

**LORENZINI APPARELS LIMITED**

---

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

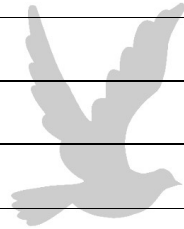


**MONTEIL**

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

**CONTENT**

<b>ABOUT US</b>	<b>2</b>
<b>CORPORATE INFORMATION</b>	<b>3</b>
<b>NOTICE OF ANNUAL GENERAL MEETING</b>	<b>4-25</b>
<b>DIRECTOR'S REPORT</b>	<b>26-39</b>
<b>CORPORATE GOVERNANCE REPORT</b>	<b>40-62</b>
<b>SECRETARIAL AUDIT REPORT</b>	<b>63-66</b>
<b>MANAGEMENT DISCUSSION AND ANALYSIS</b>	<b>67-69</b>
<b>FINANCIAL STATEMENTS:</b>	<b>70-110</b>



**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](http://www.mymonteil.com)

**EMAIL**

: [lorenzini\\_apparels@yahoo.co.in](mailto:lorenzini_apparels@yahoo.co.in)

**REGISTRAR & TRANSFER AGENT**

: SKYLINE FINANCIAL SERVICES PRIVATE LIMITED  
 D-153 A, 1<sup>st</sup>Floor, Okhla, Industrial Area, Phase-1,  
 New Delhi-110020

**NOTICE OF THE 16<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **16<sup>th</sup> 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 16<sup>th</sup> Annual General Meeting till the conclusion of the 21<sup>st</sup> 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	Category	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 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 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 16<sup>th</sup> 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 16th 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](mailto: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](http://www.mymonteil.com) and, websites of the stock exchanges, i.e. BSE and NSE, at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

11. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA to receive copies of the Annual Report 2022-23 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report.
12. During the 16th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the e-AGM, formally propose to the Members participating through VC Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-voting system. After the Members participating through
13. VC Facility, eligible and interested to cast votes, have cast the votes, the e-voting will be closed thereafter.
14. In terms of the MCA Circulars, physical attendance of members has been dispensed with and therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 16th AGM. However, pursuant to Section 112 and Section 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-Voting, for participation in the 16th AGM through VC/ OAVM facility and e-Voting during the 16th AGM
15. In terms of the MCA Circulars and relevant circulars issued by SEBI, the Notice of the 16th AGM and Annual Report for the financial year ended March 31, 2023 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depository Participants ("DPs") and will also be available on the website of the Company at [www.mymonteil.com](http://www.mymonteil.com). Since the 16th AGM will be held through VC/ OAVM facility, the Route Map is not annexed in this Notice.
16. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, SS-2 issued by the ICSI and Regulation 44 of SEBI Listing Regulations read with MCA Circulars, the Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the 16th AGM and facility for those members participating in the 16th AGM to cast vote through e-Voting system. For this purpose, CDSL shall provide facility of voting and participation through VC/ OAVM facility.
17. Members may join the 16th AGM through VC/ OAVM facility by following the procedure as mentioned below which shall be kept open for the members from 15 minutes after the end of the AGM.
18. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
19. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
20. Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be made available for inspection. During the 16th AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act.
21. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the

requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

22. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:
- Change in their residential status on return to India for permanent settlement.
  - Particulars of their bank account maintained in India with complete name, branch, account type account number and address of the bank with pin code number, if not furnished earlier.
23. M/s Pawan Mahur & Associate., Practising 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.

#### 24. Voting Through Electronic Means:

##### THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- 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.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- 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 and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b></p>	<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 users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, 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 CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></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 or joining virtual meeting &amp; voting during the meeting.</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</li> </ol>

	casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	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 or joining virtual meeting & voting during the meeting.

**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.: 022-4886 7000 and 022-2499 7000

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (iv) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 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 Physical shareholders and other than individual shareholders holding shares in Demat.</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.</li> </ul>

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) 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.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Lorenzini Apparels Limited> on which you choose to vote.
- (ix) 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.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) 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.
- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 mandatory to send the relevant Board Resolution/ Authority 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 viz; [lorenzini\\_apparels@yahoo.co.in](mailto:lorenzini_apparels@yahoo.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.



9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**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 & joining virtual meetings through Depository.**

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 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, Marathon Futurex, 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 toll free no. 1800 22 55 33.

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

**EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 to 6 of the accompanying 16<sup>th</sup> AGM Notice

**Item No. 3.**

This Explanatory Statement is provided pursuant to Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'). However, the same is strictly not required as per Section 102 of the Act.

At the 11th AGM of the Company held on August 16, 2018 the shareholders had approved the appointment of M/s Mittal & Associates, Chartered Accountants (FRN No.106456W) as the Statutory Auditor of the Company, to hold office till the conclusion of the 16th AGM of the Company to be held in the year 2023.

Considering the performance of auditors of the Company during their present tenure, the Audit Committee of the Company, after due deliberations and discussions, recommended to the Board re-appointment of M/s Mittal & Associates as statutory auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of 115th AGM till the conclusion of the 21st AGM of the Company to be held in the year 2028.

Based on recommendations of the Audit Committee, the Board of Directors at their meeting held on August 22, 20223, approved the re-appointment of M/s Mittal & Associates, as the Statutory Auditors of the Company for a second term of 5 (five) years. The re-appointment is subject to approval of the shareholders of the Company

The remuneration to be paid to Statutory Auditors for the remaining term shall be mutually agreed between the Board of Directors and the Statutory Auditors, from time to time.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 3 of the Notice.

The Board recommends the Resolution set forth in Item No. 3 for the approval of the Member.

**Item No 4.**

As per the Article No. 60 of the Article of Association, stated that

**The Person hereinafter named call become and be the First Directors of the Company and they shall not liable by rotation:**

- A. Mr. Sandeep Jain**
- B. Ms. Deepika Jain**

After considerations of several factors hence, the Board of Directors of the Company recommend the amendment to the Articles of Association of the Company by deleting the existing Article 60 and substituting with new article 60, to provide more clarity in the said article by deleting the word “ **and they shall not liable by rotation**”.

In order to authorize the Board for taking further action and as per the provisions of the Companies Act, 2013, the consent of the members by way of special resolution is required for amending clause in Articles of Association in line with the Companies Act, 2013. Accordingly, the Board of Directors recommends the Item No. 4 as Special Resolutions for approval of the Members.

The proposed altered AOA is available for inspection by the members at the Registered Office of the Company during normal business hours from 10 a.m. to 6 p.m. on all working days, up to and including the date of the Annual General Meeting of the Company and will also be available for inspection at the meeting

The Board of Directors recommend passing of the Special Resolution as contained in the Notice.

Mr. Sandeep Jain and Ms. Deepika Jain, Directors, of the Company and/or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

**Item No.5**

The present Authorised Share Capital of the Company is Rs. 10,20,00,000/- (Rupees Ten Crores Twenty Lakhs) comprising of 1,02,00,000 (One Crore and Two lakhs) equity shares of face value Rs. 10 each and Paid up Share Capital of the Company is Rs. 10,13,89,160/- (Rupees Ten Crores Thirteen Lakhs Eighty Nine Thousand One Hundred and Sixty) comprising of 1,01,38,916 (One Crore One Lakh Thirty Eight Thousand Nine Hundred Sixteen ) Equity Shares of Rs. 10/- each.

The Board at its Meeting held on 22 August 2023 has accorded its consent for increasing the Authorised Share Capital from Rs. 10,20,00,000/- (Rupees Ten Crores Twenty Lakhs) consisting of 1,02,00,000 (One Crore and Two lakhs) equity shares of face value 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 each ranking pari passu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company, subject to shareholders approval.

Pursuant to the provisions of Section 13 & 61 of the Companies Act, 2013, approval of the Members is required for increasing the Authorised Share Capital of the Company and alteration in the Memorandum of Association and Articles of Association of the Company.

Accordingly, the Board recommends the resolutions set out at Item No. 4 seeking approval of the Members for increasing the Authorised Share Capital of the Company and consequential amendment to the Memorandum of Association and Articles of Association of the Company.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolutions.

**Item No. 6**

The Company requires infusion of funds for enhancement of its capital base and to augment the long-term funding needs viz., to support the expansion of business and for general corporate purposes and working capital requirements. Hence, to ensure the smooth flow of the business and no further increase in borrowed funds of the Company, the Board of Directors of the Company in their meeting held on Tuesday, 22 August, 2023 has approved the issuance of Warrants which will be converted into equity shares on Preferential Basis to the Proposed Allottees subject to the approval of the Shareholders in the ensuing Annual General Meeting of the Company.

The Company is eligible to make the Preferential Issue in terms of the provisions of Chapter V of the SEBI (ICDR) Regulations. There will be no change in the control or management of the Company pursuant to the proposed preferential issue. Disclosure as required under Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("SEBI (ICDR) Regulations") are as follows:

**a) Objects of the Preferential Issue**

The Company requires infusion of funds for enhancement of its capital base and to augment the long-term funding needs viz., to support the expansion of business and for general corporate purposes and working capital requirements.

**b) Particulars of the offer including date of passing of Board resolution, kind of securities offered, class of persons, maximum number of securities to be issued and the Issue Price**

The Board at their meeting held on Tuesday, August 22, 2023 have, subject to the approval of the Members of the Company and such other approvals as may be required, approved to issue 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 a face value 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 / entities 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 proposed allottees to apply for and get allotted 1 (One) equity share of the Company against every Warrant held, on or before 31st March 2025 i.e., within 18 months from the date of allotment after receipt of a written notice from the Company, from the date of allotment of Warrants, on payment of Rs. 151.68 (Rupees One Hundred Fifty One and Sixty Eight Paise only) which is equivalent to remaining 75% (Seventy five per cent) of the Warrant Issue Price (“Warrant Exercise Price”)

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

**c) Relevant Date**

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.

**d) Basis on which the minimum issue price has been arrived at and justification for the price (including premium, if any):**

**Report of independent registered valuer**

Not Applicable

**a. Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

Not applicable. Since, the allotment of Warrants and the equity shares pursuant to the exercise of the Warrants is made for consideration payable in cash.

**b. Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

None

**c. Name and address of valuer who performed valuation:**

Not Applicable

**d. Amount which the company intends to raise by way of such securities:**

The Company proposes to offer, issue and allot, by way of a Preferential Issue, upto 12,85,601 warrants, each convertible into, or exchangeable for, One fully paid-up equity share of the Company of face value of Rs. 10 (Rupees Ten Only) each at a price of Rs. 202.24 (Rupees Two Hundred Two and Twenty Four Paise only) aggregating upto Rs. 25,99,99,946.24 (Rupees Twenty Five Crore Ninety Nine Lakh Nine Thousand Nine Hundred Forty Six and Twenty Four Paise Only).

**e. Material term of raising equity shares:**

No material terms other than stated above

**f. Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects:**

The promoters, promoter group or directors are not making any contribution either as part of the Preferential Issue or separately in furtherance of objects.

**g. Principle terms of assets charged as securities:**

Not applicable

**h. Current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter:**

The Proposed Allottees are neither promoters nor are they part of the promoter group. Further, upon the issuance, allotment and conversion of the Warrants into equity shares, they will be categorized as public shareholders of the Company.

**i. Intent of the promoters, directors or key managerial personnel of the issuer to subscribe to the offer:**

No Promoters and Promoter Group, Directors or Key Managerial Personnel of the Company will subscribe to the proposed Preferential Issue. Further, the Proposed Allottees does not form a part of the promoter and promoter group.

**j. Shareholding pattern of the issuer before and after the Preferential Issue**

The table mentioned below shows the expected shareholding pattern of the Company pursuant to the exercise of the Warrants into equity shares by the Proposed Allottees:

Sr. No.	Category	Pre-Issue		Post – Issue	
		No. of Equity Shares held	% of equity holding	No. of Equity Shares held	% of equity holding
A.	<b>PROMOTER AND PROMOTER GROUP HOLDING</b>				
	Indian	6378396	62.91	6378396	55.83
	Individual				
	Bodies Corporate				
	<b>Sub – Total (A)</b>	<b>6378396</b>	<b>62.91</b>	<b>6378396</b>	<b>55.83</b>
	Foreign Promoters				

<b>B</b>	<b>PUBLIC HOLDINGS</b>				
	Institutional Investors				
	Non-Institution				
	Body Corporate	112178		1397779	
	HUF	10001		10001	
	Indian Public	3613178		3613178	
	Non-Resident Indians (NRI)	20006		20006	
	Others				
	Clearing Members	24		24	
	Firms	5133		5133	
	Sub - Total (B)	3760520	37.09	5046121	44.17
	<b>GRAND TOTAL (A) + (B)</b>	<b>10138916</b>	<b>100</b>	<b>11424517</b>	<b>100</b>

\* Assuming all the Warrants allotted pursuant to the Preferential Issue are converted into equity shares of the Company

**k. Time frame within which the preferential issue shall be completed**

As required under the SEBI ICDR Regulations, the Warrants pursuant to Preferential Issue shall be issued and allotted by the Company within a period of Fifteen (15) days from the date of passing of this special resolution provided that where the issue and allotment of Warrants are pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of Fifteen (15) days from the date of receipt of last of such approvals.

**l. Listing**

The Company will make an application to the Stock Exchanges at which the existing equity shares are presently listed and traded, for listing of the equity shares that will be issued on conversion of Warrants. Such equity shares, once allotted, shall rank pari passu with the then existing equity shares of the Company, in all respects, including voting rights and dividend.

**m. Practicing Company Secretary's Certificate:**

A certificate from M/s. Pawan Mahur & Associates, Peer Review Audit No. I2016DE14924909, Practicing Company Secretaries, certifying that the preferential issue of warrants is being made in accordance with requirements of SEBI ICDR Regulations, shall be available for inspection by the Members on the day of the AGM and the same may also be accessed on the Company's website at the link: [www.mymonteil.com](http://www.mymonteil.com).

**n. Lock- in Period**

Not Applicable

**o. The change in control, if any, in the Company that would occur consequent to the preferential offer:**

There shall be no change in management or control of the Company pursuant to the aforesaid issue of convertible equity warrants.

- p. The Percentage of post preferential issue capital that may be held by the allottee (s) and change in control, if any, in the issuer consequent to the preferential issue.

S.No.	Name of Proposed Allottee	Number of Securities proposed to be issued	Percentage
1.	Aryadeep Tie Up Private Limited	247230	2.16
2.	Kiwi Dealcom Private Limited	247230	2.16
3.	Orchard Road Properties Private Limited	148340	1.30
4.	Pearl Dealers Private Limited	247230	2.16
5.	One Tree Hill Properties Private Limited	148341	1.30
6.	Chillypot Trading Private Limited	247230	2.16

- q. Identify the natural persons who are ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottee

S.No	Name of Proposed Allottee	Name of UBO	% of Shares	PAN No
1.	Chillypot Trading Private Limited	Sounak Banerjee	55.00	EGSPB6288K
		Sanjoy Sarkar	35.00	LIPPS4794H
		Aditiya Biswas	5.00	FGBPB2170N
		Santu Biswas	5.00	CIWPB1304C
2.	Pearl Dealers Private Limited	Biplab Mondal	16.67	CRWPM2702C
		Girish Jha	16.67	BTUPJ3733K
		Prakash Khaitan	16.67	ARYPK0082F
		Puja Devi	16.67	DZBPD1739Q
		Deepak Kumar Jha	16.67	BKCPJ7359G
		Santosh Kumar Khaitan	16.65	AMBPK9877C
3.	Aryadeep Tie Up Private Limited	Rakesh Baidya	14.29	ESUPB4757F
		Samrat Malo	14.29	GOMPM2916B
		Arindam Nandy	14.29	AKOPN9238K
		Debasish Dasgupta	14.29	AWPPD20292J
		Lokenath Ganguly	13.47	CGBPG9947D
		Reshma Khatoon	12.00	BWAPK3602D
		Shaheen Bano	12.00	BBEPB0552J
4.	Kiwi Delcom Private Limited	Abishek Ghosh	14.67	BNPPG0346A
		Anisa Khatoon	16.37	DRHPK8829N
		Monohar Tatwa	13.67	AWSP8035G
		Niladri Sengupta	12.11	KFXPS7666C
		Pallav Dhali	12.11	DKTPD1215A
		Panchanan Baidya	12.11	CQZPB2000G
		Surajit Barman	13.25	EJOPB2113L
5.	One Tree Hill Properties Private Limited	Rohit Kumar Koiri	54.80	GZRPK3894N
		Santanu Biswas	36.35	CSMPB5961R
6.	Orchard Road Properties Private Limited	Rohit Kumar Koiri	37.50	GZRPK3894N
		Santanu Biswas	53.50	CSMPB5961R

**r. Undertaking**

The Company hereby undertakes that:

- i. It is eligible to make the Preferential Issue under Chapter V of the SEBI ICDR Regulations.
- ii. It would re-compute the price of the securities specified above in terms of the provisions of SEBI ICDR Regulations, if it is so required to do;
- iii. If the amount payable, if any, on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations the above warrants shall continue to be locked-in till the time such amount is paid by the allottees;
- iv. Neither the Company nor any of its Promoters or Directors is a wilful defaulter or a fraudulent borrower;
- v. Neither the Company nor any of its Promoters or Directors is a fugitive economic offender as defined under the SEBI ICDR Regulations;
- vi. All the equity shares to be allotted pursuant to the exercise of the Warrants held by the Proposed Allottees in the Company will be in dematerialized form;
- vii. The Company does not have any outstanding dues to SEBI, Stock Exchanges or the Depositories;
- viii. The Company has obtained the permanent account numbers (PAN) of the Proposed Allottees, except those allottees which may be exempt from specifying PAN for transacting in the securities market by SEBI before an application seeking in-principle approval is made by the Company to the Stock Exchange(s) where its equity shares are listed;
- ix. The Company shall be making application seeking in-principle approval to the stock exchange(s), where its equity shares are listed, on the same day when this notice will be sent in respect of the AGM seeking shareholders' approval by way of special resolution;
- x. The Company is in compliance with the conditions for continuous listing;

The directors, promoters, promoter group and key managerial personnel(s) of the Company or their relatives are not concerned or interested, financially or otherwise, in the above referred resolutions, except to the extent of their shareholding interest, if any, in the Company.

The Board believes that the proposed issue of Warrants convertible into Equity Shares to the proposed allottees on a preferential basis is in the best interest of the Company and its Shareholders and therefore recommends the Item No. 6 to be approved by special resolution by the Members.

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

By Order of the Board of Director

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

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



## DIRECTOR'S REPORT

Dear Members,

The Board of Directors of your Company are pleased to present the the 16<sup>th</sup> (Sixteenth) Annual Report on the business and operations of the Company italicizing the progress and growth achieved during the year along with Audited Financial Statements with Auditors' Report thereon, Secretarial Auditor's Report for the Financial Year ended 31st March, 2023.

### **FINANCIAL RESULTS:**

The Company's financial performance for the year ended March 31, 2023 is summarized below:  
(Amount in Lakhs)

Particular	2022-2023	2021-2022
Revenue from operations	4,375.66	2,444.47
Other Revenue	19.10	17.25
<b>Total Income</b>	<b>4394.76</b>	<b>2461.72</b>
Total Expenses	4,018.06	2,405.38
<b>Profit Before Tax</b>	<b>376.70</b>	<b>56.35</b>
Less: Income Tax -Current Year	111.43	32.89
Less: Deferred Tax	10.17	10.49
Less: Previous Year	3.19	0.95
<b>Profit/(Loss) after tax</b>	<b>251.92</b>	<b>12.01</b>
<b>Earning Per Share</b>	<b>2.48</b>	<b>0.12</b>

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

The Company recorded a turnover of Rs. 4375.66 during the year as against Rs. 2444.47 in the previous year and the Company has earned a profit after tax of Rs. 251.91 as compared to the profit of Rs. 12.01 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** **Authorized Share Capital**

During the Financial Year 2022-23, there had no changes in the Authorized Share Capital of the Company. The Authorized Share Capital of the Company is Rs. 10,20,00,000 divided into 10,200,000 Equity Shares of Rs. 10/- each.

 **Paid up Share Capital**

The paid-up equity share capital as on March 31, 2023 stood at Rs. 10,13,89,160 divided into 10,13,89,16 equity shares of Rs. 10/- each. There was no change in the paid-up share capital during the year under review.

**DIVIDEND**

Board have considered it financially prudent in the long-term 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. Therefore, Board of Directors has not recommended any dividend for the financial year ended on 31st March, 2023.

**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 as on 31<sup>st</sup> March 2023.

**TRANSFER TO RESERVES** 

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

**DEPOSIT**

During the year, the Company has neither accepted any deposits from the public, nor does it have any scheme to invite any such deposits.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE U/S 186 OF THE COMPANIES ACT, 2013**

The particulars of loans given or guarantees given or investments made or securities provided are given in notes to financial statements.

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

Conservation of energy: **Not applicable**

Technology absorption: **Not applicable**

Foreign exchange earnings and outgo: There was no foreign exchange inflow or Outflow during the year.

**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, so there are no disclosures required under Section 134 (3)(o) of the Companies Act, 2013.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT****Migration from BSE SME Platform to Main Board of NSE in addition to Main Board of BSE**

Your Company was listed on the SME platform of BSE Limited (BSE) since 15<sup>th</sup> February, 2018. After completion of 5 years of listing and trading on the BSE SME Platform With a view to acknowledge publically on a large level and for the enhanced recognition, the Company has been migrated from BSE SME Platform to Main Board of NSE in addition to Main Board of BSE on 10<sup>th</sup> day of April, 2023. Listing on the Main Board of BSE and NSE take the Company into a different league altogether with enhanced recognition and increased participation by retail investors. Migration to the main board acts as a catalyst in the growth and expansion of the Company and also help the shareholders of the Company to enjoy enhanced returns from their investments.

**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.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE: -**

During the year under review there has been not any such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

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

The Information & Statement of Particulars of employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5 (1) & 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure I**.

**DIRECTORS & KEY MANAGERIAL PERSONNEL OF COMPANY****Appointment/ Re-appointment/Resignation:**

During the financial year under review Mr. Ajay (DIN: 08556054) appointed as Additional and Non-Executive Independent Director on the Board of the Company w.e.f March 02, 2023 subject to the approval of the members in the next General Meeting of the Company or within 3 months from the date of appointment. Further the approval of members taken/obtained on May 22, 2023 through the postal ballot

In accordance with provisions of the Act and the Articles of Association of the Company, Mr. Rajat Sehgal, (DIN: 05281112), Executive Director retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

**Independent Director:**

In terms of Section 149 of the Act and SEBI Listing Regulations, Mr. Mohan Chahuan (DIN: 08627458), Mr. Yogesh Kumar (DIN: 08722626) and Mr. Mr. Ajay (DIN: 08556054) are the Independent Directors of the Company as on date of this report.

All Independent Directors of the Company have given requisite declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act along with Rules framed thereunder, Regulation 16(1)(b) of SEBI Listing Regulations and have complied with the Code of Conduct of the Company as applicable to the Board of directors and Senior Managers. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

All the independent directors have submitted a declaration of independence, stating that they meet the criteria of independence provided under section 149(6) of the Act read with regulation 16 of the SEBI Listing Regulations, as amended and also received confirmation from all the Independent Directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

**Key Managerial Personnel:**

Ms. Monika Joshi resigned from the post of Company Secretary and Compliance officer with effect from April 04, 2022

Ms. Shivani Sharma appointed as Company Secretary & Compliance Officer of the Company on the recommendation of the Nomination and Remuneration Committee with effect from May 14, 2022.

**NUMBER OF MEETINGS OF THE BOARD:**




During the year the Board meet 8 times to deliberate on various matters on 04/04/2022, 30/04/2022, 14/05/2022, 26/05/2022, 24/08/2022, 17/10/2022, and 12/01/2023 and 02/03/2023. For more details, please refer to the Report on Corporate Governance, which forms an integral part of this Annual Report.

**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:

-  Audit Committee
-  Nomination and Remuneration Committee
-  Stakeholder's Relationship Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Annual Report. Further, during the year under review, all recommendations made by the various committees have been accepted by the Board.



**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAIL:**

The Company's Policy on Directors' appointment and remuneration and other matters provided in Section 178 (3) of the Act has been briefly disclosed hereunder and in the Report on Corporate Governance, which is part of this Annual Report.

The NRC is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth

understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

In terms of the provisions of Section 178(3) of the Act, and Regulation 19 of the SEBI Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

-  Qualifications – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
-  Positive Attributes - Apart from the duties of Directors as prescribed in the Act, the Directors are expected to demonstrate high standards of ethical behaviour, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them

The Directors affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the Remuneration Policy of the Company.

The said Policy is also available on the website of the Company at [https://monteil.in/wp-content/uploads/2023/01/Policies/NOMINATION\\_AND\\_REMUNERATION\\_POLICY.pdf](https://monteil.in/wp-content/uploads/2023/01/Policies/NOMINATION_AND_REMUNERATION_POLICY.pdf)

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

Your Company believes that the process of performance evaluation at the Board level is pivotal to its Board engagement and effectiveness. The Nomination and Remuneration Policy of the Company empowers the Board to formulate a process for effective evaluation of the performance of individual directors, Committees of the Board and the Board as a whole pursuant to the provisions of the Act and Regulation 17 and Part D of Schedule II to the Listing Regulations.

The Board has carried out the annual performance evaluation of its own performance, Committees of the Board and each Director individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specified duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The Independent Directors of the Company met on March 31, 2023, without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole; review the performance of the Chairman and Managing Director of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the Board of Directors. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

Dedicated time was reserved for Board feedback on the agenda. Board interaction between meetings was stepped up through calls with individual Directors on various topics. Specific items were also added in the Board agenda from a governance perspective.

### **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: [https://monteil.in/wp-content/uploads/2023/01/Policies/Related Party Transaction Policy.pdf](https://monteil.in/wp-content/uploads/2023/01/Policies/Related_Party_Transaction_Policy.pdf)

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirms that:

- ✚ In the preparation of the Annual Accounts for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ✚ The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the Profit of the Company for the year ended on that date;
- ✚ The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- ✚ The annual accounts have been prepared on a going concern basis;
- ✚ The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- ✚ The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **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: <https://monteil.in/wp-content/uploads/2023/01/Policies/Whistle Blower Policy.pdf>

The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. No person has been denied access to the Chairperson of the Audit Committee. During the financial year 2022-23, no cases under this mechanism were reported to the Company.

### **SECRETARIAL STANDARDS'**

During the year under review the Company has complied with Secretarial Standards on Board and General Meetings issued by Institute of Company Secretaries of India

### **CORPORATE GOVERNANCE**

Pursuant to Regulation 34 of the SEBI Listing Regulations, Report on Corporate Governance along with the certificate from a Practicing Company Secretary certifying compliance with conditions of Corporate Governance is part to this Report in **Annexure-III**.

### **AUDITORS & AUDITORS' REPORT**

#### **STATUTORY AUDITOR**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the statutory auditors of the Company, M/s Mittal & Associates, Chartered Accountants (Firm Registration Number: 106456W) was appointed by the members at the 11th Annual General Meeting to hold office until the conclusion of ensuing Annual General Meeting, 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. M/s Mittal & Associates, Chartered Accountants tenure of 5 (five) year as Statutory Auditors concludes at this ensuing AGM.

The Company has received confirmation from the Statutory Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Act and the firm satisfies the criteria specified in Section 141 of the Act read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company on the recommendation of the Audit Committee has re-appointed M/s Mittal & Associates, Chartered Accountants as the Statutory Auditors of the Company pursuant to Section 139 of the Act for a second term 5 (five) years to hold office from the conclusion of the ensuing AGM till the conclusion of 21<sup>st</sup> AGM of the Company to be held in the year 2027, subject to approval by the Members at the ensuing AGM.



The Board recommends to seek consent of its Members at the ensuing AGM on re-appointment of M/s Mittal & Associates, Chartered Accountants as Statutory Auditors for tenure of 5 (five) years, to examine and audit the accounts of the Company during the said period.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification or explanation.

#### **Internal Auditor**

Pursuant to Section 138 of the Act and Rules made there under, M/s Burhan & Associates, Chartered Accountants (FRN: 036633N) having its head Office at TA-176, 1<sup>st</sup> Floor, Gali No. 3 Tughlakabad Extn, Kalkaji, South Delhi-110019 were appointed as Internal Auditors for the financial year 2022-23.

#### **Secretarial Auditor**

Pursuant to Section 204 of the Act and Rules made there under, the Board of Directors of the Company had appointed M/s Pawan Mahur & Associates (Registration No. P2012DE081400) Practicing Company Secretary having its Registered Office at 611 6<sup>th</sup> Floor, Rajendra Place, New Delhi-110008 to conduct Secretarial Audit of the Company for the financial year 2020-21.

The Report of the Secretarial Audit is annexed herewith as **Annexure -IV**.

#### **Cost Audit**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 (1) of the Act are not applicable for the business activities carried out by the 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.

### **LISTING WITH STOCK EXCHANGES**

The Company During the FY 2022-2023, listed on SME platform of BSE Limited. Further, Company has migrated on main board of BSE Limited and National Stock Exchange of India Limited with effect from 10<sup>th</sup> April, 2023.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Management

Discussion and Analysis of the financial condition and result of operations of the Company for the year under review is presented in a separate section forming part of the Annual Report as **Annexure-V**.

### **RISK MANAGEMENT**

The Company is taking every care for minimizing the risk involved in the manufacturing process of the unit. Responsible staff employed to take every care to minimize the risk factor in the factory. The risk management policy of the company can be accessed at company website i.e, [https://monteil.in/wpcontent/uploads/2023/01/Policies/RISK MANAGEMENT POLICY.pdf](https://monteil.in/wpcontent/uploads/2023/01/Policies/RISK%20MANAGEMENT%20POLICY.pdf)

### **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.

### **INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and our holding Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) of the Company are also covered under the said policy. During the financial year ended March 31, 2023, the Company has not received any Complaints pertaining to Sexual Harassment.

### **ANNUAL RETURN**

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Companies (Management and Administration) Rules, 2014, the draft Annual Return of the Company in Form MGT-7 for FY 2022-23 has been placed on the Company's website.

### **GENERAL**

Your directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- ✚ There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation
  
- ✚ No fraud has been reported by the Auditors to the Audit Committee or the Board.
  
- ✚ There has been no application made or pending under Insolvency and Bankruptcy Code, 2016
  
- ✚ As per rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014, during the period under review, your Company has not issued Sweat equity shares.
  
- ✚ As per rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014, during the period under review, your Company has not issued equity shares under the scheme of employee stock option.
  
- ✚ As per 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.

### **ACKNOWLEDGEMENT**

Your Directors thank the Government of India, the State Governments, local municipal corporations and various regulatory authorities for their co-operation and support to facilitate ease in doing business.

Your Directors also wish to thank its customers, business associates, distributors, channel partners, suppliers, investors and bankers for their continued support and faith reposed in the Company.

Your Directors wish to place on record deep appreciation, for the contribution made by the employees at all levels for their hard work, commitment and dedication towards the Company. Their enthusiasm and untiring efforts have enabled the Company to scale new heights

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

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

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

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

## Annexure-I

**Information of Particulars of employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

<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. 12,60,000/-	Rs. 12,60,000/-
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	41 Years	41 Years
The last employment held by such employee before joining the Company	-	-
The percentage of equity shares held by the employee in the Company	51.57%	6.21%
Whether any such employee is a relative of any director	Deepika Jain is the spouse 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 2023-75 employees.
2. Median remuneration of employees of the Company during the financial year 2022-2023 was NIL.


  
**MONTEILL**
  
 AMERICAN LUXURY

Annexure- IIAOC-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:

Name of the related party and nature of relationship	Nature of contracts/ arrangements/transactions	Duration of Contract/arrangement/Transaction	Salient Terms & condition /arrangement/ Transaction	Date of Approval of Board	Amount
Mr. Button Private Limited(Mr. Sandeep Jain is the Director of the Company)	Sale of Goods	As per the Term of contract	As per the Term of Contract	26/05/2022	927.03
Mr. Button Private Limited(Mr. Sandeep Jain is the Director of the Company)	Purchase of Goods	As per the term of the Contract	As per the Term of Contract	26/05/2022	(145.62)

For and on behalf of  
Lorenzini Apparels Limited

SD/  
Sandeep Jain  
Managing Director  
DIN: 02365790

SD/-  
Deepika Jain  
Whole Time Director  
DIN: 02365797

Date: 22/08/2023  
Place: New Delhi

**CORPORATE GOVERNANCE REPORT**

The Board of Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") as amended for the financial year ended March 31, 2023.

**1. COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE**

Governance reflects the culture and values of a Company's board and management. For years, Lorenzini Apparels Limited ("the Company" or "Lorenzini") has promoted practices, standards and resources to maximize the shareholder value legally, ethically and on a sustainable basis while ensuring fairness, transparency and accountability to benefit all stakeholders comprising customers, vendors, investors, regulators, employees and the society at large.

The Company believes that good governance in a Company enhances the confidence, trust and enthusiasm of its stakeholders. Company has worked diligently to integrate ethical analysis into defining its corporate culture with an aim of achieving social responsibility and return.

Our Board recognizes the importance of maintaining high standards of corporate governance, which underpins our ability to deliver consistent financial performance and value to our stakeholders. In line with the above philosophy, the Company continuously strives for excellence and focuses on enhancement of long-term stakeholder value through adoption of best governance and disclosure practices.

The Company has a strong legacy of fair, transparent and ethical governance practices and continues to make progressive actions that promote excellence within our business and the marketplace. The Company maintains a comprehensive set of compliance policies and procedures which assist us in complying with the law and conducting our business in an honest, ethical, and principled way.

The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons as framed under the SEBI (Prohibition of Insider Trading) Regulations, 2015 demonstrates our values and commitment to ethical business practices, integrity and regulatory compliances.

We believe good corporate governance is an essential part of well-managed, successful business enterprise that delivers value to the shareholders. Our robust governance framework is based on the following principles:

- Fairness and equitable treatment towards stakeholders to encourage active co-operation between the Company and its stakeholders.
- Timely and accurate disclosure of all material matters relating to the Company, including the financial situation, performance, ownership, and governance of the Company is ensured.
- Board members act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company in addition to the shareholders coupled with the intention of ensuring appropriate composition and size of the Board.
- Channels for disseminating information provide for equal, timely and cost-efficient access to relevant information by users.

## 2. BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD

### (a) **Composition**

Company Board comprises of optimum combination of executive and Non-executive Directors including One Women Director as per the applicable provisions of the Companies Act, 2013 (the "Act") and the Listing Regulations.

The Board at Lorenzini is diverse comprising of highly experienced individuals and persons with eminent expertise who are entrusted with the responsibility of the Management, directions and performance of the Company. Company recognizes that an independent, dynamic and well-informed Board is essential to ensure the highest standards of Corporate Governance. The Board's primary role is fiduciary. The Board also requests special invitees to attend the meetings, as appropriate.

As on 31<sup>st</sup> March, 2023, the Board comprised of 6 directors, out of which one is Managing Director, One Whole Time Director, One Executive Directors and Three Independent Director.

The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its responsibilities and ensures that the management adheres to ethics, transparency and disclosures which ultimately serves the long-term goals of all its stakeholders along with achieving the Company's objectives and sustainable profitable growth. The Board ensures that the management is accountable for attaining the long-term goals of the Company and also ensures compliance with the applicable Act.

### (b) **Attendance of each director at the Board meetings and last AGM during the year 2021-22.**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries, apart from other statutory matters as required to be deliberated and approved by the Board.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. The information as specified in Schedule II to the Listing Regulations is regularly made available to the Board, whenever applicable, for discussion and consideration. Video-conferencing facility as per procedure mandated under the Act, is also provided to facilitate the Directors participating in the meetings conveniently.

The Board Agenda includes an Action Taken Report comprising of actions arising from the Board Meetings and status updates thereof.

During the year under review, Eight Board Meetings were held on April 04, 2022, April 30, 2022, May 14, 2022, May 26, 2022, August 24, 2022, October 17, 2022, January 12, 2023, and March 02, 2023.

All meetings were held with a gap of less than 120 days. The Company follows the applicable Secretarial Standards in relation to the board meetings.

**Attendance of Directors at the Board Meetings and at the last Annual General Meeting (“AGM”)**

Sr. No	Name of Director	No. of Board Meeting			Attendance at the AGM held on 24 <sup>th</sup> September 2022
		Held	Eligible to attend	Attended	
1	Mr. Sandeep Jain	8	8	8	Present
2	Mrs. Deepika Jain	8	8	8	Present
3	Mr. Rajit Sehgal	8	8	8	Present
4	Mr. Mohan Chauhan	8	8	8	Present
5	Mr. Yogesh Kumar	8	8	8	Present
6	Mr. Ajay	8	1	1	No

**(c) Directors’ Directorships/Committee Memberships:**

In accordance with Regulation 17A of the Listing Regulations, The directors of listed entities shall comply with the following conditions with respect to the maximum number of directorships, including any alternate directorships that can be held by them at any point of time -

(1) A person shall not be a director in more than eight listed entities with effect from April 1, 2019 and in not more than seven listed entities with effect from April 1, 2020:

Provided that a person shall not serve as an independent director in more than seven listed entities.

(2) Notwithstanding the above, any person who is serving as a whole time director / managing director in any listed entity shall serve as an independent director in not more than three listed entities.

Further pursuant to Regulation 26 of Listing regulation none of the Directors are members in more than 10 committees excluding membership in private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Act or acts as Chairperson of more than 5 committees across all listed entities in which he/she is a Director. The Audit Committee and Stakeholders Relationship Committee are only considered in computation of limits. Further all the Directors have informed about their directorships and committee memberships/chairmanships including any change in their positions. The number of directorships, committee membership(s)/chairmanship(s) of all Directors is within respective limits prescribed under the Act and the Listing Regulations.

The details of the Board of Directors as on March 31, 2023 and memberships/chairmanships including any changes in their positions are given below:



Name of Director	Category	Date of Appointment	No. of Positions held in other Public Companies			Directorships in other Listed Companies	
			Board	Committee		Name of the Company	Position Held
				Chairperson	Member		
Mr. Sandeep Jain	Promoter, Chairman and Managing Director	09-05-2007	NIL	NIL	NIL	NIL	NIL
Ms. Deepika Jain	Promoter, Whole Time Director	09-05-2007	NIL	NIL	NIL	NIL	NIL
Mr. Rajat Sehgal	Non-executive Director	26-06-2017	NIL	NIL	NIL	NIL	NIL
Mr. Mohan Chauhan	Independent Director	02-12-2020	NIL	NIL	NIL	NIL	NIL
Mr. Yogesh Kumar	Independent Director	16-03-2020	NIL	NIL	NIL	NIL	NIL
Mr. Ajay	Independent Director	02-03-2023	NIL	NIL	NIL	NIL	NIL

# For the purpose of Committee position, only Audit Committee and Stakeholders Relationship Committee have been taken into account.

**(d) Disclosure of Relationship between director inter-se:**

Mr. Sandeep Jain is Spouse of Ms. Deepika Jain. No other Directors are related to the other Directors inter-se.

**(e) Details of equity shares of the Company held by the Non-Executive Directors as on March 31, 2023 are given below:**

None of the Non-Executive Directors hold any equity shares or any other securities of the Company as on 31<sup>st</sup> March, 2023.

**(f) The policy for conducting familiarization programme of Independent Directors can be accessed on the Company's website i.e., <https://monteil.in/investors-declaration>.**

**(g) Core Skills / Expertise / Competencies available with the Board**

The Board evaluates its composition to ensure that the appropriate mix of skills, experience, independence and knowledge to ensure its continued effectiveness. The Board Members should, at a minimum, have background that when combined provide a portfolio of experience and knowledge that will serve Raymond's governance and strategic needs. The Directors have demonstrated experience and ability that is relevant to the Board's oversight role with respect to Raymond's business and affairs. In terms of Listing Regulations, the following skills, expertise and

competencies have been identified by the Board of Directors as required in the context of its business and sector for it to function effectively:

Industry knowledge

- ✚ Leadership and Entrepreneurship
- ✚ Strategic Planning
- ✚ Business Management
- ✚ Corporate Governance
- ✚ Financial and Risk Management
- ✚ Sales, Marketing and Retail

The Board as a whole possesses abovementioned skills / expertise and competencies.

Name of Director	Leadership and Entrepreneurship	Strategic Planning	Business Management	Corporate Governance	Financial and Risk Management	Sales, Marketing and Retail
Mr. Sandeep Jain	√	√	√	√	√	√
Ms. Deepika Jain	√	√	√	√	√	-
Mr. Ajay	√	√	-	√	√	-
Mr. Rajit Sehgal	-	-	√	√	-	√
Mr. Mohan Chauhan	√	√	√	√	√	-
Mr. Yogesh Kumar	√	√	√	√	√	-

### Confirmation

On the basis of declaration received from the independent Directors, the Board confirms that in their opinion the Independent Directors of the Company fulfill the conditions specified in the SEBI Listing Regulations, 2015 and are independent of the management.

### (h) Committees of the Board

The Board has constituted the following Committees viz.

- Audit Committee,
- Nomination and Remuneration Committee ("NRC"),
- Stakeholders' Relationship Committee

Each Committee is mandated to operate within a well-defined Charter which is re-visited by the Board periodically. Each Committee contributes and assists the Board, resulting in an effective discharge of roles and responsibilities by the Directors of the Company.

#### Notes:

Chairmanship and Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies other than **Lorenzini Apparels Limited**.

**(A) Audit Committee****Role and Terms of Reference:**

The Board has framed the Audit Committee charter for the purpose of effective compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Audit Committee inter-alia performs the following functions:

- ✚ Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ✚ Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees;
- ✚ Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- ✚ Reviewing, with the management, the annual financial statement before submission to the Board for approval, with particular reference to :
  - matters required to be included in the Director's responsibility Statement which forms part of the Directors' Report pursuant to Clause (c) of subsection 3 of Section 134 of the Companies Act, 2013.
  - changes, if any, in accounting policies and practices and reasons for the same.
  - major accounting entries involving estimates based on the exercise of judgment by management.
  - significant adjustments made in the financial statements arising out of audit findings.
  - compliance with listing and other legal requirements relating to financial statements.
  - disclosure of any related party transactions and g) modified opinion(s) in the draft audit report.
- ✚ Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- ✚ Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- ✚ Review and monitor the auditor's independence and performance and effectiveness of audit process.
- ✚ Approval or any subsequent modification of transactions of the company with related parties.
- ✚ Scrutiny of inter-corporate loans and investments.
- ✚ Valuation of undertakings or assets of the company, wherever it is necessary.
- ✚ Evaluation of internal financial controls and risk management systems.
- ✚ Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- ✚ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- ✚ Discussion with internal auditors on any significant findings and follow up thereon;

- ✚ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board.
- ✚ Discussion with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- ✚ To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- ✚ To review the functioning of the Whistle blower mechanism.
- ✚ Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- ✚ reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary company exceeding ` 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- ✚ review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively; and
- ✚ The Committee shall also consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

### Composition

The Audit Committee of the Board of Directors (“the Audit Committee”) is entrusted with the responsibility of supervising the Company’s financial reporting process and internal controls. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 read with Part C of Schedule II of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its charter that defines its authority, responsibility, and reporting function.

During the Financial Year 2022-23, the composition of the Audit Committee was as under:

Name of Director	Position	Category	Date of Appointment	Date of Cessation
Mr. Mohan Chauhan	Chairman & Member	Non-Executive & Independent Director	30/09/2020	NA
Mrs. Deepika Jain	Member	Executive Director	05/09/2007	NA

Mr. Yogesh Kumar	Member	Non-Executive & Independent Director	30/09/2020	NA
------------------	--------	--------------------------------------	------------	----

### Meetings and Attendance

The Audit Committee met Three times during the Financial Year 2022-23. The maximum gap between two Meetings was less than 120 days.

\*The Committee met on

- 26/05/2022
- 24/08/2022
- 17/10/2022

The requisite quorum was present at all the Meetings. During the year under review, the Mr. Mohan Chauhan acted as a Chairperson every Audit committee meeting. The directors who acted as the Chairperson for the Audit Committee meetings held during the year were Independent Directors and were present at the last Annual General Meeting of the Company held on 24<sup>th</sup> September 2022. During the year under review, the representatives of the Statutory Auditors attended all the Audit Committee meetings, where Financial Results were approved.

The table below provides the attendance of the Audit Committee members:

Name of director	No. of meeting		
	Held	Eligible to attend	Attendance
Mr. Mohan Chauhan	3	3	3
Mrs. Deepika Jain	3	3	3
Mr. Yogesh Kumar	3	3	3

\* The Companies Act, 2013 read with Secretarial Standard-1 does not prescribe frequency of Audit Committee meetings, However, pursuant to Regulation 18 of SEBI (Listing Obligation and Disclosures Requirement), 2015 a listed entity shall meet at least four time in a year. During the Financial Year 2022-2023 the Company is listed on SME platform of BSE, hence Regulation 18 is not applicable to the Company.

### (B) NOMINATION AND REMUNERATION COMMITTEE

#### Terms of Reference:

The broad terms of reference of the NRC, as approved by the Board, are in compliance with Section 178 of the Act and Regulation 19 of the Listing Regulations, and are as follows:

- ✚ To assist the Board in determining the appropriate size, diversity, and composition of the Board.
- ✚ To recommend to the Board appointment/ re-appointment and removal of Directors and Senior Management.
- ✚ To frame criteria for determining qualifications, positive attributes and independence of Directors.
- ✚ To recommend to the Board, remuneration payable to the Directors and Senior Management (within the appropriate limits as defined in the Act);
- ✚ to create an evaluation framework for Independent Directors and the Board.
- ✚ to provide necessary reports to the Chairman after the evaluation process is completed by the Directors.
- ✚ to assist in developing a succession plan for the Board and Senior Management.
- ✚ to assist the Board in fulfilling responsibilities entrusted from time-to-time; and

- delegation of any of its powers to any Member of the Committee or the Compliance Officer.

### Composition

The composition of Nomination and Remuneration Committee ("NRC") is in accordance with the provisions of Section 178(1) of the Act.

The NRC comprises of three Directors as under:

Name of Director	Position	Category	Date of Appointment	Date of Cessation
Mr. Mohan Chauhan	Chairman	Independent Director	30/09/2020	NA
Mr. Rajit Sehgal	Member	Non-Executive Director	30/06/2017	NA
Mr. Yogesh Kumar	Member	Independent Director	30/09/2020	NA

### Meeting and Attendance

The NRC met Four times during the year on

- 30/04/2022
- 14/05/2022
- 24/08/2022
- 02/03/2023

The requisite quorum was present at the said Meetings. The Chairperson of the NRC was present at the last Annual General Meeting of the Company held on September, 24, 2022

The table below provides the attendance of the NRC members:

Name of Director	No. of Meeting		
	Held	Eligible to attend	Attended
Mr. Mohan Chauhan	4	4	4
Mr. Rajit Sehgal	4	4	4
Mr. Yogesh Kumar	4	4	4

### (C) STAKEHOLDER RELATIONSHIP COMMITTEE

#### Composition

Pursuant to provisions of Section 178(5) of the Act, Committee of Directors (Stakeholders Relationship Committee) of the Board has been constituted. This Committee comprises of three Directors. Mr. Mohan Chauhan acts as the Chairperson of the Committee.

Name of Director	Position	Category	Date of Appointment	Date of Cessation
Mr. Mohan Chauhan	Chairman	Non-Executive, Independent Director	30/09/2020	NA
Mrs. Deepika Jain	Member	Executive Director	09/05/2007	NA
Mr. Sandeep Jain	Member	Executive Director	01/11/2009	NA

## Meeting and Attendance

The Committee of Directors (Stakeholders' Relationship Committee) met one time during the Financial Year 2022-23. The Committee met on 10/10/2022. The requisite quorum was present at all the Meetings. The Chairperson of the Stakeholders' Relationship Committee was present at the last Annual General Meeting of the Company held on 24<sup>th</sup> September 2022.

## Terms of Reference

The Board approved 'Terms of Reference' of the Committee of Directors (Stakeholders Relationship Committee) in compliance with Section 178 of the Act. The Committee looks into the matters of Shareholders/Investors grievances along with other operational matters listed below:

- ✦ to consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, nonreceipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- ✦ to consider and approve demat/ remat of shares/split/consolidation/sub-division of share/ debenture certificates.
- ✦ to consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transposition of names, deletion of names transfers and transmission of securities, etc.;
- ✦ to oversee and review all matters connected with the transfer of the Company's securities.
- ✦ to consider and approve opening/modification of operation and closing of bank accounts.
- ✦ to grant special/general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi-Government Institutions.
- ✦ to fix record date/book closure of share/ debenture transfer book of the Company from time to time.
- ✦ to appoint representatives to attend the General Meeting of other companies in which the Company is holding securities.
- ✦ to change the signatories for availment of various facilities from Banks/Financial Institution.
- ✦ to grant authority to execute and sign foreign exchange contracts and derivative transactions.
- ✦ to monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;
- ✦ to review measures taken for effective exercise of voting rights by shareholders.
- ✦ to review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- ✦ to review the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- ✦ to assist the Board in reviewing and implementing policies under the Business Responsibility Reporting of the Company as may be delegated by the Board.
- ✦ to carry out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Companies Act, 2013 and other applicable laws as amended from time to time.
- ✦ to designate/ authorize/ appoint officials of the Company as representatives of the Company as required under various laws.
- ✦ to review and approve statutory, mandatory or regulatory matters relating to subsidiary companies of the Company; and

- ✚ to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

#### Details of Shareholders' Complaints

S.No	Particular	Complaint
1	Complaints pending as on April 1, 2022	0
2	Complaints received during the year	0
3	Complaints resolved during the year	0
4	Complaints pending as on March 31, 2023	0

The above table includes Complaints received by the Company from SEBI SCORES and through Stock Exchanges where the securities of the Company are listed.

#### Independent Directors' Meeting

Pursuant to requirements of the Act and Listing Regulations the Company's Independent Directors met once during the Financial Year without the presence of Non-Executive Directors, Executive Directors or Management to discuss the matters as laid out therein for such meetings.

Further, interactions outside the Board meeting take place between the Chairman and Independent Directors on a regular basis. During the year, the Independent Directors met on March 31<sup>st</sup>, 2023, inter-alia, to:

- ✚ Review the performance of Non-Independent Directors and the Board as a whole.
- ✚ Review the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- ✚ Assess the quality and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties;
- ✚ Recommend measures that may be considered by the Company for Corporate Governance, if any;
- ✚ Review recommendations from the last Independent Directors meeting along with their implementation status.

#### Details of Remuneration paid to Directors for the year ended March 31, 2023

##### Remuneration to Executive Director

The appointment and remuneration of Executive Director i.e. Chairman and Managing Director is governed by the recommendation of the NRC, Resolutions passed by the Board of Directors and Shareholders of the Company and Agreement executed between him and the Company. The remuneration package of Chairman and Managing Director comprises salary, perquisites, allowances, contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are decided by the NRC and recommended to the Board for approval thereof.



<b>Mr. Sandeep Jain(Chairman &amp; Managing Director)</b>	
Present Term of Appointment	5 years from 1 <sup>st</sup> July 2022 to 30 <sup>th</sup> June 2026
Salary and allowance	Rs. 12,00,000 p.a. (Rs. Twelve Lakh Per annum)
Commision	-
Variable Pay	-
Other benefits and Perquisites	Rs. 60,000 p.a. (Rs. Sixty Thousand Per Annum)
Sitting fee	-
Minium Remuneration	Rs. 12,60,000 p.a. (Rs Twelve Lakh Sixty Thousand Per Annum)
No. of Share held	52,28,761 Equity Share

<b>Mrs. Deepika jain</b>	
Present Term of Appointment	5 years from 1 <sup>st</sup> July 2022 to 30 <sup>th</sup> June 2026
Salary and allowance	Rs. 12,00,000 p.a. (Rs. Twelve Lakh Per annum)
Commision	-
Variable Pay	-
Prequisites	Rs. 60,000 p.a. (Rs. Sixty Thousand Per Annum)
Sitting fee	-
Minium Remuneration	Rs. 12,60,000 p.a. (Rs Twelve Lakh Sixty Thousand Per Annum)
No. of Share held	6,29,505 Equity Share

### Remuneration to Non-Executive Directors (including Independent Directors)

Company does not pay any Sitting fee or compensation to any Non-Executive director (Including Independent Director) during the financial year 2022-23.

### General Body Meetings

#### Details of Last Three Annual General Meeting

AGM	Financial Year	Date and Time	Venue	Details of Special Resolution Required
15	2021-22	24 <sup>th</sup> September 2022 at 11:00 A.M	Registered office of the company	1.To Consider and Approve the Re-appointment of Mr. Sandeep Jain as Managing Director of the Company and Approval of Remuneration 2. To Consider and Approve the Re-appointment of Mrs. Deepika Jain as Managing Director of the Company and Approval of Remuneration. 3.To consider and Approve the alteration in Article of Association of the Company.
14	2020-21	25 <sup>th</sup> September 2021 at 3:00 PM	Registered office of the company	1.Revision In remuneration Of Ms. Deepika Jain, Whole-Time Director Of The Company

				2. Revision In Remuneration Of Mr. Sandeep Jain, Managing Director Of The Company
13	2019-20	30 <sup>th</sup> September 2020 at 3:00 PM	Registered office of the company	No Special Resolution passed in this AGM

### Postal Ballot

During the year, the following Resolutions were passed by the Company through Postal Ballot, the results of which were declared on February 20, 2023:

**(i) Migration of equity shares of the company from BSE SME to the main board of BSE Limited and National Stock Exchange of India Limited.**

#### Procedure for Postal Ballot:

Pursuant to the provisions of Section 110 of the Act read with Rule 22 of Companies (Management and Administration) Rules, 2014 (Management Rules), as amended, the Company had issued Postal Ballot Notice dated January 17, 2023 to the Members, seeking their consent with respect to the above mentioned Resolutions.

In compliance with provisions of Section 108 and Section 110 and other applicable provisions of the Act read with the Management Rules and relevant MCA circulars, the

A summary of the voting results is as follows:

Category	Mode of voting	No. of shares held	No. of votes polled	% of Voter polled on outstanding shares	No. of votes - in favor	No. of votes - against	% of votes in favor on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting Poll	6378396	6258396	98.12	6258396	0	100	0
	Postal Ballot (if applicable)							
	<b>Total</b>		6378396	6258396	98.12	6258396	0	100
	Public-	E-Voting						

Institutions	Poll							
	Postal Ballot (if applicable)							
	Total							
Public- Non Institutions	E-Voting	3760520	2430000	64.62	2430000	0	100	0
	Poll							
	Postal Ballot (if applicable)							
	<b>Total</b>	3760520	2430000	64.62	2430000	0	100	0
	<b>Total</b>	10138916	8688396	85.69	8688396	0	100	0

M/s KMPM & Company, Practice Company Secretaries was appointed as the Scrutinizer for carrying out the Postal Ballot process through remote e-voting in a fair and transparent manner.

The Scrutinizer, after the completion of scrutiny, submitted his report to Chairperson of the Company who was duly authorised by the Chairperson to accept, acknowledge and countersign the Scrutinizer's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India. The results of the voting by Postal Ballot and e-voting were announced on February 20, 2023.

The results were also displayed on the website of the Company at [www.monteil.in](http://www.monteil.in) and communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE).

#### Means of Communication:

- ✚ The Un-audited / half yearly results are announced within forty-five days of the close of the Half Year The audited annual results are announced within sixty days from the closure of the financial year.
- ✚ The Company's financial results and official press releases are displayed on the Company's website <https://monteil.in/financial-information/>.
- ✚ The Annual Report containing inter-alia the Audited Standalone and Consolidated Financial Statements, Auditors' Report thereon, Directors Report, Corporate Governance Report and Management Discussion and Analysis report is circulated to the Members and others entitled thereto.
- ✚ The Annual Report is also available on the website of the Company and on the <https://monteil.in/annual-report/>.
- ✚ A separate dedicated section under "Investors", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors/public.
- ✚ SEBI processes investor complaints in a centralized web-based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against the Company for his/ her grievance. The Company uploads the action taken on the complaint

which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

## SHAREHOLDER INFORMATION

### Annual General Meeting (“AGM”) for the Financial Year 2022-23.

Day and Date	20 <sup>th</sup> September 2023
Time	3:00 PM(IST)
Mode/Venture	Audio/Visual Mode
Book closure Date for AGM	25-08-2023
Financial Year	2022-23

**Financial Year:** 31<sup>st</sup> March

**Dividend:** The Board of Director has not recommended any dividend during the year.

### Name of Stock exchange on which Securities of the Company are Listed.

The Company During the FY 2022-2023, listed on SME platform of BSE Limited. Further, Company has migrated on main board of BSE Limited and National Stock Exchange of India Limited with effect from 10<sup>th</sup> April, 2023.

Stock Exchange	Scrip Code/ Symbol
BSE Limited (“BSE”)	540952
National Stock Exchange of India Limited (“NSE”)	LAL

### Share Price Data

Month	BSE		
	High	Low	volume
April 2022	12	10.80	40,000
May 2022	21.89	12.30	1,60,000
June 2022	28.40	20.25	14,30,000
July 2022	32.90	28.50	70,000
August 2022	35.10	28.50	2,30,000
September 2022	44	36.70	1,80,000
October 2022	45	42	40,000
November 2022	55	41.40	2,65,000
December 2022	70	58	1,25,000
January 2023	71.50	64	45,000
February 2023	88.40	68	1,62,500
March 2023	100.43	82.60	1,67,500

### Registrar to an issue and share transfer agents;

In order to expedite the process of shares transfers, the Board has appointed Skyline Financial Private Limited as Share Transfer Agent and register of the Company. The transfer agent will generally attend to the transfer formalities once in a fortnight and operate subject to the overall supervision of Stakeholder Relationship Committee.

<b>Name of Registrar to an issue and share transfer agents</b>	<b>Address</b>
<b>Skyline Financial Services Private Limited</b>	D-153 A 1st Floor Okhla Industrial Area, Phase – I New Delhi-110 020
<b>Website</b>	<a href="http://www.skylinerta.com">www.skylinerta.com</a>
<b>Telephone</b>	011-26812682, 40450193

### Share Transfer System

Trading in equity shares of the Company is permitted only in dematerialized form. In terms of requirements of Regulation 40 of the Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form, except in case of request received for transmission or transposition of securities, shall not be processed. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized to be able to freely transfer them and participate in various corporate actions.

### Nomination

Individual shareholders holding shares in physical form either singly or jointly can nominate a person in whose name the shares shall be transferable in case of death of the registered Shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the by-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

### Dematerialization of Shares and Liquidity:

As on March 31, 2023, 99.99% of the equity shares of the Company were in dematerialized form (NSDL 81.99% and CDSL 18% respectively). The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the Depositories.

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail benefits of dealing in shares in demat form.

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- a) Demat account should be opened with a Depository Participant ("DP").
- b) Shareholders should submit the Dematerialization Request Form ("DRF") along with share certificates in original, to their DP.
- c) DP will process the DRF and will generate a Dematerialization Request Number ("DRN").
- d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents ("RTA"), i.e. Skyline Financial Services Private Limited.
- e) RTA will process the DRF and update the status to DP/ depositories.
- f) Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.
- g) As required under SEBI Circular no. SEBI/HO/MIRSD/ MIRSD\_RTAMB/P/CIR/2022/8 and to enhance ease of dealing in securities markets by investors, listed companies are required to issue

securities in dematerialized form only. As per the referred circular Form ISR-4 required to be submitted by securities holder/claimant has been hosted on the website of the Company.

### **Reconciliation of Share Capital Audit Report**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) and the total issued and listed capital. This audit is carried out every quarter and the report thereon are submitted to the Stock Exchanges where the Company’s shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

### **Affirmations and Disclosures:**

#### **✚ Related Party Transaction**

In line with the requirements under Regulation 23(1) of the Listing Regulations, the Company has formulated a Policy on Related Party Transactions (“Policy”) which is also available on Company’s website at <https://monteil.in/wp-content/uploads/2023/01/Policies/Related Party Transaction Policy.pdf>

The Audit Committee of the Company grants omnibus approval for the Related Party Transactions (RPTs) which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm’s Length. All transactions entered into by the Company with the Related Parties as defined under the Act and Regulation 2(1)(zb) of the Listing Regulations during the financial year were on arm’s length basis and were in compliance with the requirements of provisions of Section 188 of the Act.

There were no material significant transaction(s) entered with Related Parties during the year under review. Related party transactions are disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with Ind AS 24 ‘Related Party Disclosures’.

A statement in summary form of transactions with Related Parties is periodically placed before the Audit Committee and the Board for review/ approval / noting on quarterly basis.

The said statements are also reviewed and certified by an independent Chartered Accountant Firm and placed before the Audit Committee and Board for noting.

None of the transactions with Related Parties were in conflict with the interest of Company. All the transactions are carried out on an arm’s length or fair value basis.

#### **✚ Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three Financial Years.**

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations, circulars and guidelines issued by the SEBI. There were no strictures or penalties imposed by either SEBI or Stock Exchanges or MCA or any other regulatory/ statutory authority for non-compliance of any matter related to the capital markets during the last three financial years.

#### **✚ Vigil Mechanism / Whistle Blower Policy.**

Pursuant to Section 177(9) and (10) of the Act, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report concern about unethical behavior, actual or suspected fraud or violation of Company's code of conduct and ethics.

The Whistle Blower Policy is displayed on the Company's website at [https://monteil.in/wp-content/uploads/2023/01/Policies/Whistle\\_Blower\\_Policy.pdf](https://monteil.in/wp-content/uploads/2023/01/Policies/Whistle_Blower_Policy.pdf).

#### **✚ A certificate from a Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

The certificate issued by M/s. Pawan Kumar & Associate, Practicing Company Secretaries is annexed herewith as a part of the Report and enclosed as **Annexure VI**.

#### **✚ Where the board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant Financial Year.**

During the year under review, all recommendations made by the Committee(s) of the Board which were mandatorily required have been accepted by the Board.

#### **✚ Compliances with Governance Framework.**

The Company is in compliance with all mandatory requirements under the Listing Regulations.

#### **✚ Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification**

As required by Listing Regulations, the CEO and CFO certification on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for FY 2022 – 23 is enclosed to this Report and marked as **Annexure VII**.

#### **✚ Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management is enclosed and marked as Annexure VIII.**

#### **✚ Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed Indian Accounting Standards referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statement.

#### **✚ Disclosure with respect to demat suspense account/ unclaimed suspense account.**

As per Regulation 34(3) read with Schedule V of the Listing Regulations, the details of the shares in the Suspense Account are as follows.

<b>Aggregate No. of Shareholders and the outstanding Shares in the Suspense account</b>	<b>Number of shareholders who approached the Company for transfer of shares from</b>	<b>Number of shareholders to whom shares were transferred from suspense</b>	<b>Aggregate number of shareholders and the outstanding shares in the suspense account</b>
---	--	---	--

lying at the beginning of year.	suspense account during the year	account during the year	lying at the end of the year
NIL	NIL	NIL	NIL

For and on behalf of  
Lorenzini Apparels Limited

SD/  
Sandeep Jain  
Managing Director  
DIN: 02365790

SD/-  
Deepika Jain  
Whole Time Director  
DIN: 02365797



**MONTEIL**

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





Form No. MR-3

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2023**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

**Secretarial Audit Report**  
**For The Financial Year Ended 31<sup>st</sup> March 2023**

To,  
The Members,  
Lorenzini Apparels Limited,  
C-64, Okhla Industrial Area Phase-I,  
New Delhi - 110020,

Dear Members,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence of good practices by **Lorenzini Apparels Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provide us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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 March 31, 2023, 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 the Company for the financial year ended on March 31, 2023 according to the provisions of:

1. The Companies Act 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder: NA
3. The Depositories Act, 1996 and the Regulations and byelaws framed there under;
4. 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: NA
5. Provisions of Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the Audit Period.

6. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011:
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015:NA
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018:NA
  - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;:NA
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2020:NA
  - 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: Complied
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: NA
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018:NA
  - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: Complied
  - Other laws as may be applicable specifically to the company.
    - The Micro, Small and Medium Enterprises Development Act, 2006
    - Income Tax Act, 1961
    - The Finance Act, 2022
    - The Central Goods and Services Tax Act, 2017

We report that we have relied on the compliance certificates issued by its officers and taken on record by the Board of Directors at their meeting(s) for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. For Income tax laws and applicable accounting standards we have relied on the Audit report issued by the Statutory Auditors.

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 above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non - 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 notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and for meetings convened under shorter notice, if any, were in compliance with section 173(3) of the Companies Act, 2013 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.

We further report that, during the financial year 2022-2023, 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

Majority decision is carried through while there were no dissenting members' views which are to be captured and recorded as part of the minutes.

We further report that during the audit period the Company has no events which has major bearing on the Company's Affairs in pursuance of the above referred laws, regulations, rules, guidelines, standards etc.

***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.***

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.

**For Pawan Kumar & Associates  
Company Secretaries**

**Pawan Kumar Mahur  
Membership No.: 18611  
CP No.:16961  
UDIN: F008462E000842251**

**Place: New Delhi  
Date: 22.08.2023**

**Note: This report is to be read with our letter of even date that is annexed as Annexure - A and forms an integral part of this report.**

**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 Pawan Mahur & Associates.**  
**Company Secretaries**

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

**Place: New Delhi**  
**Date:22/08/2023**  
**UDIN- F008462E000842251**

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

The global economy is gradually recovering from the impact of pandemic and at the same time facing new challenges emerging from Russia's invasion of Ukraine. Tightening of monetary policy by most Central Banks is expected to have a positive impact. Despite monetary tightening, inflation is persistent in many key economies and it is anticipated that global inflation will fall from 8.7% last year to 7% this year and settle at around 5% in the year 2024.

Structural reforms like the National Infrastructure Pipeline and National Monetization Plan by the Government is expected to further boost infrastructure development. It is paving the path for further development and continues to encourage projects across sectors, including reforms for improving labour laws. V-shaped economic recovery is due to mega vaccination drive, robust recovery in the services sector and growth in consumption and investment. This is being demonstrated in high frequency indicators such as power demand, rail freight, GST collection etc. Almost all emerging economies are reeling under external shocks, but India's underlying economic fundamentals are strong and despite the short-term headwinds, the impact on the long-term outlook is expected to be marginal.

Inflation remained high, averaging around 6.7% in FY 2022-23 but the current-account deficit narrowed in Q3 on the back of strong growth in service exports and easing global commodity prices. Dwelling on the outlook for FY2023-24, the Economic Survey 2022-23 issued by Ministry of Finance projects that, India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. It further affirms that aided by healthy financials, incipient signs of a new private sector capital formation cycle are visible and more importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially.

Explaining the economic outlook factoring global rudiments, the slowdown in global growth and economic output coupled with increased uncertainty is likely to dampen global trade growth. Strong domestic demand amidst high commodity prices will raise India's total import bill and contribute to unfavourable developments in the current account balance. These may be exacerbated by plateauing export growth on account of slackening global demand. Should the current account deficit widen further, the currency may come under depreciation pressure. Also, entrenched inflation may prolong the tightening cycle, and therefore, borrowing costs may stay 'higher for longer'.

In such a scenario, global economy may be characterised by low growth in FY24. However, the scenario of subdued global growth presents two silver linings – oil prices will stay low, and India's CAD will be better than currently projected. The overall external situation is expected to remain manageable for India.

**TEXTILES**

**Global Textile Industry**

The global textile market size was valued at USD 1,695.13 billion in 2022 and is anticipated to grow at a compound annual growth rate (CAGR) of 7.6% in terms of revenue from 2023 to 2030. The ever-increasing apparel demand from the fashion industry, coupled with the meteoric

growth of e-commerce platforms, is expected to drive market growth over the forecast period. The textile industry works on three major principles, namely the design, production, and distribution of different flexible materials such as yarn and clothing.

The COVID-19 pandemic and the Russia – Ukraine war had challenged the textile industry drastically which is now on a recovery stage. Increasing demand for apparel from the fashion industry coupled with the growth of e-commerce platforms is expected to drive the market growth over the next few years.

The textile industry is an ever-growing market, with key competitors being China, the European Union, the United States, and India. China is the world's leading producer and exporter of both raw textiles and garments. India is among the top five textile manufacturing country and is responsible for more than 6% of the total textile production, globally. The rapid industrialization in the developed and developing countries and the evolving technology are helping the textile industry to have modern installations which are capable of high-efficient fabric production.

### **Indian Textile Industry**

The Textile industry is one of the country's most significant sources of employment generation, with an estimated 4.5 crore people directly engaged in this sector, including a large number of women and the rural population. In the current financial year, the textile industry has been facing the challenge of moderating exports compared to FY22. However, the levels in the eight six months still prevail, 9.5 per cent higher than the corresponding pre-pandemic level of FY20. Export of readymade garments registered a growth of 3.2 per cent YoY basis during the same period. FDI inflows into the textile sector are yet to recover to pre-pandemic levels.

India is ranked second in the textile industry, and it, like China and other nations, is reaping its advantages. India's textile sector contributes to the country's economic stability. The textile sector contributes 35% to India's economy, accounting for at least one-third of the total contribution from all other sectors, implying that India's textile sector serves as the country's backbone. India has developed its textile sector by prioritizing it above other sectors because it understands the market. The Indian government also encourages the textile industry to expand as much as possible. India is not only a player in the domestic market, but it is also a name in the international arena. India has gained more than any other country, and its currency has gained some value in the international market. The Indian government took several attempts to strengthen the textile business, launching both modest and large-scale projects. There is no question that India's textile industry has a bright future ahead of it, and the country has numerous opportunities. There is no question that the future of the Indian textile industry is bright, and India has a good possibility of being the number one country in the world.

The Textile and Apparel market is poised to grow, led by boost in demand and the government support in form of attractive schemes such as Production Linked Incentive (PLI), Mega Investment Textile Parks (MITRA) will further drive the way for the US\$ 250 billion target. Another step taken by the Ministry of Textiles towards positioning India as a global leader in technical textiles manufacturing is the invitation of Research proposals for Funding for Design, Development and Manufacturing of Machinery, Tools, Equipment, and Testing Instruments under NTTM.

In FY 2022-23, exports of readymade garments cotton including accessories stood at US\$ 7.68 billion till January 2023. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.

## **Performance of the company**

The Company witness strong growth with revenue 4375.66 Lakhs in FY 22-23 as compared to 2444.47 lakhs in financial year 2021-22. This has been achieved through higher volumes and realisations driven by consumer demand throughout the year.

## **Risk and Concerns**

The broader trends in the economy are expected to have a direct impact on your Company's growth prospects as well. Inflation is expected to remain elevated for the foreseeable future, driven by war-induced commodity price increases and broadening price pressures. In addition, the anticipated increase in interest rates by Central Banks in the coming year are also expected to lower growth and exert pressure on economies particularly those in emerging markets.

In these circumstances, the ability to successfully navigate cost pressures would have a significant bearing on the overall performance of your Company. Diminishing purchasing power and demand due to the economic circumstances could result in fundamental shifts in consumer behaviours and adversely impact the market for textiles and apparel. Migration to value for-money options could also lead to reduced growth and profitability for your Company.

## **Outlook and Strategy.**

The Company expects to be on a profitable growth momentum. In the Domestic Market, the overall consumer sentiments are expected to remain positive with the wedding and festive seasons along with strong demand for formal and daily wear categories.

In the suiting fabric segment, growth to be driven by building categories through premiumization such as wool rich blends. Alongside this, product offerings is being positioned from 'Occasions Wear' to 'Daily Wear'.

## **Forward Looking Statements**

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

## **Source:**

- Company Financial Statement
- Report of world bank
- Indian Economic survey
- IMF Report

**Pawan Mahur & Associates**  
**Company Secretaries**

*Peer Review Audit No. I2016DE1492400*



**Annexure-VI**

To,  
The Members,  
Lorenzini Apparels Limited,  
C-64, Okhla Industrial Area Phase-I,  
New Delhi - 110020,

Dear Sir,

**Sub: Certificate pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Lorenzini Apparels Ltd (CIN: L17120DL2007PLC163192) ("the Company"), a Listed Public Limited Company incorporated under the provisions of the Companies Act, 2013 whose equity shares are listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited (NSE), has approached us to issue certificate confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India (SEBI or Board)/Ministry of Corporate Affairs or any such statutory authority and based on the individual confirmations received from the Board of Directors of the Company who were in their respective office as on March 31, 2023 viz.

<b>S.No</b>	<b>Name of the Director</b>	<b>DIN</b>
1.	Mr. Sandeep Jain	02365790
2.	Mrs. Deepika Jain	02365797
3.	Mr. Rajit Sehgal	05281112
4.	Mr. Mohan Chauhan	08627458
5.	Mr. Yogesh Kumar	08722626
6.	Mr. Ajay	08556054

and we certify that, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

This certificate is issued by us only for the purpose of disclosure to be furnished in the Corporate Governance Report of the Company for the financial year ended March 31, 2023, pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and should not be used for any other purpose.

**For Pawan Kumar & Associates**  
**Company Secretaries**

SD/-

**Pawan Kumar Mahur**

**Membership No.: 18611**

**CP No.:16961**

**UDIN: F008462E000875262**

**Place: New Delhi**

**Date: 28.08.2023**

**611, 6<sup>th</sup> Floor, Pragati Tower, Rajendra Place, New Delhi - 110008**  
**[cspawanmahur@gmail.com](mailto:cspawanmahur@gmail.com) | +91-9899927241 | +91- 11 41411600**



**CEO/CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT (PURSUANT TO REGULATION 17 (8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS), REGULATIONS, 2015 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2023 and we hereby certify and confirm to the best of our knowledge and belief the following:

- a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
- c. There are no transactions entered in to by the Company during the year ended 31st March 2023 which are fraudulent, illegal or violative of Company's Code of Conduct.
- d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.
- e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.
- f. That there have been no significant changes in the accounting policies during the relevant period.
- g. We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

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

**SD/-  
Deepika Jain  
CFO**

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. The Code of Conduct as adopted is available on the Company's website. I confirm that the Company has in respect of the Financial Year ended March 31, 2023, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the Code of Conduct as applicable to them.

**For Lorenzini Apparels Limited**

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



**MONTEIL**

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

**Pawan Mahur & Associates**  
**Company Secretaries**

*Peer Review Audit No. I2016DE1492400*



**Annexure-IX**

To,

**The Members,**  
**Lorenzini Apparels Limited,**  
**C-64, Okhla Industrial Area Phase-I,**  
**New Delhi - 110020,**

We have examined the compliance of the conditions of Corporate Governance by Lorenzini Apparels Limited for the year ended 31st March, 2023 as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Pawan Kumar & Associates**  
**Company Secretaries**

**SD/-**  
**Pawan Kumar Mahur**  
**Membership No.: 18611**  
**CP No.:16961**  
**UDIN: F008462E000875295**

**Place: New Delhi**  
**Date: 28.08.2023**

**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Balance Sheet as at 31st March 2023**

(Rs in lakhs, unless stated otherwise)

	Notes	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant and Equipment	3	812.83	837.16	563.98
(b) Intangible Assets	4	10.29	13.84	15.86
(c) Financial Assets				
(i) Investments	5	2.98	32.57	32.16
(ii) Others	6	82.68	136.57	72.93
(d) Deferred Tax Assets (Net)	7	8.56	19.44	30.12
<b>Total Non-Current Assets</b>		<b>917.34</b>	<b>1,039.59</b>	<b>715.05</b>
<b>Current Assets</b>				
(a) Inventories	8	2,276.34	1,891.65	1,624.86
(b) Financial Assets				
(i) Investments	9	37.44	-	-
(ii) Trade Receivables	10	862.77	510.04	545.21
(iii) Cash and Cash Equivalents	11	22.17	25.19	43.95
(iv) Bank balances other than (ii) above	12	7.95	7.55	-
(v) Loans and advances	13	5.10	3.91	7.74
(c) Other Current Assets	14	23.61	77.52	180.41
<b>Total Current Assets</b>		<b>3,235.38</b>	<b>2,515.86</b>	<b>2,402.18</b>
<b>Total ASSETS</b>		<b>4,152.73</b>	<b>3,555.45</b>	<b>3,117.22</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	15	1,013.89	1,013.89	1,013.89
(b) Other Equity	16	526.71	272.66	260.12
<b>Total EQUITY</b>		<b>1,540.60</b>	<b>1,286.55</b>	<b>1,274.01</b>
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	17	452.53	306.53	401.11
(ii) Lease Liabilities	18	358.18	419.54	208.30
(b) Provisions	19	12.82	9.37	4.65
<b>Total Non-Current Liabilities</b>		<b>823.54</b>	<b>735.45</b>	<b>614.05</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	20	629.95	588.67	493.03
(ii) Lease Liabilities	21	147.35	139.99	56.17
(iii) Trade Payables	22			
(A) total outstanding dues of micro enterprises and small enterprises; and		321.89	392.75	70.48
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		453.09	237.67	520.33
(b) Other Current Liabilities	23	149.63	145.52	80.75
(c) Provisions	24	0.21	0.14	0.08
(d) Current Tax Liabilities (Net)	25	86.48	28.72	8.32
<b>Total Current Liabilities</b>		<b>1,788.59</b>	<b>1,533.45</b>	<b>1,229.16</b>
<b>Total EQUITY AND LIABILITIES</b>		<b>4,152.73</b>	<b>3,555.45</b>	<b>3,117.22</b>

Significant accounting policies & key accounting estimates & judgements 1-2

See accompanying notes to the Financial Statements 3-47

This is the Balance Sheet referred to in our report of even date

**For MITTAL AND ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.- 106456W**

*Hemant*

**Hemant Bohra**  
**Partner**  
**Membership No. : 165667**  
**UDIN : 23165667BGTIFY2141**  
**Place:- Mumbai**  
**Date:- 29th May, 2023**



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

*Sandeep Jain*  
**Director**  
**Sandeep Jain**  
**(Managing Director)**  
**DIN:- 02365790**

*Deepika Jain*  
**Director**  
**Deepika Jain**  
**(WTD & CFO)**  
**DIN:- 02365797**

*Nitin Bhardwaj*  
**Nitin Bhardwaj**  
**(Company Secretary)**  
**PAN No: DBSPB1402F**

**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Statement of Profit and Loss for the year ended 31st March 2023**

(Rs in lakhs, unless stated otherwise)

	Notes	Year ended 31st March 2023	Year ended 31st March 2022
<b>INCOME</b>			
Revenue From Operations	26	4,375.66	2,444.47
Other Income	27	19.10	17.25
<b>Total INCOME</b>		<b>4,394.77</b>	<b>2,461.72</b>
<b>EXPENSES</b>			
Cost of materials consumed	28	1,144.87	391.99
Purchase of Stock in Trade	29	1,447.24	621.85
Change In Inventory	30	(240.80)	58.09
Employee Benefit Expenses	31	353.05	226.90
Finance Costs	32	127.13	92.59
Depreciation Expense	33	288.98	185.71
Other Expenses	34	897.59	828.25
<b>Total EXPENSES</b>		<b>4,018.06</b>	<b>2,405.38</b>
<b>Profit before tax</b>		<b>376.70</b>	<b>56.35</b>
<b>Tax Expense</b>	7a)		
Current Tax		111.43	32.89
Tax of Previous Year		3.19	0.95
Deferred Tax		10.17	10.49
<b>Total Tax Expense</b>		<b>124.79</b>	<b>44.34</b>
<b>Profit for the period</b>		<b>251.92</b>	<b>12.01</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gain on defined benefit plans		2.45	0.30
Fair Market gain on Investment in Gold		0.40	0.41
Income tax relating to Above		(0.72)	(0.18)
<b>Total Other Comprehensive Income</b>		<b>2.13</b>	<b>0.53</b>
<b>Total Comprehensive Income</b>		<b>254.05</b>	<b>12.54</b>
<b>Earnings Per Share (In Rs)</b>			
(1) Basic	35		
(2) Diluted		2.48	0.12
		2.48	0.12

Significant accounting policies & key accounting estimates & judgements 1-2  
See accompanying notes to the Financial Statements 3-47

This is the Statement of Profit & Loss referred to in our report of even date

For MITTAL AND ASSOCIATES  
Chartered Accountants  
Firm Registration No.- 106456W

*Hemant*

Hemant Bohra  
Partner  
Membership No. : 165667  
UDIN : 23165667BGTIFY2141  
Place:- Mumbai  
Date:- 29th May, 2023



For and on behalf of the Board of Directors of  
LORENZINI APPARELS LIMITED

For Lorenzini Apparels Ltd.

For Lorenzini Apparels Ltd.

*Sandeep Jain*  
Director  
Sandeep Jain  
(Managing Director)  
DIN:- 02365790

*Deepika Jain*  
Director  
Deepika Jain  
(WTD & CFO)  
DIN:- 02365797

*Nitin Bhardwaj*  
Nitin Bhardwaj  
(Company Secretary)  
PAN No: DBSPB1402F

**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Statement of Cash Flows for the year ended 31st March 2023**

(Rs in lakhs, unless stated otherwise)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	376.70	56.35
<b>Adjustments for:</b>		
Depreciation expense	288.98	185.71
Finance Costs	127.13	92.59
Interest Income	(1.47)	(2.02)
(Profit)/Loss on sale of property, plant and equipments	(1.83)	0.21
Fair value gain on Share	9.49	9.95
Actuarial gain and loss	2.85	0.71
<b>Operating profit before working capital changes</b>	<b>801.85</b>	<b>343.50</b>
<b>Adjustments for:</b>		
Decrease/(Increase) in Inventories	(384.69)	(266.79)
Decrease/(Increase) in Loans	(1.19)	3.83
Decrease/(Increase) in Trade Receivables	(352.73)	35.17
Decrease/(Increase) in Other Financial Assets	(6.60)	(3.16)
Decrease/(Increase) in Other assets	53.91	102.90
Increase/(Decrease) in Trade Payables	144.57	39.61
Increase/(Decrease) in Other Financial Liabilities	-	-
Increase/(Decrease) in Other Liabilities	4.11	64.77
Increase/(Decrease) in Provisions	3.52	4.78
<b>Cash flow from operating activities post working capital changes</b>	<b>262.74</b>	<b>324.61</b>
Direct taxes	(56.86)	(13.44)
<b>Net cash flow from operating activities (A)</b>	<b>205.88</b>	<b>311.17</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property Plant and Equipment	(126.95)	(69.03)
Sale of Property Plant and Equipment	1.83	(0.21)
Interest received	1.47	2.02
Increase/(Decrease) in Investment	(17.33)	(10.36)
<b>Net cash used in investing activities (B)</b>	<b>(140.98)</b>	<b>(77.58)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	187.29	1.06
Interest paid	(127.13)	(92.59)
Lease	(188.17)	(92.77)
Dividend Paid	-	-
<b>Net cash used in financing activities (C)</b>	<b>(128.01)</b>	<b>(184.30)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(63.11)</b>	<b>49.28</b>
Cash and cash equivalents as at 1st April	93.23	43.95
Cash and cash equivalents as at 31st March	30.12	93.23
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(63.11)</b>	<b>49.28</b>

**Notes**

1. The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 - 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder.

Cash and Cash Equivalents	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Balances with banks	0.67	1.60	-
Bank deposit with maturity less than 3 months	-	-	7.18
Cash on hand	21.50	23.59	36.77
Bank deposit with maturity more than 3 months but less than 12 months	7.95	7.55	-
Deposits with bank with maturity more than 12 months	-	60.49	-
<b>Total</b>	<b>30.12</b>	<b>93.23</b>	<b>43.95</b>

This is the Statement of Cash Flow referred to in our report of even date

**For MITTAL AND ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.- 106456W**

*Hemant*

**Hemant Bohra**  
**Partner**  
**Membership No. : 165667**  
**UDIN : 23165667BGTFY2141**  
**Place:- Mumbai**  
**Date:- 29th May, 2023**



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

*Sandeep Jain*  
**Director**  
**Sandeep Jain**  
**(Managing Director)**  
**DIN:- 02365790**

*Deepika Jain*  
**Director**  
**Deepika Jain**  
**(WTD & CFO)**  
**DIN:- 02365797**

*Nitin Bhardwaj*  
**Nitin Bhardwaj**  
**(Company Secretary)**  
**PAN No: DBSPB1402F**

LORENZINI APPARELS LIMITED  
CIN: L17120DL2007PLC163192  
ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020  
Statement of Changes in Equity for the year ended 31st March 2023

(Rs in lakhs, unless stated otherwise)

(a) Equity Share Capital

	As at 31st March 2023		As at 31st March 2022		As at 1st April 2021	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
<b>Issued, Subscribed &amp; Fully Paid up (Equity Shares of Rs.10/- each)</b>						
Opening Balance	10,138,916	1,013.89	10,138,916	1,013.89	10,138,916	1,013.89
Changes in equity share capital due to prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting year	10,138,916	1,013.89	10,138,916	1,013.89	10,138,916	1,013.89
Changes in equity share capital during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>10,138,916</b>	<b>1,013.89</b>	<b>10,138,916</b>	<b>1,013.89</b>	<b>10,138,916</b>	<b>1,013.89</b>

(b) Other equity

	Reserves & Surplus		Other Comprehensive Income	Total
	Retained Earnings	Securities Premium		
Balance as at 1st April 2021	153.94	13.36	-	167.30
Revaluation of Building Block	78.79	-	-	78.79
Gratuity for Previous year as per Ind as	(4.73)	-	-	(4.73)
Fair Value Gain on Gold Investment	0.10	-	-	0.10
Deffred Tax	18.66	-	-	18.66
Balance as at 1st April 2021	246.76	13.36	-	260.12
Profit for the year	12.01	-	-	12.01
Other comprehensive income for the year	-	-	0.53	0.53
<b>Balance as at 31st March 2022</b>	<b>258.77</b>	<b>13.36</b>	<b>0.53</b>	<b>272.66</b>
<b>Balance as at 1st April 2022</b>	<b>258.77</b>	<b>13.36</b>	<b>0.53</b>	<b>272.66</b>
Profit for the year	251.92	-	-	251.92
Other comprehensive income for the year	-	-	2.13	2.13
<b>Balance as at 31st March 2023</b>	<b>510.69</b>	<b>13.36</b>	<b>2.66</b>	<b>526.71</b>

This is the Statement of Changes in Equity referred to in our report of even date

For MITTAL AND ASSOCIATES  
Chartered Accountants  
Firm Registration No.- 106456W

For and on behalf of the Board of Directors of  
LORENZINI APPARELS LIMITED

For Lorenzini Apparels Ltd.

For Lorenzini Apparels Ltd.

*Hemant*

*[Signature]*  
Director  
Sandeep Jain  
(Managing Director)  
DIN:- 02365790

*[Signature]*  
Director

Hemant Bohra  
Partner  
Membership No. : 165667  
UDIN : 23165667BGTIFY2141  
Place:- Mumbai  
Date:- 29th May, 2023



*[Signature]*  
Nitin Bhardwaj  
(Company Secretary)  
PAN No: DBSPB1402F

Deepika Jain  
(WTD & CFO)  
DIN:- 02365797

## 1 Corporate information

Lorenzini Apparels Ltd was incorporated in the year 2007 is engaged in manufacturing, designing, and marketing ready-made garments offering a diverse range of formal, semi-formal, and casual wear for men and casual wear for women. The company serves its customers through the channels of retail business and e-commerce. It also outsources 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 company specifications, procure the requisite raw material at their own costs and begin the manufacturing process. The products are sold under the brand name "Monteil" through exclusive stores/outlets in PAN India & Website & marketplace. A wide range of products helps us serve our customers better.

We strive to see ourselves as one of the top fashion brands of India representing global markets, and we are dedicated to achieving this target with our team and leveraging the evergreen trends. We have further expanded the supply of our collection at one of the leading e-commerce platforms, delivering and thriving globally.

The financial statements are approved for issue by the Company's Board of Directors on 29 May 2023.

## 2 Basis of preparation

### 2.1 I. Statement of compliance:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III) as applicable to the financial statements.

The companies financial statement upto and for the year ended on 31 March, 2021 were prepared in accordance with the companies (Accounting Standards), rules 2006 notified under the section 133 of the act and other relevant provisions of the Act. The company have adopted IND as for the First time for the current Financial Year. As these are the Company's first financial statements prepared in accordance with Ind AS, Ind AS 101, First-time adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance of the Company is provided in note 46.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments (refer accounting policy regarding financial instruments), which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions.

The financial statements were authorised for issue by the Board of Director on May 29, 2023.

### Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded-off to the nearest lakhs (₹), as per the requirements of Schedule III of the Act, unless otherwise stated.

## II. Use of estimates, assumptions and judgements

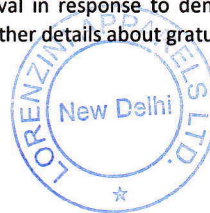
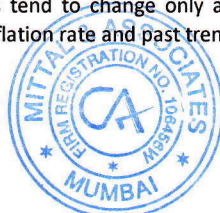
The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised, and future periods are affected.

Information about significant areas of estimation/ uncertainty and judgements in applying accounting policies that may have significant impact are as follows:

### a) Measurement of defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate and past trends. Further details about gratuity obligations are given in note 34.





LORENZINI APPARELS LIMITED

CIN: L17120DL2007PLC163192

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

Statement of Changes in Equity for the year ended 31st March 2023

Schedules forming part of the financial statements

(Rs in lakhs, unless stated otherwise)

**b) Provision for litigation and contingencies**

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods.

**c) Useful life of assets considered for depreciation of Property, Plant and Equipments**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at each financial year end. The lives are based on prior asset usage experience and the risk of technological obsolescence.

**d) Leases**

The Company determines the lease term as the noncancellable term of the lease after the completion of the one year of the Lease term, for the remaining period if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

**2.2 Summary of significant accounting policies**

**a. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
  - ▶ Held primarily for the purpose of trading
  - ▶ Expected to be realised within twelve months after the reporting period, or
  - ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**b. Revenue Recognition**

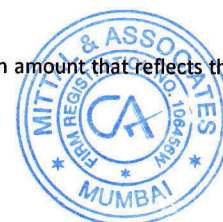
Revenue from contracts with customers is recognized upon transfer of control of promised goods/products to customers at an amount that reflects the consideration to which the Company is entitled for those goods/ products.

To recognize revenues, the Company applies the following five-step approach:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

**Interest income**

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.



**d. Government grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

- When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- Where the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, at a belowmarket rate of interest, the effect of this favourable interest is treated as a government grant. The loan or assistance is initially recognized and measured at fair value, and the government grant is measured as the difference between the proceeds received and the initial carrying value of the loan. The loan is subsequently measured as per the accounting policies applicable to financial liabilities.

**e. Taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income (OCI) or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

**Current income tax**

Current income tax for the current and prior periods are measured at the amount expected to be paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date.

**Deferred income tax**

Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**f. Property, Plant & Equipments**

**Recognition and initial measurement**

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

All other repair and maintenance costs are recognized in statement of profit or loss as incurred.



LORENZINI APPARELS LIMITED

CIN: L17120DL2007PLC163192

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

Statement of Changes in Equity for the year ended 31st March 2023

Schedules forming part of the financial statements

(Rs in lakhs, unless stated otherwise)

**Subsequent measurement (depreciation and useful lives)**

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation on property, plant and equipment has been provided using written down value method using rates determined based on management's assessment of useful economic lives of the asset.

Followings are the estimated useful lives of various category of assets used which are aligned with useful lives defined in schedule II of Companies Act, 2013 :

Buildings	30 Years
Plant & Machinery	15 Years
Computers and Data Processing Units	03 Years
Office Equipment	05 Years
Furniture & Fixture	10 Years
Motor Vehicles	08 Years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Derecognition:**

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Capital work-in-progress (CWIP)**

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in progress. Capital work in progress is stated at cost which includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

**g. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

A summary of the policies applied to the Company's intangible assets is, as follows:

Useful life	10 years
Amortization Method	Amortized on WDV Method

**h. Impairment**

**Financial Assets (Other than at Fair Value)**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial Instruments') requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company provides for impairment upon the occurrence of the triggering event.



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Statement of Changes in Equity for the year ended 31st March 2023**  
**Schedules forming part of the financial statements**

**(Rs in lakhs, unless stated otherwise)**

**Non-financial Assets**

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**i. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**j. Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right-of-use assets**

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Leasehold land included in right-of-use assets is depreciated over the lease period. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (h) Impairment of non-financial assets.

**Lease Liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in financial liabilities.

Lease payments on short-term leases, and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.



#### k. Inventories

Inventories are valued at the lower of cost and net realizable value.

**Raw materials, consumables, stores, spares and packing materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

**Finished goods and work-in-progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on weighted average basis.

**Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale.

#### L. Retirement and other employee benefits

##### Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

##### Gratuity

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on projected unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

#### m. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### i. Financial Assets

##### Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction cost directly attributable to the acquisition of financial assets at fair value through profit or loss are recognized immediately in the statement of profit and loss.

##### Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

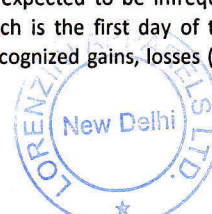
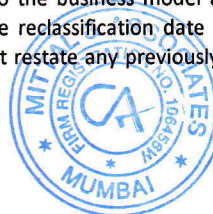
Financial assets at fair value through other comprehensive income Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in statement of profit and loss.

##### Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses).



## ii. Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

### Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and loans and borrowings.

### Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest rate (EIR) method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### Loans and borrowings

Loans and borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

### De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## n. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

### Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The carrying amounts of trade receivables, trade payables, payables towards capital goods, other Bank Balances and cash and cash equivalents are considered to be the same as their fair values, due to their short-term tenor.



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Statement of Changes in Equity for the year ended 31st March 2023**  
**Schedules forming part of the financial statements**

(Rs in lakhs, unless stated otherwise)

**o. Earnings per share**

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been arrived at, assuming that the proceeds receivable were based on shares having been issued at the average market value of the outstanding shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

**p. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker is considered to be the Board of Directors which makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments. The Company is primarily engaged in the business of manufacturing, distribution and marketing of garments. These in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute single business segment.

**q. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise of cash at banks and on hand and shortterm deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Company's cash management.

**r. Provisions, Contingent Liabilities And Contingent Assets**

**Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent Liabilities and Contingent Assets**

Contingent liability is a possible obligation that arises from past events, existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

**s. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



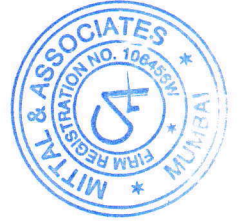
(Rs in lakhs, unless stated otherwise)

**3 Property, Plant and Equipment (PPE)**

	Buildings	Plant & Machinery	Furniture & Fixture	Vehicles	Office Equipment	Computers	ROU Assets	Total Assets
<b>Gross Value</b>								
Balance as at 1st April 2021	180.76	2.22	125.09	74.34	53.33	37.49	270.86	744.08
Additions during the year	-	-	57.67	23.11	12.27	2.47	387.84	483.37
Disposals during the year	-	-	(51.51)	-	-	-	-	(51.51)
Balance as at 31st March 2022	180.76	2.22	131.26	97.46	65.59	39.96	658.70	1,175.94
Balance as at 1st April 2022	180.76	2.22	131.26	97.46	65.59	39.96	658.70	1,175.94
Additions during the year	-	-	35.47	80.33	16.42	0.76	134.16	267.15
Disposals during the year	-	-	(9.17)	(12.48)	-	-	-	(21.66)
Balance as at 31st March 2023	180.76	2.22	157.56	165.31	82.01	40.72	792.86	1,421.44
<b>Accumulated Depreciation</b>								
Balance as at 1st April 2021	-	1.22	66.35	40.15	36.67	35.71	-	180.10
Depreciation charge for the year	21.48	0.18	23.41	6.21	10.10	1.13	118.46	180.98
Depreciation on sale during the year	-	-	(22.30)	-	-	-	-	(22.30)
Balance as at 31st March 2022	21.48	1.40	67.47	46.36	46.77	36.84	118.46	338.78
Balance as at 1st April 2022	21.48	1.40	67.47	46.36	46.77	36.84	118.46	338.78
Depreciation charge for the year	18.93	0.15	25.62	11.57	10.91	1.74	216.39	285.31
Depreciation on sale during the year	-	-	(3.72)	(11.77)	-	-	-	(15.49)
Balance as at 31st March 2023	40.41	1.55	89.36	46.17	57.68	38.58	334.85	608.61
<b>Net carrying value</b>								
As at 1st April 2021	180.76	1.00	58.74	34.19	16.65	1.78	270.86	563.98
As at 31st March 2022	159.28	0.82	63.79	51.10	18.82	3.12	540.23	837.16
As at 31st March 2023	140.35	0.67	68.19	119.14	24.33	2.14	458.01	812.83

**Note**

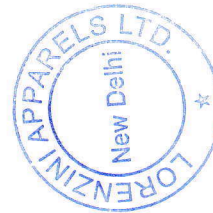
- The Company has applied the optional exemption to measure its Property, Plant & Equipment at the date of transitional at their previous GAAP carrying amount and used it as the deemed cost for such assets as per ind AS 101.
- Building includes commercial shop which is situated as Commercial Shop No- 104, Ground Floor, situated at Plot No-1-2, Sector-25A, Noida. The shop has been Reveled as on 1st April, 2021 based on the valuation report dated 22/05/2023 provided by valuer R & Company (New Delhi).





4 Intangible Assets

	Brand	Computer Software	Total
<b>Gross Value</b>			
Balance as at 1st April 2021	20.00	4.60	24.60
Additions during the year	-	2.71	2.71
Disposals during the year	-	-	-
<b>Balance as at 31st March 2022</b>	<b>20.00</b>	<b>7.31</b>	<b>27.31</b>
Balance as at 1st April 2022	20.00	7.31	27.31
Additions during the year	-	0.13	-
Disposals during the year	-	-	-
<b>Balance as at 31st March 2023</b>	<b>20.00</b>	<b>7.44</b>	<b>27.31</b>
<b>Accumulated Depreciation</b>			
Balance as at 1st April 2021	6.74	2.01	8.74
Depreciation charge for the year	3.44	1.28	4.73
Depreciation on sale during the year	-	-	-
<b>Balance as at 31st March 2022</b>	<b>10.18</b>	<b>3.29</b>	<b>13.47</b>
Balance as at 1st April 2022	10.18	3.29	13.47
Depreciation charge for the year	2.55	1.12	3.67
Depreciation on sale during the year	-	-	-
<b>Balance as at 31st March 2023</b>	<b>12.73</b>	<b>4.41</b>	<b>17.14</b>
<b>Net carrying value</b>			
As at 1st April 2021	13.26	2.59	15.86
As at 31st March 2022	9.82	4.02	13.84
As at 31st March 2023	7.27	3.03	10.29



LORENZINI APPARELS LIMITED  
CIN: L17120DL2007PLC163192  
ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020  
Schedules forming part of the financial statements

(Rs in lakhs, unless stated otherwise)

5 Investments	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<i>Investments In Gold</i>	2.98	2.57	2.16
Investment in Shares at cost (Unquoted)	-	30.00	30.00
<b>Total</b>	<b>2.98</b>	<b>32.57</b>	<b>32.16</b>
<b>Note:</b>			
Book Value Of Gold	2.07	2.07	2.07
	<b>2.07</b>	<b>2.07</b>	<b>2.07</b>
6 Other non-current financial assets	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Unsecured, considered good, unless otherwise stated</b>			
Security Deposits	82.68	76.09	72.93
Deposits with bank with maturity more than 12 months	-	60.49	-
<b>Total</b>	<b>82.68</b>	<b>136.57</b>	<b>72.93</b>
7 Income tax			
<b>7a) The major components of income tax expense for the year are as under:</b>			
<b>i) Amounts recognised in the Statement of Profit and Loss comprises :</b>	<b>Year ended 31st March 2023</b>	<b>Year ended 31st March 2022</b>	
<b>Current tax:</b>			
- in respect of the current year	111.43	32.89	
	<b>111.43</b>	<b>32.89</b>	
<b>Deferred tax expense:</b>			
<u>Attributable to -</u>			
- Origination and reversal of temporary differences	10.17	10.49	
	<b>10.17</b>	<b>10.49</b>	
<b>Total Income tax expense</b>	<b>121.59</b>	<b>43.39</b>	
<b>ii)</b>	<b>Year ended 31st March 2023</b>	<b>Year ended 31st March 2022</b>	
<b>Income tax recognised in Other Comprehensive Income</b>			
Net loss/(gain) on remeasurements of defined benefit plans	0.72	0.18	
<b>Income tax charged to OCI</b>	<b>0.72</b>	<b>0.18</b>	
<b>7b) Deferred Tax Liabilities (Net)</b>	<b>Year ended 31st March 2023</b>	<b>Year ended 31st March 2022</b>	
<b>Opening balance</b>	<b>19.44</b>	<b>30.12</b>	
Attributable to P&L	(10.17)	(10.49)	
Attributable to OCI	(0.72)	(0.18)	
<b>Closing Balance</b>	<b>8.56</b>	<b>19.44</b>	
8 Inventories	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Raw Materials	859.70	715.81	390.93
Finished Goods	1,416.64	1,175.84	1,233.94
<b>Total</b>	<b>2,276.34</b>	<b>1,891.65</b>	<b>1,624.86</b>
9 Investments	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Investment In Shares (Quoted)	37.44	-	-
<b>Total</b>	<b>37.44</b>	<b>-</b>	<b>-</b>
<b>Note:</b>			
Book Value Of Shares (Quoted)	47.39	-	-
<b>Total</b>	<b>47.39</b>	<b>-</b>	<b>-</b>



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Schedules forming part of the financial statements**

(Rs in lakhs, unless stated otherwise)

10 Trade receivables	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Unsecured</b>			
Considered good			
Exceeding Six months	833.27	127.37	79.13
Others	29.50	382.67	466.08
<b>Total</b>	<b>862.77</b>	<b>510.04</b>	<b>545.21</b>

Trade receivables are non-interest bearing and are generally on credit terms of 90 to 120 days.

(Outstanding from due date of payment / from date of transaction)

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
(i) Undisputed Trade Receivables – considered good			
Less than 6 months	530.79	371.92	466.08
6 months - 1 year	162.95	0.38	0.35
1-2 years	105.08	65.79	6.83
2-3 years	-	-	49.79
More than 3 years	49.79	49.79	-
	<b>848.61</b>	<b>487.89</b>	<b>523.05</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk			
Less than 6 months	-	-	-
6 months - 1 year	-	-	-
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
(iii) Undisputed Trade Receivables – credit impaired			
Less than 6 months	-	-	-
6 months - 1 year	-	-	-
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
(iv) Disputed Trade Receivables – considered good			
Less than 6 months	-	-	-
6 months - 1 year	-	-	-
1-2 years	-	-	22.16
2-3 years	-	22.16	-
More than 3 years	14.16	-	-
	<b>14.16</b>	<b>22.16</b>	<b>22.16</b>
credit risk			
Less than 6 months	-	-	-
6 months - 1 year	-	-	-
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
(vi) Disputed Trade Receivables – credit impaired			
Less than 6 months	-	-	-
6 months - 1 year	-	-	-
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
(vii) Unbilled dues			
Less than 6 months	-	-	-
6 months - 1 year	-	-	-
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
	<b>862.77</b>	<b>510.04</b>	<b>545.21</b>
<b>Less: Provision for doubtful receivables</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>862.77</b>	<b>510.04</b>	<b>545.21</b>
<b>TOTAL</b>	<b>862.77</b>	<b>510.04</b>	<b>545.21</b>



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Schedules forming part of the financial statements**

(Rs in lakhs, unless stated otherwise)

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>11 Cash &amp; Cash Equivalents</b>			
Balances with banks	0.67	1.60	-
Bank deposit with maturity less than 3 months	-	-	7.18
Cash on hand	21.50	23.59	36.77
<b>Total</b>	<b>22.17</b>	<b>25.19</b>	<b>43.95</b>
<b>12 Bank balances other than "Cash &amp; Cash Equivalents"</b>			
Bank deposit with maturity more than 3 months but less than 12 months	7.95	7.55	-
<b>Total</b>	<b>7.95</b>	<b>7.55</b>	<b>-</b>
<b>13 Current financial assets - Loans and advances</b>			
<b>Unsecured, considered good unless otherwise stated</b>			
Loan to Employees	5.10	3.91	7.74
<b>Total</b>	<b>5.10</b>	<b>3.91</b>	<b>7.74</b>
<b>14 Other current assets</b>			
Balances with Government Authorities	3.54	-	8.45
Advance to Creditors	15.11	74.16	170.00
Prepaid Expenses	4.96	3.36	1.97
<b>Total</b>	<b>23.61</b>	<b>77.52</b>	<b>180.41</b>



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Schedules forming part of the financial statements**

(Rs in lakhs, unless stated otherwise)

**15 Equity Share Capital**

(a) Authorised & Issued Share Capital	As at 31st March 2023		As at 31st March 2022		As at 1st April 2021	
	Number	Amount	Number	Amount	Number	Amount
<b>Authorised Share Capital</b>						
Equity Shares of Rs 10/- each	10,200,000	1,020.00	10,200,000	1,020.00	10,200,000	1,020.00
<b>Issued, Subscribed &amp; Fully Paid up</b>						
Equity Shares of Rs 10/- each	10,138,916	1,013.89	10,138,916	1,013.89	10,138,916	1,013.89
<b>(b) Reconciliation of Share Capital</b>						
<b>Issued, Subscribed &amp; Fully Paid up</b>						
Equity Shares of Rs 10/- each						
Opening Balance	10,138,916	1,013.89	10,138,916	1,013.89	10,138,916	1,013.89
Add: Bonus Shares issued	-	-	-	-	-	-
Closing Balance	10,138,916.00	1,013.89	10,138,916.00	1,013.89	10,138,916.00	1,013.89

**(c) Terms and rights attached to equity shares**

- i) The Company has only one class of equity shares having a par value of ` 10 per share. Each shareholder is entitled to one vote per share.  
ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(d) Disclosure of Shares in the company held by each shareholder holding more than 5% Equity Shares**

Name of Shareholder	As at 31st March 2023	
	No. of Shares held	% of Holding
Sandeep Jain	5,228,761.00	51.57%
Deepika Jain	629,505.00	6.21%
<b>Total</b>	<b>5,858,266.00</b>	<b>0.58</b>

Name of Shareholder	As at 31st March 2022	
	No. of Shares held	% of Holding
Sandeep Jain	5,058,761.00	49.89%
Deepika Jain	629,505.00	6.21%
<b>Total</b>	<b>5,688,266.00</b>	<b>0.56</b>

Name of Shareholder	As at 1st April 2021	
	No. of Shares held	% of Holding
Sandeep Jain	5,058,761.00	49.89%
Deepika Jain	609,505.00	6.01%
<b>Total</b>	<b>5,668,266.00</b>	<b>0.56</b>

**(e) Disclosure of Shareholding of Promoters in the company**

Name of Shareholder	As at 31st March 2023		
	No. of Shares held	% of Holding	% of Change
Sandeep Jain	5,228,761.00	51.57%	0.02
Deepika Jain	629,505.00	6.21%	-
Sandeep Jain (HUF)	100,000.00	0.99%	-
Parveen Jain	420,130.00	4.14%	0.99
<b>Total</b>	<b>6,378,396.00</b>	<b>62.91%</b>	<b>1.00</b>

Name of Shareholder	As at 31st March 2022		
	No. of Shares held	% of Holding	% of Change
Sandeep Jain	5,058,761.00	49.89%	-
Deepika Jain	629,505.00	6.21%	0.20
Sandeep Jain (HUF)	100,000.00	0.99%	0.99
Parveen Jain	320,130.00	3.16%	2.47
<b>Total</b>	<b>6,108,396.00</b>	<b>60.25%</b>	<b>3.65</b>

Name of Shareholder	As at 1st April 2021		
	No. of Shares held	% of Holding	% of Change
Sandeep Jain	5,058,761.00	49.89%	-
Deepika Jain	609,505.00	6.01%	-
Sandeep Jain (HUF)	-	-	-
Parveen Jain	70,130.00	0.69%	-
<b>Total</b>	<b>5,738,396.00</b>	<b>56.60%</b>	<b>-</b>



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Schedules forming part of the financial statements**

(Rs in lakhs, unless stated otherwise)

16 Other Equity	Reserves & Surplus			Total
	Retained Earnings	Securities Premium	Other Comprehensive Income	
<b>Balance as at 31st March 2021</b>	153.94	13.36	-	<b>167.30</b>
Revaluation of Building Block	78.79	-	-	<b>78.79</b>
Gratuity for Previous year as per Ind as	(4.73)	-	-	<b>(4.73)</b>
Fair Value Gain on Gold Investment	0.10	-	-	<b>0.10</b>
Deffred Tax	18.66	-	-	<b>18.66</b>
<b>Balance as at 1st April 2021</b>	<b>246.76</b>	<b>13.36</b>	-	<b>260.12</b>
<b>Balance as at 1st April 2021</b>	<b>246.76</b>	<b>13.36</b>	-	<b>260.12</b>
Profit for the year	12.01	-	-	<b>12.01</b>
Other comprehensive income for the year	-	-	0.53	<b>0.53</b>
<b>Balance as at 31st March 2022</b>	<b>258.77</b>	<b>13.36</b>	<b>0.53</b>	<b>272.66</b>
<b>Balance as at 1st April 2022</b>	<b>258.77</b>	<b>13.36</b>	<b>0.53</b>	<b>272.66</b>
Profit for the year	251.92	-	-	251.92
Other comprehensive income for the year	-	-	2.13	2.13
<b>Balance as at 31st March 2023</b>	<b>510.69</b>	<b>13.36</b>	<b>2.66</b>	<b>526.71</b>

17 Borrowings	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Secured Loan:</b>			
- *From bank	60.71	41.13	35.71
- From NBFC	-	-	25.31
<b>Unsecured Loans</b>			
-From Bank	87.92	5.34	21.75
-From NBFC	18.48	-	-
Security Deposit from franchise holders	285.42	260.06	318.34
<b>Total</b>	<b>452.53</b>	<b>306.53</b>	<b>401.11</b>

(i) Vehicle loans are secured by hypothecation of the vehicles financed through the loan arrangements. Such loan are repayable in equal monthly installments over a period of 3 to 5 years and carry interest rate ranging between 7.30% to 7.95% p.a.

(ii) Other loan is secured by hypothecation of Building - Shop 104, plot 2, sector 25, Block I, Noida and Personal Gurantee of Directors. Such loan are repayable in equal monthly installments over a period of 3 to 5 years and carry interest rate interest @ 9.25% p.a. (Rep Rate + Spread 2.75%)

(iii) Unsecured loans are repayable in equal monthly installments over a period of 3 to 5 years and carry interest rate ranging between 14.00% to 15.00% p.a.

(iv) There is no default, continuing or otherwise, as at the balance sheet date, in repayment of any above loans.

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

18 Lease Liabilities (Non Current)	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Lease Liabilites	358.18	419.54	208.30
<b>TOTAL</b>	<b>358.18</b>	<b>419.54</b>	<b>208.30</b>

19 Provisions (Non-current)	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Provision for employee benefits (Refer			
Provision for gratuity	12.82	9.37	4.65
<b>Total</b>	<b>12.82</b>	<b>9.37</b>	<b>4.65</b>



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Schedules forming part of the financial statements**

(Rs in lakhs, unless stated otherwise)

20 Current Borrowings	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Secured Loans from Banks</b>			
Working Capital Loan	505.30	559.33	443.01
Current maturities of long-term borrowings (Secured)	124.65	29.34	50.02
<b>Total</b>	<b>629.95</b>	<b>588.67</b>	<b>493.03</b>

i) Working Capital Loan from HDFC Bank is secured against hypothecation of current assets, FD's and mortgage of Immovable Properties of the company, collateral security of immovable properties of others along with personal guarantee of Directors & Colletral Holders and carries effective interest @ 9.25% p.a. (Rep Rate + 2.75%)

The Company has borrowings from banks against the security of current assets and the company is submitting the monthly statement of stock and receivables to the banks. The monthly statements of current asset filed by the company are in agreement with the books of accounts with a variation of 3%. Such variations are incorporated along with any other audit related changes at their respective time intervals. Following is the variance table in the respective months:

	Current Assets- Submitted to Bank	Current Assets As per Books	Change
Half Year			
September, 2022	2,051.82	2,051.82	-
March, 2023	2,258.75	2,276.34	0.77%

21 LEASE LIABILITIES (Current)	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Lease Liabilities	147.35	139.99	56.17
<b>Total</b>	<b>147.35</b>	<b>139.99</b>	<b>56.17</b>

22 Trade Payables	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Dues to Micro enterprises & small enterprises (Refer Note c below)	321.89	392.75	70.48
Dues to Others	453.09	237.67	520.33
<b>Total</b>	<b>774.98</b>	<b>630.42</b>	<b>590.81</b>

Notes:

- (i) Trade payables are measured at amortised cost.  
(ii) Trade payables are non-interest bearing and are normally settled on 7 to 90 days terms.

Particulars (Outstanding from the due date of payment/from the date of transaction)	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>(i) MSME</b>			
Less than 1 year	317.66	341.58	56.54
1-2 year	2.48	51.17	11.57
2-3 year	1.75	-	1.94
More than 3 years	-	-	0.43
	<b>321.89</b>	<b>392.75</b>	<b>70.48</b>
<b>(ii) Others</b>			
Less than 1 year	442.02	201.68	467.88
1-2 year	2.80	22.01	48.11
2-3 year	2.82	9.67	2.49
More than 3 years	5.45	2.45	-
	<b>453.09</b>	<b>235.82</b>	<b>518.48</b>
<b>(iii) Disputed dues - MSME</b>			
Less than 1 year	-	-	-
1-2 year	-	-	-
2-3 year	-	-	-
More than 3 years	-	-	-



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Schedules forming part of the financial statements**

(Rs in lakhs, unless stated otherwise)

**(iv) Disputed dues - Others**

Less than 1 year	-	-	-
1-2 year	-	1.85	1.85
2-3 year	-	-	-
More than 3 years	-	-	-
	-	1.85	1.85

<b>Total Trade Payables</b>	<b>774.98</b>	<b>630.42</b>	<b>590.81</b>
-----------------------------	---------------	---------------	---------------

23 Other current liabilities	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Statutory Liabilities</b>			
Tds Payable	9.09	5.19	2.32
GST Payable	-	20.50	-
Employer EPF/ESIC	1.13	0.84	0.71
<b>Payable to Employees &amp; Directors</b>			
Remuneration Payable to Directors	3.25	0.23	0.10
Employees & Worker	23.72	19.63	12.36
Advance From Customers	8.29	8.65	1.93
Others -Non Trade Payables (Payable for Expenses)	104.16	90.47	63.33
<b>Total</b>	<b>149.63</b>	<b>145.52</b>	<b>80.75</b>

24 Provision (Current)	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Provision for employee benefits (Refer Note 37)</b>			
Provision for gratuity	0.21	0.14	0.08
<b>Total</b>	<b>0.21</b>	<b>0.14</b>	<b>0.08</b>

25 Current Tax Liabilities (Net)	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Provision for taxation (net of Advance income-tax)	86.48	28.72	8.32
<b>Total</b>	<b>86.48</b>	<b>28.72</b>	<b>8.32</b>

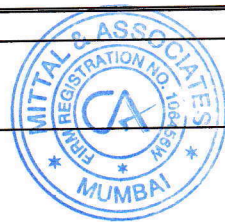




LORENZINI APPARELS LIMITED  
CIN: L17120DL2007PLC163192  
ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020  
Schedules forming part of the financial statements

(Rs in lakhs, unless stated otherwise)

	Year ended 31st March 2023	Year ended 31st March 2022
<b>26 Revenue from Operations</b>		
Total Sales	4,375.66	2,444.47
<b>Total</b>	<b>4,375.66</b>	<b>2,444.47</b>
<b>27 Other Income</b>		
Interest Income - FD	1.47	2.02
Gain/ (Loss) on sale of Fixed Assets	1.83	-
Miscellaneous Income	0.28	0.03
Rebate & Discount	11.25	12.86
Interest on Deposits (IND AS)	4.28	2.34
<b>Total</b>	<b>19.10</b>	<b>17.25</b>
<b>28 Gross Transportation Expenses</b>		
Opening Stock of Raw Material	715.81	390.93
Purchase of Material	1,288.76	716.87
Less- Closing Stock of Raw Material	859.70	715.81
<b>Total</b>	<b>1,144.87</b>	<b>391.99</b>
<b>29 Purchase of Stock in Trade</b>		
Purchases (Including Consumables Stores)	1,447.24	621.85
<b>Total</b>	<b>1,447.24</b>	<b>621.85</b>
<b>30 Change In Inventory</b>		
<b>Inventories at the end of the year</b>		
Finished Goods	1,416.64	1,175.84
<b>Inventories at the Beginning of the year</b>		
Finished Goods	1,175.84	1,233.94
<b>Total</b>	<b>(240.80)</b>	<b>58.09</b>
<b>31 Employee Benefits Expenses</b>		
Salaries and incentives	275.48	170.69
Bonus	1.40	-
Leave Encashment	2.22	1.67
Overtime	23.06	15.39
Employer Contribution to Statutory Funds	6.84	4.47
Director's Remuneration	24.00	21.00
Gratuity	5.97	5.07
Staff welfare expenses	14	8.61
<b>Total</b>	<b>353.05</b>	<b>226.90</b>



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Schedules forming part of the financial statements**

(Rs in lakhs, unless stated otherwise)

	Year ended 31st March 2023	Year ended 31st March 2022
<b>32 Finance Cost</b>		
<b>Interest</b>		
Interest on Borrowings	71.55	54.01
Interest on Statutory Dues	7.74	1.11
Interest as Per Ind As	46.71	33.63
<b>Others</b>		
Foreclosure Charges	-	0.33
Processing Fees	1.13	3.52
<b>Total</b>	<b>127.13</b>	<b>92.59</b>
<b>33 Depreciation expense</b>		
Depreciation expense on Property, Plant & Equipment	72.59	67.24
Depreciation on ROU ASSETS	216	118
<b>Total</b>	<b>288.98</b>	<b>185.71</b>
<b>34 Other Expenses</b>		
Advertising Expenses	78.07	25.11
Audit Fees	1.80	1.20
Bad Debts	17.13	-
Bank Charges	-	1.08
Business Promotion	-	3.74
Carriage Outward	23.60	19.20
Commission	301.03	264.58
Consumable	1.38	1.62
Conveyance Expenses	17.69	11.03
Credit Card Machine Charges	3.83	6.13
Fabrication/Job Charges	82.54	215.40
General Expenses	2.27	1.32
GST Expenses	0.20	1.36
Insurance Charges	3.76	2.88
Internship Expenses	2.12	-
Loan Guarantee Fees	2.56	5.08
Loss of Fair Market Value on Investment	9.95	-
Loss on Sale of Shares	27.36	-
Loss on Sale of Fixed Assest	-	0.21
Mall Maintenance Charges	27.76	24.91
Packing Material	20.37	15.66
Postage & Courier	6.92	5.65
Power, Electricity & Fuel	49.71	33.15
Printing & Stationery	5.06	2.36
Professional Expenses	18.39	11.91
Rent	131.27	120.58
Repair & Maintenance-Building and others	19.31	14.35
Repair & Maintenance-Computer	2.01	2.00
Sampling Expenses	6.07	6.47
Security Exp	4.13	3.05
Show Room Expenses	-	-
Software maintenance charges	2.06	8.62
Stamp Duty Charges	0.50	1.59
Telephone Expenses	3.41	2.31
Travelling Expenses	20.03	12.27
Vehicle Running Expenses	5.27	3.44
<b>Total</b>	<b>897.59</b>	<b>828.25</b>



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Schedules forming part of the financial statements**

(Rs in lakhs, unless stated otherwise)

35 Earning per share	Year ended 31st March 2023	Year ended 31st March 2022
Total profit for the year	251.92	12.01
Weighted average number of equity shares of Rs. 10/- each (Nos)	10,138,916	10,138,916
<b>EPS - Basic and Diluted ( per share in Rs.)</b>	<b>2.48</b>	<b>0.12</b>

36 Contingent liabilities	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Disputed Demands with respect to Litigation	12.24	-	-
Disputed Demands With respect to Income Tax & TDS	0.01	2.89	3.17
<b>Total Contingent Liabilities</b>	<b>12.25</b>	<b>2.89</b>	<b>3.17</b>

**37 Employee benefits**

a) **Description of the type of the plan**  
**Defined Benefit Plan - Gratuity**  
The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

**Post-Employment Benefits plan defined in a(ii) and a(iii) above typically expose the Company to actuarial risks such as: Salary increase, Discount rate, Morality and Disability and withdrawals**

a) Salary Increases :- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.  
b) Discount Rate :- Reduction in discount rate in subsequent valuations can increase the plan's liability.  
c) Mortality & disability :- Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.  
d) Withdrawals :- Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

b) The following tables set out the status of the gratuity plan, unavailed leave and amounts recognized in the Company's financial statements.

i) Change in benefit obligations	As at 31st March 2023	As at 31st March 2022
<b>Present value of obligation as at beginning of the year</b>	9.51	4.73
Interest Cost	0.69	0.32
Current Service Cost	5.28	4.75
Benefits paid	-	-
Actuarial (Gain)/Loss on obligation	(2.45)	(0.30)
<b>Present value of obligation as at the end of the year</b>	<b>13.03</b>	<b>9.51</b>
ii) Fair Value of Plan Assets	-	-
iii) Net Assets/(Liability) (ii-i)	(13.03)	(9.51)

iv) Amount recognised in Statement of Profit and Loss	Year ended 31st March 2023	Year ended 31st March 2022
Service cost	4.75	5.28
Net Interest cost	0.32	0.69
Actuarial (gain) /loss for the year	-	-
<b>Expense recognized in the Income Statement</b>	<b>5.07</b>	<b>5.97</b>

v) Amount recognised in Other Comprehensive Income (OCI)	Year ended 31st March 2023	Year ended 31st March 2022
Actuarial (Gain)/Loss for the year on Projected Benefit Obligation	(0.30)	(2.45)
<b>Expense recognized in the Income Statement</b>	<b>(0.30)</b>	<b>(2.45)</b>



	As at 31st March 2023	As at 31st March 2022
<b>vi) Principal Actuarial Assumptions</b>		
i) Discount rate (p.a.)	7.39%	7.26%
ii) Future salary increase (p.a.)	5.00%	5.00%
<b>vii) Demographic Assumptions</b>		
i) Retirement age	60 years	60 years
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Withdrawal Rate		
Up to 30 Years	5.00%	5.00%
From 31 to 60 Years	3.00%	3.00%
Above 44 Years	2.00%	2.00%
<b>viii) Expected contributions for the next annual reporting period</b>		
Expected expense for the next annual reporting period	9.57	9.04
<b>ix) Sensitivity Analysis of the Defined Benefit Obligation</b>		
<b>Impact of the change in discount rate</b>		
Present value of obligation as at the end of the period		
Impact due to increase of 0.50%		(0.89)
Impact due to decrease of 0.50%		0.99
<b>Impact of the change in salary increase</b>		
Present value of obligation as at the end of the period		
Impact due to increase of 0.50%		1.01
Impact due to decrease of 0.50%		(0.92)
Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.		
Sensitivities as to rate of inflation, rate of increase of pensions in payment & life expectancy are not applicable being a lump sum benefit on retirement.		
<b>x) Maturity Profile of Defined Benefit Obligation</b>		
		As at 31st March 2023
01 Apr 2023 to 31 Mar 2024		0.21
01 Apr 2024 to 31 Mar 2025		0.25
01 Apr 2025 to 31 Mar 2026		0.29
01 Apr 2026 to 31 Mar 2027		0.32
01 Apr 2027 to 31 Mar 2028		0.60
01 Apr 2028 Onwards		11.01

### 38 Related Party Transactions

In accordance with the requirement of IndAS 24 on Related Parties notified under the Companies (Indian Accounting Standards) Rules, 2015, the name of related parties where control exists and / or with whom transactions have taken place during the year and description of relationships, as identified and certified by the Management are:

#### a) List of related parties and nature of relationship where control exists:

Key Managerial Personnel	Designation
Sandeep Jain	Managing Director
Deepika Jain	Wholtime Director & CFO

#### Entity over which significant influence is exercised by the Company/key management personal (either individually or with others)

Invern Lifestyle Private Limited  
Mr Button Private Limited  
Sandeep Jain HUF



b) Transactions with the related parties for the year ended

Particulars	Nature of Transaction	2022-23	2021-22
<b>31st March 2023</b>			
Sandeep Jain	Remuneration/Salary	12.60	10.50
	Advances Given	39.88	38.87
	Advances Repaid	(37.45)	(38.55)
	Closing Balance		
	Recivable/(Payable)	0.95	(0.48)
Deepika Jain	Remuneration/Salary	12.60	10.50
	Advances Given	-	3.34
	Advances Repaid	-	(1.79)
	Closing Balance		
	Recivable/(Payable)	(3.25)	0.25
Sandeep Jain HUF	Loan Taken	-	3.00
	Loan Repaid	-	(3.00)
	Closing Balance		
	Recivable/(Payable)	-	-
Invern Lifestyle Private Limited	Advances Given	0.44	20.00
	Advances Repaid	(0.06)	20.04
		-	0.38
Mr Button Private Limited	Sale	927.03	68.59
	Purchase	(145.62)	
	Closing Balance		
	Recivable/(Payable)	589.70	68.59

39 Financial instruments

Fair value measurements

Following table shows the carrying amounts and fair values of financial assets and financial liabilities:

	As at 31st March 2023		As at 31st March 2022		As at 1st April 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Financial Assets</b>						
Investment	40.42	-	2.57	30.00	2.16	30.00
Trade Receivables		862.77	-	510.04	-	545.21
Cash and Cash Equivalents		22.17	-	25.19	-	43.95
Bank balances other than Cash and Cash Equivalents		7.95	-	7.55	-	-
Loans and advances		5.10	-	3.91	-	7.74
Others		82.68	-	136.57	-	72.93
	<b>40.42</b>	<b>980.67</b>	<b>2.57</b>	<b>713.27</b>	<b>2.16</b>	<b>699.83</b>
<b>Current</b>	<b>37.44</b>	<b>897.99</b>	<b>-</b>	<b>576.69</b>	<b>-</b>	<b>626.90</b>
<b>Non-Current</b>	<b>2.98</b>	<b>82.68</b>	<b>2.57</b>	<b>136.57</b>	<b>2.16</b>	<b>72.93</b>
<b>Financial Liabilities</b>						
Borrowings		1,082.49	-	895.20	-	894.14
Lease liabilities		505.53	-	559.54	-	264.47
Trade Payables		774.98	-	630.42	-	590.81
	<b>-</b>	<b>2,362.99</b>	<b>-</b>	<b>2,085.15</b>	<b>-</b>	<b>1,749.41</b>
<b>Current</b>		<b>1,552.28</b>	<b>-</b>	<b>1,359.07</b>	<b>-</b>	<b>1,140.01</b>
<b>Non-Current</b>		<b>810.71</b>	<b>-</b>	<b>726.08</b>	<b>-</b>	<b>609.40</b>



## Fair Value hierarchy

The following tables shows the levels in the fair value hierarchy of financial assets and financial liabilities

	Fair value Measurement		
	Level 1	Level 2	Level 3
<b>As at 31st March 2023</b>			
<b>Financial Assets</b>			
Investment in Gold	2.98	-	-
Investment in Shares	37.44	-	-
	<b>40.42</b>	-	-
<b>As at 31st March 2022</b>			
<b>Financial Assets</b>			
Investment in Gold	2.57	-	-
Investment in Shares	-	-	30.00
	<b>2.57</b>	-	<b>30.00</b>
<b>As at 1st April 2021</b>			
<b>Financial Assets</b>			
Investment in Gold	2.16	-	-
Investment in Shares	-	-	30.00
	<b>2.16</b>	-	<b>30.00</b>

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

## 40 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, security deposits, trade and other payables, etc. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivable, security deposit, cash and cash equivalents, etc. that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The management oversees the management of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Company and periodically reviewing the same. The management ensures that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

### (a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and Equity price risk.

#### (i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has borrowings, therefore Company is exposed to such risk.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

As at March 31, 2023 and 2022, financial liabilities in respect of Borrowings is 505.30 Lakhs and 559.33 Lakhs, respectively, were subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of 5.05 Lakhs and 5.59 Lakhs for the year ended March 31, 2023 and 2022, respectively.

#### (ii) Foreign Currency Risk

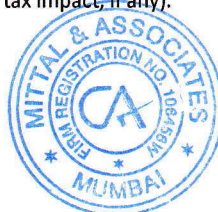
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

#### (iii) Equity Price Risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities.

The fair value of some of the Company's investments measured at fair value through Profit and Loss statement exposes the Company to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Company's investment in quoted equity securities as of March 31, 2023 was 37.44 Lakhs. A 10% change in equity price as of March 31, 2023 would result in a pre- tax impact of 3.74 Lakhs.

(Note: The impact is indicated on equity before consequential tax impact, if any).



(b) Credit Risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Trade receivables	862.77	510.04	545.21
Loans & Advances	5.10	3.91	7.74
Other financial assets	82.68	136.57	72.93

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Credit risk arises mainly from loans, trade receivables and financial assets. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. None of the trade receivables are credit impaired as on reporting date.

On adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the expected credit loss for trade receivables is not significant.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitors credit risk very closely. The Management impact analysis shows credit risk and impact assessment as low.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2023:

Carrying amount	Contractual Cash Flows			Total
	0-1 year	1-5 years	>5 years	
Borrowings	1,082.49	629.95	452.53	1,082.49
Trade Payables	774.98	774.98	-	774.98
Other Financial Liabilities	-	-	-	-
<b>Total</b>	<b>1,857.47</b>	<b>1,404.94</b>	<b>452.53</b>	<b>1,857.47</b>

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31st March 2022:

Carrying amount	Contractual Cash Flows			Total
	0-1 year	1-5 years	>5 years	
Borrowings	895.20	588.67	306.53	895.20
Trade Payables	630.42	630.42	-	630.42
Other Financial Liabilities	-	-	-	-
<b>Total</b>	<b>1,525.62</b>	<b>1,219.08</b>	<b>306.53</b>	<b>1,525.62</b>

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 1st April 2021:

Carrying amount	Contractual Cash Flows			Total
	0-1 year	1-5 years	>5 years	
Borrowings	894.14	493.03	401.11	894.14
Trade Payables	590.81	590.81	-	590.81
Other Financial Liabilities	-	-	-	-
<b>Total</b>	<b>1,484.95</b>	<b>1,083.84</b>	<b>401.11</b>	<b>1,484.95</b>

41 Capital management

The management policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The Company's management monitor the return on capital employed.

Company's Gearing ratio

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Total Liabilities	1,082.49	895.20	894.14
Less: Cash and Cash Equivalents	30.12	32.74	43.95
Net Debt	1,052.37	862.46	850.19
Total Equity	1,540.60	1,286.55	1,274.01
<b>Gearing Ratio</b>	<b>0.68</b>	<b>0.67</b>	<b>0.67</b>



**42 Additional Regulatory information**
**a. Ratio**

Ratio	Numerator	Denominator	As at 31st March 2023	As at 31st March 2022	Change in Ratio (%)
Current Ratio (In times)	Total current assets	Total current assets	1.81	1.64	(10.26)
Debt Equity Ratio (In times)	Debt consists of borrowings and lease liabilities.	Total equity	1.03	1.13	8.84
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit before taxes + Depreciation and Amortization	Debt service = Interest and lease payments + Principal repayments	3.15	2.74	(14.73)
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	18%	1%	(1,799.95)
Inventory Turnover Ratio	Revenue from operations	Average Inventory	3.38	2.03	(66.39)
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.37	4.63	(37.60)
Trade payables turnover ratio (in times)	Cost of Material Consumed	Average trade payables	3.7	1.7	(122.17)
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	3.6	2.3	(58.83)
Net profit ratio (in %)	Profit for the year	Revenue from operations	5.76%	0.49%	(1,071.91)
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Total Asset - Current Liabilities	21.31%	7.37%	(189.32)
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	-10.85%	3.48%	412.11

**Explanation for the changes in ratio exceeding more than 25% :**

Ratio	Explanation
Return on equity ratio (in %)	There is increase in Turnover of the company, resulting in increase in the profitability. Hence favourable changes in the ratio.
Inventory Turnover Ratio	There is increase in Turnover of the company, resulting in increase in the profitability. Hence favourable changes in the ratio.
Trade receivables turnover ratio (in times)	There is increase in Turnover of the company, resulting in increase in the profitability. Hence favourable changes in the ratio.
Trade payables turnover ratio (in times)	There is increase in Turnover of the company, resulting in increase in the profitability. Hence favourable changes in the ratio.
Net capital turnover ratio (in times)	There is increase in Turnover of the company, resulting in increase in the profitability. Hence favourable changes in the ratio.
Net profit ratio (in %)	There is increase in Turnover of the company, resulting in increase in the profitability. Hence favourable changes in the ratio.
Return on capital employed (in %)	There is increase in Turnover of the company, resulting in increase in the profitability. Hence favourable changes in the ratio.
Return on investment (in %)	There is decrease in net Fair market Value of the Investment, resulting in increase in the profitability. Hence unfavourable changes in the ratio.





#### 43 Additional Regulatory Information

##### a. Details of Benami Property held

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

##### b. Details of Loans and advances

The company has not granted any loans and advances to promoters, directors, key managerial personnel (KMPs) and the related parties which are repayable on demand or without specifying any terms or period of repayment.

##### c. Wilful Defaulter

The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

##### d. Relationship with Struck off Companies

The Company do not have any transactions with companies struck off.

##### e. Registration of charges or satisfaction with Registrar of Companies (ROC)

The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period.

##### f. Compliance with number of layers of companies

The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

##### g. Compliance with approved Scheme(s) of Arrangements

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

##### h. Discrepancy in utilization of borrowings

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance

##### i. Utilisation of Borrowed funds and share premium:

(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).

(B) the company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party).

The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); orb) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

#### 44 Additional Information

##### a. Undisclosed income

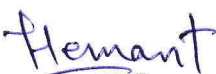
The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

##### b. Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency.

#### 45 Previous year's figures have been regrouped/reclassified wherever necessary to conform current year's presentation.

For MITTAL AND ASSOCIATES  
Chartered Accountants  
Firm Registration No.- 106456W



Hemant Bohra  
Partner  
Membership No. : 165667  
UDIN : 23165667BGTIFY2141  
Place:- Mumbai  
Date:- 29th May, 2023



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

  
Director  
Sandeep Jain  
(Managing Director)  
DIN:- 02365790

  
Director  
Deepika Jain  
(WTD & CFO)  
DIN:- 02365797

  
Nitin Bhardwaj  
(Company Secretary)  
PAN No: DBSPB1402F

**46 Note on First Time Adoption of Ind AS:**

The accounting policies set out in the note here have been applied in preparing the financial statements for the year ended 31st March, 2023, the comparative information presented in these financial statements for the year ended 31st March, 2022 and in the preparation of an opening Ind AS balance sheet at 1st April, 2021 [the Company's date of transition].

In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies [Accounting Standards] Rules, 2006 [as amended] and other relevant provisions of the Act [Indian GAAP]. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following notes.

**Exemptions and exceptions availed:**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to Ind AS.

**Optional exemptions**

**a Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Indian GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment at their Indian GAAP carrying values except Building which is revalued on transition date based on Revaluation report.

**Mandatory exceptions**

**b Estimates**

The estimates at 1st April, 2021 and at 31st March, 2022 are consistent with those made for the same dates in accordance with Indian GAAP. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 1st April, 2021, the date of transition to Ind AS and as of 31st March, 2022.

**Note on Transition to Ind AS - Reconciliations:**

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101:

- I. Reconciliation of Equity as at 1st April, 2021
- II. A. Reconciliation of Equity as at 31st March, 2022  
B. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2022

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

**I. Reconciliation of Equity as at 1st April, 2021**

Sr. No.	Particulars	Foot Note	As at 1st April, 2021 (Date of transition)		
			IGAAP	Adjustment	IND AS
<b>I. ASSETS</b>					
	<b>Non-Current Assets</b>				
	Property, Plant and Equipment		214.34	349.64	563.98
	Intangible Assets		15.86	-	15.86
	Financial Assets				
	(i) Investments		32	0.10	32.16
	(ii) Others		87	(13.57)	72.93
	Deffered Tax Assets (Net)		11	18.66	30.12
	<b>Total Non-Current Assets</b>		<b>360</b>	<b>355</b>	<b>715.05</b>
	<b>Current Assets</b>				
	Inventories		1,624.86	-	1,624.86
	Financial Assets				
	(i) Investments		-	-	-
	(ii) Trade Receivables		545.21	-	545.21
	(iii) Cash and Cash Equivalents		36.77	7.18	43.95
	(iv) Bank balances other than (ii) above		-	-	-
	(v) Loans and advances		170.00	(162.25)	7.74
	(v) Others		12.98	(12.98)	-
	Other Current Assets		-	180.41	180.41
	<b>Total Current Assets</b>		<b>2,389.81</b>	<b>12.36</b>	<b>2,402.18</b>
	<b>Total ASSETS</b>		<b>2,750.02</b>	<b>367.20</b>	<b>3,117.22</b>



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Schedules forming part of the standalone financial statements**

(Rs in lakhs, unless stated otherwise)

**II. EQUITY AND LIABILITIES**

**EQUITY**

Equity Share Capital	1,013.89	-	1,013.89
Other Equity	167.30	92.82	260.12
<b>Total EQUITY</b>	<b>1,181.19</b>	<b>92.82</b>	<b>1,274.01</b>

**LIABILITIES**

**Non-Current Liabilities**

Financial Liabilities			
(i) Borrowings	401.11	-	401.11
(ii) Lease Liabilities	-	208.30	208.30
Provisions	-	4.65	4.65
<b>Total Non-Current Liabilities</b>	<b>401.11</b>	<b>212.95</b>	<b>614.05</b>

**Current Liabilities**

Financial Liabilities			
(i) Borrowings	443.01	50.02	493.03
(ii) Lease Liabilities	-	56.17	56.17
(iii) Trade Payables	-	-	-
(A) total outstanding dues of micro enterprises and small enterprises; and	70.48	-	70.48
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	520.33	-	520.33
(iv) Other Financial Liabilities	-	-	-
Other Current Liabilities	122.32	(41.57)	80.75
Provisions	11.58	(11.50)	0.08
Current Tax Liabilities (Net)	-	8.32	8.32
<b>Total Current Liabilities</b>	<b>1,167.73</b>	<b>61.43</b>	<b>1,229.16</b>

**Total EQUITY AND LIABILITIES**

<b>2,750.02</b>	<b>367.20</b>	<b>3,117.22</b>
-	0.00	0.00

**II. A. Reconciliation of Equity as at 31st March, 2022**

Sr. No.	Particulars	Foot Note	As at 31st March 2022		
			I GAAP	Adjustment	IND AS

**I. ASSETS**

**Non-Current Assets**

Property, Plant and Equipment	229.11	608.05	837.16
Intangible Assets	13.84	-	13.84
Financial Assets			
(i) Investments	32.07	0.51	32.57
(ii) Others	88.48	48.10	136.57
Income Tax Assets (net)	-	19.44	19.44
<b>Total Non-Current Assets</b>	<b>363.49</b>	<b>676.10</b>	<b>1,039.59</b>

**Current Assets**

Inventories	1,891.65	-	1,891.65
Financial Assets			
(i) Investments	-	-	-
(ii) Trade Receivables	510.04	-	510.04
(iii) Cash and Cash Equivalents	93.23	(68.04)	25.19
(iv) Bank balances other than (ii) above	-	7.55	7.55
(v) Loans and advances	74.16	(70.25)	3.91
Other Current Assets	11.44	66.08	77.52
<b>Total Current Assets</b>	<b>2,580.52</b>	<b>(64.66)</b>	<b>2,515.86</b>

**Total ASSETS**

<b>2,944.01</b>	<b>611.44</b>	<b>3,555.45</b>
-----------------	---------------	-----------------



**LORENZINI APPARELS LIMITED**  
**CIN: L17120DL2007PLC163192**  
**ADD: C-64, OKHLA INDUSTRIAL AREA PHASE-I NEW DELHI 110020**  
**Schedules forming part of the standalone financial statements**

(Rs in lakhs, unless stated otherwise)

<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	1,013.89	-	1,013.89
Other Equity	221.06	51.60	272.66
<b>Total EQUITY</b>	<b>1,234.95</b>	<b>51.60</b>	<b>1,286.55</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	306.53	-	306.53
(ii) Lease Liabilities	-	419.54	419.54
Provisions	-	9.37	9.37
Deferred Tax Liabilities (net)	5.03	(5.03)	-
<b>Total Non-Current Liabilities</b>	<b>311.57</b>	<b>423.88</b>	<b>735.45</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	588.67	-	588.67
(ii) Lease Liabilities	-	139.99	139.99
(iii) Trade Payables	-	-	-
(A) total outstanding dues of micro enterprises and small enterprises; and	392.75	-	392.75
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	237.67	-	237.67
(iv) Other Financial Liabilities	-	-	-
Other Current Liabilities	145.52	-	145.52
Provisions	32.89	(32.76)	0.14
Current Tax Liabilities (Net)	-	28.72	28.72
<b>Total Current Liabilities</b>	<b>1,397.49</b>	<b>135.96</b>	<b>1,533.45</b>
<b>Total EQUITY AND LIABILITIES</b>	<b>2,944.01</b>	<b>611.44</b>	<b>3,555.45</b>

**B. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2022**

Sr. No.	Particulars	Foot Note	As at 31st March 2022		
			I GAAP	Adjustment	IND AS
<b>I</b>	<b>INCOME</b>				
	Revenue From Operations		2,444.47	-	2,444.47
	Other Income		14.69	2.56	17.25
	<b>Total INCOME</b>		<b>2,459.17</b>	<b>2.56</b>	<b>2,461.72</b>
<b>II</b>	<b>EXPENSES</b>				
	Cost of materials consumed		391.99	-	391.99
	Purchase of Stock in Trade		621.85	-	621.85
	Change In Inventory		58.09	-	58.09
	Employee Benefit Expenses		221.82	5.07	226.90
	Finance Costs		58.96	33.63	92.59
	Depreciation Expense		56.27	129.44	185.71
	Other Expenses		946.10	(117.84)	828.25
	<b>Total EXPENSES</b>		<b>2,355.08</b>	<b>50.30</b>	<b>2,405.38</b>
	<b>Profit before tax</b>		<b>104.09</b>	<b>(47.74)</b>	<b>56.35</b>
	<b>Tax Expense</b>				
	Current Tax		32.89	-	32.89
	Tax for the Previous Year		0.95	-	0.95
	Deferred Tax		16.49	(5.99)	10.49
	<b>Total Tax Expense</b>		<b>50.33</b>	<b>(5.99)</b>	<b>44.34</b>
	<b>Profit for the period</b>		<b>53.76</b>	<b>(41.75)</b>	<b>12.01</b>
	<b>Other Comprehensive Income</b>				
	<b>A) Items that will not be reclassified to profit or loss</b>				
	Re-measurement gain on defined benefit plans		-	0.30	0.30
	Fair Market gain on Investment in Gold		-	0.41	0.41
	Income tax relating to re-measurement gain on defined benefit plans		-	(0.18)	(0.18)
	<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>0.53</b>	<b>0.53</b>
	<b>Total Comprehensive Income</b>		<b>53.76</b>	<b>(41.22)</b>	<b>12.54</b>



**Foot Note to the Reconciliations**

**a Remeasurement cost of net defined liability**

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

**b Deferred Tax**

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the Indian GAAP) for computation of deferred taxes has resulted in charge to Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss account for the subsequent periods.

**c Other comprehensive income**

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

**d Estimates**

The estimates at 1st April, 2021 and 31st March, 2022 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies). The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions on 1st April 2021, the date of transition to Ind AS and as of 31st March, 2022.

**e Reclassification as per requirement of Ind AS**

Reclassification have been done in respective heads as per requirement of Indian Accounting Standards (Ind AS).

**47** Previous year's figures have been regrouped / reclassified, where necessary, to confirm to current year's classification. This does not impact recognition and measurement principles followed for preparation of financial statements.

For MITTAL AND ASSOCIATES  
Chartered Accountants  
Firm Registration No.- 106456W



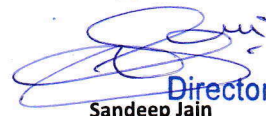
Hemant Bohra  
Partner  
Membership No. : 165667  
UDIN : 23165667BGTIFY2141  
Place:- Mumbai  
Date:- 29th May, 2023



For and on behalf of the Board of Directors of  
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



Nitin Bhardwaj  
(Company Secretary)  
PAN No: DBSPB1402F