

# LORENZINI APPARELS LIMITED

(An ISO 9001:2015 Certified Company)

CIN : L17120DL2007PLC163192



**Date: 06.09.2024**

**To,  
The Manager,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001.  
Scrip Code: 540952**

**To,  
The Manager- Listing,  
National Stock Exchange of India Limited  
Exchange Plaza, BandraKurla Complex,  
Bandra East, Mumbai-400051  
Scrip Code :LAL**

**SUB: Submission of Annual Report 2023-24 as per Regulation 34(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015**

Dear Sir/Ma'am,

Pursuant to Regulation 34 of the SEBI (LODR) Regulation 2015, please find enclosed herewith the 08<sup>th</sup> Annual Report for the financial year ended March 31, 2024 along with the Notice of the Annual General Meeting to be held on Monday , 30<sup>th</sup> September, 2024 at 02:00 P.M. IST through Audio Conferencing (VC) /other Audio- Visual Means (OVAM).

The Annual Report for the financial year 2023-24 uploaded on the website of the company i.e. [www.mymonteil.com](http://www.mymonteil.com).

Please take the same in your records

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

**Sandeep Jain  
(Managing Director & Chief Financial Officer)  
DIN: 02365790**

**Encl:**

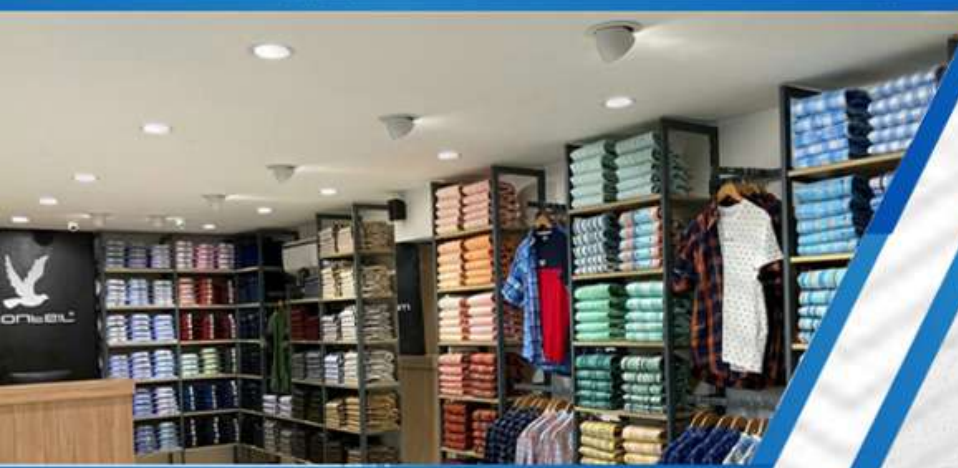
**1. Annual Report Along with Notice of The Annual General Meeting.**



**LORENZINI APPARELS LTD.**



**MONTEIL**



**17TH  
ANNUAL  
REPORT**



[cs@mymonteil.com](mailto:cs@mymonteil.com)



**Sandeep Jain-**  
**Chairman, Managing Director & CFO**

**LORENZINI APPARELS LIMITED is emerging stronger and will remain focused on meeting its financial commitments while sowing the seeds for a better future.**

**Dear Shareholders and Stakeholders,**

I am delighted to present to you the annual report of your Company for the financial year 2023-2024. As I reflect on the past year, I am filled with a deep sense of gratitude and pride for the remarkable progress our company has made and the resilience we have shown amidst an ever-evolving financial landscape.

In a dynamic and evolving industry, your Company has continued to stand as a beacon of innovation and excellence. Our dedication to quality, sustainability, and customer satisfaction has been the driving force behind our success. Despite the global uncertainties that have tested the resilience of businesses worldwide, we have emerged stronger and more focused than ever before.

Our commitment to eco-friendly practices has led to reduced environmental impact across our operations. We have adopted innovative materials and sustainable production methods, aligning with our responsibility towards the planet and future generations.

We will continue to focus on innovation, sustainability, and customer-centricity, ensuring that your Company remains a trusted partner for our valued customers and a beacon of excellence in the textile industry.

None of these achievements would have been possible without the hard work and dedication of our employees, the trust and support of our clients, and the confidence of our shareholders. I extend my heartfelt thanks to each of you for your continued support and partnership.

As we embark on another year, we remain focused on our vision of providing services to economically active poor who are not adequately served by the financial institutions. Together, we will continue to drive progress, create value, and make a positive impact in the communities we serve.

Thank you for your ongoing support and belief in our vision.

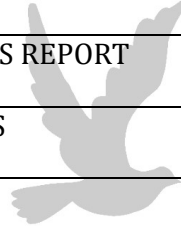
**Warm Regards,**

**Sandeep Jain**  
**Chairman, Managings Director & CFO**



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**MONTEIL**

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



# ABOUT US

## History and Background

**LORENZINI APPARELS LIMITED** ('the Company') is a public limited Company and incorporated under the provisions of the Companies Act, 1956 on May 09, 2007 with the Registrar of Companies, New Delhi bearing CIN: L17120DL2007PLC163192 Our Company was originally incorporated as "Lorenzini Apparels Private Limited" on May 09, 2007 with the Registrar of Companies, National Capital Territory of Delhi and Haryana as a private limited company under the provisions of the Companies Act, 1956. Subsequently our Company was converted into public limited Company pursuant to shareholders resolution passed at the Extra-Ordinary General Meeting held on March 15, 2017 and the name of our Company was changed to "Lorenzini Apparels Limited". A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Assistant Registrar of Companies, Delhi on March 30, 2017.

## OUR BUSINESS

Our Company is engaged in 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
MR. MOHAN CHAUHAN	:	INDEPENDENT DIRECTOR
MR. RAJIT SEHGAL	:	NON-EXECUTIVE DIRECTOR
MR. YOGESH KUMAR	:	INDEPENDENT DIRECTOR
MR. AJAY	:	INDEPENDENT DIRECTOR
MS. SUPREET KUAR REKHI	:	INDEPENDENT DIRECTOR

**KEY MANAGERIAL PERSONNEL**

MR. SANDEEP JAIN	:	CHIEF FINANCIAL OFFICER
MR. ANKUSH MITTAL	:	COMPANY SECRETARY & COMPLIANCE OFFICER

**STATUTORY AUDITORS** : **M/S. MITTAL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**SECRETARIAL AUDITORS** : **M/S. ANUJ GUPTA & ASSOCIATES**  
**PRACTISING COMPANY SECRETARY**

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**BANKERS** : **HDFC**

**SHARES LISTED WITH:** **BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED**

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**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)**  
**[cs@mymonteil.com](mailto:cs@mymonteil.com)**

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**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 17<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE 17<sup>TH</sup> ANNUAL GENERAL MEETING (THE AGM) OF THE MEMBERS OF LORENZINI APPARELS LIMITED ("THE COMPANY" OR "LORENZINI") WILL BE HELD ON MONDAY, SEPTEMBER 30, 2024 AT 02:00 P.M. IST THROUGH VIDEO CONFERENCING ("VC")/ OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS**

1. TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024 TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS ("THE BOARD") AND THE AUDITORS THEREON.
2. RE-APPOINTMENT OF MR. SANDEEP JAIN (DIN: 02365790) AS A DIRECTOR LIABLE TO RETIRE BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.

**SPECIAL BUSINESS**

3. APPROVAL OF MATERIAL RELATED PARTY TRANSACTION LIMITS WITH MR BUTTON PRIVATE LIMITED

To consider and if thought fit, to pass, with or without modification(s), the **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (*including any statutory modification(s) or re-enactment thereof, for the time being in force*), Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's Policy on "Materiality of Related Party Transactions and also on dealing with Related Party Transactions" and all other applicable laws and regulations, as amended, supplemented or re-enacted from time to time, and pursuant to the consent of the Audit Committee and the consent of the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Company to enter into contract(s)/arrangement(s)/transaction(s) with Mr. Button Private Limited ("Mr Button") a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for effecting sale and purchase of Goods and other related products. for an amount not exceeding in the aggregate Rs. 10,00,000,000/- (Rupees One Hundred crore only) per financial year, for the period of 5 (Five) financial years, commencing from financial year 2024-2025 and upto including financial year 2028-2029 provided that the said transactions are entered into/ carried out on arm's length basis and on such terms and conditions as may be considered appropriate by the Board of Directors (including audit Committee thereof) and as mention in table below:

Sl. No.	Particular of contract(s)/arrangement(s)/transaction(s)	Amount
1	Purchase of Goods and other related products	500,000,000
2	Sale of Goods and other related products	500,000,000

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to Audit Committee of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."



**4. TO APPROVE TRANSACTION WITH RELATED PARTY FOR ASSIGNMENT OF TRADEMARK OWNED BY THE COMPANY**

To consider and if thought fit, to pass, with or without modification(s), the **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (**“the Act”**) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company’s Policy on “Materiality of Related Party Transactions and also on dealing with Related Party Transactions” and all other applicable laws and regulations, as amended, supplemented or re-enacted from time to time, and pursuant to the consent of the Audit Committee and the consent of the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Mr. Button Private Limited a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for assignment of the trademark, owned by the Company, in favour of Mr Button Private Limited, for a period of 5 years, at a consideration of General Licence Fee (**“Royalty”**) of INR 5,00,000 (Indian Rupees Five Lakh Only) or 1% of the Total Turnover of Mr Button Private Limited, whichever is higher, for each year of the assignment as per the terms and conditions set out in General Licence Agreement (**“GLA”**);

**RESOLVED FURTHER THAT** this Resolution shall be effective from 05<sup>st</sup> September, 2024 or such other date notified for the implementation of Regulation 23(1A) of the Listing Regulations;

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to Audit Committee of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

**5. TO GIVE LOANS, INTER CORPORATE DEPOSITS, GIVE GUARANTEES IN CONNECTION WITH LOANS MADE BY ANY PERSON OR BODY CORPORATE AND ACQUIRE BY WAY OF SUBSCRIPTION, PURCHASE OR OTHERWISE THE SECURITIES OF ANY OTHER BODY CORPORATE IN EXCESS OF THE LIMITS PRESCRIBED IN SECTION 186 OF THE COMPANIES ACT, 2013.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 (the ‘Act’) read with the Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable provisions, if any, of the Act (including any statutory modification, amendment or re-enactment thereof for the time being in force) and subject to such other approvals, consents, sanctions and permissions as may be required in that behalf and in terms of the Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include, unless the context otherwise requires, any Committee which the Board may have constituted or hereinafter constitute or any officer(s) authorised by the Board to exercise the powers conferred on the Board by this Resolution) to:

- a) give loans, inter corporate deposits from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
- b) give on behalf of any person, body corporate, any guarantee in connection with a loan made by any other person to, or to any other person by anybody corporate; and
- c) acquire by way of subscription, purchase or otherwise the securities of any other body corporate, in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of Rs. 50 crore (Rupees Fifty Crore Only) notwithstanding that the aggregate of loans and investments so far made, the amounts

for which guarantee is given along with the investments, loans, inter-corporate deposits, guarantee proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to negotiate the terms and conditions of the above said investments, loan(s), inter-corporate deposits, or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the members of the Company.”

**By Order of the Board of Directors  
Lorenzini Apparels Limited**

**Place: New Delhi  
Date: 06-09-2024**

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



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

**Notes:**

1. The Ministry of Corporate Affairs (“MCA”) allowed conducting Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) and dispensed physical presence of the Members at a common venue. Accordingly, MCA issued General Circular No. 09/2023 Dated: 25.09.2023 read with circular No. 10/2022 dated: December 28, 2022 read with circular 2/2022 dated: 5th May, 2022 read with Circular No. 20/2020 dated: 5th May, 2020 read with Circular No. 14/2020 dated: 8th April, 2020, Circular No. 17/2020 dated: 13th April, 2020, Circular No. 02/2021 dated: 13th January, 2021, Circular No. 19/2021 dated: 8th December, 2021 and Circular No. 02/2022 dated: 05th May, 2022 (hereinafter collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide Circular Nos. SEBI/HO/DDHS/P/CIR/2023/0164 dated: 06th October, 2023 SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated: January 05th 2023 SEBI /HO/CFD/CMD1CIR/P/2020/79 dated: 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated: 15th January, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated: 13th May, 2022 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 (hereinafter collectively referred to as SEBI Circulars) prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said Circulars, the 17<sup>th</sup> AGM of the Members will be held through VC/OAVM mode. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the Meeting through VC/OAVM is given herein below.
2. The Company has appointed Skyline Financial Services Private Limited, to provide the VC/ OAVM facility for conducting the AGM and for voting through remote e-voting or through e-voting at the AGM. The procedure for participating in the meeting through VC/ OAVM is explained in the notes and is also available on the website of the Company at <https://monteil.in/annual-report/>.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members participating in the AGM through VC/ OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, 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 THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS MENTIONED ABOVE THROUGH VC/ OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY OF APPOINTMENT OF PROXIES BY MEMBERS TO ATTEND AND VOTE AT THE AGM IS NOT AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

However, in pursuance of Section 112 and 113 of the Companies Act, 2013, the representatives of the Members may be appointed for the purpose of voting through remote e-Voting or for participation and voting during the meeting held through VC/ OAVM and in this regard should send the necessary documents to the Company.

7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 ,May 05, 2020, the Company is providing facility of



remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by CDSL.

- 8. Electronic Dispatch of Notice and Annual Report:** In accordance with the MCA General Circular No. 20/2020 dated 5th May, 2020, MCA General Circular No. 09/2023 dated 25th September, 2023, SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 and SEBI Circular No. SEBI/HO/DDHS/P/CIR/2023/0164 dated 6th October, 2023, the Annual Report for Financial Year 2023-24, which inter-alia comprises of the Audited Financial Statements along with the Reports of the Board of Directors and Auditors thereon and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/ Skyline Financial Services Private Limited (RTA) or the DP(s).

The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same. Members are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned DPs and in respect of physical holdings with the Company/ Skyline Financial Services Private Limited (RTA) by following due procedure.

We request the Members to register/ update their e-mail address with their Depository Participant, in case they have not already registered/ updated the same. Members who are holding shares in physical form are requested to get their e-mail address registered with the Registrar and Share Transfer Agents of the Company. The Notice and the Annual Report 2024 of the Company is available on the websites of the Company viz., <https://monteil.in/annual-report/> and Stock Exchanges i.e. NSE and BSE where the Equity Shares of the Company are listed. The Notice is also available on the e-Voting website of the agency engaged for providing e-Voting facility, i.e. Central Depository Services (India) Limited (CDSL), viz. [www.evotingindia.com](http://www.evotingindia.com)

- 9.** The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday Friday, 24<sup>th</sup> September, 2024 to Monday, 30<sup>th</sup> September, 2024 (both days inclusive) for the purpose of AGM.
- 10.** In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the 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 AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
- 11.** Any person becoming a Member of the Company after the Notice of the Meeting is sent out through e-mail and holds shares as on the Cut-off date i.e. Monday 23<sup>rd</sup> September, 2024, may download the same from the websites of the Company, Stock Exchanges i.e. NSE and BSE & Central Depository Services (India) Limited (CDSL) and can exercise their voting rights through remote e-Voting or by e-voting during the Meeting by following the instructions listed herein below.
- 12.** The remote e-Voting period begins on Friday, 27<sup>th</sup> September, 2024 at 9:00 A.M. and ends on Sunday, 29<sup>th</sup> September, 2024 at 5:00 P.M. During this period, the Members' of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date i.e. Monday 23<sup>rd</sup> September, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 13.** An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under Item Nos. 3 to 5 of the accompanying Notice, The Board of Directors of the Company at its meetings held on 02<sup>nd</sup> September, 2024 considered all the business mentioned in the notice of the AGM as being unavoidable and needed to be transacted at the 17<sup>th</sup> AGM of the Company.
- 14. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES/ COMPANY FOR OBTAINING LOGIN CREDENTIALS FOR JOINING THE MEETING THROUGH VC/OAVM AND E-VOTING:**

- a) For Demat Shareholders-Please update your email id and Mobile No. with your respective Depository

- Participant (DP) which mandatory while e-voting & joining virtual meeting through DP.  
b) For Physical shareholders-Not Applicable, since all shares of the Company in demat form.

**15. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- a) Shareholder will be provided with a facility to attend the AGM through VC/ OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed
- b) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- c) Members are advised to use a high pixel camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) 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.
- e) 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 atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@mymonteil.com](mailto:cs@mymonteil.com), 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 [cs@mymonteil.com](mailto:cs@mymonteil.com). These queries will be replied to by the company suitably by email.
- f) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

16. Members seeking any information on the financial accounts, operations or any matter to be placed at the AGM, are requested to write to the Company Secretary at least 7 days prior to the Meeting at the Company's Registered Office at C-64, Okhla Industrial Area Phase-I, South Delhi, New Delhi-110020, or can send their queries on [cs@mymonteil.com](mailto:cs@mymonteil.com) and the same shall be suitably replied.

17. The relevant documents referred to in the Notice shall be open for inspection by the Members of the Company, without payment of fees, at the Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11:00 A.M. to 01:00 P.M. upto the date of this Meeting. Further, the relevant documents referred to in the Notice along with Statutory Registers shall also be available for inspection through electronic mode during the meeting to any person having right to attend the meeting, basis the request being sent on [cs@mymonteil.com](mailto:cs@mymonteil.com).

18. The Board of Directors has appointed M/s. Anuj Gupta & Associate, Practicing Company Secretaries, Delhi as the Scrutinizer to scrutinize the voting including e-Voting process.

19. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-Voting in presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours of the conclusion of AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

20. Once declared, the results along with the consolidated Scrutinizer's Report shall be placed on the Company's website, [www.mymonteil.com](http://www.mymonteil.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) and shall be communicated to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.

21. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e., 30th August, 2024, may obtain the login ID and password by sending a request at [www.evotingindia.com](http://www.evotingindia.com) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evotingindia.com](http://www.evotingindia.com) or call on 022 - 48867000 and 022 - 24997000. In case of Individual

Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e., 30th August, 2024 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

## 22. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

- a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b) Only those shareholders, who are present in the AGM 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 AGM.
- c) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- d) Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
- e) In case you have any queries or issues regarding joining the AGM through VC/ OAVM or e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting user manual for Shareholders available at the website; [www.evotingindia.com](http://www.evotingindia.com) under help section or contact Mr. Nitin Kunder (1800 22 55 33) or can write to Mr. Rakesh Dalvi, Senior Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai-400013; Email: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) call toll free no. 1800 21 09911. Tel.: 1800 22 55 33.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Friday, 27<sup>th</sup> September, 2024 at 9:00 A.M. and ends on Sunday, 29<sup>th</sup> September, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by CDSL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., Monday 23<sup>rd</sup> September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being . Monday 23<sup>rd</sup> September, 2024.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit



Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.mymonteil.com](http://www.mymonteil.com) The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation to this Ministry's **General Circular No. 20/2020** dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

#### THE INTRUCTIONS 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.

- i. The voting period begins on Friday, 27<sup>th</sup> September, 2024 at 9:00 A.M. and ends on Sunday, 29<sup>th</sup> September, 2024 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Monday 23<sup>rd</sup> September, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be

able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

iv. 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
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The 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 a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL Depository	<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</li> </ol>

	<p>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.</p> <p>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></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	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 CDSL	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 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	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 : 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.

v. 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>

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xvii. **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; [cs@mymonteil.com](mailto:cs@mymonteil.com), 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 atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@mymonteil.com](mailto:cs@mymonteil.com). 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 21 09911

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 21 09911.



**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. 3 & 4 of the accompanying 17<sup>th</sup> AGM Notice

**ITEM NO. 3 AND 4**

Mr. Button Private Limited, incorporated on March 23, 2022, operates in the clothing and apparel sector. The company is involved in a broad spectrum of activities including manufacturing, importing, exporting, buying, selling, distributing, acting as an agent and broker, and dealing wholesale and retail in clothing and dress materials for men, women, and children. Their product range includes ready-made garments crafted from various materials such as cotton, silk, wool, rayon, viscose, leather, skins, and hides. Given the overlap between the goods offered by Mr. Button and those of Your Company, sourcing from Mr. Button could be highly beneficial. By consolidating purchases with a single supplier, Your Company can achieve cost savings through bulk buying and streamline its procurement process.

Your Company owns the trademark in the name and style of “**MR BUTTON**” and it is proposed to assign the same to Mr Button Private Limited at a consideration of royalty of at a consideration of General Licence Fee (“**Royalty**”) of INR 5,00,000 (Indian Rupees Five Lakh Only) or 1% of the Total Turnover of Mr Button Private Limited, whichever is higher, for each year of the assignment as per the terms and conditions set out in General Licence Agreement (“**GLA**”).

Additionally, Mr. Button Private Limited grows its market expanding its market presence, due to which, Your Company again would be in a beneficial position to sell the final products to Mr. Button Private Limited.

Section 188 of the Act and applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution if the aggregate value of the transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company. The value of proposed aggregate transaction with Mr. Button Private Limited exceeds the said threshold limit in terms of provisions of the Act, applicable rules framed thereunder read with the Listing Regulations.

Pursuant to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions with Mr. Button Private Limited are as follows:

For Purchase and sale of fabric items and garments from Mr. Button Private Limited:

S. No.	Particulars	Remark
1.	Name of the related party	Mr Button Private Limited
2.	Name of the director or key managerial personnel who is related, if any	Mr. Sandeep Jain (DIN: 02365790)
3.	Nature of relationship	Entity over which significant influence is exercised by Key managerial Personnel
4.	Nature, material terms, monetary value and particulars of the contract or arrangements	Contract for purchase and sale of fabric items and garments upto an amount of INR 100 Crores (Rupees Hundred Crore only) and
5.	Any other information relevant or important for the members to take a decision on the proposed resolution.	The fabric items and garments required to run the business of your Company, available with Related Party at a market price and justified from economies of scale point of view.  The garments your Company deals with, are similar to the products the Related Party purchases for sale to its retail customers resulting in bulk sale and lesser cost of sale of final products

For assignment of trademark in favour of Mr. Button Private Limited:

S. No.	Particulars	Remark
1.	Name of the related party	Mr Button Private Limited
2.	Name of the director or key managerial personnel who is related, if any	Mr. Sandeep Jain (DIN: 02365790)
3.	Nature of relationship	Entity over which significant influence is exercised by Key managerial Personnel
4.	Nature, material terms, monetary value and particulars of the contract or arrangements	Assignment of Trademark "MR BUTTON" in favour of Mr Button Private Limited
5.	Any other information relevant or important for the members to take a decision on the proposed resolution.	The assignment will take place at a consideration of General Licence Fee ("Royalty") of INR 5,00,000 (Indian Rupees Five Lakh Only) or 1% of the Total Turnover of Mr Button Private Limited, whichever is higher, for each year of the assignment as per the terms and conditions set out in General Licence Agreement ("GLA").

Save and except Mr. Sandeep Jain and his relatives, none of the other Directors or Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the **Ordinary Resolution** set forth at Item No. 3 and 4 of the Notice for approval of the members.

#### ITEM NO 5.

As per Section 186 of the Act read with the Rules framed thereunder, the Company is required to obtain the prior approval of the Members by way of a Special Resolution for making investments by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher.

The current loans and investments of the Company is although well within the limits specified under the law, it was thought expedient by the Board that as a measure of achieving greater financial flexibility and to enable optimal financial structuring and to keep sufficient safeguard, the said limits specified under Section 186 be increased to Rs. 50,00,00,000 (Rupees Fifty Crores Only) with the approval of shareholders.

The approval of the members is being sought by way of a **Special Resolution** pursuant to Section 186 of the Act read with the Rules made thereunder, to enable the Company to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher.

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. 5 of the Notice.

**By Order of the Board of Directors  
Lorenzini Apparels Limited**

**Place: New Delhi  
Date: 06-09-2024**

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





**MUNTEIL**

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

**Director's  
Report**

## DIRECTOR'S REPORT

Dear Members,  
Lorenzini Apparels Limited

Your Directors have pleasure in presenting the 17<sup>th</sup> (Seventeenth) Annual Report on the business and operations of the Company together with Audited Financial Statements for the financial year 2023-24. The financial highlights are as follows: -

### COMPANY OVERVIEW:

LORENZINI APPARELS LIMITED was incorporated in the year 2007 under the Companies Act 1956. Our Company is engaged in Manufacturing, Designing and Marketing ready – made garments offering a diverse range of formal, Semi- Formal 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 specification such as designs, pattern, quality fabrics 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 “MONETIL” through the exclusive stores /outlets in India & Website.

### FINANCIAL RESULTS:

The Company's financial performance for the year ended March 31, 2024 is summarized below:

Particular	(Amount in Lakhs)	
	2023-2024	2022-2023
Revenue from operations	5475.92	4,375.66
Other Revenue	187.07	19.10
<b>Total Income</b>	<b>5662.99</b>	<b>4394.76</b>
Total Expenses	4938.93	4,018.06
<b>Profit Before Tax</b>	<b>724.06</b>	<b>376.70</b>
Less: Income Tax –Current Year	195.76	111.43
Less: Deferred Tax	(5.37)	10.17
Less: Previous Year	4.01	3.19
<b>Profit/(Loss) after tax</b>	<b>529.66</b>	<b>251.91</b>
<b>EPS</b>	<b>0.34</b>	<b>2.48</b>

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

The Company recorded a turnover of Rs. **5475.92 Thousand (Rupees Five Thousand Four Hundred Seventy Five and Nine Two Paise)** during the year as against Rs. **4375.66 Thousand (Rupees Four Thousand Three Hundred Ninety Four and Seven Six Paise)** in the previous year and the Company

has earned a profit after tax of **Rs. 529.66** as compared to the profit of **Rs. 251.91** in the previous financial year. The management of the Company is putting their best efforts to improve the performance of the Company.

During the year the Company has performed modestly but despite of challenging economic conditions and other related factors, we are able to maintain profits and steady revenue in the Company. The Directors are relentlessly

striving for betterment of the business and growth of the Company. They are optimistic about the future and expect the business to perform well in the forthcoming year.

### **CHANGE IN THE NATURE OF BUSINESS**

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

### **SHARE CAPITAL AND DEBT STRUCTURE**

During the period under review, there is a change in the Authorised Share Capital of the Company and it has increased its Authorised Share Capital from Rs.10,20,00,000/- to Rs.11,70,00,000/- and further it increased to Rs. 17,30,00,000 and subsequent amendments in the Capital clause of the Memorandum of Association of the Company. The company's paid-up share capital grew from Rs. 10,13,89,160 to Rs. 15,66,89,001.

As on 31<sup>st</sup> March 2024, the Authorized Share Capital of the Company is Rs. 17,30,00,000/- (Rupees Seventeen Crore Thirty Lakh only) divided into 17,30,00,000 /- (Seventeen Crore Thirty Lakh only) Equity Shares of Re 1/- each. The paid-up share capital of the Company is Rs. 15,66,89,001 (Rupees Fifteen Crore Sixty Six Lakh Eighty Nine Thousand One) divided into 15,66,89,001 (Fifteen Crore Sixty Six Lakh Eighty Nine Thousand One) Equity Shares of Re 1/- each.

### **Bonus Issue**

Your Company has made Bonus issue of 5,52,99,841 equity shares of face value of Re.1/- each in the ratio of 6:11 i.e. [6 new fully paid-up Equity shares for every 11 (Eleven) Equity shares held] to the Members as on March 28, 2024. With this allotment, the total issued and paid-up capital of the Company has increased to Rs. 15,66,89,001 (Rupees Fifteen Crore Sixty Six Lakh Eighty Nine Thousand One) divided into 15,66,89,001 (Fifteen Crore Sixty Six Lakh Eighty Nine Thousand One) Equity Shares of Re 1/- each.

### **Issue of equity shares with differential rights**

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

### **Issue of sweat equity shares**

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

### **Issue of employee stock options**

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

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

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

### **Issue of Convertible Warrants**

During the audit period, the Company has allotted 10,38,371 warrants convertible into equity shares Preferential basis at a price of Rs. 202.24/- to non-promoters

### **Sub-Division**

Members of the Company approved sub-division of the Company's equity shares from face value Rs. 10 (Rupees Ten Only) to Re. 1 (Rupees One Only) for every equity share. It is expected that the lower face value of Equity Shares will bring in additional interest from retail investors and contribute towards enhancement in the liquidity in the Company scrip on the Stock Exchanges.

**DIVIDEND**

The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2024. Since the Board have considered it financially prudent in the long-terms interest of the Company to re-invest the profits into the business of the Company to build a strong reserve base and grow the business of the Company.

**TRANSFER TO RESERVES**

Details with regard to amount transferred to reserves are provided in the Notes to financial statements forming part of this Annual Report.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**SHARES IN ESCROW ACCOUNT**

In accordance with the regulations, the Company has distributed the Bonus Shares by crediting the beneficiary accounts of shareholders who hold their shares in dematerialized form with National Securities Depository Limited or Central Depository Services (India) Limited. The remaining Bonus Shares have been credited to an Escrow Demat Account, as some shareholders still hold their shares in physical form.

**DEPOSIT**

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet for the Financial Year 2023-24.

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

During the period review, Company allotted 16,047,550 (including bonus issue which reserve the portion for the warrant holder) equity shares pursuant to the exercise of their rights of conversion into equity shares by the warrant holders in accordance with the provisions of SEBI (ICDR) Regulations, 2018, which may affect the financial position of the Company.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of Directors (the "Board") of your Company are responsible for and are committed to sound principles of Corporate Governance in your Company. The Board's focus is on the formulation of business strategies, policies and robust control systems. The Board provides strategic guidance and direction to your Company in achieving its business objectives and protecting the interest of the stakeholder.

Matters reserved for the Board are those affecting your Company's overall strategic policies, finances and shareholders. These include, but are not restricted to, deliberation of business plans, risk management, internal control, preliminary announcements of interim and final financial results, dividend policy, annual budgets, major corporate activities such as material acquisitions and disposals and connected transactions.

Your Company has a professional Board with right mix of knowledge, skills and expertise with an optimum combination of Executive including one Woman Director, Non-Executive and Independent Directors.

**Directors and Key Managerial Personnel who were Appointed/Re-appointed or have resigned during the Year**

During the year under review, Mrs. Supreet Kaur Rekhi (DIN: 10409347) upon the recommendation of the Nomination and Remuneration Committee, appointed as Non- Executive Director of the Company in capacity of Executive Director with effect from December 01, 2023.

During the year under review, Mrs. Deepika Jain has resigned from the post of Chief Financial Officers of the Company with effect from September 09, 2023 and upon the recommendation of the Audit Committee, Sandeep Jain appointed as Chief Financial Officers of the Company in place of Deepika Jain.

After the closure of financial year, Mr. Nitin Bhardwaj resigned from the post of Company Secretary & Compliance Officer of the Company with effect from April 15, 2024. Further, Mr. Ankush Mittal appointed as Company Secretary & Compliance Officer of the Company with effect from May 08, 2024.

**Further, as on date of this report following Directors on the Board of the Company:**

S. No	Name of the Director	DIN	Designation
1	Mr. Sandeep Jain	02365790	Chairman & Managing Director
2	Mr. Rajat Sehgal	05281112	Non-Executive Director
3	Mrs. Supreet Kaur Rekhi	10409347	Non-Executive Director
4	Mr. Yogesh Kumar	08722626	Independent Director
5	Mr. Mohan Chauhan	08627458	Independent Director
6	Mr. Ajay	08556054	Independent Director

**As on the date of this report, Key Managerial Person of the Company**

S. No	Name of the Director	DIN	Designation
1	Mr. Sandeep Jain	02365790	Managing Director & Chief Financial Officer
2	Ankush Mittal	COKPM8407B	Company Secretary

**DECLARATION FROM INDEPENDENT DIRECTORS**

Your Company has received declarations from all the Independent Directors confirming that they meet/continue to meet, as the case may be, the criteria of Independence under sub-section (6) of Section 149 of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations.

In opinion of the Board, Independent Directors fulfil the conditions specified in the Act, Rules made thereunder and SEBI Listing Regulations and are independent of the management.

Also, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Act and have confirmed that they are in compliance with the Code of Conduct for Directors and Senior Management personnels formulated by the Company

**SEPARATE MEETINGS OF INDEPENDENT DIRECTORS**

As per Schedule IV of the Act, Secretarial Standards-1 ('SS-1') read with the Guidance Note on SS-1 and SEBI Listing Regulations, one meeting of Independent Directors of the Company was duly held on 29 March 2024 without the attendance of Non-Independent Directors and members of Management wherein the Independent Directors evaluated the performance of Non - Executive Directors, Executive Directors and Board as a whole. In addition, the Executive Directors of the Company provide regular updates of Business plan and strategies to Independent Directors, in detail, on a regular basis.

**DIRECTORS LIABLE TO RETIRE BY ROTATION**

In accordance with the provisions of the Act, not less than 2/3rd (two-third) of the total number of directors of the Company (other than Independent Directors and Nominee Directors) shall be persons whose period of office is liable to determination by retirement of directors by rotation and one-third of such of the directors for the time



being are liable to retire by rotation at every subsequent annual general meeting. Accordingly, pursuant to the Act read with Articles of Association of your Company, Mr. Sandeep Jain, (DIN: 02365790), been longest in office is liable to retire by rotation and, being eligible, offers himself for reappointment.

#### **ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the provision of the Companies Act, 2013 and SEBI (Listing Obligations Disclosure Requirement) Regulations 2015, the Board has carried out an annual performance evaluation of its performance, the directors individually as well as the evaluation of the working of its various Committees. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

#### **BOARD MEETINGS**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company, 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.

During the year under review, The Board met Nineteen (19) times during the Financial Year 2023-2024. The Meetings held during the financial year 2023-24 i.e. on *18 April 2023, 29 May, 2023, 22 June 2023, 14 July, 2023, 07 August, 2023, 22 August, 2023, 11 September, 2023, 05 October, 2023, 30 October, 2023, 10 November, 2023, 01 December, 2023, 11 December, 2023, 22 December, 2023, 09 January, 2024, 20 January, 2024, 02 February, 2024, 12 February, 2024, 15 March, 2024 and 29 March,2024*

The necessary quorum was present at all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by the Act. A detailed update on the Board & its Committees, composition thereof, number of meetings held during financial year 2023-24 and attendance of the Directors at such meeting is provided in the Section "Board of Directors" of "Corporate Governance Report" of this Annual Report.

#### **BOARD COMMITTEES' MEETINGS**

The Board has delegated part of its functions and duties to an Executive committee and day-to-day operational responsibilities are specifically delegated to the management.

Further, the Board had duly constituted following Committees, which are in line with the provisions of applicable laws.

- a) Audit Committee;
- b) Nomination and Remuneration Committee; and
- c) Stakeholders' Relationship Committee

A detailed update on the composition, number of meetings, attendance and terms of reference of aforesaid Committees are provided in the section "Committees of the Board" of "Corporate Governance Report" of this Annual Report.

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

During the year, Your Company have made an investment in shares and such have disclosed in the financial statement read together with notes and the Financial Statement.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint Venture or Associate Company; hence provisions of section 129(3) of the Companies Act, 2013 relating to preparation of consolidated financial statements are not applicable.

**PARTICULARS OF 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- I**

**CORPORATE SOCIAL RESPONSIBILITY**

Under Section 135 of the Companies Act, 2013 (the "Act") and the related rules, certain companies must allocate 2% of their average net profit from the past three years to CSR (Corporate Social Responsibility) activities. This section also mandates the formation of a CSR committee within the Board. 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.

As of March 31, 2024, your company's net profit has exceeded the threshold specified in Sub-Section (1) of Section 135. Consequently, your company is required to allocate eligible funds to CSR activities for the financial year 2024-25. The Company is making arrangements to spend the funds as per the Act and rules made thereunder.

However, according to Sub-Section (9) of Section 135, if the CSR expenditure does not exceed fifty lakh rupees, the company is not required to form a CSR committee. Since the eligible CSR funds for the financial year 2024-25 do not surpass this amount, the company has opted not to establish a CSR committee. The Board of Directors of the company shall discharge all related responsibilities.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

As per the provisions of Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, every Listed Company shall establish a vigil mechanism (Similar to Whistle Blower mechanism). In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a vigil mechanism/ whistle blower policy for Directors and employees to report genuine concerns has been established and approved by Board.

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

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

During the financial year 2023-24, no cases under this mechanism were reported to the Company.

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

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, 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.

**COMPLIANCE WITH SECRETARIAL STANDARDS**

During the financial year under review, your Company has duly complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**LISTING ON STOCK EXCHANGES**

The equity shares of your Company are presently listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE")

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

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

(Name of the Director / Employee)	Sandeep Jain	Deepika Jain	Nitin Bhardwaj
Designation	Managing Director & Chief Financial Officer	Chief Financial Officer (Resigned on 09 September 2023)	Company Secretary
Remuneration received (in lacs)	Rs. 12,00,000 p.a. (Rs. Twelve Lakh Per annum)	Rs. 5,00,000 (Rs. Five Lakh till September, 2023 as CFO of the Company)	Rs. 4,94,000 (Rupees Four Lakh Ninety-Four Thousand)
Nature of employment, whether contractual or otherwise	Permanent employee	Permanent employee	Permanent employee
Date of commencement of employment	09-05-2017	09-05-2017	22-06-2023
The age of such employee	42 Years	40 Years	29 Years
The last employment held by such employee before joining the Company	Not Applicable		ISF Limited
The percentage of equity shares held by the employee in the Company (as on 31 <sup>st</sup> March 2024)	57.58%	0.20%	0%
Whether any such employee is a relative of any director	Sandeep Jain and Deepika Jain is related to each other.		Not Applicable

**Notes:**

1. There were confirmed employees on the rolls of the Company as on 31st March 2024 - **75 employees.**
2. Median remuneration of employees of the Company during the financial year 2023-2024 was **NIL.**

**AUDITORS & AUDITORS REPORT****STATUTORY AUDITORS**

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) were appointed by the members of the Company in the Annual General Meeting (AGM) held on September 20, 2023 for a second term of 5 (five) years to hold office till conclusion of the 21st AGM of the Company to be held in the year 2027.

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

**INTERNAL AUDITOR**

During the financial year under review, M/s KMRG & Associates, Chartered Accountants, were appointed as Internal Auditors of the Company, to conduct the Internal Audit for the financial year 2023 - 24.

Findings and reports of Internal Auditors are reviewed by the Audit Committee about compliance with internal controls, the efficiency and effectiveness of operations as well as key process risks. The Audit Committee periodically reviews internal audit plans, significant audit findings and adequacy of internal controls.

**SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of your Company had appointed M/s. Anuj Gupta & Associates (Peer Review Number: 1126/2021) to conduct the Secretarial Audit of your Company for the financial year 2023 - 24.

The Company has annexed to this Board Report as "**Annexure-II**", the Secretarial Audit Report given by the Secretarial Auditor. There are no qualifications or adverse remarks in the Auditors' Report which require any clarification or explanation.

**REPORTING OF FRAUDS BY AUDITORS**

During the year under review, no instance of fraud has been reported by any of the Auditors of the Company under Section 143(12) of the Companies Act 2013 to the Audit Committee/ Board of Directors or the Central Government. Therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act.

**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:

- a) in the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) your 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, 2024 and of the Profit of the Company for the year ended on that date;
- c) 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;
- d) the annual accounts have been prepared on a going concern basis;
- e) your 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

- f) 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.

#### **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. 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.

#### **ANNUAL RETURN**

Pursuant to the provision of Section 134(3) and Section 92(3) of the Companies Act read with read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return in form MGT-7 as on March 31, 2024 is available on the website of the Company and can be accessed at i.e <https://monteil.in/annual-report>.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.**

There were no significant order(s) passed by any regulatory authority or court or tribunal against the Company during the year under review.

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

The Management Discussion and Analysis Report forms an integral part of this report and gives details of the overall industry structure, economic developments, financial and operational performance and state of affairs of your Company's business and other material developments during the financial year under review.

#### **CORPORATE GOVERNANCE REPORT**

Your Company believes that executing strategy effectively and generating shareholder value over the long term requires high standards of corporate governance. To ensure good corporate governance, your Company ensures that its governance framework incorporates the amendments introduced in the SEBI Listing Regulations from time to time and the same are complied with on or before the effective date

The Company adheres to the requirements set out by the Securities and Exchange Board of India's Corporate Governance Practices and has implemented all the stipulations prescribed. As per Schedule-V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 a separate section of Corporate Governance together with certificate of Practicing Company Secretary confirming compliance with the requirements of corporate governance form part of the Annual Report.

#### **RISK MANAGEMENT**

The Board has developed appropriate framework and processes for identifying, assessing, and mitigating risk associated with the Company and developed procedures for reviewing management's action on implementation of the same. Major risks which in the opinion of the Board may threaten the existence of the Company are identified by the businesses and functions are systematically addressed through appropriate actions on a continuous basis, safeguarding the Company against those risks. The details of the same are set out in Management Discussion and Analysis Report.



**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.

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

In compliance of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**POSH Act**") and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace.

The Company is committed to providing a safe and conducive work environment to all its employees and associates. All women employees whether permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees.

**ADDITIONAL DISCLOSURES UNDER COMPANIES (ACCOUNTS) RULES, 2014**

- a) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year:

During the Financial Year under review, the Company neither filed any application nor had any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), therefore, it is not applicable to the Company.

- b) The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereto:

During the Financial Year under review, it is not applicable to the Company.

**CAUTIONARY STATEMENT**

Statements in this Directors' Report and 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.

**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**

**Date: 06.09.2024**

**Place: New Delhi**

**SD/-  
(Sandeep Jain)  
Executive Chairman, Managing Director  
and Chief Financial Officer  
DIN:02365790**

**SD/-  
(Rajat Sehgal)  
Director  
DIN: 05281112**



**MONTEIL**

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

Annexure- IAOC-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/transaction	Duration of Contract/arrangement/T ransaction	Salient Terms & condition /arrangement/Transacti on	Date of Approval of Board	Amount (in Lakhs)
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	10/11/2023	217.96
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	10/11/2023	76.52

For and on behalf of Board of Directors  
Lorenzini Apparels Limited

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

Date: 06.09.2023

Place: New Delhi

SD/-  
(Sandeep Jain)  
Executive Chairman, Managing Director  
and Chief Financial Officer  
DIN:02365790

SD/-  
(Rajat Sehgal)  
Director  
DIN: 05281112

**ANNUAL SECRETARIAL COMPLIANCE REPORT OF  
LORENZINI APPARELS LIMITED  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

[Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI's Circular No. CIR/CFD/CMD 1/27/2019 dated 8th February, 2019]

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Lorenzini Apparels Limited** (hereinafter referred as 'the listed entity'), having its Registered Office at **C-64, Okhla Industrial Area Phase-I, South Delhi, New Delhi-110020** Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the listed entity 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:

- (a) all the documents and records made available to us and the explanation provided by Lorenzini Apparels Limited ("**the listed entity**"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended 31<sup>st</sup> March, 2024 ("**Review Period**") in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("**SCRA**"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("**SEBI**");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not Applicable to the Company during the review period**)
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not Applicable to the Company during the review period**)
- f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not Applicable to the Company during the review period**)
- g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- h) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;
- i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.

We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

S. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1.	<p><b><u>Secretarial Standard</u></b></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	-
2.	<p><b><u>Adoption and timely updation of the Policies:</u></b></p> <ul style="list-style-type: none"> <li>• All the policies are in conformity all applicable policies under Securities Exchange Board of India ('SEBI') Regulations are adopted with the approval of the Board of Directors of the listed entity.</li> <li>• with SEBI Regulations and have been reviewed &amp; timely updated as per the regulations/circulars /guidelines issued by SEBI.</li> </ul>	Yes	-
3.	<p><b><u>Maintenance and disclosures on Website:</u></b></p> <p>The listed entity is maintaining a functional website</p> <p>Timely dissemination of the documents/information under a separate section on the website</p> <p>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website</p>	Yes	-
4.	<p><b><u>Disqualification of Director:</u></b></p> <p>None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013</p>	Yes	-
5.	<p><b><u>To examine details related to Subsidiaries of listed entity:</u></b></p> <ol style="list-style-type: none"> <li>a) Identification of material subsidiary companies</li> <li>b) Requirements with respect to disclosure of material as well as other subsidiaries</li> </ol>	NA	-
6.	<p><b><u>Preservation of Documents:</u></b></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015</p>	Yes	-
7.	<p><b><u>Performance Evaluation:</u></b></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.</p>	Yes	-



8.	<b>Related Party Transactions:</b> a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions.	Yes	-
	(a) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee.	NA	-
9.	<b>Disclosure of events or information:</b> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	.
10.	<b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	-
11.	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No Actions taken against the listed entity/ its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	NA	
12.	<b>Additional Non-compliances, if any:</b> Additional non-compliance observed for all SEBI/circular/guidance note etc.	NA	

**Compliance related to resignation of statutory auditor from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2018.**

Sr.no	Particulars	Compliance Status (Yes/No/N.A)	Observation / Remark by PCS
1.		<b>Compliances with the following Condition while appointing / re-appointing an auditor</b>	
	i. If the auditor has resigned within 45 days from the end of quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	N.A	<b>There is no instance of resignation of auditor</b>
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation has issued the limited review/audit report for such quarter as well as the next quarter ; or	N.A	
	iii. If the auditor has signed the limited review/audit report for the first three quarter of a financial year, the auditor before such resignation has issued the limited review /audit report for the last quarter of such financial year as well as the audit report for such financial year	N.A	

2.	Other conditions relating to resignation of statutory auditor	
<p><b>Reporting of concern by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee :</b></p> <p>(a) In case of any concern with the management of the listed entity/ material subsidiary such as non –availability of information/non-cooperation by the management which has hampered the audit process, the auditor has approached the chairman of audit committee of the listed entity and the audit committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>(b) In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed to the notice of the Audit Committee. In cases where the proposed resignation is due to non- receipt of information / explanation from the Company, the Auditor has informed the Audit Committee the details of information /explanation sought and not provided by the management as applicable</p> <p>(c) The Audit Committee/Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicated its views to the management and the auditor.</p> <p>Disclaimer in case of non-receipt of information; The auditor has provide an appropriate disclaimer in its audit report, which is in accordance with the standards of Auditing as specified by ICAI/NFRA,in case where the listed entity /its material subsidiary has not provided information as required by the auditor.</p>	NA	NA
3.	The listed entity /its material subsidiary has obtained information from the Auditor upon resignation in the format as specified in Annexure-A in SEBI Circular CIR/CFD/CMDI/114/2019 dated 18 <sup>th</sup> October,2019.	

Further, based on the above examination, we hereby report, during the review period that:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

S. No	Compliance Requirement (Regulations/ Circulars /guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken By	Type of Action	Fine amount/ (INR )	Observation Remarks of the Practicing Company Secretary	Management Response	Management Response
Not Applicable during the review period									

- (b) The listed entity has taken the following actions to comply with the observations made in previous reports:

S. No	Compliance Requirement (Regulations/ Circulars /guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Fines/ (INR)	Observation Remarks of the Practicing Company Secretary	Management Response	Management Response
Not Applicable during the review period									

- (c) The listed entity has suitably included the conditions as mentioned in para 6(A) and 6(B) of the SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019 in terms of appointment of statutory auditor of the Listed entity.

**Assumptions & Limitation of scope and review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither assurance as to future viability of the listed entity nor of the efficiency or effectiveness with which management has conducted the affairs of the listed entity.

**For & on behalf of  
Anuj Gupta & Company Secretaries**

**Date: 20/05/2024  
Place: New Delhi**

**Sd/-  
Anuj Gupta  
Proprietor**

**M. No - A31025  
C.P. No. 13025  
PR No. 1126/2022  
UDIN:A031025F000405168**



**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 2024**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

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, 2024, 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, 2024 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: **(No transaction has been recorded during the Audit Period)**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: **(Not applicable to the Company during the Audit Period)**;
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the Audit Period)** and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**.
  - i) 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 2023-2024, 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 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 Anuj Gupta & Associates  
(Company Secretaries)**

Sd/-  
CS Anuj Gupta  
(Proprietor)

ICSI M. No.: A31025  
ICSI CoP. No.: 13025

UDIN: A031025F001045271  
ICSI Peer Review Certificate No. 1126/2021

Date: 26/08/2024  
Place: New Delhi

**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 Anuj Gupta & Associates  
(Company Secretaries)**

Sd/-  
**CS Anuj Gupta  
(Proprietor)**

**ICSI M. No.: A31025  
ICSI CoP. No.: 13025**

**UDIN: A031025F001045271  
ICSI Peer Review Certificate No. 1126/2021**

**Date: 26/08/2024  
Place: New Delhi**

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



# MONTEIL

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



## **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, 2024.

### **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.

### **BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD**

#### **(a) Composition**

Company Board comprises of optimum combination of executive and Non-executive Directors including 1 (One) Woman 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, 2024, the Board comprised of 6 directors, out of which one is Managing Director, Two Non-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.

#### **Attendance of each director at the Board meetings and last AGM during the year 2023-24.**

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, Nineteen Board Meetings were held on *April 18, 2023, May 29, 2023, June 22, 2023, July 14, 2023, August 7, 2023, August 22, 2023, September 11, 2023, October 5, 2023, October 30, 2023, November 10, 2023, December 1, 2023, December 11, 2023, December 22, 2023, January 9, 2024, January 20, 2024, February 2, 2024, February 12, 2024, March 15, 2024 and March 29, 2024.*

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 20 <sup>th</sup> September 2023
		Held	Eligible to attend	Attended	
1	Mr. Sandeep Jain		19	19	Present
2	Mrs. Supreet Kaur Rekhi	19	8	8	No
3	Mr. Rajit Sehgal	19	19	19	Present
4	Mr. Mohan Chauhan	19	19	19	Present
5	Mr. Yogesh Kumar	19	19	19	Present

6	Mr. Ajay	19	19	19	Present
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#### 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 –

- 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.

- 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, 2024 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
Mrs. Supreet Kaur Rekhi	Non-executive Director	02-12-2023	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.

**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.

Deepika Jain has resigned from the office of Chief Financial Officer with effect from 09 September 2023.

**Details of equity shares of the Company held by the Non-Executive Directors as on March 31, 2024 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, 2024.

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

**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 Lorenzini's governance and strategic needs. The Directors have demonstrated experience and ability that is relevant to the Board's oversight role with respect to Lorenzini'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	√	√	√	√	√	√
Mrs. Supreet Kaur Rekhi	---	√	√	√	√	-
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.



### 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**.

### 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 2023-24, the composition of the Audit Committee was as under:

Name of Director	Position	Category	Date of Appointment	Remarks
Mr. Mohan Chauhan	Chairman & Member	Non-Executive Independent Director	07-08-2023	The Company in their board meeting held on August 07, 2023 reconstituted the committees. Therefore, Date of Appointment of Director in committees is taken on 07, August 2023.
Mr. Ajay	Member	Non-Executive Independent Director	07-08-2023	
Mr. Yogesh Kumar	Member	Non-Executive Independent Director	07-08-2023	
Mr. Sandeep Jain	Member	Executive Director	07-08-2023	

### Meetings and Attendance

The Audit Committee met Six times during the Financial Year 2023-24. The maximum gap between two Meetings was less than 120 days.

\*The Committee met Six times during the year on

- 29/05/2023
- 07/08/2023
- 22/08/2023
- 10/11/2023
- 09/11/2024
- 02/02/2024

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 20<sup>th</sup> September 2023. 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	6	6	6
Mrs. Ajay	6	6	6
Mr. Yogesh Kumar	6	6	6
Mr. Sandeep Jain	6	6	6

\* 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.

#### 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	Remarks
Mr. Mohan Chauhan	Chairman	Independent Director	07-08-2023	The Company in their board meeting held on August 07, 2023 reconstituted the committees. Therefore, Date of Appointment of Director in committees is taken on 07, August 2023.
Mr. Rajit Sehgal	Member	Non-Executive Director	07-08-2023	
Mr. Yogesh Kumar	Member	Independent Director	07-08-2023	
Mr. Ajay	Member	Non-Executive & Independent Director	07-08-2023	

### Meeting and Attendance

The NRC met Three times during the year on

- 22/06/2023
- 11/09/2023
- 01/12/2023

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 20, 2023

The table below provides the attendance of the NRC members:

Name of Director	No. of Meeting		
	Held	Eligible to attend	Attended
Mr. Mohan Chauhan	3	3	3
Mr. Rajit Sehgal	3	3	3
Mr. Yogesh Kumar	3	3	3
Mr. Ajay	3	3	3

### 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	Remarks
Mr. Mohan Chauhan	Chairman	Non-Executive, Independent Director	07-08-2023	The Company in their board meeting held on August 07, 2023 reconstituted the committees. Therefore, Date of Appointment of Director in committees is taken on 07, August 2023.
Mr. Ajay	Member	Non-Executive & Independent Director	07-08-2023	
Mr. Sandeep Jain	Member	Executive Director	07-08-2023	

### Meeting and Attendance

The Committee of Directors (Stakeholders' Relationship Committee) met one times during the Financial Year 2023-24. The Committee met on 12/02/2024. 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 20<sup>th</sup> September, 2023.

### 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, 2023	0
2	Complaints received during the year	0
3	Complaints resolved during the year	0
4	Complaints pending as on March 31, 2024	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 29, 2024, 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, 2024

#### 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.

Particular	Mr. Sandeep Jain	Mrs. Deepika Jain	Nitin Bhardwaj
Designation	Chairman & Managing Director	Chief Financial Officer	Company Secretary
Present Term of Appointment	5 years from 1 <sup>st</sup> July 2022 to 30 <sup>th</sup> June 2026	5 years from 1 <sup>st</sup> July 2022 to 30 <sup>th</sup> June 2026  Deepika Jain has resigned from the office of Chief Financial Officer with effect from 09 September 2023.	Not Applicable  Nitin Bhardwaj has resigned from the office of Company Secretary with effect from 15 <sup>th</sup> April, 2024
Salary and allowance	Rs. 12,00,000 p.a. (Rs. Twelve Lakh Per annum)	Rs. 5,00,000 (Rs. Five Lakh till September, 2023 as CFO of the Company)	Rs. 4,94,000 (Rupees Four Lakh Ninety-Four Thousand)
Commission	-	-	--
Variable Pay	-	-	--
Other benefits and Perquisites	Rs. 60,000 p.a. (Rs. Sixty Thousand Per Annum)	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)	Rs. 12,60,000 p.a. (Rs. Twelve Lakh Sixty Thousand Per Annum)	Rs. 4,94,000 (Rupees Four Lakh Ninety-Four Thousand)
No. of Share held	9,02,19,942 Equity Share	3,16,894 Equity Shares	NIL



**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 2023-24.

**General Body Meetings****Details of Last Three Annual General Meeting**

AGM	Financial Year	Date and Time	Venue	Details of Special Resolution Required
16	2022-23	20 <sup>th</sup> September 2023 at 03:00 P.M	Video Conferencing Other Audio Visual Means	1. To consider and approve the alteration in Article of Association of the Company. 2. To consider and approve the Issuance of Warrants Convertible into Equity Shares to the Proposed Allottees on Preferential Basis.
	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

**Postal Ballot**

During the year, the following Resolutions were passed by the Company through Postal Ballot, the results of which were declared on March 15, 2024.

1. Sub Division of Face Value of Equity Share of the Company form Rs.10 to Rs.1
2. To Increase in Authorized Share Capital of the Company and consequent alteration in Capital Clause of the Memorandum of Association of Company.
3. Issue of Bonus Equity Share to the Shareholder of the Company.

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 February 12, 2024 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:

**Resolution 1: Sub division of Face Value of Equity Share of the Company from Rs.10 to Rs.1 each passed by Ordinary Resolution**

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	5837761	91.524	5837761	0	100	0
	Postal Ballot (if applicable)							
	Total							
Public - Institutions	E-Voting Poll							
	Postal Ballot (if applicable)							
	Total							
Public - Non Institutions	E-Voting Poll	3760520	1341255	35.6667	1341224	31	99.9977	0.0023
	Postal Ballot (if applicable)							
	Total							
	Total	10138916	7179016	70.8065	7178985	31	99.9996	0.0004

**Resolution 2: To Increase in Authorized Share Capital of the company and consequent alteration in Capital Clause of the Memorandum of Association of Company passed by Ordinary Resolution**

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	
<b>Promoter and Promoter Group</b>	<b>E-Voting Poll</b>	6378396	5837761	91.524	5837761	0	100	0	
	<b>Postal Ballot (if applicable)</b>								
	<b>Total</b>		6378396	5837761	91.524	5837761	0	100	0
<b>Public - Institutions</b>	<b>E-Voting Poll</b>								
	<b>Postal Ballot (if applicable)</b>								
	<b>Total</b>								
<b>Public - Non Institutions</b>	<b>E-Voting Poll</b>	3760520	1341255	35.6667	1341224	31	99.9977	0.0023	
	<b>Postal Ballot (if applicable)</b>								
	<b>Total</b>		3760520	1341255	35.6667	1341224	31	99.9977	0.0023
<b>Total</b>		10138916	7179016	70.8065	7178985	31	99.9996	0.0004	

**Resolution 3: Issue of Bonus Equity Share to the Shareholder of the company passed by Ordinary Resolution**

<b>Category</b>	<b>Mode of voting</b>	<b>No. of shares held</b>	<b>No. of votes polled</b>	<b>% of Voter polled on outstanding shares</b>	<b>No. of votes - in favor</b>	<b>No. of votes - against</b>	<b>% of votes in favor on votes polled</b>	<b>% of Votes against on votes polled</b>
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
<b>Promoter and Promoter Group</b>	<b>E-Voting Poll</b>	6378396	5837761	91.524	5837761	0	100	0
	<b>Postal Ballot (if applicable)</b>							

	applicable)							
	<b>Total</b>	6378396	5837761	91.524	5837761	0	100	0
<b>Public - Institutions</b>	<b>E-Voting Poll</b>							
	<b>Postal Ballot (if applicable)</b>							
	<b>Total</b>							
<b>Public-Non Institutions</b>	<b>E-Voting Poll</b>	3760520	1341255	35.6667	1341224	31	99.9977	0.0023
	<b>Postal Ballot (if applicable)</b>							
	<b>Total</b>	3760520	1341255	35.6667	1341224	31	99.9977	0.0023
	<b>Total</b>	10138916	7179016	70.8065	7178985	31	99.9996	0.0004

M/s Anuj Gupta & Associate, 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 March 15, 2024.

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 2023-24.

Day and Date	30th September 2024
Time	3:00 PM(IST)
Mode/Venture	Audio/Visual Mode
Book closure Date for AGM	23-08-2024
Financial Year	2023-24

**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			NSE		
	High	Low	Volume	High	Low	Volume
April 2023	160.37	95	102871	158.9	103.55	177000
May 2023	202.5	159	87935	202.25	158.50	198000
June 2023	235.35	180.1	74374	234	176.70	251000
July 2023	218	170.65	14081	216.95	170	59000
August 2023	231.1	185	13299	234	181.25	274000
September 2023	238	224.8	1338	235.90	222.50	141000
October 2023	285.5	222.35	43994	285.25	220	788000
November 2023	287.95	244.05	11743	285	243.05	209000
December 2023	271.2	224.1	11743	279.30	218.35	334000
January 2024	391	229.15	44575	390.45	227.25	362000
February 2024	508	379.3	236599	510	379.50	610000
March 2024	481.5	27	70590	472.90	26.75	251000

### 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.

Name of Registrar to an issue and share transfer agents	Address
Skyline Financial Services Private Limited	D-153 A 1st Floor Okhla Industrial Area, Phase – I New Delhi-110 020
Website	<a href="http://www.skylinerta.com">www.skylinerta.com</a>
Telephone	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, 2024, 99.99% of the equity shares of the Company were in dematerialized form (NSDL 81.61% and CDSL 18.39% 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:

- Demat account should be opened with a Depository Participant ("DP").
- Shareholders should submit the Dematerialization Request Form ("DRF") along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number ("DRN").
- DP will submit the DRF and original share certificates to the Registrar and Transfer Agents ("RTA"), i.e. Skyline Financial Services Private Limited.
- RTA will process the DRF and update the status to DP/ depositories.
- Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.
- 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.

#### **SHARES IN ESCROW ACCOUNT**

In compliance with the provisions, the Company has allotted the Bonus Shares by credit to beneficiary account of the shareholders who hold their shares in dematerialised form with National Securities Depository Limited & Central Depository Services (India) Limited, as the case may be. Remaining bonus shares have been credited to Escrow Demat Account since some shareholders holding shares in physical mode.

#### **Outstanding GDRs/ADRs/ or any Convertible Instruments, Conversion Date & likely impact on equity as on 31 March 2024.**

During the financial year, the Company has allotted 10,38,371 warrants convertible into equity shares on Preferential basis at a price of Rs. 202.24/- to non-promoters and same has been outstanding for the conversion as on 31<sup>st</sup> March 2024.

Further, the Company has not issued any GDRs/ADRs/ or any Convertible Instruments except above as on 31<sup>st</sup> March, 2024.

#### **Declaration regarding suspension of securities**

The securities of your Company have not been suspended from the exchanges during the financial year 2023 - 24.

#### **Disclosure of commodity price risk or foreign exchange risk and hedging activities in terms of Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI Listing Regulations:**

Your Company does not have any commodity price risk or foreign exchange risk and hedging activities as on 31 March 2024.

#### **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/wpcontent/uploads/2023/01/Policies/Related\\_Party\\_Transaction\\_Policy.pdf](https://monteil.in/wpcontent/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 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. Anuj Gupta & Associate, Practicing Company Secretaries is annexed herewith as a part of the Report.

✚ **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 2023 - 24 is enclosed to this Report.

✚ **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.**

✚ **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.

Aggregate No. of Shareholders and the outstanding Shares in the Suspense account lying at the beginning of year.	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year
NIL	NIL	NIL	NIL

For and on behalf of Board of Directors  
Lorenzini Apparels Limited

Date: 06.09.2024

Place: New Delhi

SD/-  
(Sandeep Jain)  
Executive Chairman, Managing  
Director and Chief Financial Officer  
DIN:02365790

SD/-  
(Rajat Sehgal)  
Director  
DIN: 05281112



**MONTEIL**

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

**CERTIFICATE ON CORPORATE GOVERNANCE**

**To,  
The Members,  
Lorenzini Apparels Limited**

**Compliance Certificate from Practicing Company Secretary Regarding Compliance of Conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”)**

We have examined the compliance of conditions of Corporate Governance by Lorenzini Apparels Limited (“the Company”), for the financial year ended 31 March, 2024 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the 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, we certify that the Company has substantially complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI Listing Regulations, the compliances of which needs to be further strengthened.

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 Anuj Gupta & Associates  
(Company Secretaries)**

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

**Sd/-  
CS Anuj Gupta  
(Proprietor)**

**ICSI M. No.: A31025  
ICSI CoP. No.: 13025**

**UDIN: A031025F001045271  
ICSI Peer Review Certificate No. 1126/2021**

**Date: 26/08/2024  
Place: New Delhi**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) read with Schedule V Para C**  
**Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Lorenzini Apparels Limited (CIN- L17120DL2007PLC163192) and having registered office at C-64, Okhla Industrial Area Phase-I, South Delhi- 110020, (hereinafter referred to as 'the Company') produced before our by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to our by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No.	Name of Director	DIN	Date of Appointment
1.	Sandeep Jain	02365790	09/05/2007
2.	Rajit Sehgal	05281112	26/06/2017
3.	Mohan Chauhan	08627458	02/12/2019
4.	Supreet Kaur Rekhi	10409347	01/12/2023
5.	Ajay	08556054	02/03/2023
6.	Yogesh Kumar	08722626	16/03/2020

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. We responsible is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Anuj Gupta & Associates**  
**(Company Secretaries)**

Sd/-  
**CS Anuj Gupta**  
**(Proprietor)**  
M. No.: A31025  
COP. No.: 13025

**Peer Review Certificate No. 1126/2021**  
**UDIN: A031025F001045445**  
**Date: 26/08/2024**  
**Place: New Delhi**

**Chief Financial Officer (CFO) Certification****(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)**

I, Sandeep Jain, Managing Director & Chief Financial Officer of Lorenzini Apparels Limited (“the Company”) to the best of our knowledge and belief, certify that: -

- A. I have reviewed financial statements (consolidated and standalone) for the year April 1, 2023, to March 31, 2024, and to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year i.e., April 1, 2023, to March 31, 2024, which are fraudulent, illegal or violative of the Company’s code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit Committee: -
1. significant changes in internal control over financial reporting during the year i.e., April 1, 2023, to March 31, 2024.
  2. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

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

**SD/-  
(Sandeep Jain)  
Executive Chairman, Managing  
Director & Chief Financial Officer  
DIN:02365790  
Place: New Delhi  
Date: 23.05.2024**



**CERTIFICATION OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY**

This is to confirm that the Company has received declarations affirming compliance of the Code of Conduct from the persons concerned for the Financial Year ended 31st March, 2024.

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

**SD/-  
(Sandeep Jain)  
Managing Director & CFO**

**DIN:02365790  
Place: New Delhi  
Date: 23.05.2024**



**MONTEIL**  

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



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### ECONOMIC SCENARIO AND GLOBAL ECONOMIC OUTLOOK

The global economy showed greater stability in 2023, following a year of global uncertainties and market fluctuations. Despite ongoing geopolitical tensions and economic disruptions, global growth was stronger than expected. According to the IMF's April 2024 World Economic Outlook (WEO), the global economy grew by 3.2% in 2023. This growth was slightly lower than in 2022 and the average from 2011-2019, but it exceeded the previous projection of 2.8%. However, this growth occurred in a context of persistent inflation and moderated global trade, influenced by geopolitical tensions, cross-border restrictions, and slower growth in advanced economies (AEs). While global supply chains improved, investor caution and changes in monetary policies led to a decrease in foreign direct investment (FDI).

Both emerging market economies (EMEs) and AEs saw higher growth than projected a year ago. Many major economies surpassed their pre-pandemic GDP levels in 2023. Notably, India and China achieved GDP levels 20% higher than in 2019. The U.S. continued to experience growth, while economic activity in the Euro area remained subdued, although the severity of the downturn eased.

**Chart I.3: All major economies have surpassed pre-pandemic GDP levels**

	Year in which crossed pre pandemic GDP (constant prices, national currency)	Ratio of GDP (constant prices, national currency) in 2023 to corresponding level in 2019
Brazil	2021	107
China	2020	120
France	2022	102
Germany	2022	101
India	2021	120
Indonesia	2021	112
Italy	2022	103
Japan	2023	101
Mexico	2022	104
South Africa	2022	101
Thailand	2023	100
United Kingdom	2022	102
United States	2021	108

Source: World Economic Outlook Database, April 2024, IMF, National Accounts Statistics, Ministry of Statistics and Programme implementation; Note: In IMF data, for India 2021 represents 2021-22 (FY22)

India's economy continued its strong performance into FY24, building on the previous year's momentum despite global and external challenges. Focused efforts on maintaining macroeconomic stability minimized the impact of these challenges. As a result, India's real GDP grew by 8.2% in FY24, marking over 7% growth for the third consecutive year. This growth was supported by steady consumer demand and increasing investment. On the production side, gross value added (GVA) at 2011-12 prices grew by 7.2%, with broad-based growth across sectors. Net taxes at constant prices increased by 19.1%, driven by strong tax revenue and effective subsidy management, which contributed to the growth differential between GDP and GVA.

bolstered by lower input costs and stable domestic demand, resulting in a decrease in Wholesale Price Index (WPI) inflation and a deflator of (-)1.7% for manufacturing. The sustained decline in core consumer price inflation reflects the benefits of reduced input prices passed on to consumers. Manufacturing's strength was further supported by the HSBC India PMI, which remained well above 50, indicating robust expansion. Additionally, construction activities surged with a 9.9% growth, driven by infrastructure projects and strong demand in both commercial and residential real estate.

On the demand side, private consumption remained a key driver of GDP growth, with private final consumption expenditure (PFCE) rising by 4.0% in real terms. Urban demand was strong, as evidenced by increased sales of domestic passenger vehicles and higher air travel. Rural consumption also showed signs of improvement by the end of March 2024, with rising sales in two-wheelers, three-wheelers, and passenger vehicles.

### **GLOBAL TEXTILE INDUSTRY**

The global textile market size was valued at USD 1,837.27 billion in 2023 and is anticipated to grow at a compound annual growth rate (CAGR) of 7.4% in revenue from 2024 to 2030. The ever-increasing apparel demand from the fashion industry and the meteoric growth of e-commerce platforms are expected to drive market growth over the forecast period. The textile industry works on three major principles: designing, producing, and distributing different flexible materials such as yarn and clothing. Many processes, such as knitting, crocheting, weaving, and others, are primarily used to manufacture a wide range of finished and semi-finished goods in bedding, clothing, apparel, medical, and other accessories.

Fashion is gaining increasingly higher importance in consumers' lifestyles. This can be attributed to the constant exposure to advertisements that results in impulsive buying. In addition, social media is another major factor adding to the rising demand for fashionable wear.

The recent coronavirus pandemic has acted as a restraint to the global market growth for textiles. Global trade restrictions due to a disrupted supply chain and the decline in textile product consumption amid the imposed lockdowns further negatively impacted the market progress. However, the industry is expected to recover strongly during the forecast period, aided by government support and increasing public awareness regarding effective precautionary measures.

Source: <https://www.grandviewresearch.com/industry-analysis/textile-market>

### **INDIAN TEXTILE INDUSTRY**

India has a robust end-to-end value chain in the textile industry, spanning raw materials like natural and MMF fibre to the final product and covering apparel, home textiles, and technical textiles. India is the world's second-largest clothing manufacturer and one of the top five exporting nations. In FY24, the export of textiles and apparel, including handicrafts, increased by 1 per cent, reaching ₹2.97 lakh Crore. The sector is diversified, with readymade garments accounting for the largest share (41 per cent) in the total exports in FY24, with exports of ₹1.2 lakh Crore, followed by cotton textiles (34 per cent) and man-made textiles (14 per cent). Overall, the diversity and variety of textiles produced in India make it a major player in the global textile industry.

The Indian textile industry is predominantly composed of Micro, Small, and Medium Enterprises (MSMEs), which represent over 80 percent of the sector and operate on a relatively small scale. This results in limited efficiency and economies of scale compared to large-scale modern manufacturing. The sector's fragmented nature further complicates operations, as raw materials are mainly sourced from Maharashtra, Gujarat, and Tamil Nadu, while spinning capacities are concentrated in the southern states. This geographical disparity leads to increased transportation costs and delays. Additionally, the industry faces several challenges, including a heavy reliance on imported machinery (excluding the spinning segment), a shortage of skilled manpower, and technological obsolescence. Addressing these issues requires a focus on creating world-class textile infrastructure with plug-and-play facilities, upgrading technology, and enhancing sustainability and circularity. Improving quality and standards, along with promoting handloom and handicraft products, are also essential priorities for the sector.

The Indian textile industry benefits from several supportive factors that enhance its growth prospects. The government has allocated a substantial budget of ₹4,445 Crore to establish seven PM MITRA Parks across Tamil Nadu, Telangana, Gujarat, Karnataka, Madhya Pradesh, Uttar Pradesh, and Maharashtra from FY22 to FY28.

streamline operations and attract investment. Additionally, the government has approved a Production-Linked Incentive (PLI) Scheme with an outlay of ₹10,683 Crore over five years for man-made fiber apparel, fabrics, and technical textiles, which is expected to draw over ₹19,000 Crore in investment and create 2.5 lakh jobs. The National Technical Textiles Mission, launched with ₹1,480 Crore for FY21 to FY24, focuses on increasing the adoption of technical textiles across various sectors and includes components for research, market development, education, and export promotion.

This mission, extended until March 2026 with a sunset clause until March 2028, has already approved 137 research projects totalling ₹474 Crore. Additionally, the National Handloom Development Programme (NHDP) has been approved for FY22 to FY26 with a budget of ₹998 Crore, supporting the establishment of 96 small handloom clusters and nine mega handloom clusters in FY24. The industry's growth is further bolstered by increasing domestic and international demand for textiles and fashion, driving innovation and investment in the sector.

### **PERFORMANCE OF THE COMPANY**

The Company witness strong growth with revenue 5475.92 Lakhs in FY 23-24 as compared to 4375.66 lakhs in financial year 2022-23. This has been achieved through higher volumes and realisations driven by consumer demand throughout the year.

Directors of your company have been vigorously working on to acquire more order to increase the company's profits.

Your directors are continuously looking for a new avenue for future growth of the Company and expect growth in future period.

### **RISK AND CONCERNS**

The prevailing economic trends are likely to have a direct impact on your Company's growth prospects. Inflation is expected to remain high for the foreseeable future, driven by commodity price increases due to ongoing conflicts and broader price pressures. Additionally, the anticipated interest rate hikes by Central Banks in the coming year are expected to dampen growth and strain economies, especially in emerging markets.

In this environment, the ability to effectively manage cost pressures will be crucial to your Company's overall performance. Reduced purchasing power and demand, driven by the economic climate, could lead to significant shifts in consumer behavior, negatively affecting the market for textiles and apparel. A shift towards more value-for-money options could further reduce growth and profitability for your Company.

### **OUTLOOK AND STRATEGY**

The Company anticipates maintaining a trajectory of profitable growth. In the Domestic Market, consumer sentiment is expected to stay positive, bolstered by the wedding and festive seasons, as well as strong demand in the formal and daily wear segments. In the suiting fabric segment, growth is expected to be driven by expanding premium categories, such as wool-rich blends. Additionally, the Company is strategically positioning its product offerings to transition from 'Occasions Wear' to 'Daily Wear'.

### **KEY INITIATIVES WITH RESPECT TO STAKEHOLDER RELATIONSHIP**

A Stakeholder's relationship committee is formed for reviews of statutory compliances and services relating to security holders, dividend payments and performance of Registrar and Transfer Agents. No complains was raised or received from any shareholders during the year.

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

The Company had sufficient numbers of employees at its administrative office. The Company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The Company enjoyed excellent relationship with workers and staff during the last year.



**SUMMARY OF KEY FINANCIAL METRICS AND KEY RATIO**

The Summary of Key Financial metrics and Key Ratio has been mentioned in the Note No. 42 of Audited Financial.

**FORWARD LOOKING STATEMENTS**

Statements in this Management Discussion and Analysis Report regarding the Company's objectives, projections, estimates, expectations, or predictions may constitute "forward-looking statements" as defined under applicable securities laws and regulations. Actual outcomes could differ significantly from those expressed or implied. Key factors that could impact the Company's operations include the availability and cost of raw materials, cyclical demand and pricing in the Company's primary markets, changes in government regulations and tax policies, economic developments in India and other countries where the Company operates, and other related factors.

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

**Date: 06-09-2024**

**Place: New Delhi**

**SD/-  
(Sandeep Jain)  
Executive Chairman, Managing Director  
and Chief Financial Officer  
DIN:02365790**

**SD/-  
(Rajat Sehgal)  
Director  
DIN: 05281112**



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## **INDEPENDENT AUDITOR'S REPORT**

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To The Members of **LORENZINI APPARELS LIMITED**

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

#### **Opinion**

We have audited the accompanying financial statements of **LORENZINI APPARELS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for opinion**

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

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

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





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

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

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

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

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

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

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

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



("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

i. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, where audit trail (edit log) facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of the audit trail feature being tampered with.

2. As required by the **Companies (Auditor's Report) Order, 2020 ("the Order")** issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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



Hemant Bohra  
Partner  
Membership number: 165667  
UDIN: 24165667BKEZDY4594

Place: Mumbai  
Date: 23<sup>rd</sup> May, 2024





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

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

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

We have audited the internal financial controls over financial reporting of **LORENZINI APPARELS LIMITED** (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.





## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
    - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund.
    - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company





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

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

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

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

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





## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

*Hemant*

Hemant Bohra  
Partner

Membership number: 165667  
UDIN: 24165667BKEZDY4594

Place: Mumbai  
Date : 23<sup>rd</sup> May, 2024



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

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

In case of the Company’s Property, Plant and Equipments and Intangible Assets:

1.

- (a)
  1. According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment;
  2. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant & Equipment have been physically verified by the management in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (d) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2.
  - (a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Variances between the quarterly returns or statements filed by the Company with such banks are in agreement are as follows;

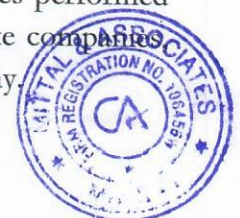
Half Yearly	September, 2023	March, 2024
Current Assets submitted to Banks	2,006.02	3,256.15





Current Assets as per books	1,961.55	3,219.04
Difference	-2.27%	-1.15%

3. The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2024 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- 7.(a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has generally been regular in depositing undisputed statutory dues including Income-Tax, Goods and Services Tax and any other material statutory dues applicable to it with the appropriate authorities.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable.  
(c) According to the information and explanation given to us, there are no dues of Income Tax, Goods and Services Tax, duty of customs outstanding on account of any dispute.
8. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
9. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions.  
(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.  
(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.  
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.  
(e) According to information and explanations given to us, and the procedures performed by us, the company does not have any subsidiaries, joint ventures or associate companies therefore reporting under clause 3(ix)(e) and (f) is not applicable to the company.





10. (a) In our opinion, and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer.  
 (b) During the year, the Company has received money from allotment of share warrants (Refer note 16)
11. (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.  
 (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.  
 (c) The company has not received any whistle blower complaints during the year (and upto the date of this report).
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
 (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.  
 (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.  
 (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.  
 (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. The provision of sub-section (5) of Section 135 of the Companies Act, 2013 not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
21. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

*Hemant*

**Hemant Bohra  
Partner  
Membership number: 165667  
UDIN: 24165667BKEZDY4594**

**Place: Mumbai  
Date: 23<sup>rd</sup> May, 2024**









**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 2024**

(Rs in lakhs, unless stated otherwise)

	Notes	Year ended 31st March 2024	Year ended 31st March 2023
<b>INCOME</b>			
Revenue From Operations			
Other Income	26	5,475.92	4,375.66
<b>Total INCOME</b>	<b>27</b>	<b>187.07</b>	<b>19.10</b>
		<b>5,662.99</b>	<b>4,394.77</b>
<b>EXPENSES</b>			
Cost of materials consumed	28	672.91	1,144.87
Purchase of Stock in Trade	29	3,294.72	1,447.24
Change In Inventory	30	(614.49)	(240.80)
Employee Benefit Expenses	31	356.96	353.05
Finance Costs	32	140.60	127.13
Depreciation Expense	33	321.48	288.98
Other Expenses	34	766.74	897.59
<b>Total EXPENSES</b>		<b>4,938.93</b>	<b>4,018.06</b>
<b>Profit before tax</b>		<b>724.06</b>	<b>376.70</b>
<b>Tax Expense</b>	<b>7a)</b>		
Current Tax		195.76	111.43
Tax of Previous Year		4.01	3.19
Deferred Tax		(5.37)	10.17
<b>Total Tax Expense</b>		<b>194.40</b>	<b>124.79</b>
<b>Profit for the period</b>		<b>529.66</b>	<b>251.92</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		1.78	2.45
Fair Market gain on Investment in Gold		0.51	0.40
Income tax relating to Above		(1.58)	(0.72)
<b>Total Other Comprehensive Income</b>		<b>0.71</b>	<b>2.13</b>
<b>Total Comprehensive Income</b>		<b>530.37</b>	<b>254.05</b>
<b>Earnings Per Share (In Rs)</b>			
(1) Basic	35	0.34	2.48
(2) Diluted		0.32	2.48

Significant accounting policies & key accounting estimates & judgements 1-2  
See accompanying notes to the Financial Statements 3-45  
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 : 24165667BKEZDY4594  
Place:- Mumbai  
Date:- 23 May 2024



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

*Sandeep Jain*  
Director

Sandeep Jain  
(Managing Director & CFO)  
DIN:- 02365790

For Lorenzini Apparels Ltd.

*Rajit Singh*  
Director

Rajit Singh  
(Director)  
DIN:- 05281112

*Ankush Mittal*

Ankush Mittal  
(Company Secretary)  
PAN No: COKPM8407B



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 2024

(Rs In lakhs, unless stated otherwise)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	724.06	376.70
<b>Adjustments for:</b>		
Depreciation expense	321.48	288.98
Finance Costs	140.60	127.13
Interest Income	(1.56)	(1.47)
(Profit)/Loss on sale of property, plant and equipments	0.59	(1.83)
Fair value gain on Share	(145.57)	-
Gain/ (Loss) on Fair Value of Investments	(16.29)	-
Actuarial gain and loss	2.30	2.85
<b>Operating profit before working capital changes</b>	<b>1,025.62</b>	<b>792.36</b>
<b>Adjustments for:</b>		
Decrease/(Increase) in Inventories	(942.69)	(384.69)
Decrease/(Increase) in Loans	1.31	(1.19)
Decrease/(Increase) in Trade Receivables	(303.75)	(352.73)
Decrease/(Increase) in Other Financial Assets	(1.04)	(6.60)
Decrease/(Increase) in Other assets	(49.62)	53.91
Increase/(Decrease) in Trade Payables	230.26	144.57
Increase/(Decrease) in Other Liabilities	355.46	4.11
Increase/(Decrease) in Provisions	5.99	3.52
<b>Cash flow from operating activities post working capital changes</b>	<b>321.52</b>	<b>253.26</b>
Direct taxes	(94.64)	(56.86)
<b>Net cash flow from operating activities (A)</b>	<b>226.87</b>	<b>196.39</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property Plant and Equipment	(95.97)	(126.95)
Sale of Property Plant and Equipment	(0.59)	1.83
Interest received	1.56	1.47
Increase/(Decrease) in Investment	(787.55)	(7.84)
<b>Net cash used in investing activities (B)</b>	<b>(882.55)</b>	<b>(131.49)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	517.26	187.29
Money Received against Share Warrant	525.00	-
Interest paid	(140.60)	(127.13)
Lease	(205.81)	(188.17)
Dividend Paid	-	-
<b>Net cash used in financing activities (C)</b>	<b>695.85</b>	<b>(128.01)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>40.18</b>	<b>(63.11)</b>
Cash and cash equivalents as at 1st April	30.12	93.23
Cash and cash equivalents as at 31st March	70.29	30.12
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>40.18</b>	<b>(63.11)</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	Year ended 31st March 2024	As at 31st March 2023
Balances with banks	1.35	0.67
Bank deposit with maturity less than 3 months	-	-
Cash on hand	9.72	21.50
Bank deposit with maturity more than 3 months but less than 12 months	8.37	7.95
Deposits with bank with maturity more than 12 months	50.85	-
<b>Total</b>	<b>70.29</b>	<b>30.12</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 Bohra  
Partner  
Membership No. : 165667  
UDIN : 24165667BKEZDY4594  
Place:- Mumbai  
Date:- 23 May 2024



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

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

*Rajit Sehgal*  
Director  
Rajit Sehgal  
(Director)  
DIN:- 05281112

*Ankush Mittal*  
Ankush Mittal  
(Company Secretary)  
PAN No: COKPM8407B

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 2024

(Rs in lakhs, unless stated otherwise)

(a) Equity Share Capital

	As at 31st March 2024		As at 31st March 2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Issued, Subscribed &amp; Fully Paid up (Equity Shares of Rs.1/- each)</b>				
Opening Balance				
Changes in equity share capital due to prior period errors	101,389,160	1,013.89	10,138,916	1,013.89
Restated balance at the beginning of the reporting year	101,389,160	1,013.89	10,138,916	1,013.89
Changes in equity share capital during the year	-	-	-	-
Add - Bonus Issue	55,299,841	553.00	-	-
Closing Balance	156,689,001	1,566.89	10,138,916	1,013.89

(b) Other equity

Other Equity	Reserves & Surplus		Other Comprehensive	Bonus Reserve for Share Warrant	Share Warrant	Total
	Retained Earnings	Securities Premium				
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
Balance as at 31st March 2022	258.77	13.36	0.53	-	-	272.66
Balance as at 1st April 2022	258.77	13.36	0.53	-	-	272.66
Profit for the year	251.92	-	-	-	-	251.92
Other comprehensive income for the year	-	-	2.13	-	-	2.13
Balance as at 31st March 2023	510.69	13.36	2.66	-	-	526.71
Balance as at 1st April 2023	510.69	13.36	2.66	-	-	526.71
Profit for the year	529.66	-	-	-	-	529.66
Less - Bonus Issue	(596.28)	(13.36)	-	56.64	-	(553.00)
Other comprehensive income for the year	-	-	0.71	-	-	0.71
Share Warrant During the Year	-	-	-	-	525.00	525.00
Balance as at 31st March 2024	444.07	-	3.37	56.64	525.00	1,029.08

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

*Hemant*

Hemant Bohra  
Partner  
Membership No. : 165667  
UDIN : 24165667BKEZDY4594  
Place:- Mumbai  
Date:- 23 May 2024



For Lorenzini Apparels Ltd.

*[Signature]*  
Director

Sandeep Jain  
(Managing Director & CFO)  
DIN:- 02365790

For and on behalf of the Board of Directors of

LORENZINI APPARELS LIMITED

For Lorenzini Apparels Ltd.

*[Signature]*  
Director

Rajit Sengal  
(Director)  
DIN:- 05281112

*[Signature]*

Ankush Mittal  
(Company Secretary)  
PAN No: COKPM8407B



## 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 May 23, 2024

## 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 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 23, 2024

### 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 37.

#### 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 classified 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.

**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









#### 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.

#### 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 short term 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 activities. The cash flows from operating, investing and financing activities of the Company are segregated.





3 Property, Plant and Equipment (PPE)	Buildings	Plant & Machinery	Furniture & Fixture	Vehicles	Office Equipment	Computers	Total	ROU Assets	Total Assets
<b>Gross Value</b>									
Balance as at 1st April 2022	180.76	2.22	131.26	97.46	65.59	39.96	517.24	658.70	1,175.94
Additions during the year	-	-	35.47	80.33	16.42	0.76	132.99	134.16	267.15
Disposals during the year	-	-	(9.17)	(12.48)	-	-	(21.66)	-	(21.66)
Balance as at 31st March 2023	180.76	2.22	157.56	165.31	82.01	40.72	628.58	792.86	1,421.44
Balance as at 1st April 2023	180.76	2.22	157.56	165.31	82.01	40.72	628.58	792.86	1,421.44
Additions during the year	-	-	68.69	(4.70)	4.09	0.37	73.15	89.97	163.11
Disposals during the year	-	-	-	-	-	-	(4.70)	(62.79)	(67.49)
Balance as at 31st March 2024	180.76	2.22	226.24	160.60	86.10	41.09	697.02	820.04	1,517.06
<b>Accumulated Depreciation</b>									
Balance as at 1st April 2022	21.48	1.40	67.47	46.36	46.77	36.84	220.32	118.46	338.78
Depreciation charge for the year	18.93	0.15	25.62	11.57	10.91	1.74	68.92	216.39	285.31
Depreciation on sale during the year	-	-	(3.72)	(11.77)	-	-	(15.49)	-	(15.49)
Balance as at 31st March 2023	40.41	1.55	89.36	46.17	57.68	38.58	273.75	334.85	608.61
Balance as at 1st April 2023	40.41	1.55	89.36	46.17	57.68	38.58	273.75	334.85	608.61
Depreciation charge for the year	16.68	0.12	50.16	13.27	11.46	0.80	92.49	225.80	225.80
Depreciation on sale during the year	-	-	-	0.22	-	-	0.22	-	0.22
Balance as at 31st March 2024	57.09	1.67	139.52	59.66	69.14	39.38	366.47	560.65	927.12
<b>Net carrying value</b>									
As at 31st March 2023	140.35	0.67	68.19	119.14	24.33	2.14	354.82	458.01	812.83
As at 31st March 2024	123.67	0.55	86.72	100.94	16.96	1.71	330.55	259.38	589.93

**Note**

1. 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.



4 Intangible Assets

	Brand	Computer	Total
<b>Gross Value</b>			
Balance as at 1st April 2022	20.00	7.31	27.31
Additions during the year	-	0.13	0.13
Disposals during the year	-	-	-
Balance as at 31st March 2023	20.00	7.44	27.44
Balance as at 1st April 2023	20.00	7.44	27.44
Additions during the year	-	0.13	0.13
Disposals during the year	-	-	-
Balance as at 31st March 2024	20.00	7.56	27.56
<b>Accumulated Depreciation</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	-	-	-
Balance as at 31st March 2023	12.73	4.41	17.14
Balance as at 1st April 2023	12.73	4.41	17.14
Depreciation charge for the year	1.89	0.86	2.75
Depreciation on sale during the year	-	-	-
Balance as at 31st March 2024	14.62	5.27	19.89
<b>Net carrying value</b>			
As at 31st March 2023	7.27	3.03	10.29
As at 31st March 2024	5.38	2.29	7.67





**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 2024	As at 31st March 2023
Investments In Gold	3.49	2.98
Investment in Shares at cost (Unquoted)		-
<b>Total</b>	<b>3.49</b>	<b>2.98</b>

Note:

Book Value Of Gold	2.07	2.07
	<b>2.07</b>	<b>2.07</b>

6 Other non-current financial assets	As at 31st March 2024	As at 31st March 2023
Unsecured, considered good, unless otherwise stated		
Security Deposits	83.72	82.68
Deposits with bank with maturity more than 12 months	50.85	-
<b>Total</b>	<b>134.57</b>	<b>82.68</b>

**1,036,565.64**

**7 Income tax**

7a) The major components of income tax expense for the year are as under:

i) Amounts recognised in the Statement of Profit and Loss comprises :	Year ended 31st March 2024	Year ended 31st March 2023
Current tax:		
- in respect of the current year	195.76	111.43
	<b>195.76</b>	<b>111.43</b>
Deferred tax expense:		
Attributable to -		
- Origination and reversal of temporary differences	(5.37)	10.17
	<b>(5.37)</b>	<b>10.17</b>
<b>Total Income tax expense</b>	<b>190.39</b>	<b>121.59</b>

ii) Income tax recognised in Other Comprehensive Income	Year ended 31st March 2024	Year ended 31st March 2023
Net loss/(gain) on remeasurements of defined benefit plans	1.58	0.72
<b>Income tax charged to OCI</b>	<b>1.58</b>	<b>0.72</b>

7b) Deferred Tax Liabilities (Net)	Year ended 31st March 2024	Year ended 31st March 2023
Opening balance	8.56	19.44
Attributable to P&L	5.37	(10.17)
Attributable to OCI	(1.58)	(0.72)
<b>Closing Balance</b>	<b>12.35</b>	<b>8.56</b>

8 Inventories	As at 31st March 2024	As at 31st March 2023
Raw Materials	1,187.91	859.70
Finished Goods	2,031.13	1,416.64
<b>Total</b>	<b>3,219.04</b>	<b>2,276.34</b>

9 Investments	As at 31st March 2024	As at 31st March 2023
Investment In Shares (Quoted)	986.34	37.44
<b>Total</b>	<b>986.34</b>	<b>37.44</b>

Note:

Book Value Of Shares (Quoted)	980.00	47.39
<b>Total</b>	<b>980.00</b>	<b>47.39</b>

10 Trade receivables	As at 31st March 2024	As at 31st March 2023
Unsecured		
Considered good		
Exceeding Six months	120.41	833.27
Others	1,046.11	29.50
<b>Total</b>	<b>1,166.52</b>	<b>862.77</b>

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



**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)

(Outstanding from due date of payment / from date of transaction)	As at 31st March 2024	As at 31st March 2023
<b>(i) Undisputed Trade Receivables – considered good</b>		
Less than 6 months	855.87	530.79
6 months - 1 year	194.35	162.95
1-2 years	6.32	105.08
2-3 years	60.19	-
More than 3 years	49.79	49.79
	1,166.52	848.61
<b>(ii) Undisputed Trade Receivables – which have significant increase in credit risk</b>		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
<b>(iii) Undisputed Trade Receivables – credit impaired</b>		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
<b>(iv) Disputed Trade Receivables – considered good</b>		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	14.16
	-	14.16
<b>credit risk</b>		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
<b>(vi) Disputed Trade Receivables – credit impaired</b>		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
<b>(vii) Unbilled dues</b>		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
	1,166.52	862.77
<b>Less: Provision for doubtful receivables</b>		
	1,166.52	862.77
<b>TOTAL</b>	<b>1,166.52</b>	<b>862.77</b>

11 Cash & Cash Equivalents	As at 31st March 2024	As at 31st March 2023
Balances with banks	1.35	0.67
Bank deposit with maturity less than 3 months	-	-
Cash on hand	9.72	21.50
<b>Total</b>	<b>11.07</b>	<b>22.17</b>

12 Bank balances other than "Cash & Cash Equivalents"	As at 31st March 2024	As at 31st March 2023
Bank deposit with maturity more than 3 months but less than 12 months	8.37	7.95
<b>Total</b>	<b>8.37</b>	<b>7.95</b>

13 Current financial assets - Loans and advances	As at 31st March 2024	As at 31st March 2023
Unsecured, considered good unless otherwise stated		
Loan to Employees	3.79	5.10
<b>Total</b>	<b>3.79</b>	<b>5.10</b>





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(Rs in lakhs, unless stated otherwise)

14 Other current assets	As at 31st March 2024	As at 31st March 2023
Balances with Government Authorities	40.77	3.54
Advance to Creditors	29.93	15.11
Prepaid Expenses	2.54	4.96
<b>Total</b>	<b>73.23</b>	<b>23.61</b>

17 Borrowings	As at 31st March 2024	As at 31st March 2023
<b>Secured Loan:</b>		
- *From bank	54.68	60.71
- From NBFC		
<b>Unsecured Loans</b>		
-From Bank	19.50	87.92
-From NBFC	5.85	18.48
<b>Security Deposit from franchise holders</b>	<b>278.02</b>	<b>285.42</b>
<b>Total</b>	<b>358.05</b>	<b>452.53</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 2024	As at 31st March 2023
Lease Liabilities	136.54	358.18
<b>TOTAL</b>	<b>136.54</b>	<b>358.18</b>

19 Provisions (Non-current)	As at 31st March 2024	As at 31st March 2023
Provision for employee benefits (Refer Note 37)		
Provision for gratuity	18.19	12.82
<b>Total</b>	<b>18.19</b>	<b>12.82</b>

20 Current Borrowings	As at 31st March 2024	As at 31st March 2023
<b>Secured Loans from Banks</b>		
Working Capital Loan	618.33	505.30
Current maturities of long-term borrowings (Secured)	123.37	124.65
NRPT	500.00	
<b>Total</b>	<b>1,241.70</b>	<b>629.95</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:

Half Year	Current Assets- Submitted to Bank	Current Assets As per Books	Change
September, 2023	2,006.02	1,961.55	-2.27%
March, 2024	3,256.15	3,219.04	-1.15%



(Rs in lakhs, unless stated otherwise)

21 LEASE LIABILITIES (Current)	As at 31st March 2024	As at 31st March 2023
Lease Liabilities	163.17	147.35
<b>Total</b>	<b>163.17</b>	<b>147.35</b>

22 Trade Payables	As at 31st March 2024	As at 31st March 2023
Dues to Micro enterprises & small enterprises (Refer Note c below)	73.36	321.89
Dues to Others	931.88	453.09
<b>Total</b>	<b>1,005.24</b>	<b>774.98</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	As at 31st March 2024	As at 31st March 2023
<b>(Outstanding from the due date of payment/from the date of transaction)</b>		
<b>(i) MSME</b>		
Less than 1 year	73.36	317.66
1-2 year	-	2.48
2-3 year	-	1.75
More than 3 years	-	-
	<b>73.36</b>	<b>321.89</b>
<b>(ii) Others</b>		
Less than 1 year	904.90	442.02
1-2 year	19.93	2.80
2-3 year	5.76	2.82
More than 3 years	-	5.45
	<b>930.59</b>	<b>453.09</b>
<b>(iii) Disputed dues - MSME</b>		
Less than 1 year	-	-
1-2 year	-	-
2-3 year	-	-
More than 3 years	-	-
	<b>-</b>	<b>-</b>
<b>(iv) Disputed dues - Others</b>		
Less than 1 year	-	-
1-2 year	1.29	-
2-3 year	-	-
More than 3 years	-	-
	<b>1.29</b>	<b>-</b>
<b>Total Trade Payables</b>	<b>1,005.24</b>	<b>774.98</b>

23 Other current liabilities	As at 31st March 2024	As at 31st March 2023
<b>Statutory Liabilities</b>		
Tds Payable	7.33	9.09
GST Payable	-	-
Sales Tax Payable	-	-
Employer EPF/ESIC	0.82	1.13
<b>Payable to Employees &amp; Directors</b>		
Remuneration Payable to Directors	6.98	3.25
Employees & Worker	27.60	23.72
Advance From Customers	160.59	8.29
Others -Non Trade Payables (Payable for Expenses)	301.77	104.16
<b>Total</b>	<b>505.09</b>	<b>149.63</b>

24 Provision (Current)	As at 31st March 2024	As at 31st March 2023
<b>Provision for employee benefits (Refer Note 37)</b>		
Provision for gratuity	0.33	0.21
Provision for Internal Audit Fee	0.50	-
<b>Total</b>	<b>0.83</b>	<b>0.21</b>

25 Current Tax Liabilities (Net)	As at 31st March 2024	As at 31st March 2023
Provision for taxation (net of Advance income-tax)	191.60	86.48
<b>Total</b>	<b>191.60</b>	<b>86.48</b>





15 Equity Share Capital

(a) Authorised & Issued Share Capital	As at 31st March 2024		As at 31st March 2023	
	Number	Amount	Number	Amount
<b>Authorised Share Capital</b>				
Equity Shares of Rs 1/- each	173,000,000	1,730.00	102,000,000	1,020.00
<b>Issued, Subscribed &amp; Fully Paid up</b>				
Equity Shares of Rs 1/- each	156,689,001	1,566.89	10,138,916	1,013.89
(b) Reconciliation of Share Capital				
<b>Issued, Subscribed &amp; Fully Paid up</b>				
Equity Shares of Rs 1/- each				
Opening Balance	101,389,160	1,013.89	10,138,916	1,013.89
Add: Bonus Shares Issued	55,299,841	553.00	-	-
<b>Closing Balance</b>	<b>156,689,001</b>	<b>1,566.89</b>	<b>10,138,916</b>	<b>1,013.89</b>

(c) Terms and rights attached to equity shares

i) The Company has only one class of equity shares having a par value of ` 1 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 2024	
	No. of Shares held	% of Holding
Sandeep Jain	90,219,942.00	57.58%
<b>Total</b>	<b>90,219,942.00</b>	<b>57.58%</b>
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>57.78%</b>

(e) Disclosure of Shareholding of Promoters in the company

Name of Shareholder	As at 31st March 2024		
	No. of Shares held	% of Holding	% of Change
Sandeep Jain	90,219,942	57.58%	6.01%
Deepika Jain	316,894	0.20%	-6.01%
Sandeep Jain (HUF)	1,545,454	0.99%	0.00%
Parveen Jain	6,492,918	4.14%	0.00%
<b>Total</b>	<b>98,575,208</b>	<b>62.91%</b>	<b>0.00%</b>
Name of Shareholder	As at 31st March 2023		
	No. of Shares held	% of Holding	% of Change
Sandeep Jain	5,228,761	51.57%	1.68%
Deepika Jain	629,505	6.21%	0.00%
Sandeep Jain (HUF)	100,000	0.99%	0.00%
Parveen Jain	420,130	4.14%	0.98%
<b>Total</b>	<b>6,378,396</b>	<b>62.91%</b>	<b>2.66%</b>

**SUB-DIVISION OF FACE VALUE OF EQUITY SHARES OF THE COMPANY FROM RS. 10/- (RUPEES TEN ONLY) EACH TO RE. 1/- (RUPEE ONE) EACH**

The Board of Directors of the Company & approval of the members of the Company be and are hereby accorded for sub-division/split of equity shares of the Company, such that 1 (one) equity share having face value of Rs. 10/- (Rupees ten only) each, fully paid-up, be sub-divided into 10 (ten) equity shares having face value of Re. 1/- (Rupee one only) each, fully paid-up, ranking pari-passu in all respects with effect from Record Date - March 28, 2024 by the Board (hereinafter the term 'Board') of the Company.

**INCREASE IN AUTHORIZED SHARE CAPITAL**

On the recommendations of the Board of Directors of the Company on February 12, 2024 & the approval of the shareholder of the Company on March 14, 2024 and are hereby accorded to increase the Authorized Share Capital of the Company from the existing Rs. 1,170 Lakhs/- (Indian Rupees Eleven Crore Seventy Lakh Only) divided into 1,17,00,000 (One Crore Seventeen Lakh) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs.1730 Lakhs /- (Indian Rupees Seventeen Crore Thirty Lakh Only) divided into 17,30,00,000 /- (Seventeen Crore Thirty Lakh Only) Equity Shares of Re.1/- (Rupee One Only) each.



#### ISSUE OF BONUS EQUITY SHARES TO THE SHAREHOLDERS OF THE COMPANY

The Board of Directors & approval of the members be and is hereby accorded to the Board of Directors of the Company ('the Board') for capitalization of a sum not exceeding Rs 609.67 Lakhs (Rupees Six Core Nine Lakh Sixty Seven Thousand and Twenty only from out of the Securities Premium account/retained earnings/ free reserves and / or any other permitted reserves/surplus of the Company, as may be considered appropriate for the purpose of Issue of Bonus Equity Shares of 6,09,67,020, as fully paid to the eligible members of the Company whose name(s) appear in the Register of Members on 'Record Date' to be determined by the Company for this purpose, in proportion of 6 (Six) new fully paid-up equity share of Re. 1/- (Rupee one only) each for every 11 (Eleven) fully paid-up Equity Shares of Re. 1/- (Rupee one only) each (i.e. Adjusted for Sub-Division of equity Shares as on the Record Date) and that the new Bonus equity Shares so issued and allotted shall, for all purposes, be treated as an increase in the paid-up capital of the Company held by each such member. Record date of Issue of Bonus is March 28, 2024.

16 Other Equity	Reserves & Surplus		Other Comprehensive Income	Bonus Reserve for Share Warrant	Share Warrant	Total
	Retained Earnings	Securities Premium				
Balance as at 1st April 2022	258.77	13.36	0.53	-	-	272.66
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>
Balance as at 1st April 2023	510.69	13.36	2.66	-	-	526.71
Profit for the year	529.66	-	-	-	-	529.66
Less - Bonus Issue	(596.28)	(13.36)	-	56.64	-	(553.00)
Other comprehensive income for the year	-	-	0.71	-	-	0.71
Share Warrant During the Year	-	-	-	-	525.00	525.00
<b>Balance as at 31st March 2024</b>	<b>444.07</b>	<b>-</b>	<b>3.37</b>	<b>56.64</b>	<b>525.00</b>	<b>1,029.08</b>

#### Issuance of Warrants Convertible into Equity Shares to the Proposed Allottees, on a Preferential Basis

The Board at their meeting held on Wednesday, August 22, 2022 have, approved by Members of the Company on September 20, 2023, 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. 2,599.99 Lakhs (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"). Number of share warrant issued 10,38,371 @ 202.24 of 25% on October 5, 2023. Money received against issue is 525.00 Lakhs





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(Rs in lakhs, unless stated otherwise)

26 Revenue from Operations	Year ended 31st March 2024	Year ended 31st March 2023
Total Sales	5,475.92	4,375.66
<b>Total</b>	<b>5,475.92</b>	<b>4,375.66</b>
27 Other Income	Year ended 31st March 2024	Year ended 31st March 2023
Interest Income - FD	1.56	1.47
Ind As - Interest Income	10.26	4.28
Gain/ (Loss) on sale of Fixed Assets	-	1.83
Profit on Sale of Share	145.57	-
Gain/ (Loss) on Fair Value of Investments	16.29	-
Miscellaneous Income	0.02	0.28
Rental Income	1.20	-
Rebate & Discount	9.45	11.25
Sundry Balance W/off	2.73	-
<b>Total</b>	<b>187.07</b>	<b>19.10</b>
28 Cost of Materials Consumed	Year ended 31st March 2024	Year ended 31st March 2023
Opening Stock of Raw Material	859.70	715.81
Purchase of Material	1,001.12	1,288.76
Less- Closing Stock of Raw Material	1,187.91	859.70
<b>Total</b>	<b>672.91</b>	<b>1,144.87</b>
29 Purchase of Stock In Trade	Year ended 31st March 2024	Year ended 31st March 2023
Purchases (Including Consumables Stores)	3,294.72	1,447.24
<b>Total</b>	<b>3,294.72</b>	<b>1,447.24</b>
30 Change In Inventory	Year ended 31st March 2024	Year ended 31st March 2023
Inventories at the end of the year Finished Goods	2,031.13	1,416.64
Inventories at the Beginning of the year Finished Goods	1,416.64	1,175.84
<b>Total</b>	<b>(614.49)</b>	<b>(240.80)</b>
31 Employee Benefits Expenses	Year ended 31st March 2024	Year ended 31st March 2023
Salaries and Incentives	296.80	275.48
Bonus	-	1.40
Leave Encashment	-	2.22
Overtime	14.55	23.06
Employer Contribution to Statutory Funds	6.12	6.84
Director's Remuneration	17.00	24.00
Gratuity	7.27	5.97
Staff welfare expenses	15.20	14.08
<b>Total</b>	<b>356.96</b>	<b>353.05</b>



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(Rs In lakhs, unless stated otherwise)

32 Finance Cost	Year ended 31st March 2024	Year ended 31st March 2023
<b>Interest</b>		
Interest on Borrowings	105.76	71.55
Interest on Statutory Dues	-	7.74
Interest as Per Ind As		
<b>Others</b>		
Foreclosure Charges		-
<b>Total</b>	<b>140.60</b>	<b>127.13</b>
<b>33 Depreciation expense</b>	<b>Year ended 31st March 2024</b>	<b>Year ended 31st March 2023</b>
Depreciation expense on Property, Plant & Equipment	95.68	72.59
Depreciation on ROU ASSETS	225.80	216.39
<b>Total</b>	<b>321.48</b>	<b>288.98</b>
<b>34 Other Expenses</b>	<b>Year ended 31st March 2024</b>	<b>Year ended 31st March 2023</b>
Advertising Expenses	54.27	75.22
Audit Fees	1.50	1.80
Bad Debts	-	17.13
Bank Charges	0.85	-
Business Promotion	-	5.41
Carriage Outward	19.07	23.60
Commission	247.51	301.03
Consumable	2.88	1.38
Conveyance Expenses	20.78	17.69
Credit Card Machine Charges	3.48	3.83
Fabrication/Job Charges	29.13	82.54
Fines & Duties	0.03	-
General Expenses	3.48	2.27
GST Expenses	-	0.20
Insurance Charges	3.79	3.76
Internship Expenses	3.45	2.12
Interest Charges Demate account	20.43	-
Interest on Statutory Dues	16.13	-
Loan Guarantee Fees	-	-
Loss on Sale of Shares	-	27.36
Loss on Sale of Fixed Assest	0.59	-
Mall Maintenance Charges	24.57	27.76
Packing Material	16.86	20.37
Postage & Courier	9.35	6.92
Power, Electricity & Fuel	54.41	49.71
Printing & Stationery	1.53	5.06
Professional Expenses	38.27	18.39
Rent	128.09	131.27
Rent IND As		
Repair & Maintenance-Computer	0.91	2.01
Sampling Expenses	5.94	6.07
Security Exp	3.26	4.13
Show Room Expenses	-	-
Stamp Duty Charges	12.24	0.50
Telephone Expenses	4.30	3.41
Travelling Expenses	17.92	20.03
Vehicle Running Expenses	4.59	5.27
<b>Total</b>	<b>766.74</b>	<b>897.59</b>





35 Earning per share	Year ended 31st March 2024	Year ended 31st March 2023
Total profit for the year	529.66	251.92
Weighted average number of equity shares of Rs. 1/- each (Nos)	156,689,001	10,138,916
EPS - Basic ( per share in Rs.)	0.34	2.48
EPS - Diluted ( per share in Rs.)	0.32	2.48
36 Contingent liabilities	As at 31st March 2024	As at 31st March 2023
Disputed Demands with respect to Litigation	-	12.24
Disputed Demands With respect to Income Tax & TDS	-	0.01
<b>Total Contingent Liabilities</b>	-	<b>12.25</b>
37 Employee benefits		
a) Description of the type of the plan		
<b>Defined Benefit Plan - Gratuity</b>		
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 2024	As at 31st March 2023
Present value of obligation as at beginning of the year	13.03	9.51
Interest Cost	1.07	0.69
Current Service Cost	6.20	5.28
Benefits paid	(1.78)	(2.45)
Actuarial (Gain)/Loss on obligation	18.52	13.03
Present value of obligation as at the end of the year	-	-
ii) Fair Value of Plan Assets	-	-
iii) Net Assets/(Liability) (II-I)	(18.52)	(13.03)
iv) Amount recognised in Statement of Profit and Loss	As at 31st March 2024	As at 31st March 2023
Service cost	6.20	5.28
Net Interest cost	1.07	0.69
Actuarial (gain) /loss for the year	-	-
Expense recognised in the Income Statement	7.27	5.97
v) Amount recognised in Other Comprehensive Income (OCI)	As at 31st March 2024	As at 31st March 2023
Actuarial (Gain)/Loss for the year on Projected Benefit Obligation	(1.78)	(2.45)
Expense recognised in the Income Statement	(1.78)	(2.45)
vi) Principal Actuarial Assumptions	As at 31st March 2024	As at 31st March 2023
i) Discount rate (p.a.)	7.25%	7.39%
ii) Future salary increase (p.a.)	5.00%	5.00%
vii) Demographic Assumptions	As at 31st March 2024	As at 31st March 2023
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	5.00%	5.00%
Up to 30 Years	3.00%	3.00%
From 31 to 60 Years	2.00%	2.00%
Above 44 Years	-	-
viii) Expected contributions for the next annual reporting period	As at 31st March 2024	As at 31st March 2023
Expected expense for the next annual reporting period	11.90	9.57







<b>Financial Liabilities</b>		
Borrowings	1,599.75	1,082.49
Lease liabilities	299.71	505.53
Trade Payables	1,005.24	774.98
	<b>2,904.70</b>	<b>2,362.99</b>
Current	2,410.11	1,552.28
Non-Current	494.59	810.71

**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 2024</b>			
<b>Financial Assets</b>			
Investment in Gold	3.49	-	-
Investment in Shares	986.34	-	-
	<b>989.82</b>		
<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>		

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, 2024 and 2023, financial liabilities in respect of Borrowings is 618.33 Lakhs and 505.30 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 6.18 Lakhs and 5.05 Lakhs for the year ended March 31, 2024 and 2023, 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, 2024 was 986.34 Lakhs. A 10% change in equity price as of March 31, 2024 would result in a pre-tax impact of 9.86 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 balance sheet

Particulars	As at 31st March 2024	As at 31st March 2023
Trade receivables	1,166.52	862.77
Loans & Advances	3.79	5.10
Other financial assets	134.57	82.68

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.









**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); or b) 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*

Hemant Bohra  
Partner  
Membership No. : 165667  
UDIN : 24165667BKEZDY4594  
Place:- Mumbai  
Date:- 23 May 2024



For Lorenzini Apparels Ltd.

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

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

*Rajit Sehgal*  
Director  
Rajit Sehgal  
(Director)  
DIN:- 05281112

*Ankush Mittal*

Ankush Mittal  
(Company Secretary)  
PAN No: COKPM8407B