

DRAFT INFORMATION MEMORANDUM

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

Dated: May 20, 2014

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



RICHWAY INTERNATIONAL™
TRADE LIMITED

Richway International Trade Limited

Our Company was incorporated as “Richway Infrastructure Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 11, 2011 bearing Registration No. 220879, issued by ROC in Mumbai. Subsequently, the name of our Company was changed to “Richway International Trade Limited” vide fresh Certificate of Incorporation dated March 11, 2014 issued by ROC in Mumbai. The Corporate Identification Number of our Company is U70102MH2011PLC220879.

Registered Office: Shop No.4, Ground Floor,"Suyog Mandir" C.H.S. Ltd, Ram Mandir Road, Babhai, Borivali West, Mumbai - 400092, India.

Tel. No.: +91 22-655-55-288; **Fax No.:** +91 [22-655-55-288]; **E-mail:** info@richwayinternational.co;

Website: www.richwayinternational.co

Contact Person: Ms. Archana Savleram Langhe, Company Secretary and Compliance Officer

Promoters of our Company: .Mr.Nirmal Khemka, Mr.Kanhaiyalal Singhanian and M/s. Rangoli Tradecomm Pvt.Ltd

THE DRAFT INFORMATION MEMORANDUM IS BEING MADE IN TERMS OF CHAPTER XC OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME. FOR LISTING OF [2,21,20,000] EQUITY SHARES OF RS. 10/- EACH FULLY PAID-UP ON INSTITUTIONAL TRADING PLATFORM OF THE BSE SME.

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GENERAL

DEFINITIONS AND ABBREVIATIONS

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

General Terms

TERM	DESCRIPTION
“Richway International Trade Limited”, “Richway”, “RIT”, “We” or “us” or “our Company” or “the Issuer”	Unless the context otherwise requires, refers to Richway International Trade Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Shop No.4, Ground Floor, "Suyog Mandir" C.H.S. Ltd, Ram Mandir Road, Babhai, Borivali West, Mumbai - 400092, India.

Company Related Terms

TERM	DESCRIPTION
“The Company” or “Company”	Richway International Trade Limited
AoA/Articles/Articles of Association	Articles of Association of Richway International Trade Limited
Auditors/Statutory Auditor	The Statutory Auditors of Richway International Trade Limited being Sanjay N Shah & Co., Chartered accountant
Banker(s) to the Company	HDFC Bank
Board of Directors / Board/ Directors	The Board of Directors of Richway International Trade Limited or as duly constituted committee thereof
BSE	BSE Limited
BSE SME	SME platform of BSE Limited
Company Secretary/Compliance Officer	Ms. Archana Savleram Langhe
Draft Information Memorandum	This document as filed with the Stock Exchanges is known as and referred to as the Draft Information Memorandum.
EPS	Earnings per Equity Share
Equity Shares	Equity Shares of the Company of Rs.10 each, unless otherwise specified in the context thereof
Financial year/ fiscal/ FY	The twelve months ended March 31 of a particular year
Listing Agreement	The listing agreement to be entered into by our Company with the Stock Exchange
I.T. Act	The Income-tax Act, 1961, as amended from time to time, except as stated otherwise
MoA / Memorandum /Memorandum of Association	The Memorandum of Association of Richway International Trade Limited
Promoter	The promoters of the Company.
Registered Office	Shop No.4, Ground Floor, "Suyog Mandir" C.H.S. Ltd, Ram Mandir Road, Babhai, Borivali West, Mumbai - 400092, India
ROC / Registrar of Companies	ROC Mumbai
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Regulation/ SEBI (ICDR)	The SEBI (Issue of Capital and Disclosure

TERM	DESCRIPTION
Regulations	Requirements) Regulations, 2009 as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended
Stock Exchange/SME Platform of BSE	The SME platform of BSE for listing of equity shares offered under Chapter X-C of the SEBI (ICDR) Regulations
Stock Exchange	Shall refer to the BSE Limited where the shares of the Company proposed to list.

Industry Related Terms

TERM	DESCRIPTION
CAGR	Compound Annual Growth Rate
EU	European Union
GDP	Gross Domestic Product
TUFS	Technology Upgradation Fund Scheme
TMC	Technology Mission on Cotton
MFA	Multi Fiber Agreement
NTP	National Textile Policy
SITP	Scheme for Integrated Textile Park

Abbreviations

TERM	DESCRIPTION
A/C	Account
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956 or such other replaced provisions under the Companies Act, 2013 as may be applicable.
CSO	Central Statistical Organization
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity

TERM	DESCRIPTION
DB	Designated Branch
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto
FII(s)	Foreign Institutional Investors
Fis	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FPI(s)	Foreign Portfolio Investor
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
F.Y./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Networth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT Act	The Income Tax Act, 1961 as amended from time to time except as stated otherwise
IT Rules	The Income Tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
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
JV	Joint Venture
Ltd.	Limited

TERM	DESCRIPTION
MoU	Memorandum of Understanding
Mtr	Meters
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTA	Registrar to Company
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sec.	Section

TERM	DESCRIPTION
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of BSE Limited
Sq.	Square
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time

Notwithstanding in the section titled “Financial Information” beginning on page 19 of this Draft Information Memorandum, defined terms shall have the meaning given to such terms in that section.

FINANCIAL DATA

In this Draft Information Memorandum, unless the context otherwise requires or unless stated otherwise, the financial data is derived from our financial statements prepared and in accordance with the applicable regulations. In this Draft Information Memorandum, any discrepancies in any table between the total and the sums of the amounts mentioned are owing to rounding-off.

In this Draft Information Memorandum, unless the context otherwise requires, all references to one gender also refers to another gender and the word “lacs” means “one hundred thousand” and the word “million” means “ten lacs” and the word “Crore” means “ten million” and the word billion refers to “Thousand Million”.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Draft Information Memorandum have been obtained from internal Company reports and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Draft Information Memorandum is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

Further the extent to which the market and industry data presented in this Draft Information Memorandum is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENTS

This Information Memorandum contains certain words or phrases, including, “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “would”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results to differ materially from the Company’s expectations include, among others:

- Changes in law and regulations that apply to the industries in India, wherein the company is operating;
- Increasing competition and the conditions of the customers of the Company;
- Changes in Government Policies;
- Changes affecting Company’s ability to successfully implement its strategy, growth and expansion plans;
- General economic and business conditions in the markets in which the Company operates and in the local, regional and national economies;
- Changes in the value of the Rupee vis-à-vis other currencies;
- Changes in political and socio-economic conditions in India;
- Changes affecting Company’s ability to meet its capital expenditure requirements;
- Fluctuations in operating costs;
- Changes affecting Company’s ability to attract and retain qualified personnel;
- Changes in technology;

- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which the Company is involved.

GENERAL INFORMATION

Our Company was incorporated as “Richway Infrastructure Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 11, 2011 bearing Registration No. 220879, in Mumbai. Subsequently, the name of our Company was changed to “Richway International Trade Limited” vide fresh Certificate of Incorporation dated March 11, 2014. The Corporate Identification Number of our Company is U70102MH2011PLC220879.

REGISTERED OFFICE OF OUR COMPANY

Richway International Trade Limited

Shop No.4, Ground Floor

"Suyog Mandir" C.H.S. Ltd

Ram Mandir Road, Babhai,

Borivali West, Mumbai – 400092

Tel: (91) 022-655-55-288

Fax: (91) 022-655-55-288

Email: info@richwayinternational.co

Website: www.richwayinternational.co

Registration Number: 220879

Corporate Identification Number: U70102MH2011PLC220879.

DESIGNATED STOCK EXCHANGE

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

REGISTRAR OF COMPANIES

Registrar of Companies Mumbai

100, Everest, Marine Drive

Mumbai- 400002

Website: www.mca.gov.in

BOARD OF DIRECTORS OF OUR COMPANY

Our Board of Directors comprise of the following members:

Sr. No.	Name	Age (years)	DIN / PAN	Address	Designation
1.	Umang Agarwal	28	06796466	BB-14/1 Rabindra Pally., Baguihati, Kolkata - 700059	Managing director
2.	Kanhya Lal Singhania	51	06450597	Mirzapur Chowk, Station Road, Darbhanga – 846004	Executive director
3.	Kiran Kartik Ghosh	26	06409729	A-2 New Ashish Apt Radha Nagar, Tu Road Nalasopara East, Mumbai – 401209	Non-Executive Director
4.	Ravi Shankar Yagnik	38	06797276	33, Shiv Thakur Lane, Kolkata – 700007	Non-Executive Director

For further details of our Directors, please refer to the chapter titled “Our Management” beginning on page 63 of this Draft Information Memorandum.

COMPANY SECRETARY & COMPLIANCE OFFICER

Archana Savleram Langhe
12/13,Sai Nagar, Bhandup(East)
Mumbai-400042

Tel: (91) 022-655-55-288
Fax: (91) [022-655-55-288]
Email: info@richwayinternational.co

STATUTORY AUDITOR

CA Sanjay N Shah & Co.
108, Sujata Niketan
Rani Sati Road
Malad East, Mumbai- 4000097
Tel: +91 09833879188
E-mail: casanjayshah@gmail.com
Contact Person: Sanjay N Shah
Firm Registration No: 124897W
Membership No: 116251

INVESTING VENTURE CAPITAL FUND

Next Orbit Ventures Fund
Bldg No.52, Room No. 11
3rd Marine Street, Dhobi Talao
Mumbai - 400002
Tel: +91 9663036728
Contact Person: Ajay Jalan
Email: ajay@nextorbitventures.com
SEBI Registration No: IN/VCF/11-12/0232

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited
E-2 Ansa Industrial Estate
Saki Vihar Road ,Sakinaka
Andheri (east)Mumbai-400072
Tel: +91 22-40430200
Fax: +91 22-28475207
Email: investor@bigshareonline.com
Contact Person: Babu Raphael
Website: www.bigshareonline.com
SEBI Registration No.: INR000001385

BANKER TO THE COMPANY

HDFC Bank Limited
104 Bharth House, Samachar Marg, Ground Floor
Near BSE, Fort, Mumbai - 400001

ELIGIBILITY CRITERIA 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:

1. The name of our company, our promoters, any of our group companies or directors does not appear in the willful defaulters list of Reserve Bank of India as maintained by Credit Information Bureau (India) Limited;
2. There is no winding up petition against the company that has been admitted by a competent court;
3. Our company, group companies or subsidiaries have not been referred to the Board for Industrial and Financial Reconstruction within a period of five years prior to the date of application for listing;
4. No regulatory action has been taken against the company, its promoter or director, by the Board, Reserve Bank of India, Insurance Regulatory and Development Authority or Ministry of Corporate Affairs within a period of five years prior to the date of application for listing;
5. We have been incorporated on August 11, 2011 and thus not completed more than ten years after incorporation and our revenues have not exceeded Rs.100 crores (Rupees One Hundred Crores) in any of the previous financial years.
6. The paid up capital of the company has not exceeded twenty five crore rupees in any of the previous financial years;
7. We have completed fiscal 2013-14 being one full year of audited financial statements, for the immediately preceding financial year at the time of making listing application;
8. In accordance with Regulation 106Y(h)(i) of SEBI (ICDR) Regulations, 2009, Next Orbit Ventures Fund, a SEBI Registered Fund having registration number N/VCF/11-12/0232 has invested a sum of Rs.Sixty Lakhs in Equity Shares of our Company at a price of Rs. fifty per Equity Share.

We further confirm that in accordance with Regulation 106 ZB of Chapter XC of the SEBI (ICDR) Regulations, 2009, Our Promoter i.e. Mr. Nirmal Khemka, Mr. Kanhaiya Lal Singhania and M/S Rangoli Tradecomm Pvt. Ltd. has given his consent to lock-in 42,24,000 Equity Share representing 20% of the post listing Capital of the Company, for a period of three years from the date of listing.

We further confirm that 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 shall have connectivity with atleast one depository at all times;
3. The minimum trading lot on institutional trading platform shall be Rs. 10.00 Lakhs

Our Company is also eligible for the Issue in accordance with BSE circular dated March 24, 2014 on additional eligibility criteria for listing ITP of BSE SME.

In terms of the circular, we confirm that:

1. Net Tangible Assets (net fixed assets + net current asset) of our Company is more than Rs. 1 Crore or Net income (excluding extraordinary and other income) is more than Rs. 50 Lakhs as per the latest audited financials;
2. There is no change in the promoters of our Company in preceding one year;
3. Our Company has entered into tripartite agreement with CDSL and NSDL along with our Registrar for facilitating trading in dematerialized mode. The ISIN is INE591Q01016.

Absolute Responsibility of Richway International Trade Limited

Our Company, having made all reasonable inquiries, accepts responsibility for, and confirms that this Draft Information Memorandum contains all information with regard to Richway International Trade Limited, which is material, that the information contained in this Draft Information Memorandum is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this 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.

SECTION I – ABOUT THE COMPANY

OUR INDUSTRY

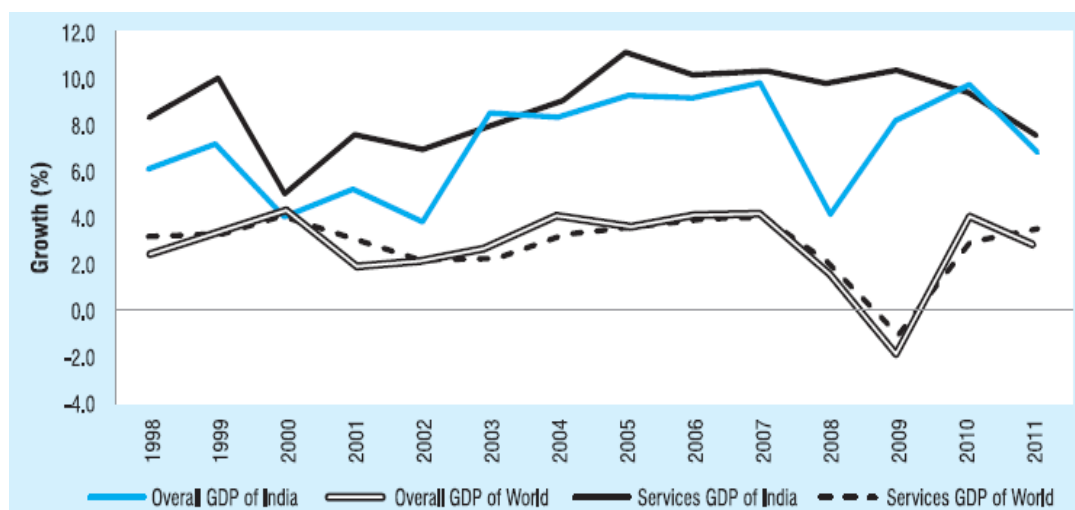
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Information Memorandum, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 58 and 19 respectively of this Draft Information Memorandum before deciding to invest in our Equity Shares.

OVERVIEW OF INDIAN ECONOMY

Slowdown in 2008-09 induced by the global financial crisis did not cripple the Indian economy which responded strongly to fiscal and monetary stimulus and achieved a growth rate of 8.6 per cent and 9.3 per cent respectively in 2009-10 and 2010-11. However, with the economy exhibiting inflationary tendencies, the Reserve Bank of India (RBI) started raising policy rates in March 2010. High rates as well as policy constraints adversely impacted investment, and in the subsequent two years viz. 2011-12 and 2012-13, the growth rate slowed to 6.2 per cent and 5.0 per cent respectively. Nevertheless, despite this slowdown, the compound annual growth rate (CAGR) for gross domestic product (GDP) at factor cost, over the decade ending 2012-13 is 7.9 per cent.

In the last decade, growth has increasingly come from the services sector, whose contribution to overall growth of the economy has been 65 percent, while that of the industry and agriculture sectors has been 27 per cent and 8 per cent respectively. The figure below shows the contributions of these sectors to the overall growth of the economy from 2003-04 to 2012-13.

Growth rate of service GDP and Overall GDP – India and World



Source – Economic Survey 2012-2013

The above figure suggests that for achieving an annual growth rate of 9 per cent or higher; all the three major sectors of the economy have to perform well. The two larger sectors are, of course, important to overall growth. In the high growth years of 2005-06 to 2007-08 as well as in 2009-10 and 2010-11, the rate of growth of both the industry and services sectors was over 9 percent. Within the industry sector, the manufacturing sector in particular, outperformed most other sectors of the economy in these years. Its growth averaged 11.6 per cent between 2005-06 and 2007-08 and 10.5 per cent for the years 2009-10 and 2010-11.

The services sector is the dominant sector in most developed economies of the world and in some developing economies such as India. The CAGR of the services sector GDP was 10 per cent for the period 2004-05 to 2011-12. It has clearly outgrown both the industry and agriculture sectors. In 2011-12 and 2012-13, in tune with the general moderation in the economy, the growth rate of the services sector also declined. The slowdown in the rate of growth of services in 2011-12, and particularly in 2012-13, from the double-digit growth of the previous six years, contributed significantly to slowdown in the overall growth of the economy. While some slowdown could be attributed to the lower growth in agriculture and industrial activities, given the backward and forward linkages with services, lower demand from the rest of the world could also have played a part.

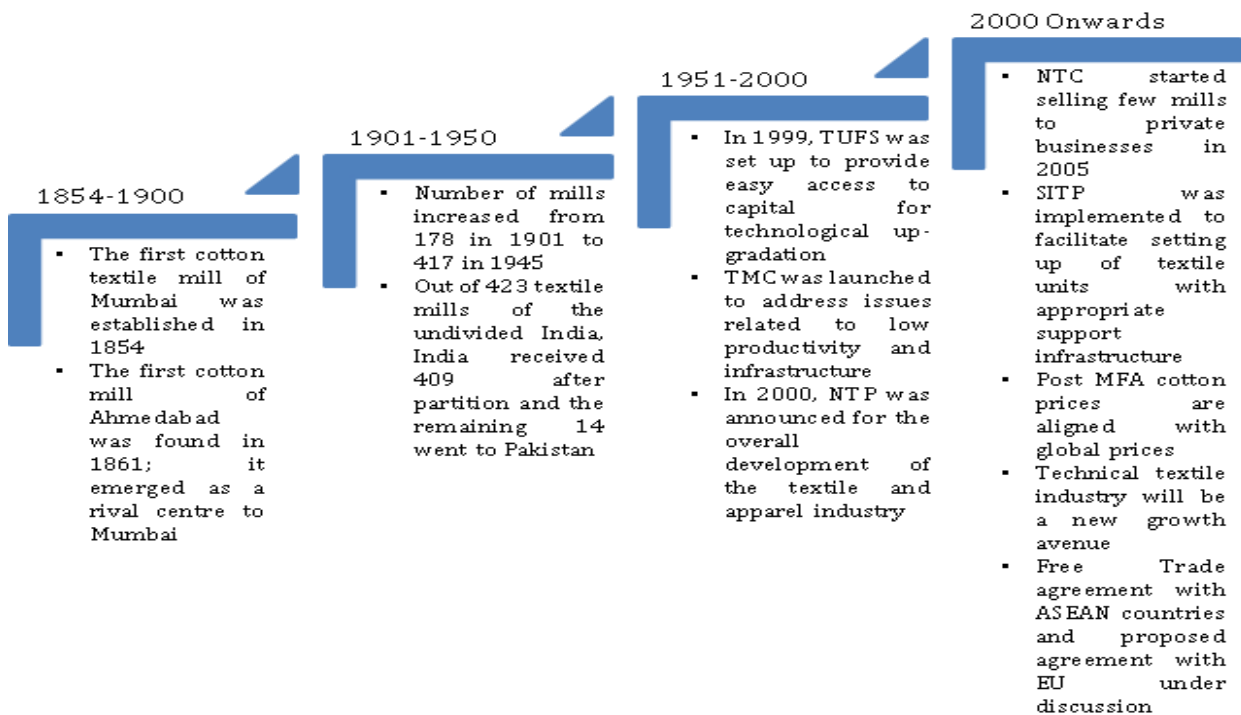
Source: Economic Survey 2012-13

TEXTILE INDUSTRY

The market has shown signals of significant recovery from the 2008-2009 slowdown, with robust growth in emerging markets outshining persistent developed market weakness. Textile remains largely a discretionary purchase compared to other consumer goods, making it more prone to economic shocks.

Clothing is essential to consumers who are individuals. There is a growing demand for textile with stores providing low cost prolific-output fashion. Fashion, by its very nature, is unpredictable. The products are determined by designers, sub-cultures and creative industries and are subject to sharp and unpredictable changes. Key suppliers in this industry are clothing manufacturers and wholesalers, with retailers able to source from both.

Evolution of Indian Textile Industry



OUR BUSINESS

Our Company, Richway International Trade Limited was originally incorporated as public limited company on August 11, 2011 in the state of Maharashtra under the Companies Act, 1956 vide Corporate Identification Number (CIN) U70102MH2011PLC220879 issued by the Registrar of Companies, Maharashtra in the name of Richway Infrastructure Limited which was later changed to Richway International Trade Limited as per the resolution passed under section 21. The fresh certificate of incorporation was issued on March 11, 2014.

The company was formed with the main object of carrying out construction and development of residential projects and other activities relating to real-estate business. The first two years of the company were invested in research and development whereby probable investors and possible profit making projects were searched for. It was during this time that the promoters of the company also wanted to diversify its business and hence the object clause and the name change of the company were given effect. The company entered into the Textile Industry whereby it started dealing in cotton fabrics used in manufacturing of shirts.

The name change took place since the company has plans to go global in the future and hence the word “international” was added to it.

In the field of real estate development the company has entered into a Joint Venture to construct and develop a Residential cum Commercial Project in Kolkata.

OUR SPECTRUM OF PRODUCTS

Our products include all kinds of textiles viz cotton, silk, art silk, rayon, synthetic fibres, staple fibres, polyester, worsted, wool, hemp, yarn, cloth, linen, and other goods and merchandise whether textile felted, netted or looped.

We deal in all types of ready-made garments, coverings, coated fabrics, textiles, hosiery, silk, merchandise of every kind and description and other production goods, articles and things that are made from or with cotton, nylon, silk, polyester, acrylics, wool, jute and other kinds of fiber by whatever name called or made under any process, whether natural or artificial and by mechanical or other means and all other such products of allied nature made thereof.

Market Arrangement

The marketing strategy of the company is the combination of direct marketing, using the distribution network and sales force. Conversation with retailers on an individual basis, educating them and campaigning for the company's products all the year round is part of the strategy. We support our marketing efforts with the activities at the grass root level through field work by maintaining regular contacts and meetings. We also participate regularly in exhibition and fairs being conducted at various levels.

Competition

We operate in the business which faces intense competition from established as well as unorganized players. Our competition depends on several factors which includes quality, price and most importantly to upgrade with the latest trend to reap optimum sales. We etch to import, export, buy, sell, deal in all types of ready-made garments of every kind and descriptions, and all such products of allied nature made thereof.

WORKING CAPITAL

Our business requires a substantial amount of working capital. In many cases, working capital is required to finance the purchase of materials before payment is received from customers, in addition to that our working capital comprises of receivables from our debtors. Our working capital requirements may increase if, in certain contracts, payment terms do not provide for advance payments to us or if payment schedules are less favorable for us.

As on 30th April 2014, our Working Capital comprised of the following:

Particulars	Financial Year 14-15
Current Asset (A)	
Current Investments	-
Trade Receivables	103,213,565.00
Inventories	52,389,003.22
Cash & Bank Balance	14,314,132.83
Short Term Loans & Advances	50,110,000.00
Total (A)	220,026,701.05
Less: Current Liability (B)	
Trade Payables	-
Other Current Liabilities	114,951.00
Short Term Provision	512,514.00
Total (B)	627,465.00
Net Working Capital (A) - (B)	219,399,236.05

As on 31st March 2014, our Working Capital comprised of the following:

Particulars	Financial Year 13-14
Current Asset (A)	
Current Investments	-
Trade Receivables	85,985,520.00
Inventories	47,224,311.86
Cash & Bank Balance	31,289,788.87
Short Term Loans & Advances	55,310,000.00
Total (A)	219,809,620.73
Less: Current Liability (B)	
Trade Payables	-
Other Current Liabilities	25,000.00
Short Term Provision	512,514.00
Total (B)	537,514.00
Net Working Capital (A) - (B)	219,272,106.73

HUMAN RESOURCES

As on the current date, our Company has a total strength of 7 employees

Sl. No.	Category	No. of Employees
1.	Managing Director	1
2.	Executive Director	1
3.	Company Secretary	1
4.	Accountant	1
5.	Administrator	1
6.	Service Provider	2
TOTAL		7

INTELLECTUAL PROPERTY



Our logo RICHWAY INTERNATIONALTM TRADE LIMITED *is in the process of registration with the Trademark Authorities.*

We have applied for the registration of our logo under the Trademark Act vides application dated 8th May, 2014 and our application is in the process with the Registrar of Trademark.

Licenses:

Our business operations do not envisage any requirement of licenses.

Franchisee / concessions:

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

FINANCIAL INFORMATION

Balance Sheet as on 31st March, 2014

PARTICULARS	Note No.	Figures As At 31/03/2014 (Rs.)	Figures As At 31/03/2013 (Rs.)
<u>I. EQUITY AND LIABILITIES</u>			
(1) <u>Shareholders' Funds</u>			
(a) Share Capital	2	220,000,000.00	11,550,000.00
(b) Reserves & Surplus	3	(326,451.09)	103,952,695.81
		219,673,548.91	115,502,695.81
(2) <u>Non-current Liabilities</u>			
Deferred Tax Liability	4	8,463.82	-
		8,463.82	-
(3) <u>Current Liabilities</u>			
(a) Other Current Liabilities	5	25,000.00	176,000.00
(b) Short Term Provision	6	512,514.00	859.00
		537,514.00	176,859.00
<u>TOTAL (1 TO 2)</u>		220,219,526.73	115,679,554.81
<u>II. ASSETS</u>			
(1) <u>Non Current Assets</u>			
(a) Fixed Assets	7	295,584.00	-
(b) <u>Other Non Current Assets</u>			
(i) Preliminary Expenditure	8	114,322.00	142,902.00
(2) <u>Current Assets</u>			
(a) Current Investments	9	-	115,000,000.00
(b) Current Inventories	10	47,224,311.86	-
(c) Trade Receivables	11	85,985,520.00	-
(d) Loans and Advances	12	55,310,000.00	-
(e) Cash & Cash Equivalents	13	31,289,788.87	536,652.81
<u>TOTAL (1 TO 2)</u>		220,219,526.73	115,679,554.81
Notes to Financial Statements	2-23		
Significant Accounting Policies	1		

Statement of Profit & Loss Statement For the Period Ended on 31st March, 2014

PARTICULARS	Note No.	Figures for the Year Ended 31/03/2014 (Rs)	Figures for the Year Ended 31/03/2013 (Rs)
I) <u>INCOME</u>			
Revenue from Operation	14	154,704,657.72	-
Other Income	15	2,580.00	65,000.00
II) TOTAL REVENUE		154,707,237.72	65,000.00
III) <u>EXPENSES</u>			
Purchases	16	199,441,430.00	-
Purchase Stock-in-Trade	17	(47,224,311.86)	-
Finance Cost	18	1,910.12	1,151.69
Depreciation and Amortization	19	34,126.00	36,434.00
Employee Benefit Cost	20	180,000.00	-
Other Expenses	21	588,076.54	24,631.00
TOTAL EXPENSES		153,021,230.80	62,216.69
IV) Profit Before Tax (II - III)		1,686,006.92	2,783.31
V) <u>Tax Expenses</u>			
Current Tax	22	512,514.00	859.00
Deffered Tax		8,463.82	-
		520,977.82	859.00
VI) Profit/ (Loss) After Tax (IV - V)		1,165,029.10	1,924.31
VII) Basic Earnings Per Equity Share	23	0.05	0.00
Notes to Financial Statements	2-23		
Significant Accounting Policies	1		

Statement of Cash Flow Annexed to the Balance Sheet as at 31st March, 2014

(In Rupees)

Sl. No.	Particulars	31.03.2014	31.03.2013
A	<u>Cash Flow from Operating Activities</u>		
	<i>-</i> Net Profit before tax and extraordinary Items	1,686,006.92	2,783.31
	<i>Adjustments for</i>		
	Depreciation	5,546.00	-
	Preliminary Expenditure W/o	28,580.00	36,434.00
	Operating Profit before working capital changes	1,720,132.92	39,217.31
	<i>Adjustment for capital changes</i>		
	Inventories	(47,224,311.86)	-
	Decrease (Increase) in trade and Other Receivable	(85,985,520.00)	-
	Decrease (Increase) in Other Current Assets	-	-
	Decrease (Increase) in Short Term Loans & Advances	(55,310,000.00)	-
	(Decrease) Increase in Trade Payable	-	-
	(Decrease) Increase in Other Current Liabilities	(151,000.00)	170,000.00
	Cash generated from operations	(186,950,698.94)	209,217.31
	Income Tax And FBT paid for the Year	859.00	343.00
	Extraordinary Items	-	-
	Net Cash From Operating Activities	(186,951,557.94)	208,874.31
B	<u>Cash Flow From Investing Activities</u>		
	Decrease / (Increase) in Fixed Assets	(301,130.00)	-
	Decrease / (Increase) in Long Term Loans & Advances	-	-
	Decrease / (Increase) in Investments	115,000,000.00	(110,000,000.00)
	Net Cash from Investing Activities	114,698,870.00	(110,000,000.00)
C	<u>Cash Flow From Financing Activities</u>		
	Increase in Share Capital	208,450,000.00	11,000,000.00
	Increase in Reserves & Surplus	(103,950,000.00)	99,000,000.00
	Preliminary Expenditure / ROC Expense	(1,494,176.00)	(168,000.00)
	Net Cash used in Financing Activities	103,005,824.00	109,832,000.00
	<i>Net Increase in Cash & Cash Equivalents</i>	30,753,136.06	40,874.31
	<i>Opening Balance of Cash & Cash Equivalents</i>	536,652.81	495,778.50
	<i>Closing Balance of Cash & Cash Equivalents</i>	31,289,788.87	536,652.81

**NOTES TO AND FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st March, 2014**

CORPORATE INFORMATION

Richway International Trade Limited (Formerly Known as Richway Infrastructure Limited) (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

1. SIGNIFICANT ACCOUNTING POLICIES & NOTES :

A Basis Of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956.

The financial statements have been prepared on an accrual basis except as otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company ascertains its operating cycle for the purpose of current/non-current classification of assets and liabilities.

B Presentation and disclosure of financial statements

During the year ended 31st March 2012, Revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

The revised schedule VI allows line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance or to cater to industry/sector-specific disclosure requirements.

C Use Of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

D Miscellaneous Expenditure (To The Extent Not Written Off Or Adjusted)

The amount of preliminary expenses has been written off over a period of 5 years as per the provision of Sec35 of Income Tax Act'1961.

E Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

F Provision For Current And Deferred Tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

G Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as Current Investments. All other investments are classified as Long Term Investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Both current investments and long term investments are carried in the financial statements at cost.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

H Current Assets, Loans & Advances

In the opinion of the Board and to the best of its knowledge and belief the value on realisation of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and repayable on demand.

I Recognition of Income & Expenditure

Income and expenditure is recognized and accounted for on accrual basis. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership to the customer and when no significant uncertainty exists regarding realisation of the consideration. Sales are recorded net of cash and trade discounts.

J Earning Per Shares

The Company reports Basic and Diluted earnings per equity share in accordance with the Accounting Standard - 20 on Earning Per Share. In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary/exceptional items. The number of shares used in computing basic earning per share is the weighted average number of equity shares outstanding during the period. The numbers of shares used in computing diluted earning per share comprises the weighted average number of equity shares that would have been issued on the conversion of all potential equity shares. Dilutive potential equity shares have been deemed converted as of the beginning of the period, unless issued at a later date.

K Provision

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

L. There are no Micro, Small and Medium Enterprises (MSMEs) as defined in the Micro, Small, Medium Enterprises Development Act, 2006 within the appointed date during the year and no MSMEs to whom the Company owes dues on account of principal amount together with interest at the balance sheet date and hence no additional disclosures have been made.

M. The Company is a small and medium sized company (SMC) as defined in the general instructions in respect of accounting standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a small and medium sized Company.

N Previous Year Figures

Revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements, from the financial year commencing on or after 1st April 2011. In view of the same, the Company has reclassified the previous year figures in accordance with the requirements applicable in the current year.

NOTES TO FINANCIAL STATEMENTS

2 Share Capital

Particulars		As at 31/03/2014		As at 31/03/2013	
		Quantity (Nos.)	Amount Rs.	Quantity (Nos.)	Amount Rs.
(a)	Authorized Share Capital				
	Equity Shares of Rs. 10/- each	22,000,000	220,000,000.00	1,160,000	11,600,000.00
	(P.Y - Equity Shares of Rs. 10/- each)	22,000,000	220,000,000.00	1,160,000	11,600,000.00
(b)	Issued, Subscribed & Fully Paid-up Capital				
	Equity Shares of Rs. 10/- each	22,000,000	220,000,000.00	1,155,000	11,550,000.00
	(P.Y - Equity Shares of Rs. 10/- each)	22,000,000	220,000,000.00	1,155,000	11,550,000.00
(c)	Reconciliation of Equity shares outstanding at the beginning and at the end of the financial year	As at 31/03/2014		As at 31/03/2013	
		Quantity (Nos.)	Amount Rs.	Quantity (Nos.)	Amount Rs.
	Balance at the beginning of the financial year	1,155,000	11,550,000.00	55,000	550,000.00
	Allotment during the financial year	20,845,000	208,450,000.00	1,100,000	11,000,000.00
	Balance at the end of the financial year	22,000,000	220,000,000.00	1,155,000	11,550,000.00
(d)	Shareholders holding more than 5% of Equity Share Capital	As at 31/03/2014		As at 31/03/2013	
		(Nos)	(%)	(Nos)	(%)
(i)	Silverson Tradelink Pvt Ltd	3,400,000	15.45%	-	-
(ii)	Newedge Vinimay Pvt Ltd	3,000,000	13.64%		
(iii)	Ocian Advisory Pvt Ltd	1,500,000	6.82%		
(iv)	Keynote Commercial Private Limited	2,000,000	9.09%	200,000	17.32%
(v)	Intimate Tradelink Private Limited	1,548,000	7.04%	200,000	17.32%
(vi)	Starmark Tradecom Private Limited	-	-	150,000	12.99%
(vii)	Merlin Commosales Private Limited	-	-	200,000	17.32%
(viii)	Newwave Commoddeal Private Limited	-	-	200,000	17.32%
	As per the records of the Company including its register of members and other declarations received from the shareholders regarding beneficial interest, the above shareholders represent legal ownership of shares.				
(e)	The Company has only one class of shares referred to as Equity Shares having a par value of Rs.10 /-. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the shareholders.				
(f)	SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH				
	The Company have issued 1,03,95,000 bonus shares to the shareholders of the company holding 11,55,000 equity shares of the company, in the ratio of 1 : 9 equity shares held by them whose name appear in the Register of Members as on 30/10/2013 vide resolution no. 3, dated 04/11/2013 passed in the meeting of the Board of Directors of the company held on 04/11/2013, in pursuance to the consent given by the shareholders of the company in the Extra Ordinary General Meeting of the company held on 04/11/2013.				

3 Reserves & Surplus

Particulars		Figures as at 31/03/2014 (Rs)	Figures as at 31/03/2013 (Rs)
(a)	<u>Securities Premium Account</u>		
	Balance as per last account	103,950,000.00	4,950,000.00
	Add: Premium Received on Issue of shares	(103,950,000.00)	99,000,000.00
	Sub-Total	-	103,950,000.00
(b)	<u>Surplus in Profit & Loss Statement</u>		
	Balance as per last account	2,695.81	771.50
	Add: Transfer from Profit & Loss Statement	1,165,029.10	1,924.31
	Less: Preferential issue expenses written off	1,494,176.00	-
	Sub-Total	(326,451.09)	2,695.81
Total (a to b)		(326,451.09)	103,952,695.81

4 Non Current Liabilities

Particulars		Figures as at 31/03/2014 (Rs)	Figures as at 31/03/2013 (Rs)
(a)	Deferred Tax Liability	8,463.82	-
		8,463.82	-

5 Other Current Liabilities

Particulars		Figures as at 31/03/2014 (Rs)	Figures as at 31/03/2013 (Rs)
(a)	Auditor's Remuneration Payable	25,000.00	5,000.00
(b)	Other Liabilities	-	171,000.00
		25,000.00	176,000.00

6 Short Term Provision

Particulars		Figures as at 31/03/2014 (Rs)	Figures as at 31/03/2013 (Rs)
(a)	Provision for Tax	512,514.00	859.00
		512,514.00	859.00

8 Preliminary Expenditure

Particulars		Figures as at 31/03/2014 (Rs)	Figures as at 31/03/2013 (Rs)
(i)	Opening Balance	142,902.00	11,336.00
(ii)	Add: Addition During the year	-	168,000.00
(iii)	Less: Written off during the year	28,580.00	36,434.00
(iv)	Closing Balance	114,322.00	142,902.00

9 Current Investments

Particulars		Figures as at 31/03/2014 (Rs)	Figures as at 31/03/2013 (Rs)
(A)	Investments In Equity Share (At Cost) (As Per Annexure-1)	-	115,000,000.00
		-	115,000,000.00

10 Current Inventories

Particulars		Figures as at 31/03/2014 (Rs)	Figures as at 31/03/2013 (Rs)
(A)	Closing Stock (As Per Annexure-2)	47,224,311.86	-
		47,224,311.86	-

11 Trade Receivables

Particulars		Figures as at 31/03/2014 (Rs)	Figures as at 31/03/2013 (Rs)
(A)	More than Six Months	-	-
(B)	Less than Six Months	85,985,520.00	-
		85,985,520.00	-

12 Loans & Advances

Particulars		Figures as at 31/03/2014 (Rs)	Figures as at 31/03/2013 (Rs)
	Unsecured Loans & Advances considered good	55,200,000.00	-
	Office deposit	110,000.00	-
		55,310,000.00	-

13 Cash & Cash Equivalents

Particulars		Figures as at 31/03/2014 (Rs)	Figures as at 31/03/2013 (Rs)
	Cash in Hand	105,215.03	532,300.85
	Balance at Bank	31,184,573.84	4,351.96
		31,289,788.87	536,652.81

In the opinion of the Board, all assets other than fixed assets and non-current investments, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

14 Revenue from Operations

Particulars	Year Ended 31/03/2014 (Rs.)	Year Ended 31/03/2013 (Rs.)
Sale of Traded Goods	154,704,657.72	-
	154,704,657.72	-

15 Other Income

Particulars	Year Ended 31/03/2014 (Rs.)	Year Ended 31/03/2013 (Rs.)
Discount Received	2,580.00	-
Service Charge Received	-	65,000.00
	2,580.00	65,000.00

16 Purchases

Particulars	Year Ended 31/03/2014 (Rs.)	Year Ended 31/03/2013 (Rs.)
Purchase of Traded Goods	199,441,430.00	-
	199,441,430.00	-

17 Purchase Stock-In-Trade

Particulars	Year Ended 31/03/2014 (Rs.)	Year Ended 31/03/2013 (Rs.)
Closing Stock (As per Annexure-2)	47,224,311.86	-
	47,224,311.86	-

18 Finance Cost

Particulars	Year Ended 31/03/2014 (Rs.)	Year Ended 31/03/2013 (Rs.)
Bank Charges	1,910.12	1,151.69
	1,910.12	1,151.69

19 Depreciation and Amortisation

Particulars	Year Ended 31/03/2014 (Rs.)	Year Ended 31/03/2013 (Rs.)
Depreciation	5,546.00	-
Preliminary Exp written off	28,580.00	36,434.00
	34,126.00	36,434.00

20 Employee Benefit Cost

Particulars	Year Ended 31/03/2014 (Rs.)	Year Ended 31/03/2013 (Rs.)
Salary	180,000.00	-
	180,000.00	-

21 Other Expenses

Particulars	Year Ended 31/03/2014 (Rs.)	Year Ended 31/03/2013 (Rs.)
Auditor's Remuneration	25,000.00	5,000.00
General Expenses	178,250.47	5,151.00
Accounting Charges	60,000.00	10,000.00
Travelling & Conveyance	15,120.00	2,130.00
Telephone Expenses	22,700.00	2,350.00
Discount Allowed	1,225.00	-
Filing Fees	6,400.00	-
Office Expenses	59,599.00	-
Compliance Certification Fees	5,500.00	-
Rent,Electricity & Maintenance	55,000.00	-
Printing & Stationery	12,888.07	-
Delivery charges	39,250.00	-
Godown rent	30,000.00	-
Car Hire Expenses	25,200.00	-
Website	7,000.00	-
Depository	44,944.00	-
	588,076.54	24,631.00

22 Current Tax

Particulars	Year Ended 31/03/2014 (Rs.)	Year Ended 31/03/2013 (Rs.)
Current Tax	512,514.00	859.00
	512,514.00	859.00

23 Basic Earnings Per Equity Share

Particulars	Year ended 31/03/2014	Year ended 31/03/2013
Net Profit /(Loss) attributable to Equity Shareholders (Rs.)	1,165,029.10	1,924.31
Weighted average number of Equity Shares in issue	22,000,000	1,155,000
Basic Earning per share of Rs.10/- each (in Rs.)	0.05	0.00

7 Fixed Assets & Depreciation

Particulars	GROSS BLOCK				Depreciation				NET BLOCK	
	As on	Addition	Deduction	As on	Rate	As on	During	As on	As on	As on
	01.04.2013			31.03.2014		1.4.2013	the	31.03.2014	31.03.2014	31.03.2013
	Rs. P.	Rs. P.	Rs. P.	Rs. P.			year	Rs. P.	Rs. P.	Rs. P.
Tangible Assets										
Furniture & Fixtures	-	178,580.00	-	178,580.00	18.10%	-	2,694.00	2,694.00	175,886.00	-
Air Conditioner	-	56,700.00	-	56,700.00	13.91%	-	657.00	657.00	56,043.00	-
Computer	-	65,850.00	-	65,850.00	40.00%	-	2,195.00	2,195.00	63,655.00	-
Total(A)	-	301,130.00	-	301,130.00		-	5,546.00	5,546.00	295,584.00	-

Annexure: 1 Current Investments

Particulars	Year Ended 31/03/2014		Year Ended 31/03/2013	
	No. of Sh	(Rs.)	No. of Sh	(Rs.)
Unquoted				
Aristo Media Entertainment Pvt Ltd	-	-	50,000	5,000,000.00
Balmukhi Textile Pvt Ltd	-	-	100,000	10,000,000.00
Concast Exim Pvt Ltd	-	-	100,000	10,000,000.00
H.K.Goel Company Pvt Ltd	-	-	100,000	10,000,000.00
Msb Finance & Investment Pvt Ltd	-	-	50,000	5,000,000.00
Newedge Vinimay Pvt Ltd	-	-	25,000	25,000,000.00
Ragini Trade Pvt Ltd	-	-	100,000	10,000,000.00
Raj lakshmi Cotton Mills Pvt Ltd	-	-	10,000	10,000,000.00
Raunak Plastics Pvt Ltd	-	-	10,000	10,000,000.00
Sonal Styles Pvt Ltd	-	-	20,000	20,000,000.00
TOTAL	-	-	565,000.00	115,000,000.00

Annexure: 2
Current Inventories

Particulars	Year Ended 31/03/2014				Year Ended 31/03/2013			
	Quantity	Unit	Rate	Amount (Rs.)	Quantity	Unit	Rate	Amount (Rs.)
<u>Stock in Hand</u>								
Fabrics	286,914	mts	87.79	25,188,974.81	-		-	-
Fancy Sarees	4,983	pcs	4,422.10	22,035,337.05	-		-	-
TOTAL	291,897			47,224,311.86	-			-

FINANCIAL INFORMATION

Balance Sheet for the period from 01.04.2014 to 30.04.2014

PARTICULARS	Note No.	Figures for the period from 01.04.2014 to 30.04.2014 (Rs.)	Figures As At 31/03/2014 (Rs.)
I. EQUITY AND LIABILITIES			
-			
(1) Shareholders' Funds			
(a) Share Capital	2	220,000,000.00	220,000,000.00
(b) Reserves & Surplus	3	(115,393.77)	(326,451.09)
		219,884,606.23	219,673,548.91
(2) Non-current Liabilities			
Deferred Tax Liability	4	8,463.82	8,463.82
		8,463.82	8,463.82
(3) Current Liabilities			
(a) Other Current Liabilities	5	144,951.00	25,000.00
(b) Short Term Provision	6	512,514.00	512,514.00
		657,465.00	537,514.00
TOTAL (1 TO 2)		220,550,535.05	220,219,526.73
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets	7	402,712.00	295,584.00
(b) Intangible Assets	8	6,800.00	
(c) Other Non Current Assets			
(i) Preliminary Expenditure	9	114,322.00	114,322.00
(2) Current Assets			
(b) Current Inventories	10	52,389,003.22	47,224,311.86
(c) Trade Receivables	11	103,213,565.00	85,985,520.00
(d) Loans and Advances	12	50,110,000.00	55,310,000.00
(e) Cash & Cash Equivalents	13	14,314,132.83	31,289,788.87
TOTAL (1 TO 2)		220,550,535.05	220,219,526.73
Notes to Financial Statements Significant Accounting Policies	2-24 1		

Statement of Profit & Loss Statement For the Period from 01.04.2014 to 30.04.2014

PARTICULARS	Note No.	Figures for the period from 01.04.2014 to 30.04.2014	Figures for the Year Ended 31/03/2014
		(Rs)	(Rs)
I) <u>INCOME</u>			
Revenue form Operation	14	25,271,875.00	154,704,657.72
Other Income	15	-	2,580.00
II) TOTAL REVENUE		25,271,875.00	154,707,237.72
III) <u>EXPENSES</u>			
Purchases	16	30,005,500.00	199,441,430.00
Changes in inventory of finished goods	17	(5,164,691.36)	(47,224,311.86)
Finance Cost	18	323.04	1,910.12
Depreciation and Amortisation	19	6,323.00	34,126.00
Employee Benefit Cost	20	20,000.00	180,000.00
Other Expenses	21	193,363.00	588,076.54
TOTAL EXPENSES		25,060,817.68	153,021,230.80
Profit Before Exceptional and Extraordinary Item and Tax (II - III)		211,057.32	1,686,006.92
Less: Exceptional and Extraordinary Item		-	-
V) Profit Before Tax		211,057.32	1,686,006.92
VI) <u>Tax Expenses</u>			
Current Tax	22	-	512,514.00
Deffered Tax		-	8,463.82
		-	520,977.82
VII) Profit/ (Loss) After Tax (IV - V)		211,057.32	1,165,029.10
VIII) Basic Earnings Per Equity Share	23	0.01	0.05
Notes to Financial Statements Significant Accounting Policies	2-24 1		

Statement of Cash Flow Annexed to the Balance Sheet as on 30th April, 2014

(In Rupees)

Sl. No.	Particulars	From 01.04.2014 to 30.04.2014	31.03.2014
A	<u>Cash Flow from Operating Activities</u>		
	<i>Net Profit before tax and extraordinary Items</i>	211,057.32	1,686,006.92
	<i>Adjustments for</i>		
	Depreciation	6,323.00	5,546.00
	Preliminary Expenditure W/o	-	28,580.00
	<i>Operating Profit before working capital changes</i>	217,380.32	1,720,132.92
	<i>Adjustment for capital changes</i>		
	Inventories	(5,164,691.36)	(47,224,311.86)
	Decrease (Increase) in trade and Other Receivable	(17,228,045.00)	(85,985,520.00)
	Decrease (Increase) in Other Current Assets	-	-
	Decrease (Increase) in Short Term Loans & Advances	5,200,000.00	(55,310,000.00)
	(Decrease) Increase in Trade Payable	-	-
	(Decrease) Increase in Other Current Liabilities		(151,000.00)
	<i>Cash generated from operations</i>	(16,975,356.04)	(186,950,698.94)
	Income Tax And FBT paid for the Year	-	859.00
	Extraordinary Items		-
	<i>Net Cash From Operating Activities</i>	(16,975,356.04)	(186,951,557.94)
B	<u>Cash Flow From Investing Activities</u>		
	Decrease / (Increase) in Fixed Assets	-	(301,130.00)
	Decrease / (Increase) in Long Term Loans & Advances		-

	Decrease / (Increase) in Investments	-	115,000,000.00
	<i>Net Cash from Investing Activities</i>	-	114,698,870.00
C	<u>Cash Flow From Financing Activities</u>		
	Increase in Share Capital	-	208,450,000.00
	Increase in Reserves & Surplus	-	(103,950,000.00)
	Preliminary Expenditure / ROC Expense	-	(1,494,176.00)
	<i>Net Cash used in Financing Activities</i>	-	103,005,824.00
	<i>Net Increase in Cash & Cash Equivalents</i>	(16,975,356.04)	30,753,136.06
	<i>Opening Balance of Cash & Cash Equivalents</i>	31,289,788.87	536,652.81
	<i>Closing Balance of Cash & Cash Equivalents</i>	14,314,432.83	31,289,788.87

**NOTES TO AND FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED 01.04.2014 TO 30.04.2014**

CORPORATE INFORMATION

Richway International Trade Limited(Formerly Known as Richway Infrastructure Limited) (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

1. SIGNIFICANT ACCOUNTING POLICIES & NOTES :

A Basis Of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956.

The financial statements have been prepared on an accrual basis except as otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company ascertains its operating cycle for the purpose of current/non-current classification of assets and liabilities.

B Presentation and disclosure of financial statements

During the year ended 31st March 2012, Revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

The revised schedule VI allows line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance or to cater to industry/sector-specific disclosure requirements.

C Use Of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

D Miscellaneous Expenditure (To The Extent Not Written Off Or Adjusted)

The amount of preliminary expenses has been written off over a period of 5 years as per the provision of Sec35 of Income Tax Act'1961.

E Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

F Provision For Current And Deferred Tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

G Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as Current Investments. All other investments are classified as Long Term Investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Both current investments and long term investments are carried in the financial statements at cost.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

H Current Assets, Loans & Advances

In the opinion of the Board and to the best of its knowledge and belief the value on realisation of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and repayable on demand.

I Recognition of Income & Expenditure

Income and expenditure is recognized and accounted for on accrual basis. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership to the customer and when no significant uncertainty exists regarding realisation of the consideration. Sales are recorded net of cash and trade discounts.

J Earning Per Shares

The Company reports Basic and Diluted earnings per equity share in accordance with the Accounting Standard - 20 on Earning Per Share. In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary/exceptional items. The number of shares used in computing basic earning per share is the weighted average number of equity shares outstanding during the period. The numbers of shares used in computing diluted earning per share comprises the weighted average number of equity shares that would have been issued on the conversion of all potential equity shares. Dilutive potential equity shares have been deemed converted as of the beginning of the period, unless issued at a later date.

K Provision

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

L. There are no Micro, Small and Medium Enterprises (MSMEs) as defined in the Micro, Small, Medium Enterprises Development Act, 2006 within the appointed date during the year and no MSMEs to whom the Company owes dues on account of principal amount together with interest at the balance sheet date and hence no additional disclosures have been made.

M. The Company is a small and medium sized company (SMC) as defined in the general instructions in respect of accounting standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a small and medium sized Company.

N Previous Year Figures

Revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements, from the financial year commencing on or after 1st April 2011. In view of the same, the Company has reclassified the previous year figures in accordance with the requirements applicable in the current year.

NOTES TO FINANCIAL STATEMENTS

2 Share Capital

Particulars	From 01.04.2014 to 30.04.2014		As at 31/03/2014	
	Quantity (Nos.)	Amount Rs.	Quantity (Nos.)	Amount Rs.
(a) Authorized Share Capital				
Equity Shares of Rs. 10/- each	22,600,000	226,000,000.00	22,000,000	220,000,000.00
(P.Y - Equity Shares of Rs. 10/- each)	22,600,000	226,000,000.00	22,000,000	220,000,000.00
(b) Issued, Subscribed & Fully Paid-up Capital				
Equity Shares of Rs. 10/- each	22,000,000	220,000,000.00	22,000,000	220,000,000.00
(P.Y - Equity Shares of Rs. 10/- each)	22,000,000	220,000,000.00	22,000,000	220,000,000.00
(c) Reconciliation of Equity shares outstanding at the beginning and at the end of the financial year	From 01.04.2014 to 30.04.2014		As at 31/03/2014	
	Quantity (Nos.)	Amount Rs.	Quantity (Nos.)	Amount Rs.
Balance at the beginning of the financial year	22,000,000	220,000,000.00	1,155,000	11,550,000.00
Allotment during the financial year			10,450,000	104,500,000.00
Bonus Issue during the financial year	-	-	10,395,000	103,950,000.00
Balance at the end of the financial year	22,000,000	220,000,000.00	22,000,000	220,000,000.00
(d) Shareholders holding more than 5% of Equity Share Capital	From 01.04.2014 to 30.04.2014		As at 31/03/2014	
	(Nos)	(%)	(Nos)	(%)
(i) Silverson Tradelink Pvt Ltd	3,400,000	15.45%	3,400,000	15.45%
(ii) Newedge Vinimay Pvt Ltd	3,000,000	13.64%	3,000,000	13.64%
(iii) Ocian Advisory Pvt Ltd	1,500,000	6.82%	1,500,000	6.82%
(iv) Keynote Commercial Private Limited	2,000,000	9.09%	2,000,000	9.09%
(v) Intimate Tradelink Private Limited	1,548,000	7.04%	1,548,000	7.04%

As per the records of the Company including its register of members and other declarations received from the shareholders regarding beneficial interest, the above shareholders represent legal ownership of shares.

- (e) The Company has only one class of shares referred to as Equity Shares having a par value of Rs.10 /-. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

3 Reserves & Surplus

Particulars		Figures from 01.04.2014 to 30.04.2014	Figures as at 31/03/2013
		(Rs)	(Rs)
(a)	<u>Securities Premium Account</u>		
	Balance as per last account	-	103,950,000.00
	Add: Premium Received on Issue of shares	-	(103,950,000.00)
	Sub-Total	-	-
(b)	<u>Surplus in Profit & Loss Statement</u>		
	Balance as per last account	(326,451.09)	2,695.81
	Add: Transfer from Profit & Loss Statement	211,057.32	1,165,029.10
	Less: Expenses not allowed		1,494,176.00
	Sub-Total	(115,393.77)	(326,451.09)
Total (a to b)		(115,393.77)	(326,451.09)

4 Non Current Liabilities

Particulars		Figures from 01.04.2014 to 30.04.2014	Figures as at 31/03/2013
		(Rs)	(Rs)
(a)	Deferred Tax Liability	8,463.82	8,463.82
		8,463.82	8,463.82

5 Other Current Liabilities

Particulars		Figures from 01.04.2014 to 30.04.2014	Figures as at 31/03/2014
		(Rs)	(Rs)
(a)	Auditor's Remuneration Payable		25,000.00

		30,000.00	
(b)	Other Liabilities	114,951.00	
		144,951.00	25,000.00

6 Short Term Provision

Particulars		Figures from 01.04.2014 to 30.04.2014	Figures as at 31/03/2014
		(Rs)	(Rs)
(a)	Provision for Tax	512,514.00	512,514.00
		512,514.00	512,514.00

8 Intangible Assets

Particulars		Figures from 01.04.2014 to 30.04.2014	Figures as at 31/03/2014
		(Rs)	(Rs)
(a)	Trademark	6,800.00	0.00
		6,800.00	0.00

9 Preliminary Expenditure

Particulars		Figures from 01.04.2014 to 30.04.2014	Figures as at 31/03/2014
		(Rs)	(Rs)
(i)	Opening Balance	114,322.00	142,902.00
(ii)	Add: Addition During the year	-	
(iii)	Less: Written off during the year		28,580.00
(iv)	Closing Balance	114,322.00	114,322.00

10 Current Inventories

Particulars		Figures from 01.04.2014 to 30.04.2014	Figures as at 31/03/2014
		(Rs)	(Rs)
(A)	Closing Stock (As Per Annexure-2)	52,389,003.22	47,224,311.86

		52,389,003.22	47,224,311.86

11 Trade Receivables

Particulars		Figures from 01.04.2014 to 30.04.2014	Figures as at 31/03/2014
		(Rs)	(Rs)
(A)	More than Six Months	-	-
(B)	Less than Six Months	103,213,565.00	85,985,520.00
		103,213,565.00	85,985,520.00

12 Loans & Advances

Particulars		Figures from 01.04.2014 to 30.04.2014	Figures as at 31/03/2014
		(Rs)	(Rs)
	Unsecured Loans & Advances considered good		55,200,000.00
	Advance against Joint Venture	50,000,000.00	-
	Office Deposits	110,000.00	110,000.00
		50,110,000.00	55,310,000.00

13 Cash & Cash Equivalents

Particulars		Figures from 01.04.2014 to 30.04.2014	Figures as at 31/03/2014
		(Rs)	(Rs)
	Cash in Hand	223930.03	105,215.03
	Balance at Bank	14090202.80	31,184,573.84
		14,314,132.83	31,289,788.87

In the opinion of the Board, all assets other than fixed assets and non-current investments, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

14 Revenue from Operations

Particulars	Figures from	Year Ended
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	01.04.2014 to 30.04.2014	31/03/2014
	(Rs.)	(Rs.)
Sale of Traded Goods	25,271,875.00	154,704,657.72
	25,271,875.00	154,704,657.72

15 Other Income

Particulars	Figures from 01.04.2014 to 30.04.2014	Year Ended 31/03/2014
	(Rs.)	(Rs.)
Discount Received	-	2,580.00
	-	2,580.00

16 Purchases

Particulars	Figures from 01.04.2014 to 30.04.2014	Year Ended 31/03/2014
	(Rs.)	(Rs.)
Purchase of Traded Goods	30,005,500.00	199,441,430.00
	30,005,500.00	199,441,430.00

17 Changes in inventories of finished goods

Particulars	Figures from 01.04.2014 to 30.04.2014	Year Ended 31/03/2014
	(Rs.)	(Rs.)
Closing Stock	52,389,003.22	(47,224,311.86)
Less: Opening Stock	(47,224,311.86)	
	5,164,691.36	(47,224,311.86)

18 Finance Cost

Particulars	Figures from 01.04.2014 to 30.04.2014	Year Ended 31/03/2014
	(Rs.)	(Rs.)
Bank Charges	323.04	1,910.12

	323.04	1,910.12
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19 Depreciation and Amortisation

Particulars	Figures from 01.04.2014 to 30.04.2014	Year Ended 31/03/2014
	(Rs.)	(Rs.)
Depreciation	6,323.00	5,546.00
Preliminary Exp written off	-	28,580.00
	6,323.00	34,126.00

20 Employee Benefit Cost

Particulars	Figures from 01.04.2014 to 30.04.2014	Year Ended 31/03/2014
	(Rs.)	(Rs.)
Salary	20,000.00	180,000.00
	20,000.00	180,000.00

21 Other Expenses

Particulars	Figures from 01.04.2014 to 30.04.2014	Year Ended 31/03/2014
	(Rs.)	(Rs.)
Auditor's Remuneration	5,000.00	25,000.00
General Expenses	44,150.00	178,250.47
Accounting Charges	20,000.00	60,000.00
Travelling & Conveyance	5,225.00	15,120.00
Telephone Expenses	8,200.00	22,700.00
Discount Allowed	-	1,225.00
Filing Fees	-	6,400.00
Office Expenses	16,300.00	59,599.00
Compliance Certification Fees	-	5,500.00
Rent, Electricity & Maintenance		

	15,000.00	55,000.00
Printing & Stationery	3,560.00	12,888.07
Delivery charges	-	39,250.00
Godown rent	10,000.00	30,000.00
Car Hire Expenses	7,500.00	25,200.00
Website	-	7,000.00
Depository	58,428.00	44,944.00
	193,363.00	588,076.54

22 Current Tax

Particulars	Figures from 01.04.2014 to 30.04.2014	Year Ended 31/03/2014
	(Rs.)	(Rs.)
Current Tax	-	512,514.00
	-	512,514.00

23 Basic Earnings Per Equity Share

Particulars	Figures from 01.04.2014 to 30.04.2014	Year ended 31/03/2014
Net Profit /(Loss) attributable to Equity Shareholders (Rs.)	211,057.32	1,165,029.10
Weighted average number of Equity Shares in issue	22,000,000	22,000,000
Basic Earning per share of Rs.10/- each (in Rs.)	0.01	0.05

Particulars	GROSS BLOCK				Depreciation				NET BLOCK	
	As on 1.4.2014	Addition	Deduction	As on 30.04.2014	Rate	As on 1.4.2014	During the year	As on 30.04.2014	As on 30.04.2014	As on 31.03.2014
	Rs. P.	Rs. P.	Rs. P.	Rs. P.				Rs. P.	Rs. P.	Rs. P.
Tangible Assets										
Furniture & Fixtures	178,580.00	21,173.00	-	199,753.00	18.10%	2,694.00	2,759.00	5,453.00	194,300.00	175,886.00
Air Conditioner	56,700.00	-	-	56,700.00	13.91%	657.00	650	1,307.00	55393	56,043.00
Computer	65,850.00	92278.00	-	158,128.00	40.00%	2,195.00	2914	5,109.00	153019	63,655.00
Total(A)		113,451.00	-	414,581.00			6,323.00	11,869.00	402,712.00	

Annexure: 1

**Current
Inventories**

Particulars	For the Period from 01.04.2014 to 30.04.2014			Year Ended 31/03/2013		
	Quantity	Unit	Amount (Rs.)	Quantity	Unit	Amount (Rs.)
<u>Stock in Hand</u>						
Fabrics	345,087	mts	30,353,666.17	286,914	mts	25,188,974.81
Fancy Sarees	4,983	pcs	22,035,337.05	4,983	pcs	22,035,337.05
TOTAL	350,070		52,389,003.22	291,897		47,224,311.86

CAPITAL STRUCTURE

I. Capital Structure of our Company

(Rs. In Lakhs except share data)

Particulars	Aggregate Nominal Value
AUTHORISED SHARE CAPITAL	
22,60,000 Equity Shares of Rs10/- each	226.00
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	
22,120,000 fully paid up Equity Shares of Rs. 10/- each	221.20

The listing of the shares is being made in terms of Chapter XC of SEBI ICDR Regulations.

II. Equity Share Capital History:

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Cumulative No of Shares	Cumulative Paid up Capital
August 09, 2011	50,000	10	10	Subscription to MOA	Cash	50,000	500,000
March 30, 2012	5,000	10	1000	Further allotment	Consideration other than cash	55,000	550,000
March 30, 2013	1,100,000	10	100	Further allotment	Cash	11,55,000	1,15,50,000
November 04, 2013	10,395,000	10	-	Bonus issue	Bonus	1,15,50,000	11,550,000
March 08, 2014	5,550,000	10	10	Further allotment	Cash	1,71,00,000	17,10,00,000
March 31, 2014	4,900,000	10	10	Further allotment	Cash	22,00,00,000	22,00,00,000
May 07, 2014	1,20,000	10	50	Further allotment	Cash	22,120,000	22,12,00,000

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

Date of Allotment/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)*	Nature of Transactions	Consideration (cash/other than cash)	% of Issued Capital
Mr.Nirmal Khemka						
August 09, 2011	7,000	10	10	Subscription to MOA	Cash	
November 04, 2013	63,000	10	-	Bonus issue	Bonus	
Total	70,000					0.32

Date of Allotment/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)*	Nature of Transactions	Consideration (cash/other than cash)	% of Issued Capital
Mr. Kanhaiyalal Singhania						
November 15, 2013	17,500	10	10	Transfer	Cash	
Total	17,500					0.08

Date of Allotment/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)*	Nature of Transactions	Consideration (cash/other than cash)	% of Issued Capital
M/S Rangoli Tradecomm Pvt.Ltd						
May 16, 2014	9,50,000	10	10.10	Transfer	Cash	
May 17, 2014	7,80,000	10	10.10	Transfer	Cash	
May 20, 2014	40,70,000	10	10.10	Transfer	Cash	
Total	58,00,000					26.22

	Sub Total(A)(1)	3	5887500	5887500	26.62	26.62	0	0.00
2	Foreign							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
B	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
C	Institutions	0	0	0	0.00	0.00	0	0.00
D	Any Others(Specify)	0	0	0	0.00	0.00	0	0.00
	Sub Total(A)(2)	0	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	3	5887500	5887500	26.62	26.62	0	0.00
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds/ UTI	0	0	0	0.00	0.00	0	0.00
(b)	Financial Institutions / Banks	0	0	0	0.00	0.00	0	0.00
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Funds	1	120000	120000	0.54	0.54	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00
(g)	Foreign Venture Capital	0	0	0	0.00	0.00	0	0.00

1	NIRMAL KHEMK A	70000	0.32	0	0	0	0	0	0	0	0
2	Kanhaiy a Lal Singhan ia	17500	0.08	0	0	0	0	0	0	0	0
3	Rangoli Tradeco mm Pvt Ltd	5800000	26.22	0	0	0	0	0	0	0	0
	Total	5887500	26.62	0	0	0	0	0	0	0	0

(*) The term “encumbered” shall refer to a pledge, lien or any such transaction, by whatever name called.

1.3. 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 the Shareholder	No. of Shares	Shares as a percentage of total number of shares i.e., Grand Total (A)+(B)+(C) indicated in Statement at para 1.1 above}
1.	STARMARK TRADECOMM PVT LTD	400000	1.81
2.	INTIMATE TRADELINK PVT LTD	1603000	7.25
3.	KEYNOTE COMMERCIAL PVT LTD	1000000	4.52
4.	MERLIN COMMOALES PVT LTD	474000	2.14
5.	NEWWAVE COMMODEAL PVT LTD	929000	4.20
6.	OCIAN ADVISORY PRIVATE LIMITED	600000	2.71
7.	TOUCHWIN COMMERCIAL PRIVATE LIMITED	1000000	4.52
8.	MACRO DEALCOMM PRIVATE LTD.	550000	2.49
9.	HIGHVIEW SALES PRIVATE LIMITED.	1000000	4.52
10.	NEWEDGE VINIMAY PRIVATE LIMITED	1000000	4.52
11.	SILVERSON TRADELINKS PRIVATE LIMITED	1500000	6.78
12.	VIRTUAL VINTRADE PVT LTD	342000	1.55
	Total	10398000	

1.4. Statement showing details of locked-in shares

Sr. No.	Name of the Shareholder	No. of locked-in Shares	Locked-in Shares as a percentage of total
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			number of shares i.e., Grand Total (A)+(B)+(C) indicated in Statement at para 1.1 above}

DESCRIPTION OF PROPERTY

Descriptions of Properties of Our Company are set forth below:

We operate from our registered office situated at Shop No.4, Ground Floor,"Suyog Mandir" C.H.S. Ltd, Ram Mandir Road,Babhai, Borivali West, Mumbai - 400092, India, which has been taken on rent for a period of twelve months commencing from March 01, 2014.

Sr. No.	Description of the Property	Assignor Company	Date of Assignment	Consideration
1	Shop No.4, Ground Floor,"Suyog Mandir" C.H.S. Ltd, Ram Mandir Road,Babhai, Borivali West, Mumbai - 400092	M/S S.G. Ceramics through its partners i.e Mr.Sunil Somane & Mrs.Mansi Somane	For a period of twelve months commencing from March 01, 2014	Rs.15000/- per month

Intellectual Property



Our logo **RICHWAY INTERNATIONAL** TRADE LIMITED TM *is in the process of registration with the Trademark Authorities.*

We have applied for the registration of our logo under the Trademark Act vides application dated 8th May, 2014 and our application is in the process with the Registrar of Trademark.

SECTION II - RISK FACTORS

INTERNAL RISK FACTORS

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

Our Registered Office is located at Shop no.4 Ground Floor, “Suyog Mandir”, C.H.S. Ltd., Ram Mandir Road, Babhai, Borivali West, Mumbai 400092 .The registered office is not owned by us. The premises has been taken by us on lease. This lease is renewable on mutually agreed terms. Upon termination of the lease, we are required to return the said business premises to the Lessor/Licensor, unless renewed. There can be no assurance that the term of the agreements will be renewed and in the event the Lessor/Licensor terminates or does not renew the agreements on commercially acceptable terms, or at all, and we are required to vacate our offices, we may be required to identify alternative premises and enter into fresh lease or leave and license agreement. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability.

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

Our Company and our Promoter have over a few years have built relations with suppliers, clients and other persons who are connected with our business. Further, our Key Managerial Personal also possesses the requisite domain knowledge to provide efficient services to our customers. Accordingly, our Company’s performance is dependent upon the services of our Promoter and other Key Managerial Personnel. Our future performance will, therefore, depend upon the continued services of these persons. It is possible that we may lose our skilled and trained staff to our competitors and high attrition rates in particular, could result in a loss of domain and process. 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.

3. *Our inability to manage growth could disrupt our business and reduce our profitability.*

We expect that our growth will place significant demands on us and will require us to continuously evolve and improve our operational, financial, and internal controls across the organization. In particular, continued expansion increased the challenges involved in:-

- a. Maintaining high level of customer satisfaction.
- b. Recruiting, training and retaining sufficient skilled management, technical and marketing personnel.
- c. A failure to manage our growth effectively may have an adverse effect on our business and financial results.

A principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses, as well as the development of our new business streams. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal

administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

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

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

EXTERNAL RISK FACTORS

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. *Global recession and market conditions could cause our business to suffer.*

The developed economies of the world viz. U.S., Europe, Japan and others are in midst of recovering from recession which is affecting the economic condition and markets of not only these economies but also the economies of the emerging markets like Brazil, Russia, India and China. General business and consumer sentiment has been adversely affected due to the global slowdown and there cannot be assurance, whether these developed economies will see good economic growth in the near future. Consequently, this has also affected the global stock and commodity markets.

3. *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.

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. *Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.*

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally.

7. *Our Company may raise further rounds of equity financing in which the existing Shareholders may not participate resulting in reduction of their percentage of holding in Our Company.*

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

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

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

9. *The price of our Equity Shares may be volatile.*

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

10. *Active trading market for our Equity Shares may not develop.*

Till date there has been no public market for our Equity Shares. We propose to list our Equity Shares on Equity Shares on Institution Trading Platform (ITP) of BSE SME. We cannot assure that pursuant to listing on ITP, active trading market of our Equity Shares or for securities convertible in to Equity Shares would develop as trading on ITP is subject to certain restrictions viz. minimum trading lot on institutional trading platform is Rs. 10 Lac. Further the securities listed on ITP will be mandatorily exited within 18 months of triggering various events such as completion of ten years on listing of ITP or attaining paid up capital of Rs. 25Crore or attaining revenue of Rs. 300Crore or attaining market capitalization of Rs. 500Crore.

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

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

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

SECTION III – SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

I. Information with respect to the Shareholding of a Beneficial Owner:

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

Class/ type of securities	Name and address of beneficial owner	Amount and nature of beneficial ownership	Percent
Equity Shares	N.A	NIL	NIL

II. Information with respect to the Shareholding of a Beneficial Owner:

The following table sets forth certain information concerning the shareholding of the Directors in their personal capacity and either as sole or first holder, as on the date of this Draft Information Document:

Name of Directors	No. of Shares held
Mr. Kanhaiyalal Singhanian	17,500
Total	17500

III. Shareholder's agreement:

Our Company has not entered into any shareholders agreement relating to any of the securities of our Company as on date of this Information Memorandum.

SECTION IV - OUR MANAGEMENT

BOARD OF DIRECTORS

Sr. No	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment
1	<p>Name: Umang Agarwal</p> <p>Age: 28Years</p> <p>Father's Name: Ramesh Kumar Agarwal</p> <p>Designation: Managing director</p> <p>Address: Bb-14/1 Rabindra Pally,, Baguihati, Kolkata, 700059, West Bengal, India</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: For 3 years from</p> <p>DIN: 06796466</p>	January 04, 2014
2	<p>Name: Kiran Kartik Ghosh</p> <p>Age: 26 Years</p> <p>Father's Name: Kartik Pashupati Ghosh</p> <p>Designation: Non-executive Independent Director</p> <p>Address: A-2 New Ashish Apt Radha Nagar, Tu Road Nalasopara East, Mumbai, 401209, Maharashtra, India</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: Retire by rotation</p> <p>DIN: 06409729</p>	February 24, 2014
3	<p>Name: Ravi Shankar Yagnik</p> <p>Age: 38 Years</p> <p>Father's Name: Rajendra Kumar Yagnik</p> <p>Designation: Non-executive Independent Director</p> <p>Address : 33, Shiv Thakur Lane, Kolkata, 700007, West Bengal, India,</p>	January 04, 2014

Sr. No	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment
	Occupation : Business Nationality: Indian Term: Retire by rotation DIN: 06797276	
4	Name: Kanahya Lal Singhanian Age: 51 Years Father's Name: Moti Lal Agrawal Designation: Executive Director Address: Mirzapur Chowk, Station Road, Darbhanga, 846004, Bihar, India Occupation: Business Nationality: Indian Term: Retire by rotation DIN: 06450597	February 21, 2014

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Umang Agarwal, aged 28 years, is an Managing Director of our Company. He is a commerce graduate. He has more than 5 years of experience in the field of accounts & finance sector. He is responsible for the successful creation and delivery of the company's product to the marketplace by managing technical risks and opportunities.

Mr. Kiran Kartik Ghosh,, aged 26 years, is a Non Executive & Independent Director of our Company. He has done his bachelor in commerce. He assesses the principal risks of the Company and ensures that these risks are being monitored and managed.

Mr. Ravi Shankar Yagnik, aged 38 years, is a Non Executive & Independent Director of our Company. He has more than 7 years of experience in the field of accounting and finance.

Mr. Kanhaiya Lal Singhanian, aged 51 years, is an Executive & Additional Director of our company. He is Bachelor in arts. He has 30 years of experience in administration and commercial operations of the industry. He predominantly responsible of for implementation decisions with the development teams including scheduling of tasks guaranteeing quality of deliveries. He has been on the Board of our Company since 21st Feb, 2014

CONFIRMATIONS

As on the date of this Draft Information Memorandum:

1. None of the Directors of the Company are related to each other.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. None of the above mentioned Directors are on the RBI List of willful defaulters.
4. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges.
5. None of the Promoter, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is 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.

REMUNERATION/COMPENSATION OF DIRECTORS

1. Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations.
2. During the last financial year ended on 31st March, 2014 the directors have been paid gross remuneration as per following:

Name of Director	Remuneration received in year 2013-14
Mr. Umang Agarwal	Rs. 15,000 per month

3. None of the Directors except above has not received any remuneration during the Financial Year 2013-14

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 Shareholders 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.

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

- A. Audit Committee
- B. Shareholders Committee
- C. Remuneration Committee

- **Audit Committee**

Our Company has constituted an audit committee ("**Audit Committee**"), as per the applicable provisions of the Companies Act and Clause 42 of the ITP Listing Agreement to be entered with Stock Exchange, vide resolution passed at the meeting of the Board of Directors held on March 4, 2014.

The terms of reference of Audit Committee adheres to the requirements of Clause 42 of the ITP Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

Name of the Director	Status	Nature of Directorship
Mr. Ravi Shankar Yagnik	Chairman	Non-executive & Independent Director
Mr. Kiran Kartik Ghosh	Member	Non-executive & Independent Director
Mr. Umang Agarwal	Member	Executive Director

Mr. Ravi Shankar Yagnik is the Chairman of the Audit Committee.

Ms Archana Savleram Langhe the Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
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 statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 2013;
 - 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 financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. 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.
8. Discussion with internal auditors any significant findings and follow up there on.
9. 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.
10. 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.

11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
13. 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.
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

● **Shareholders / Investor’s Grievance Committee**

Our Company has constituted a shareholder / investors grievance committee ("*Shareholders / Investors Grievance Committee*") to redress complaints of the shareholders. The Shareholders/Investors Grievance Committee was constituted vide resolution passed at the meeting of the Board of Directors held on March 4, 2014.

The Investor Grievances Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Mr. Ravi Shankar Yagnik	Chairman	Non-executive & Independent Director
Mr. Kiran Kartik Ghosh	Member	Non-executive & Independent Director
Mr. Umang Agarwal	Member	Executive Director

The Shareholders/Investor’s Grievance Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Investor’s Grievance Committee include the following:

1. Redressal of shareholder’s/investor’s complaints;
2. Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
4. Non-receipt of declared dividends, balance sheets of the Company; and
5. Carrying out any other function as prescribed under the Listing Agreement.

Ms Archana Savleram Langhe, the Company Secretary of the company shall act as Secretary of the Committee.

● **Remuneration / Compensation Committee**

Remuneration Committee is a non-mandatory requirement under Clause 42 of the Listing Agreement for Institutional Trading Platform of SME Exchange, hence, not formed. The Board of Directors determines the remuneration payable to the Executive Directors subject to the approval of the shareholders.

SECTION V – OUR PROMOTERS

OUR PROMOTERS :

The Promoters of our company are:-

1. Mr. Nirmal Khemka
2. Mr. Kanhaiyalal Singhanian.
3. M/s. Rangoli Tradecomm Pvt. Ltd

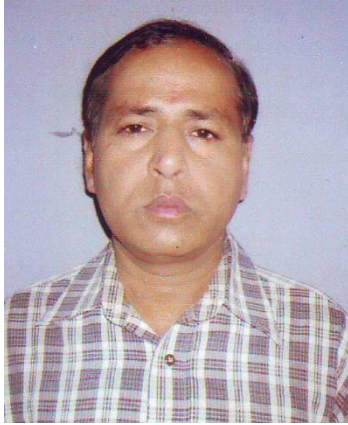
DETAILS OF OUR PROMOTERS



1. Mr.Nirmal Khemka

Mr. Nirmal Khemka, aged 59 years, is a Promoter of our company. He is Bachelor in Commerce. He has 40 years of experience in the field of finance accounting and Management.

Particulars	Details
PAN:	AQSPK6323L
Occupation	Business
Address	125/1, Bangur Avenue, C- Block, Kolkata - 700055



2. Mr. Kanhaiya Lal Singhanian

Mr. Kanhaiya Lal Singhanian, aged 51 years, is an Executive & Additional Director of our company. He is Bachelor in arts. He has 30 years of experience in administration and commercial operations of the industry. He is predominantly responsible for implementation decisions with the development teams including scheduling of tasks guaranteeing quality of deliveries. He has been on the Board of our Company since 21st Feb, 2014

Particulars	Details
PAN:	AILPS4589D
Occupation	Business
Address	Mirzapur Chowk, Station Road, Darbhanga, 846004, Bihar, India

3. M/s. Rangoli Tradecomm Pvt. Ltd.

Corporate Information: Incorporated vide Certificate of Incorporation dated 12th February, 2013 issued by the Registrar of Companies West Bengal.

Nature of activities: The main object of the Company is to carry on the business and provide services, consultancy in various fields, general, administrative, secretarial, commercial, financial, legal, economic, labour, industrial, public relation, scientific technical direct, etc.

Board of Directors : The Board of Directors as on the date of this Draft Information Memorandum

Sr. No.	Name	Designation
1.	Kanahya Lal Singhanian	Director
2.	Vijay Kumar Purohit	Director

Audited Financial Information of M/S Rangoli Tradecomm Pvt. Ltd:

Particulars	2013	2012
Authorised Capital	74,00,000.00	74,00,000.00
Equity Capital	73,30,000.00	73,30,000.00
Reserves and Surplus	6,23,74,018.93	6,23,73,245.93
Total Income	72,000	57,750
Profit / (Loss) before tax	1120.00	707.26
Profit / (Loss) after tax	773.00	489.26
Earnings per share (Rs.)	0.00	0.00
Face Value	10	10

Other Disclosures:-

Our Promoters have not been debarred from accessing the Capital markets under any order or directions 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 on the board of the Company which is debarred from accessing capital market under any order or order issued by SEBI.

Further, neither our promoters, the relative 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.

SECTION VI – RELATED PARTY TRANSACTIONS

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

I. List of Related Parties

As on 20.05.2014	31.03.2013	31.03.2012
Party where control exists		
Umang Agarwal	Bipin Vinod Gupta	Bipin Vinod Gupta
Kanhaiya Lal Singhanian	-	-
Rangoli Tradecomm Pvt. Ltd	-	-
Other Parties where transaction takes place		
-	-	-
Group Companies		
-	-	-
Key Managerial Persons		
-	-	-
Relatives of key Managerial persons		
-	-	-

II. Details of Transactions with Related party:

No transactions have been entered with any related parties during the preceding three fiscal years.

SECTION VII – LEGAL PROCEEDINGS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by our Company and its subsidiaries and there are no defaults, nonpayment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions. No proceedings initiated for economic or other offenses and no disciplinary action has been taken by SEBI or any stock exchanges against our Company and its subsidiaries.

LITIGATION INVOLVING OUR COMPANY

Nil

LITIGATION INVOLVING OUR GROUP ENTITIES

Cases by/against

Civil Cases

Nil

Consumer Cases

Nil

LITIGATION INVOLVING OUR PROMOTER

Nil

LITIGATION INVOLVING OUR DIRECTOR

Cases by/against

Nil

MATERIAL DEVELOPMENTS

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

SECTION VIII – DECLARATION

We, the Directors, hereby certify and declare that, all relevant provisions of the Companies Act, 1956, or other applicable replaced provision of Companies Act 2013 and the guidelines issued by the Government of India or the regulations / guidelines issued by 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 Memorandum is contrary to the provisions of the Companies Act, 1956 or other applicable replaced provision of Companies Act 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Information Memorandum are true and correct.

Signed by the Directors of our Company

Name	Designation	Signature
Umang Agarwal	Managing Director	
Kanhya Lal Singhania	Executive Director	
Kiran Kartik Ghosh	Independent Director	
Ravi Shankar Yagnik	Independent Director	

Date: 20/05/2014

Place: Mumbai