

DRAFT INFORMATION MEMORANDUM

(In accordance with SEBI (Listing of specified securities on Institutional trading Platform) Regulations, 2013)

SanasaTech

SANASA TECH FEB LIMITED

Our Company was incorporated as 'Jeevo Motors Finance Company Limited' under the Companies Act, 1956 pursuant to Certificate of Incorporation dated October 22, 2009 bearing registration number 196617 of 2009 issued by the Registrar of Companies, Maharashtra. The name of our Company was changed to 'Sanasa Tech Feb Limited' pursuant to fresh certificate of incorporation consequent upon change of name dated February 21, 2014, issued by the Deputy Registrar of Companies, Maharashtra. Our corporate identification number is U65190MH2009PLC196617.

Registered Office: Tardeo Air conditioned Market, 1st floor, Room No.40, Tardeo Road,

Mumbai - 400 034, Maharashtra;

Tel. No.: +91 22 64646061

Email: sanasatech.india@gmail.com

Website: www.sanasatech.com

Company Secretary and Compliance Officer: Mr. Shailesh Vallabhbhai Rakhasiya

PROMOTERS: MR. SAVINDER SINGH ADHI

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

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SECTION I – GENERAL

Definitions and Abbreviations

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

General Terms

Term	Description
“Sanasa Tech Feb Limited”, “Sanasa”, “Sanasa Tech”, “Jeevo Motors Finance Company Limited”, “JMFL”, “Jeevo Motors”, “We” or “us” or “our Company”	Unless the context otherwise requires, refers to Sanasa Tech Feb Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at Tardeo Air conditioned Market, 1st floor, Room No.40, Tardeo Road, Mumbai - 400 034, Maharashtra

Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Sanasa Tech Feb Limited, as amended from time to time.
Auditors	The Statutory Auditors of our Company, being Jain Anil & Associates, Chartered Accountants
Board of Directors / Board	The Board of Directors of Sanasa Tech Feb Limited, including all duly constituted Committees thereof.
Companies Act	The Companies Act, 1956, as amended from time to time and The Companies Act, 2013, to the extent notified by the MCA as on date of filing of this IM.
Depositories Act	The Depositories Act, 1956, as amended from time to time
Director(s)	Director(s) of Sanasa Tech Feb Limited unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
Investor	Next Orbit Venture Fund, being SEBI registered Venture Capital Fund.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Sanasa Tech Feb Limited
Non Residents	A person resident outside India, as defined under FEMA
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA
NRIs / Non Resident Indians	A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign (Outside India) Regulations, 2000
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoters/ Core Promoters	Mr. Savinder Singh Adhi
Registered and/or Corporate Office	The Registered and Corporate Office of our company which is located at Tardeo Air conditioned Market, 1st floor, Room No.40, Tardeo Road, Mumbai - 400 034, Maharashtra
RoC	Registrar of Companies, Maharashtra situated at Mumbai

SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009 as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and 2011, as amended from time to time depending on the context of the matter being referred to
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited

Technical / Industry Related Terms

Term	Description
DG Sets	Diesel Generator Sets
DFIA	Duty Free Import Authorisation
DEPB	Duty entitlement pass book scheme
EPCG	Export Promotion Capital Goods Scheme
FDI	Foreign Direct Investment
GOI	Government of India
FOB	Free on Board
RONW	Return on Net Worth
SITP	Scheme for Integrated Textile Park
Sq. Mtrs.	Square Meters
SSI	Small Scale Industry
TPA	Tonnes Per Annum
TPD	Tonnes Per Day
TUFS	Technology Upgradation Funds Scheme

Conventional Terms / General Terms / Abbreviations

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

	India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
MAPIN	Market Participants and Investors' Integrated Database
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NPV	Net Present Value
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Bn	Billion
₹ or Rs.	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
Sec.	Section
STT	Securities Transaction Tax
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Days	All days except Saturday, Sunday and any public holiday

GENERAL INFORMATION

SANASA TECH FEB LIMITED

Our Company was incorporated as 'Jeevo Motors Finance Company Limited' under the Companies Act, 1956 pursuant to Certificate of Incorporation dated October 22, 2009 bearing registration number 196617 of 2009 issued by the Registrar of Companies, Maharashtra. The name of our Company was changed to 'Sanasa Tech Feb Limited' pursuant to fresh certificate of incorporation consequent upon change of name dated February 21, 2014, issued by the Deputy Registrar of Companies, Maharashtra. Our corporate identification number is U65190MH2009PLC196617.

Registered Office of our Company

Sanasa Tech Feb Limited

Registered Office:

Tardeo Air conditioned Market,

1st floor, Room No.40,

Tardeo Road,

Mumbai 400034, Maharashtra;

Tel. No.: +91 22 6464 6061

Email: sanasatech.india@gmail.com

Website: www.sanasatech.com

Company Registration Number : 196617

Corporate Identification Number : U65190MH2009PLC196617

Address of the RoC

Registrar of Companies Maharashtra

100, Everest Building

Marine Drive

Mumbai - 400 002

Maharashtra

Tel: +91 22 2284 6955/ 2281 2627

Fax: +91 22 22811977

Email: roc.mumbai@mca.gov.in

Website: www.mca.gov.in

Name of the Stock Exchange where proposed to be listed

Our Company proposed to list its Equity Shares on ITP Segment of the SME Platform of BSE Limited.

Our Board of Directors

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

Sr. No.	Name and Designation	Age (in years)	DIN	Address
1.	Mr. Adhi Savinder Singh <i>Managing Director</i>	62	06862421	C/14 Aaram Society Vakola, Santacruz (East) Mumbai -400 055
2.	Mr. Chandrashekhar C. Patil <i>Non Executive and Independant Director</i>	26	06717677	Lal Dongar Near Sai Nagar, Station Road, Chembur Mumbai 400 071
3.	Mr. Ganesh M. Dhadke <i>Non Executive and Independent Director</i>	26	06717705	Dharavi Koliwada Sion , Mumbai 400 017
4.	Mrs. Sheela Kadechkar <i>Chairperson -Non Executive and Independent Director</i>	62	06862410	C/002, Amarpali, Behind Sundar Nagar Malad (West), Mumbai- 400064

For detailed profile of our Managing Director and other Directors, refer to chapters titled “*Our Management*” and “*Our Promoters and Promoter Group*” on page numbers 39 and,46 respectively of the Draft IM.

Company Secretary and Compliance Officer

Mr. Shailesh Vallabhbbhai Rakhasiya

Sanasa Tech Feb Limited

Tardeo Air conditioned Market,

1st floor, Room No.40,

Tardeo Road,

Mumbai 400034, Maharashtra;

Tel. No.: +91 22 6464 6061

Email: sanasatech.india@gmail.com

Website: www.sanasatech.com

Statutory Auditors of our Company

Jain Anil & Associates

Chartered Accountants

1603, Gaurav Height,

Mahavir Nagar,

Kandivali (West),

Mumbai – 400052.

Tel: +91 9870992248

Firm Registration Number: 115987W

Contact Person: Mr. Anil Jain

Registrar to the Company

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

No. 9, Shiv Shakti Ind. Estate,

Gr. Floor, J. R. Boricha Marg

Lower Parel, Mumbai-400 011

Tel: +91 22 2301 6761/8261

Fax: +91 22 2301 2517

Website: www.purvashare.com

Email: busicomp@vsnl.com

SEBI Regn No. INR000001112

Contact Person: Mr. Rajesh Shah

Banker to the Company

CORPORATION BANK

49A, Shiv Smruti Chambers

Dr. Annie Besant Road

Worli naka, Worli

Mumbai – 400 018

Absolute Responsibility of Sanasa Tech Feb Limited

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

ELIGIBILITY CRITERIA

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

We Confirm that :

1. The name of our company, our promoters, any of our group companies or directors do not appear in the wilful defaulters list of Reserve Bank of India as maintained by Credit Information Bureau (India) Limited;
2. There is no winding up petition against the company that has been admitted by a competent court;
3. Our company, group companies or subsidiaries have not been referred to the Board for Industrial and Financial Reconstruction within a period of five years prior to the date of application for listing;
4. No regulatory action has been taken against the company, its promoter or director, by the Board, Reserve Bank of India, Insurance Regulatory and Development Authority or Ministry of Corporate Affairs within a period of five years prior to the date of application for listing;
5. We have been incorporated on October 22, 2009 and thus not completed more than ten years after incorporation and our revenues have not exceeded Rs. One Hundred Crores in any of the previous financial years.
6. The paid up capital of the company has not exceeded twenty five crore rupees in any of the previous financial years;
7. We have completed 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 106 Y (h) (i) of SEBI (ICDR) Regulations, 2009, M/s. Next Orbit Venture Fund, being SEBI registered Venture Capital Fund has invested a sum of Rs. 50 Lacs on April 30, 2014 by applying for 5,00,000 Equity Shares of our Company at a price of Rs. 10 Each.
9. In accordance with Regulation 106 ZB of Chapter XC of the SEBI (ICDR) Regulations, 2009, Our Promoter i.e. Mr. Savinder Singh Adhi has given their consent to lock-in 30,10,000 Equity Share representing 20.00 % of Paid up Capital of the Company.
10. We have entered tripartite depository agreement with NSDL as well as CDSL along with our Registrar for facilitating trading in dematerialized mode. We further confirm that we shall have connectivity with atleast one depository at all times.

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) The minimum trading lot on institutional trading platform shall be ₹ 10.00 Lacs.

SECTION II - BUSINESS

Description of Business

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Draft IM, including the information contained in the section titled 'Risk Factors', beginning on page number 34 of the Draft IM.

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' beginning on page numbers 34 and **Error! Bookmark not defined.**, respectively, of the Draft IM.*

Unless the context otherwise requires, in relation to business operations, in this section of the Draft IM, all references to "we", "us", "our" and "our Company" are to Sanasa Tech Feb Limited and Group Entities as the case may be.

History of our Company and Description of business:

Our Company was incorporated as 'Jeevo Motors Finance Company Limited' under the Companies Act, 1956 pursuant to Certificate of Incorporation dated October 22, 2009 bearing registration number 196617 of 2009 issued by the Registrar of Companies, Maharashtra. The name of our Company was changed to 'Sanasa Tech Feb Limited' pursuant to fresh certificate of incorporation consequent upon change of name dated February 21, 2014, issued by the Deputy Registrar of Companies, Maharashtra.

Our current promoters are Mr. Savinder Singh Adhi, who acquired the Company on April 13, 2013. Our Company is involved in trading of grey fabric and textile products viz. suiting and shirting.

We initially incorporated with an objective to do a business of Auto finance and other financial services. However due to sluggish market conditions and fiercely competitive financial markets, we did not pursue the business of financing. In the meantime, during the current year, we started trading of various textile products which are of high quality and also bulk trading.

Our top 3 customers based on the gross revenues earned from each of them include the following:

Sr. No.	Customer Name
1.	Orient Industrial Resources Limited
2.	Visagar Polytex Limited
3.	Kasturi Overseas Pvt Ltd

Our Company was originally promoted by Mr. Vishal Jain. The current promoter i.e. Mr. Savinder Singh Adhi took over our Company on April 13, 2013 along with complete management control and the residual holding of original promoters and their family members.

Main Objects of our Company:

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

- To carry on the business or manufacturers, importers and exporters, merchants of and dealers in Art Silk and textile goods and allied materials including readymade wear, cotton, nylon, terelene, polyester, woolen and other synthetics manmade cloth and yarn and also engage in the manufacturing, weaving, knitting, texturising twisting, winding, crimping and dyeing of any type of yarn and dyeing, printing, bleaching, mercerizing, cloth, embroidered goods, and other fabrics made out of from cotton, wool, silk, art silk yarn or any other man-made yarn.*

Key Events and Milestones:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Financial Year	Event
2009	Incorporation
2013	Acquisition by Mr. Savinder Singh Adhi
2014	Started Textile trading business
2014	Capital raising

Our Competitive Strengths

1. Experienced Promoter

Our promoter has good knowledge of textile material and market. We believe that our Promoter and key managerial personnel's experience and knowledge will enable us to drive the business in a successful and profitable manner.

2. Quality

Our Company has always believed in providing the best quality product to customers and following best industry practices. We adhere to quality standards as prescribed by our customers.

Our Business Strategy

1. Highly Competitive Pricing

We believe in offering competitive prices to our customers, which keeps us an edge above our competitors. This also helps us to sustain the competition and claim a position of strength in the marketplace.

2. Long-term Clients Relationships

Our Company believes in the saying "Client is God" and that Long-term relations are built on trust of the customers. Continuous client interactions help in understanding the basic requirement of our Client and cater to their requirements perfectly. It also forms basis for planning our expansion strategy, as we are able to monitor a potential product/ market closely.

3. Expanding customer base

Our present customer base is very small and concentrated in few areas only. Our Company intends to grow the business by adding new customers and new geographies including export market.

Our Major Products

Our Company is primarily in the business of trading of textile products viz. suiting and shirting.

Collaborations

We have not entered into any technical or other collaboration.

Infrastructure Facilities

a) Raw material

Our Company is primarily in the business of trading of textile products and the material for the same is procured from the local markets and mills. The quality of the materials is checked by our Promoter before the same is ordered. We do not enter into any long-term contracts with the raw material suppliers.

b) Power – We do not have any manufacturing facilities hence power requirement is met from the normal electricity connection.

c) Environment aspect:

Our trading business do not generate any environmental hazardous emissions.

Competition

We face the competition in our business from other existing traders and manufacturers. Many of our competitors have substantially large capital base and resources than us. They offer broader range products than us. We believe that the principal factors affecting competition in our business include client relationships, goodwill and the relative quality and price of the products.

Approach to Marketing and Marketing Set-up

Our Company is trading in textile products. We typically sell our products through dealer distributor network and commission agents. We have long standing relations with various dealers and/or agents throughout major market places in India.

Future Prospects

The future plans of our Company are in line with the way the textile industry is thinking. We may also look at either tie up with some manufacturer or set up our own manufacturing facilities in the future.

Insurance

We generally maintain insurance, covering our assets and operations at levels that we believe to be appropriate for our business.

Working Capital

The Textile Industry is highly working capital intensive industry. The working capital will be primarily used for maintaining the inventory for our trading and extending credit facilities to our buyers.

The details of our past working capital computations are as under:

(Rs. Lacs)				
Particulars	Mar-14 (Actual)	No. of Days	Mar-13 (Actual)#	No. of Days
Current Assets				
Inventory	535.91	181	0.00	--
Debtors	964.33	316	0.00	--
Loans and Advances & Other Current Assets				
Total	1000.24		0.00	--
Current Liabilities				
Sundry Creditors	0.00			--
Other Current Liabilities	0.25		0.05	--
Total				
Working Capital Gap	999.99		(0.05)	--
Less: Existing Bank Borrowings	0.00		0.00	
Net Working Capital Requirement	999.99		(0.05)	
Funding through own sources	999.99		(0.05)	

#The calculation is not meaningful for FY 2013 since there was no trading activities during the FY 2013.

Presently we have funded our working capital requirements through internal accruals and own funds.

Manpower

As on the date of this Draft IM, our Company has 7 employees of which 3 are senior management employees and rest are office and administration staffs.

Research and Development

Our Company has neither done any specific research and development activities in relation to textile business nor has sponsored any such research activities. There is no significant amount spent on R&D activities during last three years.

INDUSTRY OVERVIEW

The Indian Textiles Industry plays a pivotal role through its contribution to industrial output, employment generation, and the export earnings of the country. Currently, it contributes about 14% to industrial production, 4 percent to the GDP, and 17% to the country's export earnings. It provides direct employment to over 35 million people. The Textiles sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of the economy of the nation.

The current textile industry structure in India is with maximum players in the Fibres and Yarns and very few players in the Garmenting and retailing sector. But now Indian players have realized the need to be a vertically integrated player and more and more companies are moving up the value chain both organically as well as through consolidations.

The major sub-sectors that comprise the textiles sector include the organized Cotton / Man-Made Fibre Textiles Mill Industry, the Man-made Fibre / Filament Yarn Industry, the Wool and Woollen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports.

EXPORTS

India's textiles and clothing industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's exports worldwide. The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing exports during 12th Five Year Plan (2012-17), envisages India's exports of Textiles and Clothing at US\$ 32.35 billion by the end of XIth Five Year plan, as against of US\$ 55 billion envisaged in the Report of Working Group on Textiles for the XIth Five Year Plan and based on historic growth rate of 10% (CAGR), a business as usual approach, will result in exports of US\$ 52 billion by the end of XI Plan. An export target of US\$ 65 billion and creation of 25 million additional jobs has been proposed with a CAGR of 15% during the XII Plan. At current prices the Indian textiles industry is pegged at US\$ 55 billion, 64% of which services domestic demand. The textiles industry accounts for 14% of industrial production, which is 4% of GDP; employs 35 million people and accounts for nearly 12% share of the country's total exports basket.

Milestones

- Exports of textiles and clothing products from India have increased steadily over the last few years, particularly after 2004 when textiles exports quota stood discontinued.
- India's Textiles & Clothing (T&C) exports registered a robust growth of 25% in 2005-06, recording a growth of US\$ 3.5 billion over 2004-05 in value terms thereby reaching a level of US\$ 17.52 billion and the growth continued in 2006-07 with T&C exports of US\$ 19.15 billion recording an increase of 9.28% over the previous year and reached US\$ 22.15 billion in 2007-08 denoting an increase of 15.7%; but declined by over 5% in 2008-09. Exports of Textiles & Clothing grew from US\$ 21.22 billion in 2008-09 to US\$ 22.41 billion in 2009-10 and has touched US\$ 26.82 billion in 2010-11. In the current financial year i.e. 2011-12, exports of textiles and clothing, as per latest available data covering April-October, 2011, has grown by 28.94% over the corresponding period of 2010-11.
- During the year 2010-11 Readymade Garments account for almost 40% of the total textiles exports. Apparel and cotton textiles products together contribute nearly 70% of the total textiles exports.
- The exports basket comprise a wide range of items including readymade garments, cotton textiles, handloom textiles, man-made fibre textiles, wool and woollen products, silk, jute and handicrafts including carpets.
- India's textiles products, including handlooms and handicrafts, are exported to more than a hundred countries. However, the USA and the EU, account for about two-thirds of India's textiles exports. The other major export destinations are China, U.A.E., Sri Lanka, Saudi Arabia, Republic of Korea, Bangladesh, Turkey, Pakistan, Brazil, Hong Kong, Canada, Egypt etc.

India Advantage

	INDIA	OTHER COUNTRIES
Capacity Utilization	High	Low
Raw material self-sufficiency	High	Low
Level of Integration	High	Low
Dependence on Exports	Low	High
Textile Industry	Fragmented	Consolidated
Textile Exports	Cotton-Based	Non Cotton Based
Per capita fibre consumption	Low	High

(Source: Annual Report 2011 – 2012, Ministry of Textiles, GOI)

Growth Drivers

Domestic Growth Drivers

- Growth in GDP Rate
- Increase in Working Population
- Increase in Young Population
- Greater Disposable Income
- Usage of newer Credit facilities
- Growth in Organized Retail
- Change in Lifestyle
- Packaging Items

Global Factors

- Need for Vertically Integrated Players
- Quota Regime on China
- Rising Outsourcing Budgets of Textile Players
- Increase in Specialty Stores
- Rising Inflation and Uncompetitive manufacturing in the Developed world
- Indian Companies have design studios abroad
- Dismantling of spinning and weaving capacities in USA, Europe and Japan
- Better Corporate Governance of Indian Corporates
- Chances of Removal of Subsidies on Cotton Production in USA

The Road Ahead

Considering the overwhelming response to the scheme and opportunities for growth of the textiles industry and in view of the consistent request from State Governments, industry groups and entrepreneurs for setting up of new textile parks, a note was submitted by the Ministry of Textiles for consideration of the Cabinet Committee on Economic Affairs for approval of more Textile Parks. The CCEA has approved the proposal for sanction of additional parks under SITP to utilize the balance Rs 200 crore (US\$ 35.60 million) in the Eleventh Five Year Plan and number of projects be limited in such a way that committed liability of the new parks does not exceed Rs 200 crore (US\$ 35.60 million) in the Twelfth Five Year Plan. The CCEA also approved the revised guidelines enabling a two tier scrutiny and approval mechanism. The proposals received for new parks have been examined by the Project Scrutiny Committee (PSC) comprising representatives from Ministry of Finance, Planning Commission, Ministry of Commerce & Industry, and Ministry of Environment & Forest. After examination by PSC, 21 new Textile Park proposals have been approved by the Project Approval Committee under the Chairmanship of Minister of Textiles with Secretary (T) and JS concerned as members.

(Source: http://www.ibef.org/artdispview.aspx?art_id=31705&cat_id=123&in=73)

FINANCIAL INFORMATION

The complete audited financial information of Sanasa Tech Feb Limited comprising of Balance Sheet, Profit & Loss Account, Cash Flow Statement, with annexure and notes to accounts for the previous year ended March 31, 2014 is as under :

TO THE MEMBERS OF SANASA TECH FEB LIMITED

(Formerly known as Jeevo Motors
Finance Company Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of **SANASA TECH FEB LIMITED** (Formerly known as Jeevo Motors Finance Company Limited) which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31st March, 2014;
- (ii) in the case of the statement of profit and loss, of the profit of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report, comply with the applicable Accounting Standards referred to in subsection (3-C) of section 211 of the Companies Act, 1956; and
 - (e) on the basis of written representations received from the Directors of the Company, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March 2014 from being appointed as a director under clause (g) of subsection (1) of Section 274 of the Act.

**For JAIN ANIL & ASSOCIATES.
CHARTERED ACCOUNTANTS
Firm Registration Number: 115987W**

**PLACE : MUMBAI
DATED : 7th May 2014**

**(ANIL JAIN)
PROPRIETOR**

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in paragraph 3 of the report of even date of the Auditors' to the members of SANASA TECH FEB LIMITED (Formerly known as Jeevo Motors Finance Company Limited)

- i) There is no Fixed Assets purchased during the year therefore clause 1(a) (b) (c) is not applicable.
- ii) The company have stock hence clauses ii (a, b & c) are applicable.
- iii) The Company has not granted & taken unsecured loans to the Companies, Firms Or Other Parties Covered in the registered maintained under Section 301 of the Companies Act 1956.
- iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business .During the course of audit, no major weakness has been noticed in these internal controls.
- v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the transactions that need to be entered into the register maintained u/s. 301 of the Act, have been so entered.
(b) During the year under audit no transaction was entered into with parties referred to in section 301 of the Companies Act , 1956 .
- vi) The Company has not accepted any deposits from public within the meaning of section 58A of the Companies Act, 1956, read with Companies Acceptance of Deposit Rules (1975). Accordingly, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.
- vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii) The Central Government has not prescribed the maintenance of cost records by the Company under section 209(1)(d) of the Companies Act, 1956 for any of its products.
- ix) (a) The Company is generally regular in depositing undisputed statutory dues in respect of Income tax and Service tax . The provisions of payment of Provident Fund, Investor, Education and Protection Fund, Employees' State Insurance, Wealth tax , Sales-tax, Custom Duty, Excise Duty, Cess and any other Statutory Dues are not applicable to the Company. There were no arrears as on 31st March , 2014 for a period more than 6 months from the date they became payable . (b) There is no disputed amount of Sales tax / Income Tax/ Custom Tax / Excise duty / Wealth Tax / Service Tax / cess .
- x) The Company does not have any accumulated losses at the end of the financial year and it has not incurred any cash losses in the current or in the immediately preceding year .
- xi) The Company has not borrowed any loan from bank accordingly clause xi is applicable.
- xii) According to the information and explanations given to us, the company has not granted and loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly provision (xii) of CARO 2003 is not applicable.

- xiii) The company is not a chit fund or a nidhi mutual benefit fund /society. Accordingly, the provisions of clause 4(xiii) of the Companies(Auditors Report) Order 2003 are not applicable to the company.
- xiv) According to the information and explanations given to us, the Company is not dealing or trading in share securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditors Report) Order 2003 is not applicable to the company.
- xv) According to information & explanation given to us the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The company has not borrowed term loans from bank accordingly clause xvi is not applicable.
- xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that the Company has not utilized funds raised on short term basis for long term investments and vice versa.
- xviii) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix) Company has not issued debentures accordingly clause xix of the CARO 2003 is not applicable.
- xx) The company has not raised any money through by public issue accordingly clause (xx) of CARO 2003 is not applicable. .
- xxi) Based upon the audit procedures performed and information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For JAIN ANIL & ASSOCIATES.
CHARTERED ACCOUNTANTS
Firm Registration Number: 115987W**

**PLACE : MUMBAI
DATED : 7th May 2014**

**(ANIL JAIN)
PROPRIETOR**

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

A - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Changes in Accounting policies

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

Tangible Fixed Assets

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

Recognition of Income

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

Taxes on Income

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

Contingent Liability

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

Events occurring after the balance sheet date

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

Earnings Per Share

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

Use of estimates

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

Foreign Currency Transaction

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

B - NOTES TO THE ACCOUNTS

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

Particulars	(Number of shares)	
	31.03.2014	31.03.2013
Equity Shares		
At the beginning of the period	50,000	50,000
Add :Issued during the period	1,49,50,000	-
Less: Bought back during the year	-	-
Outstanding at the end of the period	1,50,00,000	50,000

3. All the investments made by the company are valued at Cost.
4. Managerial Remuneration : Nil
5. The inventories of the company are valued as per cost price and market price whichever is less.
6. The revised Schedule VI as notified under the companies Act, 1956, has become applicable to the company for the presentation of its financial statements for the year ending March 31,2013. The adoption of the revised Schedule VI requirements has significantly modified the presentation and disclosurs which have been complied with in these financial statements Previous year figures have been reclassified in accordance with current year requirements.
7. Value of Import on CIF Basis : Nil
8. Earnings / Expenditure in Foreign Exchange (FOB Value) : Nil
9. The Company has no employee to whom the provisions of section 217 (2A) of the Companies Act, 1956 are applicable.
10. All schedules annexed to and form integral part of the Balance Sheet and Profit & Loss Account.

BALANCE SHEET AS ON 31ST MARCH,2014

(Amount in INR)

PARTICULARS		FIGURES AS ON 31ST MARCH 2014	FIGURES AS ON 31ST MARCH 2013
I.	<u>EQUITY AND LIABILITIES</u>		
1	<u>SHAREHOLDERS FUNDS</u>	15,07,61,890.00	2,11,500.00
	(a) Share Capital 1	15,00,00,000.00	5,00,000.00
	(b) Reserves and Surplus 2	7,61,890.00	(2,88,500.00)
	(c) Money Received Against Share Warrants	-	-
2	SHARE APPLICATION MONEY PENDING ALLOTMENT	-	-
3	<u>NON-CURRENT LIABILITIES</u>	3,17,830.00	2,65,830.00
	(a) Long-Term Borrowings 3	-	-
	(b) Deferred Tax Liabilities (Net)	-	-
	(c) Other Long Term Liabilities 4	3,17,830.00	2,65,830.00
	(d) Long-Term Provisions	-	-
4	<u>CURRENT LIABILITIES</u>	4,944.00	4,944.00
	(a) Short-Term Borrowings	-	-
	(b) Trade Payables 5	-	-
	(c) Other Current Liabilities	-	-
	(d) Short-Term Provisions 6	4,944.00	4,944.00
		15,10,84,664.00	4,82,274.00
II.	<u>ASSETS</u>		
1	<u>NON-CURRENT ASSETS</u>	6,47,265.00	
	(a) Fixed Assets		
	(i) Tangible Assets	-	-
	(ii) Intangible Assets	-	-
	(iii) Capital Work-in-Progress	-	-
	(iv) Intangible Assets under Development	-	-
	(b) Non-Current Investments 8	-	-
	(c) Deferred Tax Assets (Net)	-	-
	(d) Long-Term Loans and Advances 9	-	-
	(e) Other Non-Current Assets	6,47,265.00	-
2	<u>CURRENT ASSETS</u>	15,04,37,399.00	4,82,274.00
	(a) Current Investments	-	-
	(b) Inventories- fabrics 10	3,68,12,151.00	-
	(c) Trade Receivables 11	11,15,43,914.00	-
	(d) Cash and Cash Equivalentents 12	10,81,334.00	4,82,274.00
	(e) Short Term Loans and Advances (Interest on FD)	-	-
	(f) Other Current Assets 13	10,00,000.00	-
		15,10,84,664.00	4,82,274.00
		-	-

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in INR)

Sr.No	PARTICULARS		FIGURES AS ON 31ST MARCH 2014	FIGURES AS ON 31ST MARCH 2013
	CONTINUING OPERATIONS:			
I.	Revenue from Operations	11,32,74,538.00	-
II.	Other Income	-	-
III.	TOTAL REVENUE (I + II)		11,32,74,538.00	
IV.	<u>Expenses:</u>			
	Cost of Goods Purchased	11,00,89,520.00	-
	Other Direct Cost		-	-
	Changes in Inventories of Finished, Goods Work-in-Progress and Stock-in-Trade	-	-
	Employee Benefits Expenses	34,000.00	-
	Finance Costs	5,516.00	-
	Depreciation and Amortisation Expense	-	-
	Administrative Expenses		1,46,837.00	(6,444.00)
	Preliminary Expenses	3,61,050.00	
	Other Expenses		76,875.00	
	Selling & Distribution Expenses		15,10,350.00	
	Total Expenses		11,22,24,148.00	(6,444.00)
V.	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		10,50,390.00	(6,444.00)
VI.	Exceptional Items	-	-
VII.	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V - VI)		10,50,390.00	(6,444.00)
VIII.	Extraordinary Items	-	-
IX.	PROFIT BEFORE TAX (VII- VIII)		10,50,390.00	(6,444.00)
X	<u>Tax Expense:</u>			
	Current Tax	-	-
	Deferred Tax	-	-
XI.	PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VII-VIII)		10,50,390.00	(6,444.00)
XII	Profit/(Loss) from Discontinuing Operations	-	-
XIII	Tax Expense of Discontinuing Operations	-	-
XIV.	PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS (AFTER TAX) (XII-XIII)		-	-
XV.	PROFIT (LOSS) FOR THE PERIOD (XI + XIV)		10,50,390.00	(6,444.00)
XVI	<u>Earning Per Share</u>			
	Basic	-	-
	Diluted	-	-

SCHEDULES

The Previous period figures have been regrouped / reclassified, wherever necessary to confirm to the current period presentation.

NOTE 1 : SHARE CAPITAL

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
<u>Authorised Share Capital</u>		
15000000 Equity Shares of Re.10/- each	15,00,00,000.00	2,05,00,000.00
<u>Issued , Subscribed and Paid-up Capital</u>		
15000000 Equity Shares of Re.10/- each	15,00,00,000.00	2,05,00,000.00
	15,00,00,000.00	2,05,00,000.00

The Company has only one class of share referred to as equity shares having a par value of Rs. 10/- . Each holder of equity share is entitled to one vote per share.

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2014 and March 31, 2013 is set out below.

Particulars	(Number of shares)	
	31.03.2014	31.03.2013
Equity Shares		
At the beginning of the period	50,000	50,000
Add :Issued during the period	1,49,50,000	-
Less: Bought back during the year	-	-
Outstanding at the end of the period	1,50,00,000	50,000

NOTE 2 : RESERVES AND SURPLUS

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
<u>a) Share Premium</u>	-	-
	-	-
<u>b) General Reserve</u>		
Profit & Loss Account - Op. Balance	(2,88,500.00)	(2,82,056.00)
Add : Profit for the year	10,50,390.00	(6,444.00)
Profit & Loss Account - Cl. Balance	7,61,890.00	(2,88,500.00)

NOTE 3 : LONG TERM BORROWINGS

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
<u>Secured Loan</u>	-	-
<u>Unsecured Loan</u>	-	-

NOTE 4: OTHER LONG TERM LIABILITIES

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Jeevo credit & Finance Co Limited	2,65,830.00	2,65,830.00
Others	52,000.00	-
	3,17,830.00	2,65,830.00

NOTE 5 : TRADE PAYABLES

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
	-	-

NOTE 6: SHORT TERM PROVISIONS

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Outstanding Professional Fess	2,472.00	2,472.00
Outstanding Audit Fees	2,472.00	2,472.00
	4,944.00	4,944.00

NOTE 7: OTHER NON CURRENT ASSET

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Preliminary Expenses	6,47,265.00	-
	6,47,265.00	-

NOTE 8 : NON CURRENT INVESTMENTS

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
	-	-

NOTE 9: LONG TERM LOANS AND ADVANCES

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
	-	-

NOTE 10 : INVENTORIES

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Inventories (Stock in Trade)	3,68,12,151.00	-
	3,68,12,151.00	-

NOTE 11: TRADE RECEIVABLES

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
<u>Sundry Debtors</u>		
Kasturi Overseas Pvt Ltd	2,02,89,625.00	-
Orient Industrial Resources Limited	4,61,07,500.00	-
Visagar Polytex Limited	4,51,46,789.00	-
	11,15,43,914.00	-

NOTE 12: CASH AND CASH EQUIVALENT

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Cash Balance	5,27,554.00	4,82,274.00
Bank Balance	5,53,780.00	-
	10,81,334.00	4,82,274.00

NOTE 13: OTHER CURRENT ASSET

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Other Current Assets	10,00,000.00	-
	10,00,000.00	-

NOTE 14 : REVENUE FROM OPERATIONS

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Sale of Goods	11,32,74,538.00	-
	11,32,74,538.00	-

NOTE 15: OTHER INCOME

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
	-	-

NOTE 16 : COST OF MATERIAL CONSUMED

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Opening Stock	-	-
Add : Purchase during the year	14,69,01,671.00	-
<u>Add : Direct Expenses</u>		
Carriage Inward	-	-
Trading Expenses	-	-
Less : Closing Stock	(3,68,12,151.00)	-
	11,00,89,520.00	-

NOTE 17 : EMPLOYEE BENEFIT EXPENSES

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Salary & Wages	34,000.00	-
Staff Welfare Expenses	-	-
	34,000.00	-

NOTE 18: FINANCIAL COST

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Bank Charges & Commission	5,516.00	-
	5,516.00	-

NOTE 19 : OTHER EXPENSES

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Administrative Expenses	1,46,837.00	3,972.00
Electricity Charges	11,875.00	-
Legal & Professional Fees	65,000.00	2,472.00
Preliminary Exp write off	3,61,050.00	-
Selling & Distribution Expenses	15,10,350.00	-
	20,95,112.00	6,444.00

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of the Draft IM is set forth below:

No.	Particulars	Agreegate value at Face value (Rs. In Lacs)
A. Authorised Share Capital		
	1,60,00,000 Equity Shares of face value of ₹ 10 each	1600.00
B. Issued, Subscribed and Paid-Up Share Capital before the Issue		
	1,55,00,000 Equity Shares of face value of ₹ 10 each	1550.00
C. Share Premium Account		
		Nil

1. Details of existing Equity Share Capital of our Company

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid -up Capital (₹)	Cumulative Securities premium (₹)
October 22, 2009	50,000	10	10	Cash	Subscription to Memorandum of Association	50,000	5,00,000	Nil
February 14, 2014	53,50,000	10	10	10	Preferential Allotment	54,00,000	5,40,00,000	Nil
March 07, 2014	42,80,000	10	10	Cash	Preferential Allotment	96,80,000	9,68,00,000	Nil
March 25, 2014	36,85,000	10	10	Cash	Preferential Allotment	1,33,65,000	13,36,50,000	Nil
March 27, 2014	11,40,000	10	10	Cash	Preferential Allotment	1,45,05,000	14,50,50,000	Nil
March 31, 2014	4,95,000	10	10	Cash	Preferential Allotment	1,50,00,000	15,00,00,000	Nil
May 07, 2014	5,00,000	10	10	Cash	Preferential Allotment	1,55,00,000	15,50,00,000	Nil

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

Date of Allotment / acquisition / transaction and when made fully paid up	Nature of acquisition (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue/ Transfer price per Equity Share (in ₹)	Consideration (cash/other than cash)	% of Issued and Paid up capital	Lock-in Period
Mr. Savinder Singh Adhi							
April 13, 2013	Transfer	49,000	10	10	Cash	0.32	++
February 14, 2014	Allotment	5,50,000	10	10	Cash	3.55	++
March 07, 2014	Allotment	14,35,000	10	10	Cash	9.26	++
March 25, 2014	Allotment	9,67,000	10	10	Cash	6.24	++
May 16, 2014	Allotment	3,00,000	10	10	Cash	1.93	++
	Total	33,01,000				21.30	

++ As per clause (a) sub-regulation (1) Regulation 32 of the SEBI ICDR Regulations and in terms of the aforesaid table, an aggregate of 20% of the post-Issue Equity Share Capital of our Company i.e. 31,00,000 shares shall be locked in by our Promoter for a period of three (3) years from the date of Allotment (“minimum Promoters’ contribution”).

3. Our shareholding pattern

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

Category code	Category of shareholder	No. of shareholders	Total no. of shares	No. of shares held in dematerialized form	Total shareholding as a % of total number of shares (As a % of (A+B))	Shares pledged or otherwise encumbered	
						No. of shares	As a % of shareholding
(A) Promoter and Promoter Group							
1 Indian							
(a)	Individuals/ Hindu Undivided Family / Nominee of Promoter	1	33,01,000	33,01,000	21.30	Nil	Nil
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Financial Institutions/ Banks	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (A)(1)	1	33,01,000	33,01,000	21.30	Nil	Nil
2 Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	Nil	Nil	Nil	Nil	Nil	Nil

Category code	Category of shareholder	No. of shareholders	Total no. of shares	No. of shares held in dematerialized form	Total shareholding as a % of total number of shares (As a % of (A+B))	Shares pledged or otherwise encumbered	
						No. of shares	As a % of shareholding
(b)	Promoter Companies	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Institutions	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (A)(2)	Nil	Nil	Nil	Nil	Nil	Nil
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	1	33,01,000	33,01,000	21.30	Nil	Nil
(B)	Public shareholding						
1	Institutions						
(a)	Mutual Funds/ UTI	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Financial Institutions/ Banks	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Venture Capital Funds	1	5,00,000	Nil	3.23	Nil	Nil
(e)	Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil
(f)	Foreign Institutional Investors	Nil	Nil	Nil	Nil	Nil	Nil
(g)	Foreign Venture Capital Investors	Nil	Nil	Nil	Nil	Nil	Nil
(h)	Foreign Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (B)(1)	1	5,00,000	Nil	3.23	Nil	Nil
2	Non-institutions						
(a)	Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Individuals						
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	32	2,46,000	Nil	1.58	Nil	Nil
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	187	1,14,53,000	Nil	73.89	Nil	Nil
(c)	Any Other						
	1. NRI	Nil	Nil	Nil	Nil	Nil	Nil
	2. Directors & Relatives	Nil	Nil	Nil	Nil	Nil	Nil
	3. Foreign Company	Nil	Nil	Nil	Nil	Nil	Nil
	4. Trust	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (B)(2)	219	1,16,99,000	Nil	75.47	Nil	Nil
	Total Public Shareholding (B) = (B)(1)+(B)(2)	220	1,21,99,000	Nil	78.70	Nil	Nil
	TOTAL (A)+(B)	221	1,55,00,000	Nil	100.00	Nil	Nil
(C)	Shares held by Custodians and against which Depository Receipts have been issued						
(a)	Promoter and Promoter group	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Public	Nil	Nil	Nil	Nil	Nil	Nil
	GRAND TOTAL (A)+(B)+(C)	221	1,55,00,000	33,01,000	100.00	Nil	Nil

(b) Statement showing Shareholding of persons belonging to the category “Promoter and Promoter Group”

Sr. No.	Name of Shareholder	Details of Shares Held		Shares pledged or otherwise encumbered			Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of Shares Held	As a % of grand total (A) + (B) + (C)	No.	As a percentage	As a % of grand total (A) + (B) + (C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of warrants of the same class	
1	Savinder Singh Adhi	33,01,000	21.30	0	0.00	0.00	0	0.00	0	0.00	33,01,000
	TOTAL	33,01,000	21.30	0	0.0	0.00	0	0.00	0	0.00	33,01,000

(c) Following are the details of the holding of securities (including shares, warrants, convertible securities) 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 held	Shares held as a % of total number of shares {i.e Grand total (A) + (B) + (C) indicated in statement at para I(a) above}
1.	Next Orbit Venture Fund	5,00,000	3.23
2.	Niraj Chandulal Gupta	2,00,000	1.29

(d) Statement showing details of locked-in shares

Sr. No.	Name of the shareholder	No. of Shares	Locked-in shares as a % of total number of shares {i.e Grand total (A) + (B) + (C) indicated in statement at para I(a) above}
1.	Savinder Singh Adhi	31,00,000	20.00
TOTAL		31,00,000	20.00

4. We have 221 shareholders as on the date of filing of the Draft IM.

Property

Following is the details of Fixed Assets / Intellectual Property / Property of the Company as on the date of filing of this Draft IM :

Property

We have our registered office at Tardeo Air conditioned Market, 1st floor, Room No.40, Tardeo Road, Mumbai - 400 034, Maharashtra. The said office is taken on lease from Mrs. Payal Vora vide lease agreement dated May 15, 2014 for a period of 11 months.

Intellectual Property

Our Company does not own or otherwise possess any registered intellectual property rights viz. patents, trademark, licences or any franchisee or concessions.

Our Company has not acquired any of the Fixed Assets / Intellectual Property / Property from any related parties.

SECTION III - RISK FACTORS

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

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

INTERNAL RISKS

- 1. Substantial portion of our revenues has been dependent upon our few clients. The loss of any one or more of our major clients would have a material adverse effect on our business operations and profitability.***

For the year ended March 31, 2014, our 3 largest clients accounted for approximately 98.47% of our gross sales. The loss of a significant client or clients would have a material adverse effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. Further the business with clients is based on regular requirements rather than any yearly contracts.

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

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

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

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

- 4. Decline in prices of our products may reduce our profit margins.***

Prices of our products are influenced by several factors, including the quality and design of the product, supply of competing product(s) in the market, among others. Any adverse changes in terms of sale price, including not being able to revise prices in accordance with cost increases and other relevant factors including those not being in our control, may lead to a material adverse effect on our sales margins, profitability which would have a material adverse effect on our business, results of operations and financial condition.

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

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

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

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

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

7. *We have not made an application for registration of our trademark under the Trade Marks Act. Our ability to use the trademark may be impaired.*

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

8. *Future issuances of Equity Shares or future sales of Equity Shares by our Promoters and certain shareholders, or the perception that such sales may occur, may result in a decrease of the market price of our Equity Shares.*

In the future, we may issue additional equity securities for financing our capital requirements. In addition, our Promoters and certain shareholders may dispose off their interests in our Equity Shares directly, indirectly or may pledge or encumber their Equity Shares. Any such issuances or sales or the prospect of any such issuances or sales could result in a dilution of shareholders' holding or a negative market perception and potentially in a lower market price of our Equity Shares.

9. *Our insurance cover may be inadequate to fully protect us from all losses and may inturn adversely affect our financial condition.*

We maintain such insurance coverage as we believe is customary for our Company. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. However, we cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. To the extent that we suffer loss or damage that is not covered by insurance or which exceeds our insurance coverage, our results of operations or cash flow may be affected.

EXTERNAL RISKS

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

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

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

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

- 5. 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.

- 6. 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.

7. *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.

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

There has been no public market for our Equity Shares. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

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

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares.

The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

SECTION IV – SECURITY OWNERSHIP

Beneficial Ownership of shares

As per the information provided to us, our registered shareholders are the beneficial owner of the shares held by them and they are not holding shares in fiduciary capacity or as a beneficial owner for any other persons.

Shareholder's Agreement

Our Company has not entered into any shareholder's agreement with any of the shareholder of our Company.

SECTION V – OUR MANAGEMENT

As per the Articles of Association of our Company, we are required to have not less than three (3) Directors and not more than twelve (12) Directors on its Board. As on date of the Draft IM, our Board consist of 4 (four) Directors of whom 3 directors are independent directors. Mr. Savinder Singh Adhi is the Managing Director of our Company.

The Board of Directors of our Company

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

Sr. No.	Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
1.	<p>Mr. Savinder Singh Adhi</p> <p>S/o Mr. Dalip Singh Adhi</p> <p><i>Designation: Managing Director (Executive and Non-Independent)</i></p> <p><i>Address: C/14, Aaram Society, Vakola, Santacruz (East), Mumbai-400055, Maharashtra, India</i></p> <p>Age: 63 years</p> <p><i>Occupation: Business</i></p> <p><i>DIN: 06862421</i></p>	<p><i>Date of appointment: May 07, 2014</i></p> <p><i>Term: 3 years</i></p>	<p><i>Public Limited Companies:</i></p> <p>NIL</p> <p><i>Private Limited Companies:</i></p> <p>NIL</p>
2.	<p>Mrs. Sheela Kadechkar</p> <p>D/o Mr. Ramkrishna Takale</p> <p><i>Designation: Director (Non - Executive and Independent)</i></p> <p><i>Address: Behind Sundar Nagar, C-002, Amarpali, Malad (West), Mumbai - 400064 Maharashtra, India</i></p> <p>Age: 63 years</p> <p><i>Occupation: Business</i></p> <p><i>DIN: 06862410</i></p>	<p><i>Date of appointment: May 07, 2014</i></p> <p><i>Term: Liable to retire by rotation.</i></p>	<p><i>Public Limited Companies:</i></p> <p>NIL</p> <p><i>Private Limited Companies:</i></p> <p>NIL</p>
3.	<p>Mr. Chandrashekhar Patil</p> <p>S/o Mr. Chintaman Patil</p> <p><i>Designation: Director (Non - Executive and Independent)</i></p> <p><i>Address: Lal Dongar near Sai Nagar,</i></p>	<p><i>Date of appointment: December 04, 2013</i></p> <p><i>Term: Liable to retire by rotation.</i></p>	<p><i>Public Limited Companies:</i></p> <p>NIL</p> <p><i>Private Limited Companies:</i></p> <p>NIL</p>

	<p><i>ST Road, Chembur, Mumbai - 400071 Maharashtra, India</i></p> <p>Age: 26 years</p> <p>Occupation: Profession</p> <p>DIN: 06717677</p>		
4.	<p>Mr. Ganesh Dhadke</p> <p>S/o Mr. Maruti Dhadke</p> <p>Designation: Director (Non - Executive and Independent)</p> <p>Address: Behind Sundar Nagar, C-002, Amarpali, Malad (West), Mumbai - 400064 Maharashtra, India</p> <p>Age: 27 years</p> <p>Occupation: Profession</p> <p>DIN: 06717705</p>	<p>Date of appointment: December 04, 2013</p> <p>Term: Liable to retire by rotation.</p>	<p>Public Limited Companies:</p> <p>NIL</p> <p>Private Limited Companies:</p> <p>NIL</p>

Note:

- 1) None of the above mentioned Directors are on the RBI List of willful defaulters as on the date of the Draft IM.
- 2) None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.
- 3) None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- 4) None of the Directors are appointed pursuant to any arrangement or understanding with any director / person or as a nominee of any director / person.

Brief Profile of the Directors of our Company

Mr. Savinder Singh Adhi, aged 63 years, is the Managing Director of our Company. He has completed his Bachelor in Engineering from Bombay University. He has experience of over three decades in the Production and plant management. He has experience in varied industries and had been engaged in the business of trading of textiles products.

Mrs. Sheela Kadechkar, aged 63 years, is the Independent and non-executive Director of our Company. She is a resident Indian national and has completed her Bachelors in Arts (Economics) from Bpmbay University. She has experience of over 25 years in the administration, recovery and audit departments.

Mr. Chandrashekhar Patil, aged 26 years, is a non-executive independent Director of our Company. He is an undergraduate by academic qualification. He has been having an experience of more than 7 years in managing gym business. He was appointed as an Independent Director of our Company from December 2013.

Mr. Ganesh Dhadke, aged 27 years, is a non-executive independent Director of our Company. He is an undergraduate by academic qualification but holds certificates from ITI and MS CIT for IT related courses. He has been having an experience of more than 8 years in business. His IT related experience will help us in managing our business with applying new technologies to our business. He was appointed as an Independent Director of our Company from December 2013.

Family relationship between Directors

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

Terms and Conditions of Employment of the Directors

i. Managing Director

Mr. Savinder Singh Adhi, Managing Director

Mr. Savinder Singh Adhi is the Managing Director of our Company. He was appointed as a Wholetime Director of our Company on May 07, 2014. He was further designated as the Managing Director for a term of three years commencing w.e.f. May 07, 2014 *vide* resolution dated May 07, 2014. The remuneration payable to him towards salary (inclusive of perquisites, performance bonus and allowances) in terms of the resolution shall not exceed ₹ 25,000/- per month.

ii. Independent Directors

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

CORPORATE GOVERNANCE

The provisions of the listing agreements to be entered into with the Stock Exchanges with respect to corporate governance and the SEBI ICDR Regulations in respect of corporate governance become applicable to our Company at the time of seeking in-principle approval of the Stock Exchanges. Our Company has complied with the corporate governance code in accordance with Clause 42 of such Listing Agreement, particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee, Remuneration and Shareholder / Investors Grievance Committee. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. Further, our Company undertakes to take all necessary steps to comply with all the requirements of Clause 42 of the Listing Agreement to be entered into with the Stock Exchanges.

Composition of Board of Directors

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

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

1. Audit Committee
2. Remuneration Committee
3. Shareholders/Investors Grievance Committee

1. Audit Committee

The Audit Committee was constituted *vide* Board resolution date 07, 2014 pursuant to Section 292A of the Companies Act and clause 42 of the Listing Agreement. As on the date of the Draft IM the Audit Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mrs. Sheela Kadechkar	Chairman	Non-executive and Independent
Mr. Chandrashekhar Patil	Member	Non-executive and Independent
Mr. Savinder Singh Adhi	Member	Executive and Non-independent

Our Company Secretary, Mr. Shailesh Rakhasiya is the secretary of the Audit Committee.

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

1. FREQUENCY:

The Audit Committee shall meet at least four times in a year and not more than four months shall elapse between two meetings.

2. INVITEE:

The Audit Committee shall invite such executives particularly head of the Accounts / Finance Department, the External Auditors and Internal Auditors to be present at the meetings of the Committee whenever required.

3. FUNCTION / ROLE:

The role of the Audit Committee shall include 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. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
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 and auditor's report thereon 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 (c) of sub-section 3 of section 134 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 quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. 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;
18. To review the functioning of Vigil mechanism / Whistle Blower mechanism, in case the same is existing;
19. Approval of appointment of CFO (i.e. Whole-time Financial Director or any other person heading the finance function) after assessing the qualifications, experience and background etc. of the candidate; and
20. To look into any other matter as may be provided by the Board.

4. **POWERS:**

- (i) To investigate any activity within its terms of reference.
- (ii) To seek information from any employee.
- (iii) To obtain outside legal or other professional advice.
- (iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Audit

Committee, reasons for disagreement shall have to be minuted in the Board Meeting and the same has to be communicated to the shareholders. The chairman of the committee has to attend the Annual General Meetings of our Company to provide clarifications on matters relating to the audit.

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

2. Remuneration Committee

The constitution of the Remuneration Committee was reconstituted at a meeting of the Board of Directors held on May 07, 2014. As on the date of the Draft IM the Remuneration Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Chandrashekhar Patil	Chairman	Non-executive and Independent
Mr. Ganesh Dhadke	Member	Non-executive and Independent
Mrs. Sheela Kadechkar	Member	Non- executive and Independent

Our Company Secretary, Mr. Shailesh Rakhasiya is the secretary of the Remuneration Committee.

The scope of Remuneration Committee shall include but shall not be restricted to the following:

- a. Identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommendation to the Board about their appointment and removal and carrying out evaluation of every Director's performance;
- b. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- c. Formulate a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and while formulating the policy the Committee to ensure that the:
 - i. Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- d. In cases where any services rendered by a Director are of a professional nature to opine whether the Director possesses the requisite qualification for the practice of the profession;
- e. Approve the payment of remuneration of Managing Director or Whole-time Director or a Manager (Managerial Person) for the purposes of Section II (dealing with remuneration payable by companies having no profit or inadequate profit without Central Government approval) of Part II of the Schedule V (under sections 196 and 197);
- f. to look into the entire gamut of remuneration package for the working Director(s) and revise their remuneration suitably within the limits prescribed under the Companies Act, 1956 with power to consider fixing/re-fixing salaries, perquisites and other terms of remuneration of the working Director(s) of the Company subject to approval of shareholders, where necessary;
- g. to decide on the commission payable to the Directors within the prescribed limit and as approved by the shareholders of the Company; and

- h. to attend to such other matters and functions as may be prescribed from time to time.

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

3. Shareholders/ Investors Grievance Committee

The Shareholders/ Investors Grievance Committee has been formed by the Board of Directors at the meeting held on May 07, 2014. As on the date of the Draft IM the Shareholders/ Investors Grievance Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mrs. Sheela Kadechkar	Chairman	Non-executive and Independent
Mr. Chandrashekhar Patil	Member	Non-executive and Independent
Mr. Savinder Singh Adhi	Member	Executive and Non-Independent

Our Company Secretary, Mr. Shailesh Rakhasiya is the secretary of the Shareholders/ Investors Grievance Committee.

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

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

SECTION VI – OUR PROMOTERS AND PROMOTER GROUP

Our Promoters:

Our Company has been promoted by Mr.Savinder Singh Adhi.

Brief profile of our Promoter is as under:



Mr. Savinder Singh Adhi, aged 63 years, is the Managing Director of our Company. He has completed his Bachelor in Engineering from Bombay University. He has experience of over three decades in the Production and plant management. He has experience in varied industries and had been engaged in the business of trading of textiles products.

Passport No:L4769340

Driving License: NA

Voters ID: GBP0699710

PAN: ADJPA7221R

Address: C/14, Aaram Society, Vakola, Santacruz (East), Mumbai-400055, Maharashtra, India

For further details relating to **Mr. Savinder Singh Adhi**, including terms of appointment as our Managing Director and other directorships, please refer to the chapter titled “*Our Management*” beginning on page number 39 of the Draft IM.

Declaration

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

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

OTHER VENTURES OF OUR PROMOTERS

Our Promoters do not have any other ventures.

SECTION VII – RELATED PARTY TRANSACTION

Related party disclosure in accordance with AS - 18

There are no related party transactions, other than subscription of capital by our promoters.

SECTION VIII –OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

I. Litigations involving our Company

A. *Against our Company*

Nil

B. *By our Company*

Nil

II. Litigations involving our Directors / Promoters

A. *Against our Directors / Promoters*

Nil

B. *By our Directors / Promoters*

Nil

III. Litigations involving our Group Entities

A. *Against our Group Entities*

Nil

B. *By our Group Entities*

Nil

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

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

V. Material developments occurring after last balance sheet date, that is, March 31, 2014

In the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in the Draft IM, any circumstances that materially or adversely affect or are likely to affect our profitability or its ability to pay its material liabilities within the next 12 months.

DECLARATION

We, the undersigned, hereby certify that, all the relevant provisions of the Companies Act, 1956 / 2013, and the guidelines issued by the Government of India or the guidelines and regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft IM is contrary to the provisions of the Companies Act, 1956 / 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations or guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft IM are true, fair, accurate and correct.

Signed by all the Directors of Sanasa Tech Feb Limited

Name and designation	Signature
Mr. Savinder Singh Adhi <i>Managing Director</i>	
Mrs. Sheela Kadechkar <i>Independent Director</i>	
Mr. Chandrashekhar Patil <i>Independent Director</i>	
Mr. Ganesh Dhadke <i>Independent Director</i>	

Signed by the Manager - Finance & Accounts

Ms. Sunita Kadam

Signed by the Company Secretary & Compliance Officer

Mr. Shailesh Vallabhbbhai Rakhasiya

Place: **Mumbai**

Date: May 22, 2014