

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



MADHUBAN CONSTRUCTIONS LIMITED

Our Company was originally incorporated as “Madhuban Constructions Private Limited” on 5th March, 2008 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. Our Company was subsequently converted in to a public company and consequently name was changed to “Madhuban Constructions Limited” (MCL) vide fresh certificate of incorporation dated 22nd January, 2014 issued by Registrar of Companies, National Capital Territory of Delhi & Haryana.

Registered office & Corporate Office: 210, Karkadooma, Main Vikas Marg Extn., Delhi - 110 092;
Tel: +91 11-32319436;

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

Contact Person & Compliance Officer: Mr. Krishna Kant Bharti, Whole Time Director

Company Secretary: Ms. Dhairya Arora;

PROMOTERS OF THE COMPANY: MR. KRISHNA KANT BHARTI & M/S. RIDEVEL GEARS 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.

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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 “MCL”, “the Company”, “our Company” are to Madhuban Constructions Limited, a company incorporated in India under the Companies Act, 1956 (the “Companies Act”) with its Registered Office at 210, Karkadooma, Main Vikas Marg Extn., Delhi - 110 092. Furthermore, all references to the terms “we”, “us” and “our” are to Maduban Constructions 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 Kakkar Bahl & Associates, Chartered Accountants the statutory auditors of our Company.
Board/Board of Directors of the Company	Board of Directors of our Company i.e. Madhuban Constructions 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. Krishna Kant Bharti & M/s. Ridevel Gears Private Limited
RBI	Reserve Bank of India
ROC	Registrar of Company, National Capital Territory of Delhi & Haryana.
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
B.A.	Bachelor of Arts
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
GRDI	Global Retail Development Index
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.Com	Master in Commerce
MBA	Master in Business Administration
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, National Capital Territory of Delhi & Haryana.
RONW	Return on Net Worth
USD/ \$/ US\$	The United States Dollar, the legal currency of the United States of America

GENERAL INFORMATION

MADHUBAN CONSTRUCTIONS LIMITED

Our Company was originally incorporated as “Madhuban Constructions Private Limited” on 5th March, 2008 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. Our Company was subsequently converted in to a public company and consequently name was changed to “Madhuban Constructions Limited” (MCL) vide fresh certificate of incorporation dated 22nd January, 2014 issued by Registrar of Companies, National Capital Territory of Delhi & Haryana.

REGISTERED OFFICE:

210, Karkadooma,
Main Vikas Marg Extn.,
Delhi - 110 092
Tel: +91 11-32319436;
Fax: +91 11-32319436;
Website: www.madhubanconstructions.com;
E-Mail: madhubanconstructions@yahoo.com;

COMPANY REGISTRATION NUMBER: 174948

COMPANY IDENTIFICATION NUMBER: U45209DL2008PLC174948

ADDRESS OF REGISTRAR OF COMPANIES

4th Floor, IFCI Tower,
61, Nehru Palace,
New Delhi- 110019
Tel: 011-26235707, 26235708, 26235709
Fax: 011-26235702
Email: roc.delhi@mca.gov.in

BOARD OF DIRECTORS:

Our Board of Directors comprise of the following members:

NAME	DESIGNATION	DIN	ADDRESS
Mr. Krishna Kant Bharti	Whole-time Director	03466142	25/422, Block -25, Trilok Puri, Delhi - 110091
Mrs. Geeta Bharti	Non-Executive Non Independent Director	06797301	25/422, Block -25, Trilok Puri, Delhi - 110091
Mr. Subhash Chander	Non-Executive Independent Director	06798833	C 4/490, Sultan Puri, New Delhi - 110086
Mr. Dharmendra	Non-Executive Independent Director	06798855	H.NO. 80, Fironjpur, Jaunpur - 247001 U.P.

For further details of Management of our Company, please refer to section titled "Our Management" on page 41 of this Information Memorandum.

COMPLIANCE OFFICER

Mr. Krishna Kant Bharti,
210, Karkadooma,
Main Vikas Marg Extn.,
New Delhi - 110 092
Tel: +91 11-32319436;
Fax: +91 11-32319436;
Website: www.madhubanconstructions.com;
E-Mail: madhubanconstructions@yahoo.com;

STATUTORY AUDITORS

M/s. Kakkar Bahl & Associates,
Chartered Accountants
B-222, Mohan Garden,
Uttam Nagar, New Delhi-110059
Contact Person: Ms. Kanika Bahl
Membership Number: 525507
Firm Registration No. -026889N

INVESTING VENTURES FUND

NEXT ORBIT VENTURES FUND

Bldg No.52, Room No. 11,
3rd Marine Street,
Dhobi Talao, Mumbai-400002
SEBI Regn. No: IN/VCF/11-12/0232

REGISTRAR OF THE COMPANY

BEETAL FINANCIAL & COMPUTER SERVICES PVT LIMITED

Beetal House, 99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukh Dass Mandir, New Delhi 110062
Tel Nos.: 011 129961281/82
Fax No.: 011 129961284
Email: beetalrta@gmail.com
Website: www.beetalfinancial.com
Contact Person: Mr. Punit Mittal
SEBI Registration: INR000000262

Absolute Responsibility of Madhuban Constructions Limited

Madhuban Constructions 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 05th March, 2008 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. Next Orbit Ventures Fund (A SEBI Registered Ventures Fund) 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. 50.00 Lacs on dated 07th February, 2014 by applying 5,00,000 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. Ridevel Gears Private Limited has given their consent to lock-in 24,13,000 Equity Share representing 20.00 % 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 in New Delhi as "Madhuban Constructions Private Limited" on 5th March, 2008 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies National Capital Territory of Delhi & Haryana. Our Company was subsequently converted in to a public limited company and consequently name was changed to "Madhuban Constructions Limited" vide fresh certificate of incorporation dated 22nd January, 2014 issued by the Registrar of Companies National Capital Territory of Delhi & Haryana.

We are an integrated real estate company poised on development of residential, commercial, retail and other projects. We also engage ourselves in to trading of construction materials such as bricks, sand, murrum etc. We also indulge ourselves in to contracts for soil leveling etc. Being a company based in national capital of India, we target to concentrate on Delhi and NCR regions.

Our Net worth stands at Rs. 1200 Lacs, which will enable ourselves to expand in to real estate arena.

Key business processes for real estate development

A. Identification Process

Land identification at reasonable pricing and strategic locations is a key factor for the success of our business. Research for projects prior to making any decisions to acquire or develop any of the properties plays a crucial role.

B. Land Acquisition and/or Development Arrangements

Once the requisite knowledge of land title is obtained, based on feasibility, either acquisition of the land on an outright basis or execution of development agreement or other arrangements with the owners takes place. Negotiations are undertaken, which involve total consideration, the type of agreement and the fulfillment of other statutory formalities such as pending litigations on the property.

C. Project Planning, Regulatory Approvals

The project planning and execution process commences with obtaining the requisite regulatory approvals, environmental clearances and location specific approvals. While evaluating the feasibility of an area for the implementation of a project, it is critical to understand and comply with the regulations governing land development at the location. The approvals generally required for the development of a property include change of land use, approvals of building plans, layouts and infrastructure facilities such as power and water. Similarly, approvals from various government authorities, including from the relevant environmental authorities, airport authorities and fire authorities are required for buildings above a stipulated height. Building completion or occupation certificates are obtained from the appropriate authorities after the construction of properties is completed, in accordance with applicable law.

D. Construction

For our project execution, we plan to primarily on external contractors for the construction. We believe that by outsourcing our construction work, we can more effectively compete in our core business of real estate development.

E. Sales and Marketing

We plan to use a mix of sales and marketing strategies to market projects depending on whether the project is a residential or commercial project.

Business process of trading of construction materials as under:-

Procurement of Order: We contentiously look upon players in construction space such as contractors and builders and bargain with them to supply construction materials and procure orders from them.

Sourcing the material: Based orders in hand, we identify the suppliers and place purchase orders.

Supply: Simultaneously with the sourcing of material, we keep a vigil to ensure efficient and timely supply.

Competition

The real estate market is highly competitive and fragmented, and we face competition from various domestic real estate developers. Some of our competitors have greater financial, marketing, sales and other resources than we do. Moreover, as we seek to diversify into new geographical areas, we face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets. Competitive overbuilding in certain markets may have a material adverse effect on our operations in that market.

Marketing Arrangement

Our Company is primarily focused in Delhi and NCR regions of India. We plan to market our projects by heavily through channelizing real estate agents. We also plan to increase our visibility by way of newspaper advertisement, participation in real estate exhibition. We also believe that listing on BSE would enhance our visibility and give us an competitive edge over unorganized real estate players.

Our growth strategy:

We intend to pursue the following strategies in order to consolidate our position and grow further:

Increase our focus on Delhi & NCR Region

The real estate industry in India is predominantly regional due to difficulties with respect to large scale land acquisition in unfamiliar locations, inadequate infrastructure to market projects in new locations, the complex legal framework and the large number of approvals which must be obtained from different authorities at various stages of construction under local laws, and the long gestation period of projects. We also believe that due to our base at Delhi & NCR and experience of our management about markets in and around Delhi & NCR regions, we will be able to focus and expand our business in and around Delhi & NCR regions.

Focus on Performance and Project Execution

We believe that it is important to identify land and development rights in strategic locations at a competitive cost. We intend to continue to focus on performance and project execution in order to maximize client satisfaction.

Continue our Focus on a Diversified Business Model

We are currently focused on the development of residential, commercial, retail etc. projects. We also engage ourselves in to trading of construction materials such as bricks, sand, murrum etc. We also indulge ourselves in to contracts for soil leveling etc. We intend to maintain a spread of the different types of

projects we are involved in as this provides us with a strategy for growth as well as mitigating the risk of focusing on only a certain types of projects and ensures stability of our revenue stream.

Products

1. Construction Units
2. Construction Meterails
3. Contract such as soil leveling etc.

Few of our clientele are listed below:

1. B K Enterprises
2. Deep Realtech Pvt Ltd
3. Amit Trading Co.

Raw Materials:

In our segment there is no requirement of any raw material.

Industry Segment overview:

The real estate sector in India is at a crucial juncture of its evolution. While a significantly large portion of the industry is still dominated by unorganized and marginal players; there has been a consistent rise in share of organized players with number of listed companies growing over the recent years. Arrival of foreign direct investment, spreading national or regional footprints of organized players from their traditional city or region of dominance, development breaching the confinement of metropolitan cities to get reach tier I and tier II cities, rise of commercial and retail segments together with already residential segment, and fast emergence of holiday or second home as a category have contributed to a faster transformation of real estate sector in India over the past decade.

Setting aside the small portion that hospitality segment constitutes, the real estate sector in India can be classified across Residential Segment, Commercial Segment and Retail Segment. On the one hand real estate sector has ridden the wave of India's economic transformation in the 21st century to grow to its current stature. Yet at the other hand, it has made a three pronged contribution in strengthening India's economic progress. Firstly by raising its direct contribution to a significant 4-5% of country's GDP, then by helping the financial sector grow its revenues and earnings from home loan products, and finally by adding to the overall wealth creation at the level of its citizens. Besides these, it has also helped in creating millions of direct and indirect jobs in the country.

Overview of the Indian Economy

India is the fourth largest economy in the world after the European Union, United States of America and China in purchasing power parity terms, with an estimated Gross Domestic Product ("GDP") (purchasing power parity) of U.S.\$ 4.46 trillion in 2011 (Source: CIA World Factbook 2011). India rebounded from the global financial crisis, largely because of strong fundamentals and robust banking policies, posting a GDP growth of 7.8% in 2011. India is developing into an open-market economy, yet traces of its past autarkic policies remain. Economic liberalization, including industrial deregulation, privatization of state-owned enterprises, and reduced controls on foreign trade and investment, began in the early 1990s and has served to accelerate the country's growth, which has averaged more than 7% per year since 1997.

Residential Segment:

Favourable demographics of the country have led to a healthy growth of real estate market in the residential sector. Improving socio-economic factors are leading to a consistent fall in the average age of ownership of the first house and consistent increase in the number of house owned. The rising demand and limited availability of the dwelling units within the city limits will continue and the same would result in higher prices of residential real estate. A recent study by CRISIL estimates the overall housing shortage in

India to reach 75.5 million units by the end of 2014 and suggests the housing prices to consolidate between 2010 and 2014 period.

Commercial Space:

Commercial properties earlier were majorly concentrated towards Central Business District areas in large cities. However, with the huge office space requirement, commercial development started moving towards other areas like Lower Parel & BKC in Mumbai, Gurgaon near New Delhi and the Electronic city in Bengaluru (Bangalore). In addition locations such as Bengaluru, Gurgaon, Hyderabad, Chennai and Pune have established themselves as emerging destinations for commercial development.

Retail:

Organized retail penetration has grown to about 5.6 % in 2009-10, which is further expected to increase to about 7.3 % by 2012-13, according to a CRISIL report for real estate. In the past few years, India's organized retail industry has posted high growth rates giving improvement in key driving factors namely, lavish lifestyles and high disposable incomes. The US-based global management consulting firm, A T Kearney, in its Global Retail Development Index (GRDI) 2011, has ranked India as the fourth most attractive nation for retail investment, among 30 emerging markets.

After growing at high rate over the last decade, the organized retail industry in India witnessed a sudden slowdown in investments after financial crisis in 2008- 09 which led to large build up in supply. During 2011, fresh completion doubled to 13.8 msf and absorption increased by over 140% to 9.7 msf. This also led to further increase in vacancy rate. As per JLL report in 2012 the demand is expected to slow down to 8 msf. Going forward, due to weak demand environment and lack of any evident demand trigger, the lease rentals are expected to remain under pressure.

Real Estate Industry Future

Real estate plays an important role in the Indian economy. This sector happens to be the second largest employer after agriculture and is expected to grow at the rate of 30 per cent over the next decade. The real estate sector in India is ready to take a big leap in the coming years. Since 2010, the residential sector has been on a strong growth trajectory and with increasing urbanisation the momentum is expected to continue. Strong demographic mix and increasing salary levels will be the key triggers for growth of the residential market in 2012.

The use of technology will continue to transform the field in the years ahead, enabling home buyers to research both properties and the areas in which they are located, including looking at pictures and finding out about the neighborhood's schools, crime rates and other statistics. Marketing over the internet with pictures of properties and virtual tours will be important for brokers. More than ninety percent of people use the internet before purchasing real estate. United States population growth will also be an important driving factor in the growth of the industry at large. The workforce is expected to grow fourteen percent between 2008 and 2018. The internet arguably may eliminate the need for brokers altogether in the future. Banks also represent a potential competitor. Recently they have been freed by rule changes to enter the commercial real estate field in a limited way, and it is possible to see future rule changes allowing them to enter the residential field. The biggest growth areas are expected to be in the southern half of the country, particularly in the southwest. A recent survey revealed the hottest buyer's market to be Albuquerque, New Mexico.

Even in spite of the poor economic conditions and the state of the industry, analysts are confident in the future growth in the industry. Brokers commissions are expected to grow at a compounded rate of fourteen percent annually from 2010 to 2015. The output of United States real estate businesses is expected to grow at an annually compounded rate of six percent between 2010 and 2015.

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	30.80
Short term loans and Advances	131.80
Cash and Bank Balances	5.38
Other Current Assets	0.82
Total (A)	168.80
Less:	
Trade Payables	10.64
Other Current Liabilities	0.53
Short term provisions	0.71
Total (B)	11.88
Net Working Capital (A-B)	156.92

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	4
3.	Marketing Department	4
4.	Company Secretary	1
5.	Other Staff	2
	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
MADHUBAN CONSTRUCTIONS PRIVATE LIMITED.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **MADHUBAN CONSTRUCTIONS 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 KAKKAR BAHL & ASSOCIATES
CHARTERED ACCOUNTANTS**

Sd/-
CA. KANIKA BAHL
MEMBERSHIP NO.: 525507
FIRM REGD.NO.: 026889N

Place: Delhi
Date: 28/08/2013

(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 program me 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 the 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 re-paying 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 management 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.

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	28,100,000	28,100,000
(b) Reserves and Surplus	2	105,647	15,860
(c) Money received against share warrants		-	-
(2) Share application money pending allotment			
(a) Share Application Money		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	3		-
(b) Deferred tax liabilities (Net)	4	-	-
(c) Other Long term liabilities	5	-	-
(d) Long term provisions	6	-	-
(4) Current Liabilities			
(a) Short-term borrowings	7	-	-
(b) Trade payables	8	1,063,560	270,500
(c) Other current liabilities	9	53,300	25,038
(d) Short-term provisions	10	70,918	39,608
Total		29,393,425	28,451,006
II. Assets			
(1) Non-current assets			
(a) Fixed assets	11		
(i) Tangible assets		88,632	29,760
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	12	7,420,000	7,420,000
(c) Deferred tax assets (net)	13	5,232	565
(d) Long term loans and advances	14	5,000,000	5,000,000
(e) Other non-current assets	15	-	-
(2) Current assets			
(a) Current investments	16	-	-
(b) Inventories	17	-	-
(c) Trade Receivables	18	3,080,410	735,300
(d) Cash and Cash Equivalents	19	537,813	97,873
(e) Short-term loans and advances	20	13,179,638	15,079,638
(f) Other Current Assets	21	81,700	87,870
Total		29,393,425	28,451,006

Profit and Loss statement 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		5,590,410	1,217,000
II. Other Income	22	-	-
III. Total Revenue (I +II)		5,590,410	1,217,000
IV. Expenses:			
Cost of materials consumed	23	-	-
Purchase of Stock-in-Trade		4,590,590	370,500
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	-	-
Employee benefit expense	25	466,211	405,322
Financial costs	26	-	-
Depreciation and amortization expense	27	29,048	15,910
Other expenses	28	388,130	298,915
Total Expenses		5,473,980	1,090,647
V. Profit before exceptional and extraordinary items and tax.	(III - IV)	116,430	126,353
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		116,430	126,353
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		116,430	126,353
X. Tax expense:			
(1) Current tax		31,310	39,608
(2) Deferred tax Liabilities / (Assets)		4,667	565
(3) Income tax Adjustment		-	-
(4) Deferred tax Adjustment		-	-
XI. Profit(Loss) from the operations.	(IX-X)	89,787	87,310
DISCONTINUING OPERATIONS			
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)		89,787	87,310
XVI. Earning per equity share:			
(1) Basic		0.44	0.03
(2) Diluted		0.44	0.03

CASH FLOW STATEMENT

PARTICULARS	Amounts Rs. 31.03.13	Amounts Rs. 31.03.12
<u>(A) CASH FLOW FROM OPERATING ACTIVITIES:-</u>		
1. Net profit before tax	116,430	126,353
2. <u>Adjustment for:</u>		
<u>Add:</u> Depreciation & Amortisation Expenses	29,048	15,910
Operating Profit before Working capital changes	145,479	142,263
3. <u>Working Capital Changes:</u>		
Decrease (Increase) in Trade & Other Receivables	(2,345,110)	(735,300)
Decrease (Increase) in Inventories	-	-
Decrease (Increase) in Short Term Provision	-	-
Decrease (Increase) in Other Current Assets	-	(81,700)
Increase (Decrease) in Trade & Other Payables	750,060	270,500
Increase (Decrease) in Other Current Liabilities	-	-
Increase (Decrease) in Other Liabilities	28,262	6,665
Net Changes in Working Capital	(1,566,788)	(539,835)
<u>Cash Generated from Operations</u>	(1,421,309)	(397,572)
Adjustment of Taxes	-	-
Net Cash Flow from Operating Activities (A)	(1,421,309)	(397,572)
<u>(B.) CASH FLOW FROM INVESTING ACTIVITIES :</u>		
Purchase of Fixed Assets	(81,750)	(39,500)
(Increase) Decrease in Other Non Current Assets	-	-
(Increase) Decrease in Long Term Loans & Advances	-	(5,000,000)
(Increase) Decrease in Short Terms Loans & Advances	1,900,000	(15,079,638)
Decrease (Increase) in Current Investments	-	-
Decrease (Increase) in Non Current Investments	-	(7,420,000)
Net Cash Flow from Investing Activities (B)	1,818,250	(27,539,138)
<u>(C.) CASH FLOW FROM FINANCING ACTIVITIES :</u>		
Issue of Share Capital	-	28,000,000
Increase in Short Terms Borrowings	-	-
Proceeds from/(Refund) Share Application Money	-	-
Net Cash Flow from Financing Activities (C)	-	28,000,000
Net Increase / (Decrease) in Cash & Cash Equivalents (A-B+C)	396,941	63,290
Cash and cash equivalents at the beginning of the year / Period	97,873	34,583
Cash and cash equivalents at the end of the year/ Period	494,813	97,873

Note : 1 Share Capital

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	<u>AUTHORIZED CAPITAL</u>		
	1,25,10,000 Equity Shares Of Rs 10 Each	125,100,000	125,100,000
2	<u>ISSUED</u>		
	28,10,000 Equity Shares Of Rs 10 Each	28,100,000	28,100,000
3	<u>SUBSCRIBED & PAID UP CAPITAL</u>		
	28,10,000 Equity Shares Of Rs 10 Each	28,100,000	28,100,000
	Total	28,100,000	28,100,000

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	(a) Share Application Money	-	-
	Total	-	-

Note : 2 Reserve & Surplus

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Security Premium	-	-
2	<u>Surplus (Profit & Loss Account):</u>		
	Opening Profit & Loss A/c	15,860	(71,450)
	Current Year Profit & Loss A/C	89,787	87,310
		105,647	15,860
	Total	105,647	15,860

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	-	-
	Total	-	-

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	1,063,560	270,500
	Total	1,063,560	270,500

Note : 9 Other Current Liabilities

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Audit Fees Payable	10,800	5,400
2	Expenses Payable	42,500	19,638
	Total	53,300	25,038

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	70,918	39,608
	Total	70,918	39,608

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	Value as on 31.03.2012	
I	<u>Tangible Assets</u>											
	Computer A/c	40.00%	22,000	24,500	-	26,500	5,425	16,980	-	22,405	24,055	16,575
	Office Equipment	13.91%	17,500	17,750	-	36,250	4,315	3,685	-	8,201	27,249	13,185
	Furniture & Fittings	10.00%	-	29,500	-	29,500	-	2,213	-	2,213	27,288	-
	SUB TOTAL (A)		39,500	81,750	-	121,250	9,740	22,878	-	32,818	88,602	29,760
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)		39,500	81,750	-	121,250	9,740	22,878	-	32,818	88,602	29,760
	(Previous Year)		39,500	81,750	-	121,250	9,740	22,878	-	32,818	88,602	29,760

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 Shares	2,420,000	2,420,000
3	Investment in Mutual Fund	-	-
4	Investment in Partnership Firm	-	-
5	Other	5,000,000	5,000,000
	Total	7,420,000	7,420,000

Note : 13 Deferred Tax Assets (Net)

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Deferred Tax	5,232	565
	Total	5,232	565

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>		5,000,000	5,000,000
	Total		5,000,000	5,000,000

Note : 15 Other Non Current Assets

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

Note : 17 Inventories

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Stock-in-Trade	-	-
	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 :	-	-
	c) Doubtful	-	-
2	<u>Others</u>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	3,080,410	735,300
	c) Doubtful	-	-
	Total	3,080,410	735,300

Note : 19 Cash & Cash Equivalent

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Cash & Bank Balance	537,813	97,873
	Total	537,813	97,873

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>		
	Loans & Advances	13,179,638	15,079,638
	Total	13,179,638	15,079,638

Note : 21 Other Current Assets

Sr. No	Particulars	Rs.	As at 31.03.2013	Rs.	As at 31.03.2012
1	Advance Income Tax		-		-
2	TDS		81,700		81,700
3	Preliminary Expenses	6,170		12,340	-
	Add : Exp. in Current Year	-		-	
		6,170		12,340	
	Less: (W/off) (RS)	6,170	-	6,170	6,170
4	Issue Expenses				
	Less: (W/off)		-		-
	Total	6,170	81,700		87,870

Note : 22 Other Income

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

Note : 23 Cost of Material Consumed

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Purchases	-	-
2	Freight & Cartage	-	-
	Total	-	-

Note : 24 Change in Inventories

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

Note : 25 Employment Benefit Expenses

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Salaries & Wages	420,000	360,000
2	Staff Welfare	46,211	45,322
	Total	466,211	405,322

Note :26 Financial Cost

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

Note : 27 Depreciation & Amortized Cost

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Depreciation	22,878	9,740
2	Preliminary Expenses W/o	6,170	6,170
	Total	29,048	15,910

Note : 28 Other Expenses

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Administrative Expenses:		
	Accounting Expenses	72,000	48,000
	Audit Fees	5,400	5,400
	Bank Charges	168	5,167
	Rent	84,000	84,000
	Repair & maintenance Exp.	14,311	-
	festival Exp.	13,222	-
	Postage & telegram Exp.	12,330	-
	Books & Periodical	11,005	-
	General Exps.	32,433	30,700
	Travelling Expenses	13,295	-
	Other Expenses	28,760	34,210
	Business Promotions Expenses	35,432	23,433
	Internet Expenses	18,735	21,090
	Legal & Professional Charges	18,950	19,050
	Telephone Expenses	19,045	21,322
	Printing and Stationary	9,044	6,543
	Total	388,130	298,915

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

1) The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

2) Reconciliation of Nos. Of Shares

PARTICULARS	2012-13	2011-12
Number of Equity Shares at the beginning	2,810,000	2,810,000
Add:- Number of Shares Issued	-	-
Number of Equity Shares at the end	2,810,000	2,810,000

3) 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
	Equity	-	0.00%
	Equity	-	0.00%

4) All the investments made by the company are valued at Cost .

5) Managerial Remuneration: Nil

6) Company does not have any Inventory as per AS-2.

7) Deferred 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. Deferred tax assets are recognised unless there is virtual certainty with respect to the reversal of the same in future years.

8) 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 31st, 2013. The adaptation of the revised Schedule VI requirements has significantly modified the presentation and disclosures which have been complied with in these financial statements Previous year figures have been reclassified in accordance with current year requirements.

9) All schedules annexed to and form integral part of the Balance Sheet and Profit & Loss Account.

10) Minimum Alternative Tax (MAT) is recognised 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.

11) Value of Import on CIF Basis Nil

12) Earnings in Foreign Exchange (FOB Value) Nil

13) Expenditure in Foreign Currency Nil

14) The Company has no employee to whom the provisions of section 217 (2A) of the Companies Act, 1956 are applicable.

15) *Earning Per Share:*

Particulars	As at 31.03.2013
Net profit after tax available for Equity Shareholders (Rs.) (A)	89,787
Weighted Avg. Number Equity Shares outstanding (Nos.) (B)	2810000
Dilutive potential Equity Shares (Nos.)	-
Dilutive shares outstanding (Nos.) (C)	2810000
Nominal value per Equity Shares (Rs./ Share)	10
Basic Earnings per share (Rs./ Share) (A) / (B)	0.03
Diluted Earnings per share (Rs./ Share) (A) / (C)	0.03

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	
	1,25,10,000 Equity Shares of face value of Rs.10 each	1251.00
B.	Issued, subscribed and paid-up Equity Share Capital	
	1,20,64,000 Equity Shares of face value of Rs.10 each	1206.04

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.)
05/03/2008	10,000	10	10	Cash	Subscription to MOA	10,000	1,00,000	Nil
20/03/2012	28,00,000	10	10	Cash	Further Allotment	28,10,000	2,81,00,000	Nil
07/02/2014	10,54,500	10	10	Cash	Further Allotment	38,64,500	3,86,45,000	Nil
09/02/2014	4,91,500	10	10	Cash	Further Allotment	43,56,000	4,35,60,000	Nil
13/02/2014	13,90,500	10	10	Cash	Further Allotment	57,46,500	5,74,65,000	Nil
15/02/2014	10,65,000	10	10	Cash	Further Allotment	68,11,500	6,81,15,000	Nil
17/02/2014	39,24,000	10	10	Cash	Further Allotment	1,07,35,500	10,73,55,000	Nil
19/02/2014	13,28,500	10	10	Cash	Further Allotment	1,20,64,000	12,06,40,000	Nil

Shareholding of our Promoters:

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

1. MR. KRISHNA KANT BHARTI						
Date of Allotment / Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)	Nature of Transactions	shareholding %
20/03/2012	Cash	5000	10	10	Allotment	
15/04/2013	Cash	10000	10	10	Acquisition	
Total		15000				0.12

3. M/S. RIDEVEL GEARS 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 %
20/03/2012	Cash	5000	10	10	Allotment	
15/04/2013	Cash	1000000	10	10	Acquisition	
17/02/2014	Cash	2730000	10	10	Allotment	
Total		37,35,000				30.96

Statement showing Share Holding Pattern of Madhuban Constructions 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	15000	-	0.12	-	-
(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	3735000	-	30.96	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-
	Sub-Total (A)(1)	2	3750000	-	31.08	-	-
(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	3750000	-	31.08	-	-
(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	1	500000	-		NA	NA
(e)	Insurance Companies	-	-	-		NA	NA
(f)	Foreign Institutional Investors	-	-	-		NA	NA
(g)	Foreign Venture Capital Investors	-	-	-		NA	NA
(h)	Any Other	-	-	-	4.14	NA	NA
	Sub-Total (B)(1)	1	500000	-	4.14	NA	NA
(2)	Non- institutions						
(a)	Bodies Corporate	2	760000	-	6.30	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	272	7054000	-	58.48		
(c)	Qualified Foreign Investors	-	-	-	-	N.A	N.A
(d)	Any Other	-	-	-	-		
	Sub-Total (B)(2)	274	7814000	-	64.78	N.A	N.A
	Total Public Shareholding (B)= (B)(1)+(B)(2)	275	8314000	-	68.92	N.A	N.A
	TOTAL (A)+(B)	277	12064000	-	100.00	N.A	N.A

(I)(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
								same class		same class	
						clause (I)(a)		same class		same class	
1	Mr. Krishna Kant Bharti	15000	0.12	0	0.00	0.00	0	0.00	0	0.00	-
2	Ridevel Gears Pvt. Ltd.	3735000	30.96	0	0.00	0.00	0	0.00	0	0.00	-
	TOTAL	3750000	31.08	0	0.0	0.00	0	0.00	0	0.00	-

(I)(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	NEXT ORBIT VENTURE FUND	500000	4.14
2	SHIKHA JAIN	150000	1.24
3	DINESH AGARWAL AND SONS HUF	125000	1.04
4	SANJAY CHHOTALAL GHELANI HUF	125000	1.04
5	GHELANI DIPAK CHHOTALAL HUF	125000	1.04
6	SHIRISH CHHOTALAL GHELANI HUF	125000	1.04
7	VIPUL CHHOTALAL GHELANI	125000	1.04
8	PRAMOD PREMCHAND SHAH	150000	1.24
9	ACHAL INVESTMENTS LIMITED	510000	4.23
10	MAHADUSHI INTERNATIONAL TRADE LTD	250000	2.07
	TOTAL	2185000	18.12

(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	Next Orbit Ventures Fund	5,00,000	4.14
2	Ridevel Gears Private Limited	24,13,000	20.00
	TOTAL	29,13,000	24.14

(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 210, Karkadooma, Main Vikas Marg Extn., Delhi - 110 092, 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 210, Karkadooma, Main Vikas Marg Extn., Delhi - 110 092, 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	<i>(Rs. Lacs)</i>	
	31.03.13	31.03.12
Net Cash flow from Operative activities	(14.21)	(3.97)
Net Cash Flow from investing activities	18.18	(275.39)
Net Cash Flow from Financing activities	-	280.00
Net Cash Flow for the Year	3.97	0.64

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. 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.

5. 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.

- 6. 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.

- 7. Our Company has limited operating history in the business of Real Estate Development and therefore investors may not be able to assess our company's prospects based on past results.**

We have been incorporated in the year of 2008. Since, we have limited operating history in this business. We have not yet completed any projects and consequently, there will be only limited information with which to evaluate the quality of our projects and our current or future prospects on which to base the investment decision.

- 8. We require substantial capital for our business operations, and the failure to obtain additional financing in the form of debt or equity may adversely affect our ability to grow and our future profitability.**

Our business is capital intensive, requiring substantial capital to develop and market our projects. The actual amount and timing of our future capital requirements may also differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our projects, change in business plans due to prevailing economic conditions, unanticipated expenses, regulatory and engineering design changes. To the extent our planned expenditure requirements exceed our available resources; we will be required to seek additional debt or equity financing. Additional financing could increase our cost, in case of debt increase in interest cost and additional restrictive covenants and in case of equity dilution of our earnings per share. We cannot assure that in future, we will be able to raise additional financing on acceptable terms in a timely manner or at all.

- 9. We may not be able to identify and acquire suitable sites at reasonable cost which may adversely affect our business and prospects.**

Our future performance is dependant on our ability to identify and acquire suitable sites at reasonable prices. Our ability to identify and acquire suitable sites is dependent on a number of factors that are beyond our control. These factors include the availability of suitable land, the willingness of landowners to sell land and/or assign development rights on terms acceptable to us, the ability to obtain an agreement to sell from a number of land owners where land has multiple owners, the availability and cost of financing, encumbrances on targeted land, government directives on land use and the obtaining of permits and approvals for land acquisition and development. The failure to acquire or obtain development rights may cause us to modify, delay or abandon projects, which could adversely affect our business.

- 10. The business and future results of operations of Our Company may be adversely affected if we incur any time or cost overruns.**

Our Company's business plans are subject to various risks including time and cost overruns and delays in obtaining regulatory approvals. The length of time required to complete a project usually ranges from 24 to 48 months, within which there can be changes in the economic environment, local real estate market, prospective customer's perception, price escalation, etc. If the changes take Place during the duration of the project, then our projections regarding the costs, revenues, return on the project, profitability as well as our operations will be adversely affected.

There could also be unexpected delays and cost overrun in relation to our projected / future projects and thus, no assurance can be given to complete them on scheduled time and within the expected budget.

11. 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

12. 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.

13. 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.

14. 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.

15. 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.

16. 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.

17. 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

18. 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.

19. 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.

20. 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.

21. 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.

22. 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. Krishna Kant Bharti S/o Mr. Salik Ram Bharti 25/422, Block -25, Trilok Puri, Delhi - 110091 Occupation: Business Nationality: Indian Tenure: 5 years w.e.f. 15th January, 2014 DIN: 03466142	34 Yrs	15/01/2014	Whole-time Director
2. Mrs. Geeta Bharti D/o Mr. Sri Nath 25/422, Block -25, Trilok Puri, Delhi - 110091 Occupation: Business Nationality: Indian Tenure: Retire by rotation DIN: 06797301	31 Yrs	28/01/2014	Non Executive Non Independent Director
3. Mr. Subhash Chander S/o Mr. Lal Mani C 4/490, Sultan Puri, New Delhi - 110086 Occupation: Business Nationality: Indian Tenure: Retire by rotation DIN: 06798833	39 yrs	24/01/2014	Non Executive Independent Director
4. Mr. Dharmendra S/o Mr. Jagdish Kumar H.NO. 80, Fironjpur, Jaunpur - 247001 U.P. Nationality: Indian Tenure: Retire by rotation DIN: 06798855	28 Yrs	03/02/2014	Non Executive Independent Director

DETAILS OF DIRECTORS

- Krishna Kant Bharti** - Aged 34, is a Whole Time Director of the Company. He has done his Master in commerce. 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. **Mrs. Geeta Bharti** aged 31 years, is Non - Executive Director of our Company. She is Master in Business Administration. She possess more than 8.5 years of experience in the field of finance, capital markets and related activities. The Board has the advantage of his wide experience in the financial services field. She has been on the board of Company since January, 2014.
3. **Mr. Subhash Chander**, aged 39 Years, is an Independent Director of our Company. He is Commerce graduate and has 8 years in the field of accounts and Finance.. He has been Board of Directors of Our Company since, January, 2014.
4. **Mr. Dharmendra**, aged 28 years is an Independent Director of our Company. He has completed his graduation in Arts. He has 8 years of experience in administration and commercial operations of the industry. He predominantly responsible of for implementation decisions with the development teams including scheduling of tasks guaranteeing quality of deliveries.

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. Krishna Kant Bharti
Designation	Whole-time Director
Period	Five years with effect from 15 th January, 2014
Date of Appointment	15 th January, 2014
Remuneration	a) Remuneration Rs. 20,000/- p.m. (Rupees Twenty Thousand Only) a) Perquisites & Allowances <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 25th 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. Subhash Chander is the Chairman of the Audit Committee.

No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Subhash Chander	Chairman	Non Executive Independent Director
2.	Mr. Dharmendra	Member	Non Executive Independent Director
3.	Mrs. Geeta Bharti	Member	Non 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 25th January, 2014. The committee currently comprises of three (3) Directors. Mr. Dharmendra is the Chairman of the Shareholders/ Investors Grievance committee.

No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Dharmendra	Chairman	Non Executive Independent Director
2.	Mr. Subhash Chander	Member	Non Executive Independent Director
3.	Mr. Krishna Kant Bharti	Member	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. Krishan Kant Bharti	15000	0.12
Mrs. Geeta Bharti	-	-
Mr. Subhash Chander	-	-
Mr. Dharmendra	-	-
Total	15,000	0.12

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. Krishan Kant Bharti
2. M/s Ridevel Gears Private Limited

DETAILS OF OUR PROMOTERS ARE AS UNDER

1. Mr. Krishan Kant Bharti

	Mr. Krishan Kant Bharti Aged 34 Years, is a Whole Time Director of the Company. He has done his Master in commerce. 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.
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Identification

Name	Mr. Krishan Kant Bharti
Permanent Account Number	AODPB9886Q
Passport No.	TAX1211127
Voter ID	N.A.
Driving License	P070820053505825
Bank Account Details	Dena Bank (128210031347)

2. M/s. Ridevel Gears Private Limited

M/s. Ridevel Gears Private Limited Company was incorporated on 23/08/2011 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. The Registered office of the Company is situated at Plot no-341 Shabad Daulatpur Delhi-110042.

The main Business of the Company as manufacturers, sellers, fabricators, assemblers, distributors, traders, importers and exporters of automotive engine parts/ components of all kinds and description including Engine valves, gaskets and rubber automobile parts, pan belts, rubber extruded parts, rubber channels, industrial belts, hoses, oil seals, automotive and other gears, rims, transmission components, axis, silencers and exhaust systems, universal joints, springs, leaves, head lamps, sealed beams, component parts, spare parts, accessories and fitting of all kind for the said articles and things used in connection with the manufacture thereof, alloy springs, steel billets, flats and bars, presses and other related items for motor cars, motor trucks, buses, tractors, vans, jeeps, lorries, motor launches, motor cycles and vehicles and conveyances of all kinds.

M/s. Ridevel Gears Private Limited has been promoted by Mr. Rajan Bakshi & Mr. Gaurav Jain. However in later on Mr. Krishan Kant Bharti & Mrs. Geeta Bharti acquired 100 % of control of Ethics Engineering Private Limited and became promoter of Ridevel Gears Private Limited.

Ridevel Gears Private Limited holds 37,35,000 Equity Shares of our Company, which constitutes 30.96 % of Total Capital.

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

- Mr. Krishan Kant Bharti
- Mrs. Geeta Bharti

Shareholding Pattern:

As on date of filing, the shareholding pattern of Ridevel Gears Private Limited as follows:-

Sr. No.	Name of Shareholder	No. of shares
1	Mr. Krishan Kant Bharti	8500
2	Mrs. Geeta Bharti	1500
	TOTAL	10000

Audited Financial Information of Ridevel Gears Private Limited

(Rs. In Lacs)

Particulars	FY 2013	FY 2012
Equity Share Capital	1.00	1.00
Reserves & Surplus	(0.15)	(0.07)
Less : Miscellaneous Expenditures not written off	-	-
Net Worth	0.85	0.93
Revenue	-	-
Profit / (Loss) after Tax	(0.07)	(0.07)

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		
Krishna Kant Bharti	Jaikishan	Jaikishan
Ridevel Gears Pvt. Ltd.	Sandeep Singh	Chandra Prakash Bhardwaj
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 Mr. Krishna Kant Bharti & Ridevel Gears Pvt. Ltd. On below mentioned dates:

Date of Allotment	No. of Shares	Price per Share
20.03.2012	10000	10
17.02.2014	2730000	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. Krishan Kant Bharti

Mrs. Geeta Bharti

Mr. Subhash Chander

Mr. Dharmendra

SIGNED BY THE COMPANY SECRETARY

Ms. Dhairya Arora

SIGNED BY THE FINANCE MANAGER

Mr. N Agrawal

Date: 20.02.2014

Place: Delhi