including without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard without necessity of any further approval(s) of the Members of the Company and the decision of the Board shall be final and conclusive;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute discretion, to any committee of the Board or any one or more Director(s)/ Company Secretary/ any Officer(s) of the Company to give effect to the aforesaid resolution."

By Order of the Board of Director

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

**Date: 22-08-2023
Place: New Delhi**

Notes:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item Nos. 4 to 6 of the accompanying Notice, The Board of Directors of the Company at its meetings held on 22 August 2023 considered all the business mentioned in the notice of the AGM as being unavoidable and needed to be transacted at the 16th AGM of the Company.
2. Pursuant to the General Circular No. 10/2022 dated 28 December 2022, issued by the Ministry of Corporate Affairs (“MCA”) and Circular SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated 5 January 2023 issued by SEBI (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through Video Conference/ Other Audio Visual Mode (“VC”), without the physical presence of members at a common venue. In compliance with applicable provisions of the Act read with the MCA Circulars and SEBI Circulars, the 33rd Annual General Meeting of the Company is being conducted through VC (hereinafter referred to as “AGM” or “e-AGM”). In accordance with the Secretarial Standard - 2 on General Meeting issued by the Institute of Company Secretaries of India (“ICSI”) read with Guidance/Clarification dated 15 April 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the e-AGM.
3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for the appointment of proxies by the members will not be available.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013
5. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
6. The register of directors and key managerial personnel (KMP) and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee from the date of circulation of this Notice up to the date of AGM, i.e., 20 September 2023. Members seeking to inspect such documents can send an email to lorenzini_apparels@yahoo.co.in
7. Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. 15 September 2023, may cast their votes electronically. The e-voting period commences on Saturday 16 September 2023 (9:00 a.m. IST) and ends on Tuesday, 19 September 2023 (5:00 p.m. IST). The e-voting module will be disabled thereafter. Members will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. 15 September 2023. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.
8. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
9. In compliance with the Circulars, the Annual Report of the financial year 2022-23, the Notice of the 16th AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company/ depository participant(s) (DP).
10. Members may also note that the Notice of the 16th AGM and the Annual Report of the financial year 2022-23 will also be available on the Company’s website www.mymonteil.com and, websites of the stock exchanges, i.e. BSE and NSE, at www.bseindia.com and www.nseindia.com respectively.