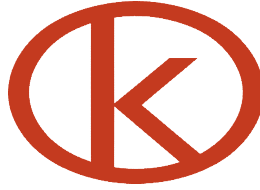


DRAFT INFORMATION MEMORANDUM
[In accordance with SEBI (Listing of specified
securities on Institutional Trading Platform)
Regulations, 2013]



KANAK KRISHI IMPLEMENTS LIMITED

Our Company was originally incorporated as “Kanak Krishi Implements Private Limited” on 8th September, 2010 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Kanpur, Uttar Pradesh & Uttarakhand. Our Company was subsequently converted in to a public company and consequently name was changed to “Kanak Krishi Implements Limited” (KKIL) vide fresh certificate of incorporation dated 2nd January, 2014 issued by Registrar of Companies, Kanpur, Uttar Pradesh & Uttarakhand.

Registered office & Corporate Office: 1/586, Sector - 1, Vaishali, Ghaziabad, Uttar Pradesh - 201010;
Tel: +91 11-3231 8627;

Website: www.kanakkrishi.com; E-Mail: kanakkrishi@yahoo.com

Compliance Officer: Mr. Satyendra Kumar, Whole Time Director;

Contact Person & Company Secretary: Ms. Laxmi Joshi

PROMOTERS OF THE COMPANY: MR. SATYENDRA KUMAR & M/S. ETHICS ENGINEERING PRIVATE
LIMITED

This Information Document is In terms of the Chapter XC of the SEBI (ICDR) Regulations, 2009, as amended from time to time and we propose to list our Equity Shares on Institution Trading Platform (ITP) of BSE SME.

TABLE OF CONTENTS

| TITLE | Page No. |
|---|----------|
| General | |
| 1. Definitions and Abbreviations | 1 |
| 2. General Information | 3 |
| 3. Eligibility Criteria | 5 |
| | |
| I. Business | |
| 1. Description of our Business and Operations | 6 |
| 2. Financial Information | 10 |
| 3. Capital Structure | 27 |
| 4. Property | 33 |
| | |
| II. Risk Factors | 34 |
| | |
| III. Security Ownership of certain beneficial owners and Management | 39 |
| | |
| IV. Our Management | 40 |
| | |
| V. Our Promoters | 45 |
| | |
| VI. Related Party Transactions | 47 |
| | |
| VII. Outstanding Litigations and Material Development | 48 |
| | |
| VIII. Declaration | 50 |

GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, the following terms have the meanings given below. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

In this Information Memorandum, unless the context otherwise indicates, all references to “KKIL”, “the Company”, “our Company” are to Kanak Krishi Implements Limited, a company incorporated in India under the Companies Act, 1956 (the “Companies Act”) with its Registered Office at 1/586, Sector-1, Vaishali, Ghaziabad, Uttar Pradesh 201010. Furthermore, all references to the terms “we”, “us” and “our” are to Kanak Krishi Implements Limited.

Company/ Industry related terms

| Term | Description |
|---|---|
| Act/Companies Act, 2013 | The Companies Act, 1956 or such other replaced provisions under the Companies Act, 2013 as may be applicable. |
| AGM | Annual General meeting |
| Articles/Articles of Association | Articles of Association of the Company |
| AS | Accounting Standard as issued by the Institute of Chartered Accountant of India |
| Auditor | M/s Ravi Bhushan & Co., Chartered Accountants the statutory auditors of our Company. |
| Board/Board of Directors of the Company | Board of Directors of our Company i.e. Kanak Krishi Implements Limited |
| BSE | BSE Limited |
| BSE-SME | SME platform of BSE Limited |
| Capital/ Share Capital/Equity Share Capital | Equity Share Capital of the Company |
| CDSL | Central Depository Services (India) Limited |
| DP | Depository Participant |
| Depository | The Depositories Act, 1996 and amendment thereto. |
| Equity Share(s) or Share(s) | Means the equity shares of the Company having a face value of Rs. 10/- unless specified otherwise in the context thereof. |
| Equity Shareholder | Means a holder of Equity Shares of Our Company |
| Financial Year/Fiscal/FY | Period of 12 month ended March 31 of that particular year unless stated otherwise. |
| ITP | Institutional Trading Platform |
| Memorandum/Memorandum of Association | Memorandum of Association of the Company |
| Promoter(s) | Mr. Satyendra Kumar & M/s. Ethics Engineering Private Limited |
| RBI | Reserve Bank of India |
| ROC | Registrar of Company, Kanpur, Uttar Pradesh & Uttarakhand |
| SEBI Regulation/ SEBI (ICDR) Regulations | The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended |
| T.P. | Transfer of Property Act, 1882 |
| SEBI | Securities and Exchange Board of India |
| Stock Exchange | Shall refer to the BSE Limited where the Shares of the Company proposed to list. |

Abbreviations

| ABBREVIATION | FULL FORM |
|----------------------------|--|
| AGM | Annual General Meeting |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India |
| A.Y. | Assessment Year |
| B.Com | Bachelor of Commerce |
| BG/LC | Bank Guarantee / Letter of Credit |
| CAGR | Compounded Annual Growth Rate |
| C. A. | Chartered Accountant |
| CDSL | Central Depository Services (India) Limited |
| CEO | Chief Executive Officer |
| C.S. | Company Secretary |
| DP | Depository Participant |
| ECS | Electronic Clearing System |
| EGM / EOGM | Extra Ordinary General Meeting of the shareholders |
| EPS | Earnings per Equity Share |
| FY / Fiscal | Financial Year |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry Number |
| INR / Rs./ Rupees | Indian Rupees, the legal currency of the Republic of India |
| SME | Small And Medium Enterprises |
| M.A | Master in Arts |
| NAV | Net Asset Value |
| No. | Number |
| NR | Non Resident |
| NSDL | National Securities Depository Limited |
| P/E Ratio | Price/Earnings Ratio |
| Eqty | Equity |
| PAN | Permanent Account Number |
| RBI | The Reserve Bank of India |
| RBI Act | The Reserve Bank of India Act, 1934, as amended from time to time |
| RoC/Registrar of Companies | Registrar of Company, Kanpur, Uttar Pradesh & Uttarakhand. |
| RONW | Return on Net Worth |
| USD/ \$/ US\$ | The United States Dollar, the legal currency of the United States of America |

GENERAL INFORMATION

KANAK KRISHI IMPLEMENTS LIMITED

Our Company was originally incorporated as “Kanak Krishi Implements Private Limited” on 8th September, 2010 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Kanpur, Uttar Pradesh & Uttarakhand. Our Company was subsequently converted in to a public company and consequently name was changed to “Kanak Krishi Implements Limited” (KKIL) vide fresh certificate of incorporation dated 2nd January, 2014 issued by Registrar of Companies, Kanpur, Uttar Pradesh & Uttarakhand.

REGISTERED OFFICE:

1/586, Sector - 1,
Vaishali, Ghazibad
Uttar Pradesh - 201010
Tel: +91 11-3231 8627;
Website: www.kanakkrishi.com;
E-Mail: kanakkrishi@yahoo.com

COMPANY REGISTRATION NUMBER: 041921

COMPANY IDENTIFICATION NUMBER: U74900UP2010PLC041921

ADDRESS OF REGISTRAR OF COMPANIES

10/499B, Allenganj,
Khalasi Line,
Kanpur - 208 002
Tel: 0512-2550688,
Fax: 0512-2540423,
Email: roc.kanpur@mca.gov.in

BOARD OF DIRECTORS:

Our Board of Directors comprise of the following members:

| NAME | DESIGNATION | DIN | ADDRESS |
|---------------------|--|----------|---|
| Mr. Satyendra Kumar | Whole-time Director | 06794868 | 422, Block 25, Trilok Puri, Delhi, 110091 |
| Mr. Pramod Kumar | Non-Executive Non Independent Director | 06799484 | F-2, CPWD ENQ Office Flats, Sarojini Nagar, New Delhi - 110 023 |
| Mr. Shyam Saini | Non-Executive Independent Director | 06461564 | 1 st Floor, 210 Phool Singh Market, Karkardooma, Opp. Saini Bus Stand New Delhi 110092 |
| Mr. Love Kumar | Non-Executive Independent Director | 06786190 | N - 82 N - Extension Block,, Between DK Road and Gurudwara Road, Mohan Garden, New Delhi 110059 |

For further details of Management of our Company, please refer to section titled "Our Management" on page 40 of this Information Memorandum.

COMPLIANCE OFFICER

Mr. Satyendra Kumar,
1/586, Sector - 1,
Vaishali, Ghaziabad,
Uttar Pradesh - 201010;
Tel: +91 11-3231 8627;
Website: www.kanakkrishi.com;
E-Mail: kanakkrishi@yahoo.com;

STATUTORY AUDITORS

M/s Ravi Bhushan & Co.
Bhor Colony, Faridabad,
Haryana - 121001
Contact Person: Mr. Ravi B.P. Gupta
Firm Registration No. - 020618N

INVESTING MERCHANT BANKER

UNICON CAPITAL SERVICES PRIVATE LIMITED.

3rd Floor, 'A' wing, Vilco Center,
8, Subhash Road, Vile Parle (East),
Mumbai - 400 057.
Tel: +91-22-4359 1628
Email: mb@unicon.in
Website: www.uniconindia.in
SEBI Regn. No: INM 000001609

REGISTRAR OF THE COMPANY

SKYLINE Financial Services Private Limited
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I
New Delhi - 110 020
Tel.: +91 11 30857575 (10 Lines)
Fax: +91 11 30857562|
Web: www.skylinerta.com
Email: info@skylinerta.com
Contact Person: Mr. Virender Rana
SEBI Registration No: INR000003241

Absolute Responsibility of Kanak Krishi Implements Limited

Kanak Krishi Implements Limited having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to the Company, which is material, that the information contained in the Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions are intentions misleading in any material respect.

ELIGIBILITY CRITERIA

We are an unlisted company as on date and we propose to list our Equity Shares on Institution Trading Platform (ITP) of BSE SME In terms of the Chapter XC of the SEBI (ICDR) Regulations, 2009. Our Company is eligible for the listing in terms of 106 Y and other provisions of Chapter XC of the SEBI (ICDR) Regulations, 2009.

We Confirm that

1. The name of our company, our promoters, any of our group companies or directors do not appear in the wilful defaulters list of Reserve Bank of India as maintained by Credit Information Bureau (India) Limited;
2. There is no winding up petition against the company that has been admitted by a competent court;
3. Our company, group companies or subsidiaries have not been referred to the Board for Industrial and Financial Reconstruction within a period of five years prior to the date of application for listing;
4. No regulatory action has been taken against the company, its promoter or director, by the Board, Reserve Bank of India, Insurance Regulatory and Development Authority or Ministry of Corporate Affairs within a period of five years prior to the date of application for listing;
5. We have been incorporated on 08th September, 2010 and thus not completed more than ten years after incorporation and our revenues have not exceeded Rs. One Hundred Crores in any of the previous financial years.
6. The paid up capital of the company has not exceeded twenty five crore rupees in any of the previous financial years;
7. We have completed fiscal 2012-13 being one full year of audited financial statements, for the immediately preceding financial year at the time of making listing application;
8. M/s Unicon Capital Services Private Limited (A SEBI Registered Merchant Banker) in accordance with Regulation 106 Y (h) (iv) of SEBI (ICDR) Regulations, 2009, as amended has conducted due diligence and invested a sum of Rs. 52.00 Lacs on dated 05th February, 2014 by applying 5,20,000 Equity Shares of our Company at a price of Rs. 10 Each and these shares would be under lock in for a period of three years from the date of listing.
9. In accordance with Regulation 106 ZB of Chapter XC of the SEBI (ICDR) Regulations, 2009, Our Promoter i.e. M/s. Ethics Engineering Private Limited has given their consent to lock-in 24,84,000 Equity Share representing 20.01 % of Paid up Capital of the Company.
10. We have entered tripartite depository agreement with CDSL.

SECTION I - BUSINESS

DESCRIPTION OF OUR BUSINESS AND OPERATIONS

Description of our Business and Operations:

Our Company was originally incorporated as "Kanak Krishi Implements Private Limited" on 8th September, 2010 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Kanpur, Uttar Pradesh & Uttarakhand. Our Company was subsequently converted in to a public company and consequently name was changed to "Kanak Krishi Implements Limited" (KKIL) vide fresh certificate of incorporation dated 2nd January, 2014 issued by Registrar of Companies, Kanpur, Uttar Pradesh & Uttarakhand.

We have established our foot prints as an agriculture equipment supplier entity catering to Uttar Pradesh, Delhi and NCR regions of India.

We are formed with the objective of carry on the Business as manufacturers, producers, importers, exporters, wholesalers, retailers of and dealers of all type of Agricultural Implements i.e harrow, tiller cultivator, other small tools etc. and all types of related items.

We engage ourselves into trading of agriculture equipments and cater to agriculturist, job workers etc.

Our business process can be summarized as under:-

Identification of current market trend: We keep a close watch on the change in agriculture pattern and demands of our customers.

Sourcing the material: Based on feedback of market demand, we explore the various options for sourcing the products. For identifying the vendors, we assess the various possible options on factors such as capacity, credibility in the market, quality awareness and experience. After identifying the vendors for the goods, we place purchase orders.

Supply: Simultaneously with the sourcing of material, our marketing department constantly keeps in touch with customers and ensure efficient and timely supply.

Competition

We operate in an industry which faces intense competition from established as well as unorganized players. Our competition depends on several factors which include quality, price and most importantly our pace in keeping up with the changing methods of agriculture. Competition emerges from both organized as well as unorganized sector. We propose to create awareness of our products by conducting and participating Krishi Melas (Agriculture Fairs) at the markets to which we cater to.

Marketing Arrangement

Our Company is primarily focused, predominately in Uttar Pradesh, Delhi and NCR regions of India. The marketing strategy of the company is the combination of direct marketing, using the distribution network and sales force. Conversation with customers on an individual basis and educating them is part of the strategy. We support our marketing efforts with the activities at the grass root level through field work by maintaining regular contacts and meetings.

OUR FUTURE PLAN

We intend to grow our business by establishing ourselves as fully fledged agriculture service provider, where we would plan to play vital role for agriculturists. We propose to deploy various trained staff that can assist farmers to provide latest equipments, innovative ways of farming, providing temporary labors, supply chain assistance, cattle providing etc.

PRODUCTS

1. Harrow
2. Grubber
3. Plow Beam
4. Hand Cultivator
5. Hand Hoes
6. Hay - Knife

Few of our clientele are listed below:

1. R.K Trading Company
2. Poonam Enterprises
3. Nachiketa Agrotech Private limited

Raw Materials:

As present, we are engaged in trading operations hence we do not source any raw material however we source finished goods from local distributors and open markets.

Industry Segment overview:

Global Agricultural Machinery Industry

Companies in this industry manufacture agricultural equipment and machinery, as well as commercial turf and lawn care equipment. The world's agricultural equipment industry generated more than \$56 billion in 2010, reports Market Line. The market is expected to expand at a near 8% yearly rate through 2015 to reach almost \$81 billion. The market involves the retail of tractors with less than 50 metric horsepower (which are classed as compact tractors), those above 50 metric horsepower and combine harvesters.

Agricultural equipment market growth in developing nations will make up for slowing growth in developed countries in the years to come. Market drivers include growing population, which increases food demand, and technological advances in machinery. Market growth depends on factors such as demand, economic climate and weather conditions.

As disposable incomes increase and living standards improve, demand for protein-rich foods fuels the need for agricultural products. Other industries that use agricultural products, including the pharmaceutical and petroleum sectors, also drive agricultural machinery demand.

Key Segments

Primary activities in this industry include the manufacturing of:

- agricultural harvesting equipment
- agricultural implements (not garden tools)
- agricultural planting equipment
- agricultural windmills
- irrigation equipment
- mowing equipment
- lawnmowers.

Equipments used for plowing and cultivation is expected to show a yearly growth rate in excess of 6.5% until 2017.

Competitive Landscape

Demand for agricultural equipments is driven by farm income and crop production projections for the next season and can vary highly year to year. The profitability of individual companies depends on the volume of products sold, since many manufacturing costs are fixed. Big companies have large economies of scale, especially in manufacturing tractors and combines. Small companies can be successful by making specialized equipment. The US industry is highly concentrated: the 50 largest companies generate more than 80 percent of revenue.

Industry Players

- Leading companies operating in the global agricultural implement and machinery market include: AGCO, with headquarters in Georgia, US, which manufactures a range of equipment including combine, tractors, and tillage equipment sold in over 140 countries; Norway-based Kverneland, which employs close to 2,000 people with retail firms in almost 20 countries; and India's Escorts Group. Other leading players include German Claas KGaA mbH, which generated over \$3.4 billion in sales in 2011, Deere & Company, Kubota and Kuhn Group.
- Indian company Mahindra is among the world's top-three agricultural equipments manufacturers holding 40% of India's market share and with yearly sales of over 150,000 units, ranging from 15 to 75 horsepower. CNH Global, Tractors and Farm Equipment, Same Deutz-Fahr Group, and Iseki are also major players.

Market Outlook

Agricultural implement and equipment are likely to receive more attention from investors over the years to come. An increasing amount of government spending will also go to ensuring enough food for the world's rising population. Financial backing is likely to be used to boost output mainly by focusing on technological innovation to improve implements and machinery.

Farmers use agricultural machinery to boost production. Tractors and machinery in general calls for high horsepower to work efficiently in the context of farming. Industry players are concentrating on technological developments, with innovative solutions such as variable geometry turbochargers, high-pressure common rail fuel systems and engine controllers.

Intellectual Property:

Presently, we do not own any patent or trademark.

Licenses:

Our business operations do not envisage any requirement of licenses.

Franchisee / concessions:

As on date we do not have any franchisee. We have not entered in to any concession agreements.

Working Capital:

Our Working capital comprises of receivables from our debtors, current investments, Short term loans and advances etc.

As on 31st March, 2013, our working capital comprised of followings:

| Particulars | Amount (Fiscal 2013) Rs. in Lacs |
|----------------------------------|--|
| Inventories | - |
| Trade Receivables | 20.53 |
| Short term loans and Advances | 160.44 |
| Cash and Bank Balances | 2.49 |
| Current Investments | 34.74 |
| Other Current Assets | 0.18 |
| Total (A) | 218.38 |
| Less: | |
| Trade Payables | 12.43 |
| Other Current Liabilities | 0.41 |
| Short term provisions | 0.42 |
| Total (B) | 13.27 |
| Net Working Capital (A-B) | 205.12 |

We have funded our entire working capital requirement from our own funds. Companies engaged in industry in which we operate, finance its working capital through borrowed funds (mainly bank and financial institutions) as well as through its own funds.

Research & Developments:

We have not incurred any amount during the last three fiscal years on company-sponsored research and development activities.

Human Resources:

The details of manpower employed as on date are as under:

| Sr. No | Category | No. of employees |
|--------|---------------------------------------|------------------|
| 1. | Whole - Dime Director | 1 |
| 2. | Accounts, Administration & Finance | 3 |
| 3. | Marketing Department | 4 |
| 4. | Company Secretary | 1 |
| 5. | Others | 3 |
| | TOTAL | 12 |

FINANCIAL INFORMATION

The audited annual Balance Sheet, Profit & Loss Account, Cash Flow statement, with attendant annexure and notes to accounts for the fiscal 2012-2013 is produced as under:-

INDEPENDENT AUDITOR'S REPORT

To,
THE MEMBERS
KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of KANAK KRISHI IMPLEMENTS PRIVATE LIMITED ("the Company). Which comprise the balance sheet as at 31st March 2013, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give true and fair view of the financial position, financial performance and cash flows of the company in accordance with accounting standard referred to in sub section(3G) of section 211 of companies Act 1956 ("the Act"). This responsibility includes the design, implementation and maintenances of internal control relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

OPINION

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

- (a) In the case of balance sheet , the state of affairs of the company as at March 31, 2013,
- (b) the case of statement of profit and loss of the profit for the year ended on that date, and
- (c) In the case of the cash flow statement, of the cash flows of the company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the companies (auditor's report) order, 2003 ("the Order") issued by the Central government of India in terms of sub-section (4a) of section 227 of the Act, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by the section 227(3) of the act, we report that :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
 - (b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the balance sheet, statement of profit and loss, and the cash flow statement comply with the accounting standards referred to in sub-section (3C) of section 211 of companies act 1956
 - (e) On the basis of written representation received from the directors as on 31st march 2013, and taken on record by the board of directors, none of the directors is disqualified as on 31st march 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of Companies Act, 1956.
 - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

FOR RAVI BHUSAN & CO.
CHARTERED ACCOUNTANTS
SD/-
RAVI BHUSHAN PRASAD
MEMBERSHIP NO.: 505754
FIRM REGD.NO.: 020618N

Place: Haryana
Date: 31.08.2013

KANAK KRISHI IMPLEMENTS PRIVATE LIMITED
(ANNEXURE TO THE AUDITOR'S REPORT)

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) According to the information and explanations given to us, the company has formulated a regular programme of verification by which all the assets of company shall be verified in a phased manner, which in my opinion, is reasonable having regard to the size of the company and nature of its assets. To the best of my knowledge, no material misstatement is noticed on verification conducted during the year as compared with the book records.

(c) There was no disposal during the year of fixed assets.
2. (a) The company does not have any inventories during the year, therefore clauses (b) and (c) are not applicable.
3. The company has not taken/granted any loans secured or unsecured from companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956 in terms of subsection (6) of section 370 of the Companies Act, 1956. The provisions of the section are not applicable to a company on or after the commencement of the Companies (Amendment) Act, 1999.
4. In respect of loans & advances, the company in the nature of advances given by the company, the parties are generally repaying the principal amount as stipulated and have also been regular in paying of interest where applicable.
5. In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sales of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
6. Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that there are no transactions that need to be entered into the registers maintained under section 301 of the Companies Act, 1956.
7. The company has not accepted any deposit from the public. Therefore the provisions of Section 58A, & 58AA of the Companies Act, 1956, and the Rules framed there under do not apply.
8. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
9. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for the company.
10. (a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on management representations, the Provident Funds Act and Employees State Insurance Act is not applicable to the company, undisputed statutory dues in respect of income tax and other material statutory dues have generally been regularly deposited by the company during the year with the appropriate authorities in India.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth-tax, sales tax, customs and excise duty were outstanding , as at 31st March, 2013 for a period of more than six months from the date they become payable.

(c) According to the records of the company, there are no dues of sales tax, income tax, customs tax/ wealth tax, excise duty/ cess which have not been deposited on account of any dispute.

11. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures & other similar securities.
12. According to the information and explanation given to us the company has not given any guarantee for loan taken by other from banks or financial institutions.
13. According the information and explanation given to us and as shown by the records examined by us there were no dues payable to financial institutions or banks.
14. The company has not taken any term loan during the year.
15. In our opinion, the company is not a chit fund or a nidhi, mutual benefit fund or society therefore the provision of clause 4 (xiii) of the companies (Auditor's report) Order 2003 are not applicable to the company.
16. Based on the information and explanation given to us and on an overall examination of the books of accounts as on 31.03.2013, we report that no funds raised on short term basis have used for long- term investments by the company and vice versa.
17. Based on the audit procedure performed and the information and explanation given to us by the management we report that the company has not made any preferential allotment of shares during the year.
18. The company has no outstanding debentures during the period under audit.
19. As per the information and explanation given to us and on the basis of examination of records, no material fraud on or by the company was noticed or reported during the year.

FOR RAVI BHUSAN & CO.
CHARTERED ACCOUNTANTS
SD/-
RAVI BHUSHAN PRASAD
MEMBERSHIP NO.: 505754
FIRM REGD.NO.: 020618N

Place: Haryana
Date: 31.08.2013

Balance Sheet as at 31st March, 2013

| Particulars | Note No | Amount in Rs. | |
|---|---------|------------------|------------------|
| | | As at 31.03.2013 | As at 31.03.2012 |
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 1 | 41,200,000 | 400,000 |
| (b) Reserves and Surplus | 2 | 794,881 | 711,435 |
| (c) Money received against share warrants | | - | - |
| (2) Share application money pending allotment | | | |
| (a) Share Application Money | | - | 23,000,000 |
| (3) Non-Current Liabilities | | | |
| (a) Long-term borrowings | 3 | - | - |
| (b) Deferred tax liabilities (Net) | 4 | 3,484 | - |
| (c) Other Long term liabilities | 5 | - | - |
| (d) Long term provisions | 6 | - | - |
| (4) Current Liabilities | | | |
| (a) Short-term borrowings | 7 | - | - |
| (b) Trade payables | 8 | 1,243,169 | 304,725 |
| (c) Other current liabilities | 9 | 41,000 | 40,500 |
| (d) Short-term provisions | 10 | 42,488 | 8,658 |
| Total | | 43,325,022 | 24,465,318 |
| II. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Fixed assets | 11 | | |
| (i) Tangible assets | | 74,861 | - |
| (ii) Intangible assets | | - | - |
| (iii) Capital work-in-progress | | - | - |
| (iv) Intangible assets under development | | - | - |
| (b) Non-current investments | 12 | 8,750,000 | - |
| (c) Deferred tax assets (net) | 13 | - | - |
| (d) Long term loans and advances | 14 | 12,661,925 | 10,000,000 |
| (e) Other non-current assets | 15 | - | - |
| (2) Current assets | | | |
| (a) Current investments | 16 | 3,473,700 | - |
| (b) Inventories | 17 | - | - |
| (c) Trade receivables | 18 | 2,052,565 | 636,865 |
| (d) Cash and cash equivalents | 19 | 249,234 | 2,141,454 |
| (e) Short-term loans and advances | 20 | 16,044,311 | 11,659,361 |
| (f) Other current assets | 21 | 18,426 | 27,638 |
| Total | | 43,325,022 | 24,465,318 |

| Profit and Loss Account for the year ended 31st March, 2013 | | | |
|---|------------|------------------|------------------|
| Particulars | Note No | Amount in Rs. | |
| | | As at 31.03.2013 | As at 31.03.2012 |
| I. Revenue from operations | | 5,608,942 | 1,445,910 |
| II. Other Income | 22 | - | - |
| III. Total Revenue (I +II) | | 5,608,942 | 1,445,910 |
| IV. Expenses: | | | |
| Cost of materials consumed | 23 | 4,968,600 | 1,107,422 |
| Purchase of Stock-in-Trade | | | - |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 24 | - | - |
| Employee benefit expense | 25 | 305,433 | 163,550 |
| Financial costs | 26 | - | - |
| Depreciation and Amortization Expense | 27 | 31,251 | 9,212 |
| Other expenses | 28 | 182,898 | 137,705 |
| Total Expenses | | 5,488,182 | 1,417,889 |
| V. Profit before exceptional and extraordinary items and tax. | (III - IV) | 120,760 | 28,021 |
| VI. Exceptional Items | | - | - |
| VII. Profit before extraordinary items and tax (V - VI) | | 120,760 | 28,021 |
| VIII. Extraordinary Items | | - | - |
| IX. Profit before tax (VII - VIII) | | 120,760 | 28,021 |
| X. Tax expense: | | | |
| (1) Current tax | | 33,830 | 8,658 |
| (2) Deferred tax | | 3,484 | - |
| (3) Income tax Adjustment | | - | - |
| (4) Deferred tax Adjustment | | - | - |
| XI. Profit / (Loss) from the operations. | (IX-X) | 83,446 | 19,363 |
| DISCONTINUING OPERATION | | | |
| XII. Profit/(Loss) from discontinuing operations (before tax) | | - | - |
| XIII. Tax expense of discounting operations | | - | - |
| XIV. Profit/(Loss) balance transferred to Balance Sheet. (XII - XIII) | | - | - |
| XV. Profit/(Loss) for the period (XI + XIV) | | 83,446 | 19,363 |
| XVI. Earning per equity share: | | | |
| (1) Basic | | 0.02 | 0.48 |
| (2) Diluted | | 0.02 | 0.48 |

| CASH FLOW STATEMENT | 31.03.13 | 31.03.12 |
|---|--------------|--------------|
| | (Rs.) | (Rs.) |
| <u>(A) CASH FLOW FROM OPERATING ACTIVITIES:-</u> | | |
| 1. Net profit before tax | 120,760 | 28,021 |
| 2. <u>Adjustment for:</u> | | |
| <u>Add:</u> Depreciation & Amortization Expenses | 31,251 | 9,212 |
| Operating Profit before Working capital changes | 152,011 | 37,233 |
| | | |
| 3. <u>Working Capital Changes:</u> | | |
| Decrease (Increase) in Trade & Other Receivables | (1,415,700) | 15,946 |
| Decrease (Increase) in Inventories | - | - |
| Decrease (Increase) in Short Term Provision | - | - |
| Decrease (Increase) in Other Current Assets | - | - |
| Increase (Decrease) in Trade & Other Payables | 938,444 | 175,000 |
| Increase (Decrease) in Other Current Liabilities | - | 40,500 |
| Increase (Decrease) in Other Liabilities | 500 | - |
| Net Changes in Working Capital | (476,756) | 231,446 |
| <u>Cash Generated from Operations</u> | (324,745) | 268,679 |
| Adjustment of Taxes | - | - |
| Net Cash Flow from Operating Activities (A) | (324,745) | 268,679 |
| | | |
| <u>(B.) CASH FLOW FROM INVESTING ACTIVITIES :</u> | | |
| Purchase of Fixed Assets | (96,900) | - |
| (Increase) Decrease in Other Non Current Assets | - | - |
| (Increase) Decrease in Long Term Loans & Advances | (2,661,925) | (10,000,000) |
| (Increase) Decrease in Short Terms Loans & Advances | (4,384,950) | (9,875,000) |
| Decrease (Increase) in Current Investments | (3,473,700) | - |
| Decrease (Increase) in Non Current Investments | (8,750,000) | - |
| Net Cash Flow from Investing Activities (B) | (19,367,475) | (19,875,000) |
| | | |
| <u>(C.) CASH FLOW FROM FINANCING ACTIVITIES :</u> | | |
| Issue of share capital | 17,800,000 | - |
| Increase in Short Terms Borrowings | - | - |
| Preliminary Expenses incurred | - | - |
| Proceeds from/(Refund) Share Application Money | - | 21,550,000 |
| Net Cash Flow from Financing Activities (C) | 17,800,000 | 21,550,000 |
| | | |
| Net Increase / (Decrease) in Cash & Cash Equivalents (A-B+C) | (1,892,220) | 1,943,679 |
| | | |
| Cash and cash equivalents at the beginning of the year / Period | 2,141,454 | 197,775 |
| Cash and cash equivalents at the end of the year/ Period | 249,234 | 2,141,454 |

| NOTE: 1 | | | |
|---------|---|------------------|------------------|
| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
| 1 | <u>AUTHORIZED CAPITAL</u> | | |
| | 1,25,50,000 Equity Shares (PY 50,000 Equity Shares) of Rs. 10/- each. | 125,500,000 | 500,000 |
| 2 | <u>ISSUED</u> | | |
| | 41,20,000 Equity Shares (PY 40,000 Equity Share) of Rs. 10/- each. | 41,200,000 | 400,000 |
| 3 | <u>SUBSCRIBED & PAID UP CAPITAL</u> | | |
| | 41,20,000 Equity Shares (PY 40,000 Equity Share) of Rs. 10/- each. | 41,200,000 | 400,000 |
| | Total | 41,200,000 | 400,000 |
| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
| (2) | (a) Share Application Maoney | - | 23,000,000.00 |
| | Total | - | 23,000,000.00 |
| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
| (3) | Reconciliation of Nos. Of Shares | | |
| | Number of Equity Shares at the beginning | 40,000 | 40,000 |
| | Add:- Number of Shares Issued | 4,080,000 | - |
| | Number of Equity Shares at the end | 4,120,000 | 40,000 |

Note : 2 Reserve & Surplus

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|----------------------------------|------------------|------------------|
| 1 | Security Premium | 900,000 | 900,000 |
| 2 | Surplus (Profit & Loss Account): | | |
| | Opening Profit & Loss A/c | (188,565) | (207,928) |
| | Current Year Profit & Loss A/C | 83,446 | 19,363 |
| | | (105,119) | (188,565) |
| | Total | 794,881 | 711,435 |

Note : 3 Long Term Borrowings

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|--|------------------|------------------|
| 1 | Bonds / Debentures | - | - |
| 2 | <u>Term Loan</u> | | |
| | - From Bank | - | - |
| | - From Other Parties | - | - |
| 3 | Deferred Payment Liabilities | - | - |
| 4 | Deposit | - | - |
| 5 | Loans & Advances From Related Parties | - | - |
| 6 | Long Term Maturities of Finance lease obligation | - | - |
| 7 | Loans From Directors | - | - |
| 8 | Other Loans | - | - |
| | Total | - | - |

Note : 4 Deferred Tax Liabilities (Net)

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|------------------------|------------------|------------------|
| 1 | Deferred Tax Liability | 3,484 | - |
| | Total | 3,484 | - |

Note : 5 Other Long Term Liabilities

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|-----------------|------------------|------------------|
| 1 | Trade Creditors | - | - |
| 2 | Others | - | - |
| | Total | - | - |

Note : 6 Long Term Provisions

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|-----------------------------------|------------------|------------------|
| 1 | Provision from Employment Benefit | - | - |
| 2 | Other | - | - |
| | Total | - | - |

Note : 7 Short Term Borrowings

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|---------------------------------------|------------------|------------------|
| 1 | <u>Loan Repayable on Demand</u> | | |
| | - From Bank | - | - |
| | - From Other Parties | - | - |
| 2 | Loans & Advances From Related Parties | - | - |
| 3 | Deposits | - | - |
| 4 | Others | - | - |
| | Total | - | - |

Note : 8 Trades Payable

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|----------------|------------------|------------------|
| 1 | Other Payables | 1,243,169 | 304,725 |
| | Total | 1,243,169 | 304,725 |

Note : 9 Other Current Liabilities

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|--------------------|------------------|------------------|
| 1 | Audit Fees Payable | 11,000 | 5,500 |
| 2 | Salary Payable | 30,000 | - |
| 3 | Expenses Payable | - | 35,000 |
| | Total | 41,000 | 40,500 |

Note : 10 Short Term Provisions

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|---|------------------|------------------|
| 1 | <u>Provision From Employees Benefit</u> | - | - |
| 2 | <u>Others</u> | | |
| | Provision For Income Tax | 42,488 | 8,658 |
| | Total | 42,488 | 8,658 |

Note : 11 Fixed Assets

| Sr. No | Particulars | Rate | Gross Block | | | Depreciation | | | Net Block | | | |
|--------|--|--------|------------------------|--------------------------|---------------------------|------------------------|------------------------|--------------------------|---------------------------|------------------------|----------------------|----------------------|
| | | | Value as on 01.04.2012 | Addition during the year | Deduction during the year | Value as on 31.03.2013 | Value as on 01.04.2012 | Addition during the year | Deduction during the year | Value as on 31.03.2013 | WDV as on 31.03.2013 | WDV as on 31.03.2012 |
| I | <u>Tangible Assets</u> | | | | | | | | | | | |
| | Computer | 40.00% | - | 45,300 | - | 45,300 | - | 16,610 | - | 16,610 | 28,690 | - |
| | Furnitures & Fixtures | 10.00% | - | 32,100 | - | 32,100 | - | 2,943 | - | 2,943 | 29,158 | - |
| | Mobile | 13.91% | - | 19,500 | - | 19,500 | - | 2,486 | - | 2,486 | 17,014 | - |
| | SUB TOTAL (A) | | - | 96,900 | - | 96,900 | - | 22,039 | - | 22,039 | 74,861 | - |
| II | <u>Intangible Assets</u> | | | | | | | | | | | |
| | SUB TOTAL (B) | | - | - | - | - | - | - | - | - | - | - |
| III | <u>Capital Work-in-progress</u> | | | | | | | | | | | |
| | SUB TOTAL (C) | | - | - | - | - | - | - | - | - | - | - |
| IV | <u>Intangible Assets Under Development</u> | | | | | | | | | | | |
| | SUB TOTAL (D) | | - | - | - | - | - | - | - | - | - | - |
| | Total [A + B + C + D] (Current Year) | | - | 96,900 | - | 96,900 | - | 22,039 | - | 22,039 | 74,861 | - |
| | (Previous Year) | | - | - | - | - | - | - | - | - | - | - |

Note : 12 Non Current Investment

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|--------------------------------------|------------------|------------------|
| 1 | Investment in Property | - | - |
| 2 | Investment in Equity Instrument | - | - |
| | Edward Impex Private Limited | 1,200,000 | - |
| | Govardhan Industries Private Limited | 7,550,000 | - |
| 3 | Other Investment | | |
| 4 | Investment in Mutual Fund | - | - |
| 5 | Investment in Partnership Firm | - | - |
| | Total | 8,750,000 | - |

Note : 13 Deferred Tax Assets (Net)

| Sr. No | Particulars | | As at 31.03.2013 | As at 31.03.2012 |
|--------|--------------|--|------------------|------------------|
| 1 | Deferred Tax | | - | - |
| | Total | | - | - |

Note : 14 Long Term Loans and Advances

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|--|------------------|------------------|
| I) | <u>Capital Assets</u> | | |
| | a) Secured, Considered Good : | - | - |
| | b) Unsecured, Considered Good : | - | - |
| | c) Doubtful | - | - |
| II) | <u>Security Deposit</u> | | |
| | a) Secured, Considered Good : | - | - |
| | b) Unsecured, Considered Good : | - | - |
| | c) Doubtful | - | - |
| III) | <u>Loans & Advances to related parties</u> | - | - |
| IV) | <u>Other Loans & Advances</u> | | |
| | Boom Buying Private Limited | 7,661,925 | 5,000,000 |
| | SBN Construction Private Limited | 5,000,000 | 5,000,000 |
| | Total | 12,661,925 | 10,000,000 |

Note : 15 Other Non Current Assets

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|--|------------------|------------------|
| 1 | Long Term Trade Receivables | | |
| | <u>a) Secured, Considered Good :</u> | - | - |
| | <u>b) Unsecured, Considered Good :</u> | - | - |
| | <u>c) Doubtful</u> | - | - |
| 2 | Others | - | - |
| | Total | - | - |

Note :16 Current Investment

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|--|------------------|------------------|
| 1 | Investment in Equity | - | - |
| 2 | Investment in Preference Shares | - | - |
| 3 | Investment in Govt Securities | - | - |
| 4 | Investment in debentures & Bonds | - | - |
| 5 | Investment in Mutual Fund | - | - |
| 6 | Investment in Partnership Firm | - | - |
| 7 | Others | | |
| | Maa Vaishno Devi Refrigeration Private Limited | 2,000,000 | - |
| | Atulya Buildwell Private Limited | 1,473,700 | - |
| | Total | 3,473,700 | - |

Note : 17 Inventories

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|----------------------------|------------------|------------------|
| 1 | Raw Material | - | - |
| 2 | Work-in-Progress | - | - |
| 3 | Finished Goods | - | - |
| 4 | Stock-in-Trade | - | - |
| 5 | Stores & Spares | - | - |
| 6 | Loose Tools | - | - |
| 7 | Other (Specify the nature) | - | - |
| 8 | Goods-in-transit | - | - |
| | Total | - | - |

Note : 18 Trade Receivables

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|---|------------------|------------------|
| 1 | <u>Outstanding for more than six months</u> | | |
| | a) Secured, Considered Good : | - | - |
| | b) Unsecured, Considered Good : | 327,811 | 477,811 |
| | c) Doubtful | - | - |
| 2 | <u>Others</u> | | |
| | a) Secured, Considered Good : | - | - |
| | b) Unsecured, Considered Good : | 1,724,754 | 159,054 |
| | c) Doubtful | - | - |
| | Total | 2,052,565 | 636,865 |

Note : 19 Cash & Cash Equivalent

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|---------------------|------------------|------------------|
| 1 | Cash & Bank Balance | 249,234 | 2,141,453 |
| | Total | 249,234 | 2,141,453 |

Note :20 Short Terms Loans and Advances

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|--|------------------|------------------|
| 1 | <u>Loans & Advances from related parties</u> | | |
| | a) Secured, Considered Good : | - | - |
| | b) Unsecured, Considered Good : | - | - |
| | c) Doubtful | - | - |
| 2 | <u>Others</u> | | - |
| | Ravinder Trading | 2,250,000 | 1,200,000 |
| | Tanmay Realtech Private Limited | - | 677,500 |
| | Golas Computech Private Limited | 1,000,000 | - |
| | S G Trade Impex | 250,000 | - |
| | Tula Ram Mahesh Chand | 1,497,500 | 1,497,500 |
| | Kirti Advertisement Pvt Ltd | 9,500,000 | 7,500,000 |
| | R K Trading | 1,546,811 | 784,361 |
| | Total | 16,044,311 | 11,659,361 |

Note : 21 Other Current Assets

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|----------------------|------------------|------------------|
| 1 | Advance Income Tax | - | - |
| 2 | TDS | - | - |
| 3 | Preliminary Expenses | 18,426 | 27,638 |
| | Total | 18,426 | 27,638 |

Note : 22 Other Income

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|-------------------|------------------|------------------|
| | INCOME (OTHERS) | | |
| | Income Others | - | - |
| | Interest Received | - | - |
| | Total | - | - |

Note : 23 Cost of Material Consumed

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|-------------------|------------------|------------------|
| 1 | Purchases | 4,927,050 | 1,075,000 |
| 2 | Freight & Cartage | 41,550 | 32,422 |
| | Total | 4,968,600 | 1,107,422 |

Note : 24 Change in Inventories

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|---------------|------------------|------------------|
| 1 | Closing Stock | - | - |
| 2 | Opening Stock | - | - |
| | Total | - | - |

Note : 25 Employment Benefit Expenses

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|--------------------------|------------------|------------------|
| 1 | Remuneration to Director | - | - |
| 2 | Salary | 280,000 | 144,000 |
| 3 | Staff Welfare | 25,433 | 19,550 |
| | Total | 305,433 | 163,550 |

Note :26 Financial Cost

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|--------------|------------------|------------------|
| 1 | Bank Charges | - | - |
| | Total | - | - |

Note : 27 Depreciation & Amortized Cost

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|--------------------------|------------------|------------------|
| 1 | Depreciation | 22,039 | - |
| 2 | Preliminary Expenses W/O | 9,212 | 9,212 |
| | Total | 31,251 | 9,212 |

Note : 28 Other Expenses

| Sr. No | Particulars | As at 31.03.2013 | As at 31.03.2012 |
|--------|---|------------------|------------------|
| 1 | <u>Administrative Expenses:</u> | | |
| | Audit Fees | 5,500 | 5,500 |
| | Bank Charges | 9,807 | 358 |
| | Festival Expenses | 7,622 | 4,567 |
| | General Exps | 15,644 | 19,453 |
| | Legal & Professional Charges | 15,465 | 16,522 |
| | Rent | 54,000 | 54,000 |
| | Telephone Exps | 9,433 | 8,911 |
| | Printing and Stationary | 6,211 | 7,411 |
| | Travelling Expenses | 10,250 | 9,750 |
| | Conveyance | 7,866 | 11,233 |
| | Office Expenses | 15,500 | - |
| | Business Promotions Exp. | 25,600 | - |
| 2 | <u>Direct Expenses:</u> | | |
| | Inward Freight & Cartage | - | - |
| | Job Processing Charges | - | - |
| 3 | <u>Selling & Distribution Expenses:</u> | | |
| | Forwarding Expenses Outward | - | - |
| | Packing Expenses | - | - |
| | Sample Expenses | - | - |
| | Total [A + B] | 182,898 | 137,705 |

Note : 29 SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

A- SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are prepared under the historical cost convention on the concept of a going concern, in accordance with the Generally Accepted Accounting Principles and mandatory Accounting Standards as notified under the Companies (Accounting Standards) Rules, 2006 and as per the provisions and presentational requirements of the Companies Act, 1956.

2. Changes in Accounting policies

The accounting policies adopted are consistent with those of previous financial year. The management assures that there has been no change in accounting policies as compared to that of previous year which would have any significant effect on these financials.

3. Recognition of Income

Export Sales represents invoiced Value of goods Sold. Other Income is recognised and accounted for on accrual basis unless otherwise stated.

4. Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use

5. Taxes on Income

Current tax is determined and provided for on the amount of taxable income at the applicable rates for the relevant financial year. Deferred Tax Assets and Liabilities (DTA/ DTL) are recognised, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. The DTA is recognised only to the extent that there is reasonable certainty of sufficient future profits against which such DTA can be realised.

6. Contingent Liability

The contingent liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts, if it becomes probable that there will be outflow of resources for settling the obligation.

7. Events occurring after the balance sheet date

Adjustments to assets and liabilities are made for events occurring after the balance sheet date to provide additional information materially affecting the determination of the amounts of assets or liabilities relating to conditions existing at the balance sheet date.

8. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year/ period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year/ period.

9. Use of estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

10. Foreign Currency Transaction

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the year end are translated at the rate ruling at the year end rate.

B- NOTES TO THE ACCOUNTS

- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.
- Reconciliation of Nos. Of Shares

| Particulars | 2012-13 | 2011-12 |
|--|-----------|---------|
| Number of Equity Shares at the beginning | 40,000 | 40,000 |
| Add:- Number of Shares Issued | 4,080,000 | - |
| Number of Equity Shares at the end | 4,120,000 | 40,000 |

- Below are the name of the shareholders holding more than 5% of Shares of the company

| Name | 2012-13 | | |
|------|----------------|----------------------|--------------|
| | Class of Share | No. of Share Holding | % of Holding |
| NIL | | | |

- All the investments made by the company are valued at Cost.
- Managerial Remuneration: Nil
- The inventories of the company are valued as per cost price and market price which ever is less.
- Deffered tax arising on account of timing difference and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deffered tax assets are recognised unless there is virtual certainty with respect to the reversal of the same in future years.
- The revised Schedule VI as notified under the companies Act,1956, has become applicable to the company for the presentation of its financial statements for the year ending March 31,2013. The adoption of the revised Schedule VI requirements has significantly modified the presentation and disclosurs which have been complied with in these financial statements Previous year figures have been reclassified in accordance with current year requirements.
- All schedules annexed to and form integral part of the Balance Sheet and Profit & Loss Account.
- Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.
- Value of Import on CIF Basis: Nil
- Earnings in Foreign Exchange (FOB Value) : Nil
- Expenditure in Foreign Currency : Nil
- The Company has no employee to whom the provisions of section 217 (2A) of the Companies Act, 1956 are applicable.
- Earning Per Share:

| Particulars | As at 31.03.2013 |
|--|------------------|
| Net profit after tax available for Equity Shareholders (Rs.) (A) | 83446 |
| Weighted Avg. Number Equity Shares outstanding (Nos.) (B) | 4120000 |
| Dilutive potential Equity Shares (Nos.) | - |
| Dilutive shares outstanding (Nos.) (C) | 4120000 |
| Nominal value per Equity Shares (Rs./ Share) | 10 |
| Basic Earnings per share (Rs./ Share) (A) / (B) | 0.02 |
| Diluted Earnings per share (Rs./ Share) (A) / (C) | 0.02 |

CAPITAL STRUCTURE

The share capital of the Company as at the date of this Information Memorandum is set forth below.

| Sr. No | Particulars | Aggregate value at face value / Aggregate Nominal Value (Rs. in Lacs) |
|--------|---|---|
| A. | Authorized Share Capital | |
| | 1,25,50,000 Equity Shares of face value of Rs.10 each | 1255.00 |
| B. | Issued, subscribed and paid-up Equity Share Capital | |
| | 1,24,08,000 Equity Shares of face value of Rs.10 each | 1240.08 |

The Equity Share Capital history of our Company, is set forth below.

| Date of/ issue allotment of Shares | No. of Equity Shares Issued | Face value (Rs) | Issue price (Rs.) | Consideration (cash, bonus, consideration on other than cash) | Nature of allotment (Bonus, swap etc.) | Cumulative no. of Equity Shares | Cumulative paid-up share capital (Rs.) | Cumulative share premium (Rs.) |
|------------------------------------|-----------------------------|-----------------|-------------------|---|--|---------------------------------|--|--------------------------------|
| 08/09/2010 | 40,000 | 10 | 10 | Cash | Subscription to MOA | 40,000 | 4,00,000 | Nil |
| 10/10/2012 | 36,80,000 | 10 | 10 | Cash | Further Allotment | 37,20,000 | 3,72,00,000 | Nil |
| 24/12/2012 | 2,40,000 | 10 | 10 | Cash | Further Allotment | 39,60,000 | 3,96,00,000 | Nil |
| 28/02/2013 | 1,60,000 | 10 | 10 | Cash | Further Allotment | 41,20,000 | 4,12,00,000 | Nil |
| 22/01/2014 | 18,14,500 | 10 | 10 | Cash | Further Allotment | 59,34,500 | 5,93,45,000 | Nil |
| 25/01/2014 | 17,32,500 | 10 | 10 | Cash | Further Allotment | 76,67,000 | 7,66,70,000 | Nil |
| 29/01/2014 | 7,52,500 | 10 | 10 | Cash | Further Allotment | 84,19,500 | 8,41,95,000 | Nil |
| 05/02/2014 | 39,88,500 | 10 | 10 | Cash | Further Allotment | 1,24,08,000 | 12,40,80,000 | Nil |

Shareholding of our Promoters:

Set forth below are the details of the build-up of shareholding of our Promoters

| 1. MR. SATYENDRA KUMAR | | | | | | |
|------------------------------|---------------|----------------------|----------------------------|--|------------------------|----------------|
| Date of Allotment / Transfer | Consideration | No. of Equity Shares | Face value per Share (Rs.) | Issue / Acquisition/Transfer price (Rs.) | Nature of Transactions | shareholding % |
| 25/10/2012 | Cash | 10000 | 10 | 10 | Transfer | |
| Total | | 10000 | | | | 0.08 |

| 3. M/S. ETHICS ENGINEERING PRIVATE LIMITED | | | | | | |
|--|---------------|----------------------|----------------------------|--|------------------------|----------------|
| Date of Allotment / Transfer | Consideration | No. of Equity Shares | Face value per Share (Rs.) | Issue / Acquisition/Transfer price (Rs.) | Nature of Transactions | shareholding % |
| 10/10/2012 | Cash | 10000 | 10 | 10 | Acquisition | |
| 28/02/2013 | Cash | 160000 | 10 | 10 | Acquisition | |
| 22/01/2014 | Cash | 1080000 | 10 | 10 | Acquisition | |
| 05/02/2014 | Cash | 1920000 | 10 | 10 | Acquisition | |
| Total | | 31,70,000 | | | | 25.55 |

Statement showing Share Holding Pattern of Kanak Krishi Implements Limited as per clause 34 of Listing on Institutional Trading Platform

(I)(a)

| Category code (I) | Category of shareholder (II) | Number of shareholders (III) | Total number of shares (IV) | Number of shares held in dematerialized form (V) | Total shareholding as a percentage of total number of shares | Shares Pledged or otherwise Encumbered | |
|-------------------|---|------------------------------|-----------------------------|--|--|--|---|
| | | | | | As a percentage of (A+B) (VI) | Number of Shares (VII) | As a percentage (VIII)= (VII) / (IV) *100 |
| (A) | Promoter and Promoter Group | | | | | | |
| (1) | Indian | | | | | | |
| (a) | Individuals/ Hindu Undivided Family | 1 | 10000 | - | 0.08 | - | - |
| (b) | Central Government/ State Government(s) | - | - | - | - | - | - |

| Category code (I) | Category of shareholder (II) | Number of shareholders (III) | Total number of shares (IV) | Number of shares held in dematerialized form (V) | Total shareholding as a percentage of total number of shares | Shares Pledged or otherwise Encumbered | |
|-------------------|--|------------------------------|-----------------------------|--|--|--|---|
| | | | | | As a percentage of (A+B) (VI) | Number of Shares (VII) | As a percentage (VIII)= (VII) / (IV) *100 |
| (c) | Bodies Corporate | 1 | 3170000 | - | 25.55 | - | - |
| (d) | Financial Institutions/ Banks | - | - | - | - | - | - |
| (e) | Any Other (specify) | - | - | - | - | - | - |
| | Sub-Total (A)(1) | 2 | 3180000 | - | 25.63 | - | - |
| (2) | Foreign | | | | | | |
| (a) | Individuals (Non-Resident Individuals/ Foreign Individuals) | - | - | - | - | - | - |
| (b) | Bodies Corporate | - | - | - | - | - | - |
| (c) | Institutions | - | - | - | - | - | - |
| (d) | Qualified Foreign Investor | - | - | - | - | - | - |
| (e) | Any Other (specify) | - | - | - | - | - | - |
| | Sub-Total (A)(2) | - | - | - | - | - | - |
| | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | 2 | 3180000 | - | 25.63 | - | - |
| (B) | Public shareholding | | | | | | |
| (1) | Institutions | | | | | | |
| (a) | Mutual Funds/UTI | - | - | - | | NA | NA |
| (b) | Financial Institutions/ Banks | - | - | - | | NA | NA |
| (c) | Central Government/ State Government(s) | - | - | - | | NA | NA |
| (d) | Alternate Investment Funds / Venture Capital Funds | - | - | - | | NA | NA |
| (e) | Insurance Companies | - | - | - | | NA | NA |
| (f) | Foreign Institutional Investors | - | - | - | | NA | NA |
| (g) | Foreign Venture Capital Investors | - | - | - | | NA | NA |
| (h) | Any Other -Merchant Banker | 1 | 520000 | - | 4.19 | NA | NA |
| | Sub-Total (B)(1) | 1 | 520000 | - | 4.19 | NA | NA |
| (2) | Non- institutions | | | | | | |
| (a) | Bodies Corporate | 2 | 810000 | - | 6.53 | NA | NA |

| Category code (I) | Category of shareholder (II) | Number of shareholders (III) | Total number of shares (IV) | Number of shares held in dematerialized form (V) | Total shareholding as a percentage of total number of shares | Shares Pledged or otherwise Encumbered | |
|-------------------|--|------------------------------|-----------------------------|--|--|--|---|
| | | | | | As a percentage of (A+B) (VI) | Number of Shares (VII) | As a percentage (VIII)= (VII) / (IV) *100 |
| (b) | Individuals | 364 | 7898000 | - | 63.65 | | |
| (c) | Qualified Foreign Investors | - | - | - | - | N.A | N.A |
| (d) | Any Other | - | - | - | - | | |
| | Sub-Total (B)(2) | 366 | 8708000 | - | 70.18 | N.A | N.A |
| | Total Public Shareholding (B)= (B)(1)+(B)(2) | 367 | 9228000 | - | 74.37 | N.A | N.A |
| | TOTAL (A)+(B) | 369 | 12408000 | - | 100.00 | N.A | N.A |

(l)(b) Statement showing Shareholding of persons belonging to the category "Promoter and Promoter Group"

| Sr. No. | Name of Shareholder | Details of Shares Held | | Shares pledged or otherwise Encumbered | | | Details of warrants | | Details of convertible securities | | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|---------|---------------------|------------------------|---------------------------------------|--|-----------------|---|-------------------------|--|---------------------------------------|--|--|
| | | No. of Shares Held | As a % of grand total (A) + (B) + (C) | No. | As a percentage | As a % of grand total (A) + (B) + (C) of sub- | Number of warrants held | As a % total number of warrants of the | Number of convertible securities held | As a % total number of warrants of the | |
| | | | | | | | | | | | |

| Sr. No. | Name of Shareholder | Details of Shares Held | | Shares pledged or otherwise Encumbered | | | Details of warrants | | Details of convertible securities | | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|---------|------------------------------|------------------------|-------|--|------|---------------|---------------------|------------|-----------------------------------|------------|--|
| | | | | | | clause (I)(a) | | same class | | same class | |
| 1 | Mr. Satyendra Kumar | 10000 | 0.08 | 0 | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | - |
| 2 | Ethics Engineering Pvt. Ltd. | 3170000 | 25.55 | 0 | 0.00 | 0.00 | 0 | 0.00 | 0 | 0.00 | - |
| | TOTAL | 3180000 | 25.63 | 0 | 0.0 | 0.00 | 0 | 0.00 | 0 | 0.00 | - |

(l)(c) Statement showing Shareholding of persons belonging to the category "Public " and holding more than 1 % of the total number of shares

| Sr. No. | Name of Shareholder | Number of shares | Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|---------|---|------------------|--|
| 1 | AMSONS APPARELS LIMITED | 800000 | 6.45 |
| 2 | UNICON CAPITAL SERVICE PVT LTD | 520000 | 4.19 |
| 3 | SHARDABEN VIRJIBHAI GODHANI | 500000 | 4.03 |
| 4 | RAMESHBHAI R. DAKHARA | 225000 | 1.81 |
| 5 | SURESHBHAI SHAMJIBHAI DAKHARA | 225000 | 1.81 |
| 6 | RAMESHBHAI VIRJIBHAI GODHANI | 200000 | 1.61 |
| 7 | VINODBHAI VIRJIBHAI GODHANI | 200000 | 1.61 |
| 8 | RESHMABEN VINODBHAI GODHANI | 200000 | 1.61 |
| 9 | BHAVITABEN RAMESHBHAI GODHANI | 200000 | 1.61 |
| 10 | KANTILAL VELJI SAVLA & PRABHABEN KANTILAL SAVLA | 150000 | 1.21 |
| 11 | SANJEEV KALRA AND SONS HUF | 150000 | 1.21 |
| 12 | MOHIT KALRA | 150000 | 1.21 |
| 13 | MONISHA KALRA | 150000 | 1.21 |
| 14 | SANJEEV KALRA | 150000 | 1.21 |
| 15 | SHAILESH S HARAN | 125000 | 1.01 |
| 16 | SUREKHA S HARAN | 125000 | 1.01 |

| Sr. No. | Name of Shareholder | Number of shares | Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|---------|-----------------------|------------------|--|
| 17 | SHEKHA SAILESH HARAN | 125000 | 1.01 |
| 18 | CHINMOY PRADIP SHARMA | 125000 | 1.01 |
| | TOTAL | 4320000 | 34.82 |

(d) Statement showing details of locked-in shares

| Sr. No. | Name of Shareholder | Number of locked-in shares | Locked-in shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|---------|---|----------------------------|--|
| 1 | Ethics Engineering Private Limited | 24,84,000 | 20.01 |
| 2 | Unicon Capital Services Private Limited | 5,20,000 | 4.19 |
| | TOTAL | 30,04,000 | 24.20 |

(II) (a) Statement showing details of Depository Receipts (DRs)

| Sr. No. | Type of outstanding DR (ADRs, GDRs, SDRs, etc.) | Number of outstanding DRs | Number of shares underlying outstanding DRs | Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|---------|---|---------------------------|---|---|
| | | NIL | | |
| | TOTAL | NIL | | |

(II) (b) Statement showing holding of Depository Receipts (DRs), where underlying shares are in excess of 1 % of the total number:

| Sr. No. | Name of DR Holder | Type of outstanding DR (ADRs, GDRs, SDRs, etc.) | Number of shares underlying outstanding DRs | Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|---------|-------------------|---|---|---|
| | | NA | | |
| | TOTAL | NIL | | |

PROPERTY

Descriptions of Properties of Company are set forth below.

Registered Office:

We operate from our registered office situated at 1/586, Sector - 1, Vaishali, Ghaziabad, Uttar Pradesh 201010, which is a rented premise.

SECTION II - RISK FACTORS

INTERNAL RISK FACTORS

1. The Registered Office of our Company are not owned by us.

We operate from our registered office situated at 1/586, Sector - 1, Vaishali, Ghaziabad, Uttar Pradesh 201010, which is a rented premise. Any discontinuance of rent agreement / facility will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

2. We have reported negative cash flows.

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

| Particulars | (Rs. Lacs) | |
|---|------------|----------|
| | 31.03.13 | 31.03.12 |
| Net Cash flow from Operative activities | (3.25) | 2.69 |
| Net Cash Flow from investing activities | (193.67) | (198.75) |
| Net Cash Flow from Financing activities | 178.00 | 215.50 |
| Net Cash Flow for the Year | (18.92) | 19.44 |

3. We are dependent on our management team for success whose loss could seriously impair the ability to continue to manage and expand business efficiently.

Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new projects and expand our business.

4. We have entered into certain related party transactions and may continue to do so.

We have entered into related party transactions with our Promoters, Group Company, Directors. While we believe that all such transactions have been conducted on the arms length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we will enter into related party transactions in the future. For details of these transactions, please refer to section titled "Related Party Transactions" at page 47 of this Information Memorandum.

5. Our Company does not have any long term supply contracts with our customers which may adversely affect our results of operations.

Our Company does not have any long term commitments with our customers for purchases of our products. As a result, we may be dependent on the recurring purchase orders received from time to time. There is no assurance that our Company will continue to receive purchase orders for our products either on substantially the same terms or at all, which could have an adverse

effect on our Company's operations and profitability. Further, any change in the buying pattern of our end users can adversely affect the business and results of operations of our Company.

6. We have not protected our assets through insurance coverage and our assets are certain operating risks and this may have a material adverse impact on our business.

We have not maintained any insurance policy to provide adequate coverage to our assets. Any damage or loss of our assets would have a material and adverse impact on our business operations and profitability.

7. Our trademark is not registered under the Trade Marks Act our ability to use the trademark may be impaired.

Our company's business may be affected due to our inability to protect our existing and future intellectual property rights. Currently, we do not have a registered trademark over our name and logo under the Trade Marks Act and consequently do not enjoy the statutory protections accorded to a trademark registered in India and cannot prohibit the use of such logo by anybody by means of statutory protection.

8. We face substantial competition in the industry, our revenues could get affected in case we are not able to obtain customers and orders.

The agriculture equipment industry is a highly competitive. We will face significant competition from existing players and potential entrants in the industry. Further, we will face significant competition mainly from large vertically integrated and diversified companies in the industry. Our revenues could get affected adversely in case we are not able to secure new customers and orders.

9. Supply Chain Management plays a very vital role in our business.

A strong supply chain system is essential to ensure availability of stock. We rely on our supply chain to optimize our inventory position and reduce cost. We strive to keep optimum inventory to control our working capital requirements.

10. All of our facilities would be geographically located in one area only

All of our facilities would be geographically located in one area only. As a result of this, if there is any localized social unrest, natural disaster or breakdown of services and utilities in that area, it may affect our business adversely.

EXTERNAL RISK FACTORS

11. Political, economic and social changes in India could adversely affect our business.

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

12. Natural calamities and force majeure events may have an adverse impact on our business.

Natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of deficient or abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy, which could adversely affect our business and results of operations.

13. Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.

Our Company may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, the IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 ("IFRS Convergence Note"). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 32 Indian Accounting Standards are to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined and will be notified by the Ministry of Corporate Affairs after various tax related issues are resolved. We have not yet determined with certainty what impact the adoption of IFRS will have on our financial reporting. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IFRS than under Indian GAAP or our adoption of IFRS may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period.

14. Any downgrading of India's debt rating by a domestic or international rating agency could negatively impact our business.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial results and business prospects, ability to obtain financing for capital expenditures and the price of our Equity Shares.

15. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may adversely affect the Indian markets on which our Equity Shares will trade. These acts may result in a loss of business confidence, make travel and other services more difficult and have other consequences that could have an adverse effect on our business. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of our Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse impact on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our Equity Shares.

16. The new Companies Act, 2013 is in the process of being implemented and any developments in the near future may be material with respect to the disclosures to be made in this Information memorandum.

The Companies Act, 2013 has been published on August 29, 2013 and Section 1 of the said Act was notified on August 30, 2013 while 98 more sections were notified as on September 12, 2013. Though we have incorporated the relevant details pertaining to the new Companies Act, 2013 (to the extent notified) in this Information Memorandum, any further notifications by the

MCA after our filing of this Information Memorandum may be material with respect to the disclosures to be made in the Information Memorandum. The Companies Act, 2013 is expected to replace the existing Companies Act, 1956. The Companies Act, 2013 provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, the requirements for independent directors, director's liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act, 2013 is expected to be complemented by a set of rules that shall set out the procedure for compliance with the substantive provisions of the Companies Act, 2013. In the absence of such rules, it is difficult to predict with any degree of certainty the impact, adverse or otherwise, of the Companies Act, 2013 on the Issue, and on the business, prospects and results of operations of the Company.

RISKS RELATING TO THE EQUITY SHARES

17. Our Company may raise further rounds of equity financing in which the existing shareholders may not participate resulting in reduction of their percentage of holding in our company.

In order to grow business, our Company may require additional funds at various points of time. Our Company may raise funds through various means including debt, equity and securities convertible into equity. Any such issuances of equity and securities convertible into equity would dilute the holding of Equity Shareholders. Difficult market conditions can adversely affect our business in many ways, including by reducing the volume of the transactions involving our advisory business, and these could materially reduce our revenue or income.

18. Our ability to pay any dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

The amount of our future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

19. The price of our Equity Shares may be volatile.

The trading price of our Equity Shares may fluctuate after the listing due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares.

20. Active trading market for our Equity Shares may not develop.

Till date there has been no public market for our Equity Shares. We propose to list our Equity Shares on Equity Shares on Institution Trading Platform (ITP) of BSE SME. We can not assure that pursuant to listing on ITP, active trading market of our Equity Shares or for securities convertible in to Equity Shares would develop as trading on ITP is subject to certain restrictions

viz minimum trading lot on institutional trading platform is Rs. 10 Lacs. Further the securities listed on ITP will be mandatorily exited within 18 months of triggering various events such as completion of ten years on listing of ITP or attaining paid up capital of Rs. 25 Crores or attaining revenue of Rs. 300 Crores or attaining market capitalization of Rs. 500 Crores.

Pursuant to There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after the listing.

21. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Pursuant to listing, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding shareholders ability to sell Equity Shares at any particular time.

SECTION III - SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information concerning the beneficial ownership of our shares of by each person known by us to be the beneficial owner (In case different from registered owner) of the issued and subscribed capital.

| Class / Type of Securities | Name and Address of Benefice Owner | Amount and nature of beneficial ownership | Percent |
|----------------------------|------------------------------------|---|---------|
| Equity Shares | Nil | N.A. | N.A. |

SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on date of this Information Memorandum.

SECTION IV - OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association, our Company is required to have not less than three (3) Directors and not more than twelve (12) Directors. Our Company currently has four (4) Directors on Board. The following table sets forth current details regarding our Board of Directors:

| Name, Father's name, Address, Occupation, Nationality, tenure & DIN | Age | Date of Assuming office in the Company | Status of Directorship in our Company |
|---|-----------|--|--|
| 1. Mr. Satyendra Kumar S/o Mr. Ram Avadh 422, Block 25, Trilok Puri, Delhi, 110091 Occupation: Business Nationality: Indian Tenure: 5 years w.e.f. 18th January, 2014 DIN: 06794868 | 36 Yrs | 18/01/2014 | Whole-time Director |
| 2. Mr. Pramod Kumar S/o Mr. Jai Raj F-2, CPWD ENQ Office Flats, Sarojini Nagar, New Delhi - 110 023 Occupation: Service Nationality: Indian Tenure: Retire by rotation DIN: 06799484 | 30 Yrs | 24/01/2014 | Non Executive Non Independent Director |
| 3. Mr. Shyam Saini S/o Mr. Chandan Singh Saini 1st Floor, 210 Phool Singh Market, Karkardooma, Opp. Saini Bus Stand New Delhi 110092 Occupation: Service Nationality: Indian Tenure: Retire by rotation DIN: 06461564 | 27 yrs | 10/10/2012 | Non Executive Independent Director |
| 4. Mr. Love Kumar S/o Mr. Jagdish Kumar N - 82 N - Extension Block,, Between DK Road and Gurudwara Road, Mohan Garden, New Delhi 110059 Nationality: Indian Tenure: Retire by rotation DIN: 06786190 | 21 Yrs | 21/01/2014 | Non Executive Independent Director |

DETAILS OF DIRECTORS

1. Mr. Satyendra Kumar - Aged 36, is a Whole Time Director of the Company. He has done his Master in Arts. He has more than 10 years of experience in leadership positions in the finance domain. He is responsible for overall planning & management of our Company. He assesses the principal risks of the Company and ensures that these risks are being monitored and managed.
2. Mr. Pramod Kumar - Aged 30 years, is a Non Executive Director of our Company. He is Graduate in Commerce. He has 7 years of experience in the field of Finance and Accounts. He predominantly

responsible for implementation decisions with the development teams including scheduling of tasks guaranteeing quality of deliveries.

3. Shyam Saini -Aged 27 years, is an Independent Director of our Company. He is Graduate in Business Administration. He has more than 5 years of experience in the field of research & marketing sector. He is responsible for the successful creation and delivery of the company's product to the marketplace by managing technical risks and opportunities.
4. Love Kumar - Aged 21 is an Independent Director of our Company. He is Graduate in Commerce and having more than 2.5 years of experience in the field of accounting. As an Independent Director of our Company with corporate acumen & experience, he brings value addition to our Company.

NATURE OF FAMILY RELATIONSHIP AMONG DIRECTORS

None of directors are having family relations with each other.

TERMS OF APPOINTMENT AND COMPENSATION OF OUR DIRECTORS

| | |
|--|--|
| Name | Mr. Satyendra Kumar |
| Designation | Whole-time Director |
| Period | Five years with effect from 18 th January, 2014 |
| Date of Appointment | 18 th January, 2014 |
| Remuneration | <p>a) Remuneration Rs. 20,000/- p.m. (Rupees Twenty Thousand Only)</p> <p>a) Perquisites & Allowances</p> <ul style="list-style-type: none"> • HRA & Transport allowances • Contribution to provident fund, superannuation fund and payment to gratuity as per rules of the Company. • Other Perquisites & Allowances as per service rules of the Company, as applicable. |
| Remuneration paid in FY 31st March, 2013 | Rs. Nil |

There is no definitive and /or service agreement that has been entered into between our Company and the directors in relation to their appointment.

NON - EXECUTIVE DIRECTORS

Currently, non-executive Directors are not being paid sitting fees or any other kind of remuneration.

CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement to be executed with the Stock Exchange and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently our Board has four (4) Directors. We have one (1) executive non independent director, one (1) non-executive non independent director and two (2) independent non executive directors. The constitution of our Board is in compliance with the requirements of Clause 42 of the Listing Agreement.

The following committees have been formed in compliance with the corporate governance norms:

- A) Audit Committee
- B) Shareholders/Investors Grievance Committee

AUDIT COMMITTEE

Our Company has constituted an audit committee ("Audit Committee"), as per the provisions of Clause 42 of the Listing Agreement to be entered with Stock Exchange, vide resolution passed in the meeting of the Board of Directors held on 24th January, 2014.

The terms of reference of Audit Committee complies with the requirements of Clause 42 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises following three (3) directors. Mr. Shyam Saini is the Chairman of the Audit Committee.

| No. | Name of the Director | Status | Nature of Directorship |
|-----|----------------------|----------|------------------------------------|
| 1. | Mr. Shyam Saini | Chairman | Non Executive Independent Director |
| 2. | Mr. Love Kumar | Member | Non Executive Independent Director |
| 3. | Mr. Satyendra Kumar | Member | Executive Non Independent Director |

Role of Audit Committee

The terms of reference of the Audit Committee are given below:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. 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.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956

- (b) Changes, if any, in accounting policies and practices and reasons for the same
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management
 - (d) Significant adjustments arising out of audit
 - (e) Compliance with listing and other legal requirements relating to financial statements
 - (f) Disclosure of any related party transactions
 - (g) Qualifications in the draft audit report.
9. Reviewing, with the management, the half-yearly financial statements before submission to the board for approval
 10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 12. 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.
 13. Discussion with internal auditors any significant findings and follow up there on.
 14. 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 a material nature and reporting the matter to the board.
 15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 16. 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.
 17. To review the functioning of the Whistle Blower mechanism, in case if the same is existing.
 18. 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 & background, etc. of the candidate.
 19. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Our Company has constituted a shareholder / investors grievance committee ("Shareholders / Investors Grievance Committee") to redress the complaints of the shareholders. The Shareholders/Investors Grievance Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 24th January, 2014. The committee currently comprises of three (3) Directors. Mr. Love Kumar is the Chairman of the Shareholders/ Investors Grievance committee.

| No. | Name of the Director | Status | Nature of Directorship |
|-----|----------------------|----------|--|
| 1. | Mr. Love Kumar | Chairman | Non Executive Independent Director |
| 2. | Mr. Shyam Saini | Member | Non Executive Independent Director |
| 3. | Mr. Pramod Kumar | Member | Non Executive Non Independent Director |

Role of shareholders/investors grievance committee

The Shareholders / Investors Grievance Committee of our Board look into:

- The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.

The status on various complaints received / replied is reported to the Board of Directors as an Agenda item.

SHAREHOLDING DETAILS OF THE DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. The following table details the shareholding of our Directors:

| Name of Director | Number of Equity Shares | % of Paid up Share Capital |
|---------------------|-------------------------|----------------------------|
| Mr. Satyendra Kumar | 10000 | 0.08 |
| Mr. Pramod Kumar | - | - |
| Mr. Shyam Saini | - | - |
| Mr. Love Kumar | - | - |
| Total | 10,000 | 0.08 |

CONFIRMATIONS

There is no arrangement or understanding between any Director and any other person(s) (naming pursuant to which he was or is to be selected as a director or nominee.

SCTION V - OUR PROMOTERS


OUR PROMOTERS

The Promoters of our Company are:

1. Mr. Satyendra Kumar
2. M/s Ethics Engineering Private Limited

DETAILS OF OUR PROMOTERS ARE AS UNDER

1. Mr. Satyendra Kumar

| | |
|---|--|
|  | Mr. Satyendra Kumar, Aged 36, is a Whole Time Director of the Company. He has done his Master in Arts. He has more than 10 years of experience in leadership positions in the finance domain. He is responsible for overall planning & management of our Company. He assesses the principal risks of the Company and ensures that these risks are being monitored and managed. He has been on the Board of our Company since 18 th January, 2014. |
|---|--|

Identification

| | |
|--------------------------|------------------------------------|
| Name | Mr. Satyendra Kumar |
| Permanent Account Number | AMIPK4414E |
| Passport No. | - |
| Voter ID | KND0881748 |
| Driving License | P07022004303096 |
| Bank Account Details | 604310100013405 with Bank of India |

2. M/s Ethics Engineering Private Limited

M/s Ethics Engineering Private Limited is the Promoter of the Company and was incorporated on 24th March, 2011.

Main Objects of the Company:-

1. To enter into any contracts in relation to, and to erect, construct, alter, repair, demolish and restore(either alone or jointly with, or as subcontractors for, any other companies or persons)works of all descriptions, including wharves, docks, piers, railways, waterways, roads, bridges, warehouses, factories, mills, docks, piers, railways, waterways, roads, bridges, warehouses, factories, mills, engines, machinery, boilers, railway locomotives, carriages and wagons, ships and vessels of every description, gas works, power stations, waterworks, drainage and sewage works, and buildings and installations of every description.
2. To carry on the business manufactures of and dealers in industrial machinery bearing, speed reduction units, pumps, machine tools, agricultural machinery, machinery related to road constructions and earth moving machinery including road rollers, bull dozers, dumpers scrapers loaders shovels and drag lines and light engineering, goods such as cycle and sewing machine.

3. To purchase or otherwise acquire houses, offices, workshops, buildings and premises and any fixed and movable machinery, tools, engines, boilers, plant, implements, patterns, stock-in-trade, patents and patent rights convenient for any of the above activities.
4. To carry on the business of engineers, founders, metal workers, machinists and manufacturers and patentees such as the company may in the discretion of its directors acquire.

The Registered office of Ethics Engineering Private Limited is situated at D-2/44, IInd Floor, Street No. - 05, Mahavir Enclave, New Delhi - 110 045.

Ethics Engineering Private Limited has been promoted by Ms. Saroj Kumari Karan and Ms. Anju Karan. However in 8th October 2012, Mr. Satyendra Kumar & Mr. Pramod Kumar acquired 100 % of control of Ethics Engineering Private Limited and became promoter of Ethics Engineering Private Limited.

Ethics Engineering Private Limited holds 31,70,000 Equity Shares of our Company, which constitutes 25.55 % of Total Capital.

Board Of Directors of Ethics Engineering Private Limited as on the date of this Information Memorandum is as follows:

- Mr. Satyendra Kumar
- Mr. Pramod Kumar

Shareholding Pattern:

As on date of filing, the shareholding pattern of Ethics Engineering Private Limited as follows:-

| Sr. No. | Name of Shareholder | No. of shares |
|---------|---------------------|---------------|
| 1 | Mr. Satyendra Kumar | 8500 |
| 2 | Mr. Pramod Kumar | 1500 |
| | TOTAL | 10000 |

Audited Financial Information of Ethics Engineering Private

(Rs. In Lacs)

| Particulars | FY 2013 | FY 2012 |
|---|---------|---------|
| Equity Share Capital | 1.00 | 1.00 |
| Reserves & Surplus | 0.01 | - |
| Less : Miscellaneous Expenditures not written off | - | - |
| Net Worth | 1.01 | 1.00 |
| Revenue | 0.13 | - |
| Profit / (Loss) after Tax | 0.01 | - |

SECTION VI - RELATED PARTY TRANSACTIONS

Transaction with related party as identified by the management in accordance with Accounting Standard 18 "Related party disclosures" issued by The Institute of Chartered Accountants of India, are as follows:

I. List of Related Parties

| 31.03.2013 | 31.03.2012 | 31.03.2011 |
|--|--------------------|--------------------|
| Party Where Control Exists | | |
| Gorav Gupta | Gorav Gupta | Gorav Gupta |
| Pramod Kumar Yadav | Pramod Kumar Yadav | Pramod Kumar Yadav |
| Ethics Engineering Pvt. Ltd. | | |
| Other Parties Where Transaction have taken place | | |
| Group Companies | | |
| - | - | - |
| Key Managerial Persons | | |
| - | - | - |
| Relatives of Key Managerial Persons | | |
| - | - | - |

II. Details of Transactions with Related party:

No transactions has been entered with any related parties during the preceding three fiscal years except the allotment of Ethics Engineering Pvt. Ltd. On below mentioned dates:

| Date of Allotment | No. of Shares | Price per Share |
|-------------------|---------------|-----------------|
| 10.10.2012 | 10000 | 10 |
| 28.02.2013 | 160000 | 10 |
| 22.01.2014 | 1080000 | 10 |
| 05.02.2014 | 1920000 | 10 |

SECTION VII: OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated herein, there are no outstanding or pending litigation, suits, civil prosecution, criminal proceedings or tax liabilities against our Company, our Directors, our Promoters and Group Companies and there are no defaults, non-payment of statutory dues, over dues to banks and financial institutions, defaults against bank and financial institutions and there are no outstanding debentures, bonds, fixed deposits or preference shares issued by our Company; no default in creation of full security as per the terms of the issue, no proceedings initiated for economic or other offences and no disciplinary action has been taken by SEBI or any stock exchanges against our Promoters, our Directors or Group Companies.

I. CASES FILED BY OUR COMPANY

Civil Cases

There are no civil proceedings filed by our Company.

Criminal Cases

There are no criminal proceedings filed by our Company.

II. CASES FILED AGAINST OUR COMPANY

Civil proceedings

There are no civil proceedings filed against our Company.

Criminal Proceedings

There are no criminal proceedings filed against our Company.

III. INDIRECT TAX PROCEEDINGS INVOLVING OUR COMPANY

NIL

IV. LITIGATIONS INVOLVING OUR PROMOTER

(i) Proceedings of Civil nature

(a) By the promoters

NIL

(b) Against the promoters

NIL

(ii) Proceedings of a Criminal nature-

(a) By the promoters

NIL

(b) Against the promoters

NIL

V. LITIGATIONS INVOLVING DIRECTORS OF OUR COMPANY

(i) Proceedings of Civil nature

(a) By the Directors of our Company

NIL

(b) Against the Directors of our Company

NIL

(ii) Proceedings of a Criminal nature-

(a) By the Directors of our Company

NIL

(b) Against the Directors of our Company

NIL

VI. LITIGATIONS INVOLVING OUR GROUP COMPANIES

(i) Proceedings of Civil nature

(a) By our Group Companies

NIL

(b) Against our Group Companies

NIL

(ii) Proceedings of a Criminal nature-

(a) By our Group Companies

NIL

(b) Against our Group Companies

NIL

MATERIAL DEVELOPMENTS

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last audited financial statements disclosed in this Information Memorandum, any circumstances that materially or adversely affect or are likely to affect our profitability or value of assets or our ability to pay material liabilities within the next twelve (12) months.

SECTION VIII

DECLARATION

All relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, applicable, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) the Securities and Exchange Board of India Act, 1992 or the rules made thereunder or regulations issued, as the case may be. We further certify that all the statements in this Information Memorandum are true and correct.

SIGNED BY ALL THE DIRECTORS

Mr. Satyendra Kumar

Mr. Pramod Kumar

Mr. Shyam Saini

Mr. Love Kumar

SIGNED BY THE COMPANY SECRETARY

Ms. Laxmi Joshi

SIGNED BY THE FINANCE MANAGER

Ms. N. Arora

Date: 06.02.2014

Place: Vaishali, Ghaziabad