

DRAFT INFORMATION DOCUMENT

(For Listing on Institutional Trading Platform for SME of BSE Limited)

Dated: January 30, 2014

(In accordance with SEBI (Listing of Specified Securities on Institutional Trading Platform) Regulations, 2013)



K D TREND WEAR LIMITED

Our Company was incorporated as 'K D Trend Wear Private Limited' a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated September 20, 2007 issued by the Registrar of Companies, N.C.T. of Delhi and Haryana. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to 'K D Trend Wear Limited' pursuant to a Fresh Certificate of Incorporation dated January 17, 2014 issued by the Registrar of Companies, N.C.T. of Delhi and Haryana. Our corporate identification number is U74900DL2007PLC168468.

Registered Office: KH-810, 2nd Floor, Mahipalpur Extension, Near Maruti Workshop, New Delhi – 110 037, Delhi
Tel: +91 11 3231 8187, **Fax:** +91 11 3231 8187, **Website:** www.kdtrend.com, **E-mail:** kdtrendwear@yahoo.com
Company Secretary and Compliance Officer: Ms. Priyanka Goel

PROMOTERS: MR. RAJESH VERMA AND THY PROJECTS PRIVATE LIMITED

THE DRAFT INFORMATION DOCUMENT IS BEING MADE IN TERMS OF CHAPTER XC OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.

FOR LISTING OF 1,25,55,500 EQUITY SHARES OF RS. 10/- EACH FULLY PAID-UP ON INSTITUTIONAL TRADING PLATFORM OF THE BSE SME

ABSOLUTE RESPONSIBILITY OF K D TREND WEAR LIMITED

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Draft Information Document contains all information with regard to the Company which is material in the context of this proposed listing, that the information contained in the Draft Information Document 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 the Draft Information Document as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect.

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DEFINITIONS AND ABBREVIATIONS

In the Draft Information Document, unless the context otherwise requires, the terms defined and abbreviations stated hereunder shall have the meanings as assigned therewith as stated in this Section.

General Terms

Term	Description
“K D Trend Wear Limited”, “K D Trend Wear Limited”, “We” or “us” or “our Company” or “the Issuer”	Unless the context otherwise requires, refers to K D Trend Wear Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at KH-810, 2 nd Floor, Mahipal Pur Extension, Near Maruti Workshop, New Delhi – 110 037, Delhi

Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, requires, refers to the Articles of Association of K D Trend Wear Limited, as amended from time to time.
Auditors	The Statutory Auditors of our Company, being M/s Rohit KC Jain & Co., Chartered Accountants
Board of Directors / Board	The Board of Directors of K D Trend Wear Limited, including all duly constituted Committees thereof.
Companies Act	The Companies Act, 1956, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of K D Trend Wear Limited unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ` 10 each unless otherwise specified in the context thereof
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
MOA / Memorandum / Memorandum of Association	Memorandum of Association of K D Trend Wear Limited
Non Residents	A person resident outside India, as defined under FEMA
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA
NRIs / Non Resident Indians	A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India) Regulations, 2000
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoters/ Core Promoters	MR. RAJESH VERMA AND THY PROJECTS PRIVATE LIMITED
Registered Office	The Registered Office of our company is located at KH-810, 2 nd Floor, Mahipal Pur Extension, Near Maruti Workshop, New Delhi – 110 037, Delhi
RoC	Registrar of Companies, NCT of Delhi and Haryana, situated at Delhi
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time

SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009 as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited

Technical / Industry Related Terms

Term	Description
CSO	Central Statistical Organisation
GDP	Gross Domestic Product
DEPB	Duty entitlement pass book scheme
EPCG	Export Promotion Capital Goods Scheme
FDI	Foreign Direct Investment
F&O	Futures and Options
FMC	Forward Market Commission
GOI	Government of India
FOB	Free on Board
RONW	Return on Net Worth
SSI	Small Scale Industry
VCF	Venture Capital Funds
SENSEX	Bombay Stock Exchange Sensitive Index
NIFTY	National Stock Exchange Sensitive Index

Conventional Terms / General Terms / Abbreviations

Abbreviation	Full Form
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FII's	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board

F&NG	Father and Natural Guardian
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
MAPIN	Market Participants and Investors' Integrated Database
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NPV	Net Present Value
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Bn	Billion
` or Rs.	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
Sec.	Section
STT	Securities Transaction Tax
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Days	All days except Saturday, Sunday and any public holiday

GENERAL INFORMATION

K D Trend Wear Limited

Our Company was incorporated as 'K D Trend Wear Private Limited' a private limited company under the Companies Act, 1956 pursuant to Certificate of Incorporation dated September 20, 2007 issued by the Registrar of Companies, N.C.T. of Delhi and Haryana. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to 'K D Trend Wear Limited' pursuant to a Fresh Certificate of Incorporation dated January 17, 2014 issued by the Registrar of Companies, N.C.T. of Delhi and Haryana. Our corporate identification number is U74900DL2007PLC168468.

Registered Office of our Company

K D Trend Wear Limited

KH-810, 2nd Floor,
Mahipalpur Extension,
Near Maruti Workshop,
New Delhi – 110 037, Delhi
Tel: +91 11 3231 8187
Fax: +91 11 3231 8187
Website: www.kdtrend.com
E-mail: kdtrendwear@yahoo.com

Address of the RoC

Registrar of Companies, Delhi : 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019

Name of the Stock Exchange where proposed to be listed

Our Company proposed to list its Equity Shares on the For Listing on Institutional Trading Platform for SME of BSE Limited.

Our Board of Directors

The following table sets out details regarding our Board as on the date of the Draft Information Document:

Sr. No.	Name and Designation	Age (in years)	DIN	Address
1.	Mr. Rajesh Verma <i>Executive Director</i>	44	06794861	114B, South Anarkali Krishna Nagar, Delhi – 110 051
2.	Mr. Arjun Singh <i>Non Executive Director</i>	27	06577252	Dhakangala, Naruara, Bulandshahr, 203001, Uttar Pradesh
3.	Ms. Aarti Raj <i>Non Executive and Independent Director</i>	23	06798838	2, CPWD Enq Office WC FLATS, Sarojini Nagar, Delhi - 110023
4.	Mr. Inder Pal <i>Non Executive and Independent Director</i>	34	06799345	37/B, Taimoor Nagar New, Near Friends Colony, New Delhi - 110025, Delhi

Company Secretary and Compliance Officer

Priyanka Goel
K D Trend Wear Limited
KH-810, 2nd Floor,

Mahipalpur Extension,
Near Maruti Workshop,
New Delhi – 110 037, Delhi
Tel: +91 11 3231 8187
Fax: +91 11 3231 8187
Website: www.kdtrend.com
E-mail: kdtrendwear@yahoo.com

Registrar to the Company

SKYLINE Financial Services Private Limited

D-153 A, 1st Floor
Okhla Industrial Area, Phase - I
New Delhi - 110 020
Tel No: +91 - 11 – 3085 7575
Fax No: +91 - 11 – 3085 7562
Website: www.skylinerta.com
Email: info@skylinerta.com
SEBI Registration No: INR000003241
Contact Person: Mr. Sarbesh Singh

Bankers to our Company

HDFC Bank Limited

G-1 & 2, Ashish Corporate Tower,
Plot No 18, Community Centre,
Karkardooma, New Delhi- 110092
Tel: +91 11 6160 6161
Website: www.hdfcbank.com

Statutory Auditors of our Company

M/s Rohit KC Jain & Co.

Chartered Accountants

124, Hans Bhawan,
1, Bhadur Shah Zafar Marg,
Delhi-110002
Tel: +91 88602 12012
Email: jakbharat@gmail.com
Membership No: 511930
FRN: 020422N
Contact Person: Mr. Sushil Upadhyay

Investing Merchant Banker

Inventure Merchant Banker Services Private Limited

2nd Floor, Viraj Tower,
Nr. Andheri Flyover (North End)
Western Express Highway,
Andheri (East), Mumbai – 400 069
Tel No: +91 22 4075 1515
Fax No: +91 22 4075 1552
Email: sme.ipo@inventuremerchantbanker.com
Website: www.inventuregrowth.com
SEBI Registration No: INM000012003

ELIGIBILITY FOR LISTING ON INSTITUTIONAL TRADING PLATFORM OF BSE SME

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulations; and proposes to list our Equity Shares Institutional Trading Platform of BSE SME in terms of Chapter XC of the SEBI (ICDR) Regulations, 2009 as amended from time to time.

Our Company is eligible for the Issue in accordance with Regulation 106(Y) and other provisions of Chapter XC of the SEBI (ICDR) Regulations.

In terms of the Regulation 106(Y) of the SEBI (ICDR) Regulations, we confirm that:

- a. Our company, our promoters, group company or director does not appear in the wilful defaulters list of Reserve Bank of India as maintained by Credit Information Bureau (India) Limited;
- b. There is no winding up petition against our company that has been admitted by a competent court;
- c. 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;
- d. No regulatory action has been taken against our Company, our promoters or our directors, 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;
- e. Our company has not completed a period of more than ten years after incorporation and our revenues have not exceeded one hundred crore rupees in any of the previous financial years;
- f. The paid up capital of our company has not exceeded twenty five crore rupees in any of the previous financial years;
- g. Our Company has atleast one full year’s audited financial statements, for the immediately preceding financial year at the time of making listing application;
- h. In accordance with Regulation 106 Y (h) (iv) of SEBI (ICDR) Regulations, 2009, Inventure Merchant Banker Services Private Limited, a SEBI registered merchant banker has exercised due diligence and has invested a sum of ` 50.00 Lacs in Equity Shares of our company at a price of Rs. 10 per Equity Share. Accordingly, 5,00,000 Equity Shares of face value of ` 10 each were allotted to Inventure Merchant Banker Services Private Limited on January 30, 2014. These Equity Shares shall be locked in for a period of three years from the date of listing.

We further confirm that:

In terms of Regulation 106ZB of SEBI (ICDR) Regulations, 2009 our Company has obtained written consents from our Promoters for the lock-in of 25,11,100 Equity Shares representing 20% of the post listing capital, for a period of three years from the date of listing.

In terms of Regulation 106ZC of SEBI (ICDR) Regulations, 2009:

- (1) All Equity Shares of our company shall be in dematerialized form upon listing on institutional trading platform.
- (2) Our Company is in the process of entering into tripartite agreements with CDSL and NSDL along with our Registrar for facilitating trading in dematerialized mode. We further confirm that we shall have connectivity with atleast one depository at all times.
- (3) The minimum trading lot on institutional trading platform shall be ` 10.00 Lacs.

SECTION I
OUR BUSINESS

Description of Our Business

Our Company is involved in trading of various textile products and also bulk trading. The choice of products are basically based on demand and current prevailing trends in the market. We predominantly cater to Delhi NCR and nearby markets.

Our current product range following fabrics:

Apparel Fabric
Nursery Fabric
Utility Fabric
Fleece Fabric

Our Products & Services

Apparel Fabric: It is mainly used for clothing and garments

Nursery Fabric: It refers to baby fabric, mainly used to make kids wear

Utility Fabric: It refers to mainly non clothing fabrics

Fleece Fabric: A fleece fabric is woolen fabric made out of yarn mainly derived from animals such as domestic sheep or long-haired goat.

We predominantly cater to Delhi NCR and nearby markets.

Infrastructure Facilities/Utilities

Materials

The materials traded by us are ordered on a need basis, depending on the orders on hand and the estimate provided by the marketing team. We do not enter into any long-term contracts with the material suppliers. Our major suppliers include S G Trade Impex and Kansal Trading.

d) Manpower

The following is a department-wise break-up of our employees as on January 30, 2014:

Description	Registered Office
Senior Management	4
Middle Management	4
Others	3
Total	11

Intellectual Property

Our Company does not own or otherwise possess any registered intellectual property rights, other than the ones described below:

Competition

Our Company is engaged in trading of fabrics. Textile being a global industry, we face competition from various domestic and international traders of manufacturers of suitings and shirtings. Globally, we face stiff competition from large size manufacturers in Indonesia, Korea, Pakistan, Bangladesh, etc.

Working Capital

Our working capital requirements for past two financial years are estimated as under:

Current Assets	FY 2013 (Actual)	No. of Days	FY 2012 (Actual)	No. of Days
Inventories	-		3.43	21.36
Short Term Loan and Advances	580.16		-	
Debtors	29.50	195.76	32.77	204.18
Other Current Assets	0.04		0.00	
Total	609.70		36.19	
Current Liabilities				
Sundry Creditors	1.99	18.81	5.44	54.91
Provisions	0.33		0	
Other Current Liabilities	0.83		3.76	
Total	3.15		9.20	
Working Capital Gap	606.56		27.00	
Less: Short Term Borrowings	88.29		0.00	
Net Working Capital Requirement	518.26		27.00	

Industry

The Indian Textile Industry counts among the leading textile industries in the world. Apart from providing the basic necessities of life, its role in the country's economic growth is significant. India's textile industry contributes about 14 per cent to industrial production; 4 per cent to the country's gross domestic product (GDP); 17 per cent to its export earnings; and is a source of direct employment for over 35 million people, which makes it the second largest provider of employment after agriculture. Abundant raw materials, healthy foreign direct investments (FDI) and a government willing to invest ensures a bright future for India's textile sector.

Market Size

The industry is expected to touch US\$ 220 billion by 2020, according to estimates by Alok Industries Ltd. Also, India has the capacity to improve its textile and apparel share in the world trade from the current 4.5 per cent to 8 per cent and reach US\$ 80 billion by 2020.

Garment exports from India grew by 19 per cent in the period July 2012–July 2013 to touch US\$ 1.27 billion, on the back of increasing demand in developed economies such as the US, according to data released by the Apparel Export Promotion Council (AEPC).

India has the advantage of abundant resources of raw materials. It is one of the largest producers of cotton yarn in the world and there are good resources of fibres such as polyester, silk, viscose, etc. The country is also home to a wide range of cotton fibre and has a rapidly developing synthetic fibre industry.

The most significant change in the Indian textile industry has been the advent of man-made fibres (MMF). India's innovative range of MMF textiles finds presence in almost all the countries across the globe. MMF production recorded an increase of 7 per cent in the month of August 2013 and grew by 4 per cent during April–August 2013.

Cotton yarn production increased by about 10 per cent during August 2013 and by about 11 per cent during April–August 2013. Blended and 100 per cent non-cotton yarn production increased by 5 per cent during August 2013 and by 8 per cent during April–August 2013.

Cloth production by mill sector registered a growth of 4 per cent during August 2013 and 10 per cent during April–August 2013. Cloth production by handloom and hosiery increased by 3 per cent and 12 per cent during April–August 2013. The total cloth production grew by 6 per cent during August 2013 and by 3 per cent during April–August 2013.

Road Ahead

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The organised apparel segment is expected to grow at a compound annual growth rate (CAGR) of more than 13 per cent over a 10-year period.

Source:

<http://www.ibef.org/industry/textiles.aspx>

FINANCIAL INFORMATION

To,
THE MEMBERS
K D TREND WEAR PRIVATE LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **K D TREND WEAR 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 section227 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 ROHIT KC JAIN & CO.
Chartered Accountants

(CA SUSHIL UPADHYAY)

Partner

Firm Reg.No.: 020422N

M.No.: 511930

Place: Delhi

Date: 30.08.2013

K D TREND WEAR PRIVATE LIMITED
(ANNEXURE TO THE AUDITOR'S REPORT)

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

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

(c) There was no disposal during the year of fixed assets.
2. (a) The company does not have any Inventories during the year, therefore clauses (b) and (c) are not applicable.
3. The company has not taken/granted any loans secured or unsecured from companies, firms or other parties listed in the register maintained u/s 301 of the companies act 1956 in terms of subsection (6) of 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.

For ROHIT KC JAIN & CO.

Chartered Accountants

(CA SUSHIL UPADHYAY)

Partner

Firm Reg. No.: 020422N

M. No.: 511930

Place: Delhi

Date: 30.08.2013

Notes Forming Part of the Balance Sheet

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

	2012-13	2011-12
Number of Equity Shares at the beginning	89,500	89,500
Add:- Number of Shares Issued	11,266,000	-
Number of Equity Shares at the end	11,355,500	89,500

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

4) Managerial Remuneration: Nil

5) The inventories of the company are valued as per cost price and market price whichever is less.

6) Deffered tax arising on account of timing differeance and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deffered tax assests are recognised unless there is virtual certainty with respect to the reversal of the same in future years.

7) The revised Schedule VI as notified under the companies Act,1956, has become applicable to the company for the presentation of its financial statements for the year ending March 31,2013. The adoption of the revised Schedule VI requirements has significantly modified the presentation and disclosurs which have been complied with in these financial statements Previous year figures have been reclassified in accordance with current year requirements.

- 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)	74610.33
Weighted Avg.Number Equity Shares outstanding (Nos.) (B)	11355500
Dilutive potential Equity Shares (Nos.)	0
Dilutive shares outstanding (Nos.) (C)	11355500
Nominal value per Equity Shares (Rs./ Share)	10
Basic Earnings per share (Rs./ Share) (A) / (B)	0.01
Diluted Earnings per share (Rs./ Share) (A) / (C)	0.01

As per our report of even date attached.

For ROHIT KC JAIN & CO.
Chartered Accountants

K D TREND WEAR PRIVATE LIMITED

(CA SUSHIL UPADHYAY)
Partner
Firm Reg.No.: 020422N
M.No.: 511930

SUYASH KUMAR YADAV
(Director)
DIN: 03567122

ARJUN SINGH
(Director)
DIN: 06577252

Date : 30.08.2013

Place : Delhi

Balance Sheet as at 31st March, 2013

Amount in Rs.

Particulars	Note No	As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	1	113,555,000.00	895,000.00
(b) Reserves and Surplus	2	215,617.93	16,501,007.60
(c) Money received against share warrants		-	-
<u>(2) Share application money pending allotment</u>			
(a) Share Application Money		-	1,150,000.00
<u>(3) Non-Current Liabilities</u>			
(a) Long-term borrowings	3	3,775,690.00	3,775,690.00
(b) Deferred tax liabilities (Net)	4	11,427.00	11,330.00
(c) Other Long term liabilities	5	7,977,057.00	-
(d) Long term provisions	6	-	-
<u>(4) Current Liabilities</u>			
(a) Short-term borrowings	7	8,829,431.00	-
(b) Trade payables	8	198,864.00	543,864.00
(c) Other current liabilities	9	82,524.00	375,774.00
(d) Short-term provisions	10	33,266.00	-
Total		134,678,876.93	23,252,665.60
II.Assets			
<u>(1) Non-current assets</u>			
<u>(a) Fixed assets</u>			
(i) Tangible assets	11	229,117.40	288,343.31
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-

(b) Non-current investments	12	24,500,000.00	-
(c) Deferred tax assets (net)	13	-	-
(d) Long term loans and advances	14	48,221,754.00	11,327,790.00
(e) Other non-current assets	15	36,000.00	36,000.00
(2) Current assets			
(a) Current investments	16	-	-
(b) Inventories	17	-	342,741.00
(c) Trade receivables	18	2,949,720.00	3,276,535.00
(d) Cash and cash equivalents	19	721,567.53	7,976,830.29
(e) Short-term loans and advances	20	58,016,292.00	-
(f) Other current assets	21	4,426.00	4,426.00
Total		134,678,876.93	23,252,665.60

NOTES TO ACCOUNTS

29

Profit and Loss Account for the year ended 31st March, 2013

Amount in Rs.

Particulars	Note No	As at 31.03.2013	As at 31.03.2012
I. Revenue from operations		5,499,810.00	5,857,365.00
II. Other Income	22	-	117,133.00
III. Total Revenue (I +II)		5,499,810.00	5,974,498.00
<u>IV. Expenses:</u>			
Cost of materials consumed	23	3,858,247.00	-
Purchase of Stock-in-Trade			3,615,367.00
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	342,741.00	533,188.00
Employee benefit expense	25	525,654.00	623,727.00
Financial costs	26	14,596.04	3,263.00
Depreciation and Amortization Expense	27	59,225.91	108,519.00
Other expenses	28	591,372.72	1,217,519.00
Total Expenses			

		5,391,836.67	6,101,583.00
V. Profit before exceptional and extraordinary items and tax.	(III - IV)	107,973.33	(127,085.00)
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		107,973.33	(127,085.00)
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		107,973.33	(127,085.00)
X. Tax expense:			
(1) Current tax		33,266.00	-
(2) Deferred tax		97.00	5,507.00
(3) Income tax Adjustment		-	-
(4) Deferred tax Adjustment		-	-
XI. Profit(Loss) from the operations.	(IX-X)	74,610.33	(132,592.00)
DISCONTINUING OPERATION			
XII. Profit/(Loss) from discontinuing operations (before tax)		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) balance transferred to Balance Sheet. (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		74,610.33	(132,592.00)
XVI. Earning per equity share:			
(1) Basic		0.01	(1.48)
(2) Diluted		0.01	(1.48)

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

Cash Flow Statement

For the Year Ending 31-Mar-2013	Amounts Rs.	Amounts Rs.
	31.03.13	31.03.12
<u>(A) CASH FLOW FROM OPERATING ACTIVITIES:-</u>		
1. Net profit before tax	107,973.33	(127,085.00)
2. Adjustment for:		
<u>Add:</u> Depreciation & Amortisation Expenses	59,225.91	108,519.00
Operating Profit before Working capital changes	167,199.24	(18,566.00)
<u>3. Working Capital Changes:</u>		
Decrease (Increase) in Trade & Other Receivables	326,815.00	(430,997.00)
Decrease (Increase) in Inventories	342,741.00	533,188.00
Decrease (Increase) in Short Term Provision	-	-
Decrease (Increase) in Other Current Assets	-	-
Increase (Decrease) in Trade & Other Payables	(345,000.00)	107,098.00
Increase (Decrease) in Other Current Liabilities	(293,250.71)	193,587.00
Increase (Decrease) in Other Liabilities	-	-
Net Changes in Working Capital	31,305.29	402,876.00
<u>Cash Generated from Operations</u>	198,504.53	384,310.00
Adjustment of Taxes	-	-
Net Cash Flow from Operating Activities (A)	198,504.53	384,310.00
<u>(B.) CASH FLOW FROM INVESTING ACTIVITIES :</u>		
Purchase of Fixed Assets	-	(241,914.00)

(Increase) Decrease in Other Non Current Assets	-	-
(Increase) Decrease in Long Term Loans & Advances	(36,893,964.00)	(5,009,459.00)
(Increase) Decrease in Short Terms Loans & Advances	(58,016,292.00)	-
Decrease (Increase) in Current Investments	-	-
Decrease (Increase) in Non Current Investments	(24,500,000.00)	-
Net Cash Flow from Investing Activities (B)	(119,410,256.00)	(5,251,373.00)
<u>(C.) CASH FLOW FROM FINANCING ACTIVITIES :</u>		
Issue of share capital	95,150,000.00	9,750,000.00
Increase in Other Long Terms Borrowings	7,977,057.00	-
Increase in Short Terms Borrowings	8,829,431.00	
Increase in Long Terms Borrowings	-	2,617,290.00
Preliminary Expenses incurred	-	-
Proceeds from/(Refund) Share Application Money	-	(100,000.00)
Net Cash Flow from Financing Activities (C)	111,956,488.00	12,267,290.00
Net Increase / (Decrease) in Cash & Cash Equivalents (A-B+C)	(7,255,263.47)	7,400,227.00
Cash and cash equivalents at the beginning of the year / Period	7,976,830.00	576,603.00
Cash and cash equivalents at the end of the year/ Period	721,566.53	7,976,830.00
* Note: The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard (AS) – 3 on Cash Flow Statements issued by the Institute of Chartered of Accountants of India.		

As per our report of even date

K D TREND WEAR PRIVATE LIMITED

Notes Forming Part of the Balance Sheet

Note : 1 Share Capital

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	<u>AUTHORIZED CAPITAL</u> 1,25,90,000 Equity Shares (PY 90,000 Equity Shares) of Rs. 10/- each.	125,900,000.00	900,000.00
2	<u>ISSUED</u> 1,13,55,500 Equity Shares (P Y 89,500 Equity Shares) of Rs. 10/- each	113,555,000.00	895,000.00
3	<u>SUBSCRIBED & PAID UP CAPITAL</u> 1,13,55,500 Equity Shares (P Y 89,500 Equity Shares) of Rs. 10/- each	113,555,000.00	895,000.00
	Total	113,555,000.00	895,000.00

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
(2)	(a) Share Application Money Pending Allotment	-	1,150,000.00
	Total	-	1,150,000.00

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
(3)	Reconciliation of Nos. Of Shares		
	Number of Equity Shares at the beginning	89,500	70,000
	Add:- Number of Shares Issued	11,266,000	19,500
	Number of Equity Shares at the end	11,355,500	89,500

Note : 2 Reserve & Surplus

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Security Premium	17,355,000.00	17,355,000.00

	Less: Bonus Shares Issued	<u>16,360,000.00</u>	-
		995,000.00	17,355,000.00
2	Surplus (Profit & Loss Account):		
	Opening Profit & Loss A/c	(853,992.40)	(721,400.40)
	Current Year Profit & Loss A/C	<u>74,610.33</u>	<u>(132,592.00)</u>
		(779,382.07)	(853,992.40)
	Total	215,617.93	16,501,007.60

Note : 3 Long Term Borrowings

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Bonds / Debentures	-	-
2	Term Loan		
	- 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	2,543,950.00	2,543,950.00
8	Other Loans	1,231,740.00	1,231,740.00
	Total	3,775,690.00	3,775,690.00

Note : 4 Deffered Tax Liabilities (Net)

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Deffered Tax Liability	11,427.00	11,330.00
	Total	11,427.00	11,330.00

Note : 5 Other Long Term Liabilities

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Trade Creditors	-	-

2	Others	7,977,057.00	-
	Total	7,977,057.00	-

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	8,829,431.00	-
	Total	8,829,431.00	-

Note : 8 Trades Payable

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Other Payables	198,864.00	543,864.00
	Total	198,864.00	543,864.00

Note : 9 Other Current Liabilities

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Audit Fees Payable	22,750.00	11,500.00
3	Expenses Payable	53,774.00	351,774.00
4	Accounting Charges Payable	6,000.00	12,500.00
	Total	82,524.00	375,774.00

Note : 10 Short Term Provisions

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Provision From Employees Benefit	-	-
2	Others		
	Provision For Income Tax	33,266.00	-
	Total	33,266.00	-

K D TREND WEAR PRIVATE LIMITED

Notes Forming Part of the Balance Sheet

Note : 12 Non Current Investment

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Investment in Property	-	-
2	Investment in Equity Instrument	24,500,000.00	-
3	Other Investment		
	Investments (Non-Current)	-	-
4	Investment in Mutual Fund	-	-
5	Investment in Partnership Firm	-	-
	Total	24,500,000.00	-

Note : 13 Deferred Tax Assets (Net)

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

Note : 14 Long Term Loans and Advances

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
---------------	--------------------	-------------------------	-------------------------

I)	<u>Capital Assets</u>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
II)	<u>Security Deposit</u>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
III)	<u>Loans & Advances to related parties</u>	-	-
IV)	<u>Other Loans & Advances</u>	48,221,754.00	11,327,790.00
	Total	48,221,754.00	11,327,790.00

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	- Others	-	-
	Security Deposit	36,000.00	36,000.00
	Total	36,000.00	36,000.00

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	Raw Material	-	-
2	Work-in-Progress	-	-
3	Finished Goods	-	-
4	Stock-in-Trade	-	342,741.00
5	Stores & Spares	-	-
6	Loose Tools	-	-
7	Other (Specify the nature)	-	-
8	Goods-in-transit	-	-
	Total	-	342,741.00

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>	-	-
	<u>a) Secured, Considered Good :</u>	-	-
	<u>b) Unsecured, Considered Good :</u>	-	-
	<u>c) Doubtful</u>	-	-
-	-	-	-
2	<u>Others</u>	-	-
	<u>a) Secured, Considered Good :</u>	-	-
	<u>b) Unsecured, Considered Good :</u>	2,949,720.00	3,276,535.00
	<u>c) Doubtful</u>	-	-
-	-	-	-
	Total	2,949,720.00	3,276,535.00

Note : 19 Cash & Cash Equivalent

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	Cash and Cash Equivalents		
	Cash in Hand	715,096.79	286,361.29
	Balance with Banks		
	Cash at Bank	6,470.74	7,690,469.00
	Total	721,567.53	7,976,830.29

Note :20 Short Terms Loans and Advances

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Loans & Advances from related parties		
	<u>a) Secured, Considered Good :</u>	-	-
	<u>b) Unsecured, Considered Good :</u>	-	-
	<u>c) Doubtful</u>	-	-
2	Others		
	Loans & Advances	58,016,292.00	-
	Total	58,016,292.00	-

Note : 21 Other Current Assets

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Advance Income Tax	-	
2	TDS	4,426.00	4,426.00
3	Preliminary Expenses	-	-
	Total	4,426.00	4,426.00

Notes Forming Part of the Balance Sheet

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 31.03.13	Value as on 01.04.2012	Addition during the year	Deduction during the year	Value as on 31.03.13	WDV as on 31.03.13	WDV as on 31.03.2012
I	Tangible Assets	-										
	-											
	Furnitures & Fixtures	40.00%	119,406.00	-	-	119,406.00	35,151.00	33,702.00	-	68,853.00	50,553.00	84,255.00
	Office Equipment	10.00%	95,264.00	-	-	95,264.00	21,996.00	7,326.80	-	29,322.80	65,941.20	73,268.00
	Computer	13.91%	553,410.00	-	-	553,410.00	422,589.69	18,197.11	-	440,786.80	112,623.20	130,820.31
	SUB TOTAL (A)		768,080.00	-	-	768,080.00	479,736.69	59,225.91	-	538,962.60	229,117.40	288,343.31
II	Intangible Assets	-										
	-											
	SUB TOTAL (B)		-	-	-	-	-	-	-	-	-	-
III	Capital Work-in-progress	-										
	-											
	SUB TOTAL (C)		-	-	-	-	-	-	-	-	-	-
IV	Intangible Assets Under Development	-										
	-											
	SUB TOTAL (D)		-	-	-	-	-	-	-	-	-	-
	Total [A + B + C + D] (Current Year)		768,080.00	-	-	768,080.00	479,736.69	59,225.91	-	538,962.60	229,117.40	288,343.31
	(Previous Year)		-	-	-	-	-	-	-	-	-	-

K D TREND WEAR PRIVATE LIMITED

Notes Forming Part of the Profit & Loss Statement

Note : 22 Other Income

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
	INCOME (OTHERS)		
	Income Others	-	117,133.00
	Interest Received	-	-
	Total	-	117,133.00

Note : 23 Cost of Material Consumed

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Purchases	3,790,424.00	3,539,126.00
2	Freight & Cartage	67,823.00	76,241.00
	Total	3,858,247.00	3,615,367.00

Note : 24 Change in Inventories

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Closing Stock	-	342,741.00
2	Opening Stock	342,741.00	875,929.00
	Total	342,741.00	533,188.00

Note : 25 Employment Benefit Expenses

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Remuneration to Director	-	-
2	Salary	480,000.00	456,351.00
3	Staff Welfare	45,654.00	167,376.00
	Total	525,654.00	623,727.00

Notes Forming Part of the Profit & Loss Statement

Note :26 Financial Cost

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Bank Charges	14,596.04	3,263.00
	Total	14,596.04	3,263.00

Note : 27 Depreciation & Amortised Cost

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	Depreciation	59,225.91	100,919.00
2	Preliminary Expenses W/O	-	7,600.00

	Total	59,225.91	108,519.00
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Note : 28 Other Expenses

Sr. No	Particulars	As at 31.03.2013	As at 31.03.2012
1	<u>Administrative Expenses:</u>		
	Audit Fees	11,250.00	11,250.00
	Rent	144,000.00	216,240.00
	Accounting Charges	72,000.00	56,490.00
	Postage & Telegram Expenses	34,220.00	43,297.00
	Administration Expenses	22,344.00	34,271.00
	Legal & Professional Charges	40,311.00	157,352.00
	Electricity & Water Expenses	34,214.00	54,382.00
	Telephone Exps	22,388.00	189,732.00
	Printing and Stationary	39,110.00	86,825.00
	Internet Expenses	7,655.00	4,852.00
	Books & Periodical	23,411.00	32,351.00
	Conveyance	27,844.00	117,635.00
	Office Expenses	30,550.00	167,523.00
	Misc Expenses	31,415.72	-
	Businbess Promotions Exp.	50,660.00	45,319.00
2	<u>Direct Expenses:</u>		
	Inward Freight & Cartage	-	-
	Job Processing Charges	-	-
3	<u>Selling & Distribution Expenses:</u>		
	Forwarding Expenses Outward	-	-
	Packing Expenses	-	-
	Sample Expenses	-	-
	Total [A + B]	591,372.72	1,217,519.00

CAPITAL STRUCTURE

1. Capital Structure of Our Company

No.	Particulars	Amount (` in Lacs)	
		Aggregate nominal value	Aggregate value at Issue Price
A. Authorised Share Capital			
	1,25,90,000 Equity Shares of ` 10 each	1,259.00	
B. Issued, Subscribed and Paid-Up Share Capital before the Issue			
	1,25,55,500 Equity Shares of ` 10 each	1,255.55	
C. Securities Premium Account			
		9.95	

2. History of Equity Share Capital of our Company

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value	Issue Price	Nature of consideration	Nature of Allotment	Cumulative number of Equity	Cumulative Paid -up Capital	Cumulative Securities premium
		(`)	(`)			Shares	(`)	(`)
12.09.2007	10000	10	10	Cash	¹ Subscription to Memorandum of Association	10000	100000	Nil
2008-2009	40000	10	10	Cash	Further Allotment	50000	500000	Nil
02.03.2011	20000	10	400	Cash	Further Allotment	70000	700000	7800000
06.03.2012	19500	10	500	Cash	Further Allotment	89500	895000	17355000
20.10.2012	115000	10	10	Cash	Further Allotment	204500	2045000	17355000
30.10.2012	1636000	10	Nil	Bonus in the ratio of 8:1	Further Allotment	1840500	18405000	995000
07.11.2012	5700000	10	10	Cash	Further Allotment	7540500	75405000	995000
24.12.2012	2225000	10	10	Cash	Further Allotment	9765500	97655000	995000
15.03.2013	1590000	10	10	Cash	Further Allotment	11355500	113555000	995000
30.01.2014	1200000	10	10	Cash	Further Allotment	12555500	125555000	995000

3. Details of build-up of shareholding of the Promoters and lock-in

Date of Allotment / acquisition / transaction and when made fully paid up	Nature of acquisition (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in `)	Issue/ Transfer price per Equity Share (in `)	Consideration (cash/other than cash)	% of issued capital
Mr. Rajesh Verma						
March 20, 2013	Transfer (Purchase)	100,000	10	10	Cash	0.80%
	Sub-total	100,000				0.80%
Thy Projects Private Limited						
November 7, 2012	Further Allotment	700000	10	10	Cash	5.58%
January 8, 2013	Transfer (Purchase)	925000	10	10	Cash	7.37%
March 15, 2013	Further Allotment	1490000	10	10	Cash	11.87%
	Sub-total	3,115,000				24.81%
	Grand Total	3,215,000				25.61%

25,11,100 Equity Shares representing 20% of the post listing capital of Thy Projects Private Limited will be locked in for a period of three years from the date of listing.

4. Our shareholding pattern

- (a) The table below represents the shareholding pattern of our Company in accordance with clause 34 of the Listing Agreement, as on the date of the Draft Information Document:

Statement showing Share Holding Pattern of K D Trend Wear 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

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	100000	-	0.80	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-
(c)	Bodies Corporate	1	3115000	-	24.81	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-
	Sub-Total (A)(1)	2	3215000	-	25.59	-	-
(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	3215000	-	25.61	-	-
(B)	Public shareholding						
(1)	Institutions						
(a)	Mutual Funds/UTI	-	-	-		NA	NA
(b)	Financial Institutions/ Banks	-	-	-		NA	NA
(c)	Central Government/ State Government(s)	-	-	-		NA	NA
(d)	Alternate Investment Funds / Venture Capital Funds	-	-	-		NA	NA
(e)	Insurance Companies	-	-	-		NA	NA
(f)	Foreign Institutional Investors	-	-	-		NA	NA
(g)	Foreign Venture Capital Investors	-	-	-		NA	NA
(h)	Any Other –Merchant Banker	1	500000	-	3.98	NA	NA
	Sub-Total (B)(1)	1	500000	-	3.98	NA	NA
(2)	Non- institutions						
(a)	Bodies Corporate	-	-	-	-	NA	NA
(b)	Individuals	565	8840500	-	70.41		
(c)	Qualified Foreign Investors	-	-	-	-	N.A	N.A
(d)	Any Other	-	-	-	-		
	Sub-Total (B)(2)	565	8840500	-	70.41	N.A	N.A
	Total Public Shareholding	566	9340500	-	74.39%	N.A	N.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
	(B)= (B)(1)+(B)(2)						
	TOTAL (A)+(B)	568	12555500	-	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-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of warrants of the same class	
1	RAJESH VERMA	100000	0.80	0	0.00	0.00	0	0.00	0	0.00	-
2	THY PROJECTS PRIVATE LIMITED	3115000	24.81	0	0.00	0.00	0	0.00	0	0.00	-
	TOTAL	3215000	25.61	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	Inventure Merchant Banker Services Private Limited	500000	3.98%
2.	Bharat U Ghadecha	150000	1.19%
	TOTAL	650000	5.17%

(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	THY PROJECTS PVT LTD	2511100	20.00%
2	Inventure Merchant Banker Services Private Limited	500000	3.98%
	TOTAL	30,11,100	23.98%

PROPERTY

Sr. No.	Description of Property	Name of Lessor	Agreement Date, Lease period	Amount	Purpose
1.	KH-810, 2 nd Floor, Mahipalpur Extension, Near Maruti Workshop, New Delhi – 110 037, Delhi	Mr. Vikas Chaturvedi	January 17, 2014 For the period of 11 months	` 3000 per month ` 12,000 interest free refundable security deposit.	Registered Office

Intellectual Property

Our Company does not own any Intellectual Property.

SECTION II – RISK FACTORS

The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. If any one or more of the following risks as well as other risks and uncertainties discussed in the Draft Information Document were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment.

These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

INTERNAL RISKS

- 1. Substantial portion of our revenues has been dependent upon our few clients. The loss of any one or more of our major clients would have a material adverse effect on our business operations and profitability. The loss of a significant client or clients would have a material adverse effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. Further the business with clients is based on regular requirements rather than any yearly contracts.*
- 2. We are dependent upon few suppliers for our trading goods. In an eventuality where our suppliers are unable to deliver us the required materials in a time-bound manner it may have a material adverse effect on our business operations and profitability. Any problems faced by our suppliers in their manufacturing facilities resulting in delays or non-adherence to quality requirements could adversely impact our ability to meet our customer's requirements in time and our operations would be affected to the extent we are unable to line up supplies from alternate suppliers.*
- 3. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.*

We have not paid any dividends since incorporation. Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders.

Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

- 4. We do not own our Registered Office from which we operate.*

We do not own the premises on which our Registered Office is situated. The same is occupied by us on lease and license basis. We cannot assure you that we will own, or have the right to occupy, these premises in the future, or that we will be able to continue with the uninterrupted use of this property, which may impair our operations and adversely affect our financial condition.

- 5. The loss of key suppliers or their failure to deliver equipment and material on a timely basis could negatively impact our business prospects and results of operations.*

We rely on our suppliers to provide materials like various fabrics which we trade. We must have an adequate supply of such materials to execute our order positions at all times. We purchase all the required materials from our suppliers on a purchase order basis and have no long-term contracts with any suppliers. If the suppliers, most of whom are local/domestic, are unable to supply us with these materials products in a timely manner or the costs of these products increase due to unforeseen circumstances, this could negatively impact our operating results.

6. ***We have unsecured loans, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations.***

As per our restated financial statements, as on March 31, 2013, we have unsecured loan of ₹ 126.04 lacs which is repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and liquidity.

7. ***Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

Net Cash flow from	March 31, 2013	March 31, 2012
Investing activities	(1194.10)	(52.51)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations.

8. ***If we are unable to retain the services of our Key Managerial Personnel, our business and our operating results could be adversely impacted.***

We are dependent on our Key Managerial Personnel for setting our strategic direction and managing our businesses. The loss of our key managerial personnel may materially and adversely impact our business, results of operations and financial condition.

9. ***Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.***

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registration and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. We will be applying for certain approvals relating to our business. If we fail to maintain such registrations and licenses or comply with applicable conditions, or a regulatory authority claims we have not complied, with these conditions, our certificate of registration for carrying on a particular activity may be suspended and/or cancelled and we will not then be able to carry on such activity.

10. ***We have not made an application for registration of our trademark 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. We have not made an application for registration of 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 name and logo by anybody by means of statutory protection.

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

Our Company is operating in real estate and infrastructure sector. We will face significant competition from existing players and potential entrants in the industry. Further, we will face significant competition mainly from large vertically integrated and diversified companies in the industry. Our revenues could get affected adversely in case we are not able to secure new customers and orders.

EXTERNAL RISKS

- 1. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude.

- 2. Natural calamities and changing weather conditions caused as a result of global warming could have a negative impact on the Indian economy and consequently impact our business and profitability.***

Natural calamities such as draughts, floods, and earthquakes could have a negative impact on the Indian economy and may cause suspension, delays or damage to our current projects and operations, which may adversely impact our business and our operating results. India's being a monsoon driven economy, climate change caused due to global warming bringing deficient / untimely monsoons could impact Government policy which in turn would adversely affect our business.

- 3. We are subject to risks arising from interest rate fluctuations, which could adversely impact our business, financial condition and operating results.***

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

- 4. Tax rates applicable to Our Company may increase and may have an adverse impact on our business.***

Any increase in the tax rates including surcharge and education cess applicable to us may have an adverse impact on our business and results of operations and we can provide no assurance as to the extent of the impact of such changes.

- 5. Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued in the future. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and adversely affect our business, financial condition and results of operations.

- 6. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

There has been no public market for our Equity Shares. The trading price of our Equity Shares may fluctuate after this Issue 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 and Finance industry, 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. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

7. 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.

Following the Issue, 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 your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

SECTION III – SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information with respect to the shareholding of a beneficial owner:

Not Applicable

Shareholders' agreement:

Our Company does not have any subsisting shareholders' agreement as on the date of this Draft Information Document

SECTION IV

OUR MANAGEMENT

DIRECTORS AND EXECUTIVE OFFICERS

As per the Articles of Association of our Company, we are required to have not less than three (3) Directors and not more than twelve (12) Directors on its Board. As on date of the Draft Information Document, our Board consist of 4 (Four) Directors. Mr. Rajesh Verma is the Executive Director of our Company. Further, in compliance with the requirements of Clause 52 of the SME Equity Listing Agreement, our Board consist of 2 (Two) independent Directors.

The Board of Directors of our Company

The following table sets forth certain details regarding the members of our Company's Board as on the date of the Draft Information Document:

Sr. No.	Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
1.	<p>Mr. Rajesh Verma S/o Mr. Jyoti sarup Verma</p> <p><i>Designation: Managing Director (Executive and Non-Independent)</i></p> <p><i>Address: 114B, South Anarkali Krishna Nagar, Delhi – 110 051</i></p> <p><i>Age: 44 years</i></p> <p><i>Occupation: Business</i></p> <p><i>DIN: 06794861</i></p>	<p><i>Date of appointment:</i></p> <p>Appointed as Managing Director with effect from January 6, 2014</p> <p><i>Term: For a period of 5 years.</i></p>	<p><i>Public Limited Companies:</i></p> <ul style="list-style-type: none"> • Nil <p><i>Private Limited Companies:</i></p> <ul style="list-style-type: none"> • Nil
2.	<p>Mr. Arjun Singh S/o Mr. Kishan Lal</p> <p><i>Designation: Director (Non Executive and Non-Independent)</i></p> <p><i>Address: Dhakangala, Naruara, Bulandshahr, 203001, Uttar Pradesh</i></p> <p><i>Age: 27 years</i></p> <p><i>Occupation: Business</i></p> <p><i>DIN: 06577252</i></p>	<p><i>Date of appointment:</i></p> <p>Appointed as Non Executive Director with effect from October 3, 2012</p> <p><i>Term: Liable to retire by rotation.</i></p>	<p><i>Public Limited Companies:</i></p> <ul style="list-style-type: none"> • Nil <p><i>Private Limited Companies:</i></p> <ul style="list-style-type: none"> • DJ Yatayat Private Limited
3.	<p>Ms. Aarti Raj S/o Mr. Jai Raj</p> <p><i>Designation: Director</i></p>	<p><i>Date of appointment:</i></p> <p>Appointed Additional Director with effect from January 10,</p>	<p><i>Public Limited Companies:</i></p> <ul style="list-style-type: none"> • Nil

	<p><i>(Non Executive and Independent)</i></p> <p><i>Address:</i> 2, CPWD Enq Office WC FLATS, Sarojini Nagar, Delhi - 110023</p> <p><i>Age:</i> 23 years</p> <p><i>Occupation:</i> Business</p> <p><i>DIN:</i> 06798838</p>	<p>2014</p> <p><i>Term:</i> Liable to retire by rotation.</p>	<p><i>Private Limited Companies:</i></p> <ul style="list-style-type: none"> • Nil
4.	<p>Mr. Inder Pal S/o Mr. Kanta Prasad</p> <p><i>Designation:</i> Director <i>(Non Executive and Independent)</i></p> <p><i>Address:</i> 37/B, Taimoor Nagar New, Near Friends Colony, New Delhi - 110025, Delhi</p> <p><i>Age:</i> 34years</p> <p><i>Occupation:</i> Business</p> <p><i>DIN:</i> 06799345</p>	<p><i>Date of appointment:</i></p> <p>Appointed Additional Director with effect from January 10, 2014</p> <p><i>Term:</i> Liable to retire by rotation.</p>	<p><i>Public Limited Companies:</i></p> <ul style="list-style-type: none"> • Nil <p><i>Private Limited Companies:</i></p> <ul style="list-style-type: none"> • Nil

Note:

- 1) *None of the above mentioned Directors are on the RBI List of willful defaulters as on the date of the Draft Information Document.*
- 2) *None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.*
- 3) *None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.*
- 4) *There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the directors was selected as a director or member of senior management.*

Brief Profile of the Directors of our Company

Rajesh Verma, aged 44 years, is a Whole Time Director of our Company. He has done his Master in Commerce. He has more than 20 years of in the finance domain and had been engaged in the business of trading in textiles. He is responsible for overall planning & management of our Company. He takes care of day to day business of our Company.

Arjun Singh, aged 27 years, is a Non Executive Director of our Company. He is an Arts Graduate. He has 3 years of experience in administration and commercial operations of the textile industry. He predominantly involved at the strategic level.

Aarti Raj, aged 23 years, is an Independent Director of our Company. She is a commerce graduate. She has more than 2 years of experience in the field of marketing sector. She was appointed as an Independent Director of our Company from January 10, 2014.

Inder Pal, aged 34 years is an Independent Director of our Company. He has completed his Graduation in Commerce. He has more than a decade of experience in the field of accounting and finance. As an Independent Director of our Company with corporate acumen & experience, he brings value addition to our Company. He was appointed as an Independent Director of our Company from January 10, 2014.

Family relationship between Directors

None of our Directors are related to each other within the meaning of Section 6 of the Companies Act, 1956.

Terms and Conditions of Employment of the Directors

i. Whole Time Director

Mr. Rajesh Verma

Mr. Rajesh Verma is the Whole Time Director of our Company. He was designated as the Whole Time Director for a term of 5 years commencing w.e.f. January 6, 2014. The remuneration payable to him towards salary (inclusive of perquisites, performance bonus and allowances) shall not exceed ` 20,000 per month.

ii. No remuneration is payable to Mr. Arjun Singh being Non Executive Director of our Company.

iii. Independent Directors

Our independent Directors are not entitled to any sitting fees for attending meetings of the Board, or of any committee of the Board.

Corporate Governance

Our Company has complied with the corporate governance code in accordance with Clause 42 of the Listing Agreement, particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee and Shareholder / Investors Grievance Committee. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. Further, our Company undertakes to take all necessary steps to comply with all the requirements of Clause 42 of the Listing Agreement to be entered into with the Stock Exchanges.

Composition of Board of Directors

The Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in Clause 42 of the Listing Agreement. Our Board has 4 Directors out of which two are independent directors in accordance with the requirement of Clause 42 of the Listing Agreement.

In terms of Clause 42 of the Listing Agreement, our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Shareholders/Investors Grievance Committee

To enable efficient functioning with regards to the activities relating to this Issue we have constituted an Initial Public Offer (IPO) Committee.

1. Audit Committee

As on the date of the Draft Information Document the Audit Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Ms. Aarti Raj	Chairman	Non-executive and Independent
Mr. Inder Pal	Member	Non-Executive and Independent
Mr. Rajesh Verma	Member	Executive and Non Independent

Our Company Secretary, Priyanka Goel is the secretary of the Audit Committee.

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

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. 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.
3. Approval of payment to the statutory auditors for any other services rendered by the statutory auditors.
4. Appointment, removal and terms of remuneration of internal auditor.
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference, but not restricted to:
 - a. Matters required to be included in the Director's Responsibility Statement' to be included in our Board's report in terms of Clause (2AA) of Section 217 of the Companies Act;
 - 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 made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to the financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
6. Reviewing, with the management, the quarterly financial statements before submission to the board of directors for their approval, including such review as may be required for compliance with provisions of the listing agreement entered into with the Stock Exchanges;
7. Monitoring the statement of uses/ application of funds raised through an issue (public 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
9. 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.
10. Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
11. Discussing with internal auditors on any significant findings and follow up thereon.
12. 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.
13. 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.
14. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
15. To review the functioning of the 'whistle blower' mechanism, when the same is adopted by our Company and is existing.

16. 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.
17. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;
18. The Audit Committee shall mandatorily review the following information:
 - a. Management discussion and analysis of financial information and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
19. Terms of reference, power, quorum and other matters in relation to the Audit Committee will be as per Clause 52 of Listing Agreement

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Audit Committee, reasons for disagreement shall have to be minute in the Board Meeting and the same has to be communicated to the shareholders. The chairman of the committee has to attend the Annual General Meetings of our Company to provide clarifications on matters relating to the audit.

The Audit Committee is required to meet at least four times in a year and not more than four months will elapse between two meetings. The quorum will be either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two independent members present.

2. Shareholders/ Investors Grievance Committee

As on the date of the Draft Information Document the Shareholders/ Investors Grievance Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Inder Pal	Chairman	Non-executive and Independent
Ms. Aarti Raj	Member	Non-executive and Independent
Mr. Arjun Singh	Member	Non-executive and Non -Independent

Our Company Secretary, Priyanka Goel is the secretary of the Shareholders/ Investors Grievance Committee.

This Committee will address all grievances of Shareholders and Investors in compliance of the provisions of Clause 42 of the Listing Agreements with the Stock Exchanges and its terms of reference include the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholders and investor complaints in relation to transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends etc;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares
4. Issue of duplicate / split / consolidated share certificates;
5. Allotment and listing of shares;
6. Review of cases for refusal of transfer / transmission of shares and debentures;
7. Reference to statutory and regulatory authorities regarding investor grievances;
8. Ensure proper and timely attendance and redressal of investor queries and grievances.
9. To do all such acts, things or deeds as may be necessary or incidental to the exercise of all the above powers.

SECTION V
OUR PROMOTERS

The Promoters of our Company are:

Individual Promoter:

1. Mr. Rajesh Verma

Corporate Promoter:

2. Thy Projects Private Limited

Brief profile of our Promoters is as under:



Mr. Rajesh Verma, aged 44 years, is a Whole Time Director of our Company. He has done his Master in Commerce. He has more than 20 years of in the finance domain and had been engaged in the business of trading in textiles. He is responsible for overall planning & management of our Company. He looks after the day to day business and operations of our Company and is responsible of putting into action, the growth plans as prepared by our Board of Directors.

Voters ID: DL/04/042/252493

PAN: BOPPS9851F

Address: 114B, South Anarkali Krishna Nagar, Delhi – 110 051

CORPORATE PROMOTER

1. Thy Projects Private Limited (“TPPL”)

Corporate Information

TPPL was incorporated on December 30, 2011 under the Companies Act, 1956 with the Registrar of Companies, N.C.T. of Delhi & Haryana, Delhi. The Corporate Identification Number of TPPL is U45204DL2011PTC229505.

The registered office of TPPL is situated at Block-J,9/57,Second Floor, Rajouri Garden, New Delhi – 110027.

The Company was initially promoted by Mr. Kopal Bakshi, Mr. Manoj Yadav and Mr. Vimla Singh. Our current promoters acquired the company in the Financial Year 2012-13.

Mr. Rajesh Verma and Mr. Arjun Singh are the promoters of TPPL. TPPL is an unlisted company.

Current Nature of Activities

TPPL is engaged in the business of has not started commercial operation till date.

Board of Directors

The board of directors of TPPL as on date of this Draft Information Document is as follows:

Sr. No.	Name	Designation
1.	Mr. Rajesh Verma	Director
2.	Mr. Arjun Singh	Director

Shareholding Pattern

The shareholding pattern of TPPL as on date of this Draft Information Document is as follows:

Sr. No.	Name of Shareholders	Number of Shares	Percentage of share capital (%)
1	Mr. Rajesh Verma	8,500	85
2	Mr. Arjun Singh	1,500	15
	Total	10,000	100.00

Other disclosures:

TPPL has not made any public issues or rights issue in the preceding three years prior to the date of this Draft Information Document. TPPL is not a 'sick company' as defined in SICA nor have winding up proceedings been initiated against TPPL.

TPPL currently holds **3,115,000** Equity Shares i.e. **24.81%** of the Pre-Issue Equity Share holding in our Company.

Our Promoters and the members of our Promoter Group have not been debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Promoters was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Further, neither our Promoters, the relatives of our Promoters (as defined under the Companies Act) nor our Group Companies have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against him.

Other Ventures of Promoter

Our Promoters do not have any other ventures.

SECTION VI – RELATED PARTY TRANSACTIONS

Related party disclosure in accordance with AS – 18

Particulars	As on 31.03.2013	As on 31.03.2012
Capital Contribution: Promoter	3,11,50,000	NIL
<u>Loan taken</u> From Directors	25,43,950	11,58,400

SECTION VI – LEGAL PROCEEDINGS

I. Litigations involving our Company

A. *Against our Company*

NIL

Income Tax related matters

NIL

B. *By our Company*

NIL

II. Litigations involving our Directors / Promoters

A. *Against our Directors / Promoters*

Nil

B. *By our Directors / Promoters*

Nil

III. Litigations involving our Group Entities

A. *Against our Group Entities : Nil*

B. *By our Group Entities: Nil*

IV. Other litigations involving any other entities which may have a material adverse effect on our Company

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule XIII of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

V. Potential Litigations

There are no potential litigations against our Company, our Promoters, our Directors, our Subsidiary or our Group Entities that we are currently aware of or in connection with which, we have received notice.

VI. Details of the past penalties imposed on our Company / Directors

As on the date of the Draft Information Document, no penalties have been imposed on our Company or any of our Directors.

SECTION VIII

DECLARATION

We, the undersigned, hereby certify that, all the 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 guidelines and regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Information Document 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 rules made there under or regulations or guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Information Document are true, fair, accurate and correct.

Signed by all the Directors of Agrimony Commodities Limited

Name and designation	Signature
Mr. Rajesh Verma <i>Whole Time Director</i>	
Mr. Arjun Singh <i>Director</i>	
Ms. Aarti Raj <i>Independent Director</i>	
Mr. Inder Pal <i>Independent Director</i>	

Signed by the Manager - Finance

Mr. S. K. Singh

Place: **New Delhi**

Date: January 30, 2014