



## ULTRACAB (INDIA) LIMITED

Our Company was incorporated as "Ultracab (India) Private Limited" under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 19, 2007 bearing registration no. 052394 issued by Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently, our Company was converted into a public limited company vide fresh certificate of incorporation dated July 30, 2014 issued by the Registrar of Companies, Ahmedabad and consequently the name of our Company was changed to "Ultracab (India) Limited". For further details including of change in Registered Office, please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on page 149 of this Draft Prospectus.

**Registered Office:** Survey No. 262, Behind Galaxy Bearing Ltd., Shapur (Varaval), Rajkot- 360024, Gujarat, India.



**Tel. No.:** 91- 2827 - 253122/23; **Fax No.:** +91- 2827- 252725; **E-mail:** ipo@ultracab.in; **Website:** www.ultracab.in;

**Corporate Identity Number:** U31300GJ2007PLC052394

**Contact Person:** Mayur Gangani, Company Secretary and Compliance Officer

**Promoters of our Company:** Nitesh Vaghasiya, Pankaj Shingala, Sangeetaben Vaghasiya, Artiben Shingala and Nitesh Vaghasiya HUF

THE ISSUE
<b>PUBLIC ISSUE OF 22,14,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. 36.00 PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF RS. 26.00 PER EQUITY SHARE) AGGREGATING RS. 797.04 LAKHS (THE "ISSUE") BY OUR COMPANY, OF WHICH 1,14,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I. E. ISSUE OF 21,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.63 % AND 26.20 %, RESPECTIVELY OF THE POST ISSUE PAID UP CAPITAL OF THE COMPANY.</b>
<b>THE FACE VALUE OF EQUITY SHARES IS RS. 10 EACH. THE ISSUE PRICE IS RS. 36. THE ISSUE PRICE IS 3.6 TIMES OF THE FACE VALUE</b>
THE ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED FROM TIME TO TIME) For further details please refer "Section VII - Issue Information" beginning on page 237 of this Draft Prospectus.
All potential investors may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the Bank Account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" beginning on page 243 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.
RISK IN RELATION TO THE FIRST ISSUE
This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10/- and the Issue Price is 3.6 times of the face value. The Issue Price (as determined and justified by our Company, in consultation with the Lead Manager) as stated in chapter titled "Basis for Issue Price" beginning on page 91 of this Draft Prospectus should not be taken to be indicative of the market price of our Equity Shares after our Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.
GENERAL RISKS
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. <b>Specific attention of the investors is invited to the section "Risk Factors" beginning on page 16 of this Draft Prospectus.</b>
COMPANY'S ABSOLUTE RESPONSIBILITY
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus 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 Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
LISTING
The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE"). In terms of Chapter XB of the SEBI (ICDR) Regulation, 2009, as amended from time to time, we are not required to obtain an in-principle listing approval for the shares being offered in this Issue. However, our Company has received an approval letter dated [•] from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE. For the purpose of this Issue, BSE will be the Designated Stock Exchange.

LEAD MANAGER	REGISTRAR TO THE ISSUE
 <b>PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED</b> 108, Madhava Premises Co Soc Ltd, Bandra Kurla Complex, Bandra East, Mumbai 400051 <b>Tel:</b> +91 22 2659 8687 <b>Fax:</b> +91 22 2659 8690 <b>Investor Grievance Email:</b> ipo@pantomathgroup.com <b>Website:</b> www.pantomathgroup.com <b>Contact Person:</b> Mahavir Lunawat <b>SEBI Registration. No.:</b> INM000012110	 <b>BIGSHARE SERVICES PRIVATE LIMITED</b> E/2, Ansa Industrial Estate Saki Vihar Road, Saki Naka Andheri (East), Mumbai 400 072 <b>Tel:</b> +91-22-40430200 <b>Fax:</b> +91-22-28475207 <b>Email:</b> ipo@bigshareonline.com <b>Website:</b> www.bigshareonline.com <b>Contact Person:</b> Babu Raphael <b>SEBI Regn. Number:</b> INR000001385

ISSUE PROGRAMME	
ISSUE OPENS ON: [•]	ISSUE CLOSES ON: [•]

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## SECTION I – GENERAL

## DEFINITIONS AND ABBREVIATIONS

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

Company Related Terms	
Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
Auditor or Statutory Auditor	The auditor of our Company, being M/s R. Harsoda & Co.
Banker to our Company	[•]
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Company Secretary and Compliance Officer	Mayur Gangani
Corporate Office	The Corporate Office of our Company, situated at Office No. C-303, 3 <sup>rd</sup> Tower-C, “Imperial Heights” 150 feet Ring Road, Opp. Iscon Prozone Mall, Kalawad Road, Rajkot-360 005, India.
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each fully paid up
Equity Shareholders	Persons holding Equity Shares of our Company
Group Companies	Such entities as are included in the chapter titled ‘ <i>Our Group Entities</i> ’ beginning on page number 171 of this Draft Prospectus
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time
Peer Reviewed Auditor	The Peer Reviewed Auditor of our Company, being M/s. R.T Jain & Co., Chartered Accountants
“Promoters” or “our Promoters”	Promoters of our company being Nitesh Vaghasiya, Pankaj Shingala, Sangeetaben Vaghasiya, Artiben Shingala and Nitesh Vaghasiya HUF
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 165 of this Draft Prospectus
Registered Office	The Registered office of our Company situated at Survey No. 262, Behind Galaxy Bearing Ltd, Shapar(Varaval) Rajkot-360024
RoC/ Registrar of Companies, Gujarat	The Registrar of Companies, Ahmedabad, Gujarat, located at ROC Bhavan, Opposite Rupal Park Society, behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.
Shareholders	shareholders of our Company
“Ultracab (India) Limited”, “the Company” ,or “our Company” or “we”, “us”, “our”, or “Ultracab” or “Issuer” or the “Issuer Company”	Ultracab (India) Limited, a public limited company incorporated under the provisions of the Companies Act, 1956

Term	Description
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants
Allotment/ Allot/ Allotted	Issue an allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicant(s) to whom Equity Shares of our Company have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Prospectus
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA process
Banker(s) to the Issue/ Escrow Collection Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Account will be opened and in this case being ICICI Bank Limited and IndusInd Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 243 of this Draft Prospectus
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Designated Date	The date on which funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants
Designated Stock Exchange	SME Platform of BSE Limited
Draft Prospectus	The Draft Prospectus dated August 21, 2014 issued in accordance with

Term	Description
	section 32 of the Companies Act, 2013 and filed with the BSE under SEBI (ICDR) Regulations
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement dated [•] to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected to the Applicants (excluding ASBA Applicants) on the terms and conditions thereof
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 22,14,000 Equity Shares of face value of Rs. 10 each fully paid of Ultracab (India) Limited for cash at a price of Rs. 36/- per Equity Share (including a premium of Rs. 26/- per Equity Share) aggregating Rs. 797.04 lakhs.
Issue Agreement	The agreement dated August 14, 2014 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing date	The date on which Issue closes for subscription
Issue Opening Date	The date on which Issue opens for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. 36/- per Equity Share of face value of Rs. 10 each fully paid
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being Rs. 797.04 Lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited
Lead Manager/ LM	Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI registered Category I Merchant Banker
Market Making Agreement	Market Making Agreement dated August 14, 2014 between our Company, Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Choice Equity Broking Private Limited, who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time

Term	Description
Market Maker Reservation Portion	The Reserved Portion of 1,14,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 36/- per Equity Share aggregating Rs. 41.04 lakhs for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue excluding the Market Maker Reservation Portion of 1,14,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 36/- per Equity Share aggregating Rs. 756.00 lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 86 of this Draft Prospectus
Non Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/ 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 validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus, filed with RoC containing, <i>inter-alia</i> , the issue size, the issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank under Section 40 of the Companies Act, 2013 to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FPI other than Category III FPI registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India



Term	Description
Refund Account (s)	Account(s) to which Application monies to be refunded to the Applicants (excluding the ASBA Applicants) shall be transferred from the Public Issue Account
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened, in this case being ICICI Bank Limited.
Refund through electronic transfer of funds	Refund through NECS, Direct Credit, RTGS, NEFT or the ASBA process, as applicable
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at E -2/3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai-400072
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i> ), who apply for an amount less than or equal to Rs 2,00,000
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a> or at such other website as may be prescribed by SEBI from time to time
SME Platform of BSE	The SME Platform of BSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated August 14, 2014 entered into between the Underwriter and our Company
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All days other than a Sunday or a public holiday, and on which commercial banks in Gujarat and / or Mumbai are open for business in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010



Technical and Industry Terms	
Term	Description
BSES	Brihanmumbai Suburban Electricity Supply
CAD	Current Account Deficit
CAGR	Compound Annual Growth Rate
CPRI	Central Power Research Institute
DIPP	Department of Industrial Policy & Promotion
EHV	Extra High Voltage
EMDEs	Emerging Market & Developing Economies
EPC	Engineering, Procurement, Construction
EPR	Ethylene Propylene Rubber
ERDA	Electrical Research & Development Association
ESDM	Electronic System Design and Manufacturing
FICCI	Federation of Indian Chambers of Commerce and Industry
FIEO	Federation of Indian Export Organizations
FTAs	Free Trade Agreements
GDP	Gross Domestic Product
GW	Giga Watts
HV	High Voltage
HT	High Tension
ICT	Information, Communications and Technology
ICTE	International Conference on Technology and Education
IEEMA	Indian Electrical and Electronics Manufacturing Association
IMF	International Monetary Fund
IT	Information Technology
ITA-1	Information Technology Agreement-1
JFTC	Jelly Filled Telephone Cables
kV	Kilo-Volt
LT	Low Tension
LV	Low Voltage
MBAs	Master's in Business Administration
PE	Polyethylene
PILC	Paper Insulated Cable
PTAs	Preferential Trade Agreement
PVC	Polyvinyl Chloride
R&D	Research & Development
SEBs	State Electricity Boards
WTO	World Trade Organisation
WEO	World Economic Outlook
XLPE	Cross linked polyethylene
UNIDO	United Nations Industrial Development Organisation

Conventional and General Terms/ Abbreviations	
Term	Description
A/C	Account
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections
CSO	Central Statistical Organization
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity
DB	Designated Branch
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FPI(s)	Foreign Portfolio Investor
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000

Term	Description
F.Y./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Networth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IPC	Indian Penal Code, 1860
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT Act	The Income Tax Act, 1961 as amended from time to time except as stated otherwise
IT Rules	The Income Tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “Our Management” beginning on page 152 of this Draft Prospectus
Ltd.	Limited
MoU	Memorandum of Understanding
Mtr	Meter
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax

Term	Description
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of BSE Limited
Sq.	Square
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time
WDV	Written Down Value
w.e.f.	With effect from
YoY	Year over year

Notwithstanding the following: -

- (i) In the section titled “*Main Provisions of the Articles of Association*” beginning on page 279 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- (ii) In the section titled “*Financial Statements*” beginning on page 177 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- (iii) In the section titled “*Risk Factor*” beginning on page 16 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- (iv) In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 93 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- (v) In the chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page number 201 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “*Financial Statement*” beginning on page 177 this Draft Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1<sup>st</sup> of each year and ends on March 31<sup>st</sup> of the next year. All references to a particular fiscal year are to the 12 months period ended March 31<sup>st</sup> of that year. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in chapter titled “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements*” beginning on page 177 of this Draft Prospectus.

### CURRENCY OF PRESENTATION

In this Draft Prospectus, references to “Rupees” or “Rs.” or “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

### INDUSTRY & MARKET DATA

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

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



## FORWARD LOOKING STATEMENTS

This Draft Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, among others:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in cable and wire Industry;
- Factors affecting cable and wire Industry;
- Significant fluctuation in price levels of raw materials especially copper and aluminium;
- Major change in policy and/or practice of road transport;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 16 and 201 respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Draft Prospectus. Neither we, our Directors, Lead Manager, Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

## SECTION II – RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

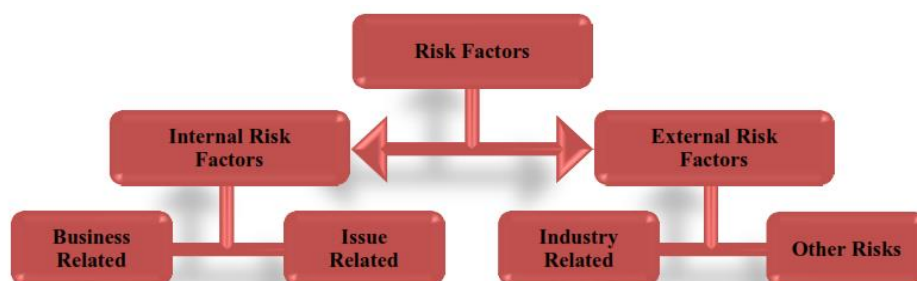
*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 121, “Our Industry” beginning on page 102 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 201 respectively, of this Draft Prospectus as well as other financial information contained herein.*

*The following factors have been considered for determining the materiality of Risk Factors:*

- Some events may not be material individually but may be found material collectively;*
- Some events may have material impact qualitatively instead of quantitatively;*
- Some events may not be material at present but may have material impact in future.*

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviations” beginning on page 3 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

*The risk factors are classified as under for the sake of better clarity and increased understanding:*



## INTERNAL RISK FACTORS

### A. Business related Risks

1. *The capacity of our manufacturing facility is not fully utilized and could impair our ability to fully absorb fixed costs.*

The capacity of our manufacturing at Shapar (Varaval), Rajkot has not been fully utilized, over the last three financial years, and there is no assurance that there will be an increase in the capacity utilization in the future. If we are unable to fully utilize our capacity in the future this could affect our cost and profitability and thereby adversely affect the financial condition of our Company.

Production Capacity/Annum							
Item Name		2011-12		2012-13		2013-14	
	Unit	Installed	Utilised	Installed	Utilised	Installed	Utilised
House Wire	90 mtr each Coil	4,80,000	98,267	4,80,000	64,244	4,80,000	31,166
Flat Cables	Km	3,000	837	3,000	1,747	3,000	1,446
Ind. Flexible Cables	Km	2,000	1,374	2,000	714	2,000	839
Power and Control Cables	Km	2,000	458	2000	590	2,000	697
Instrumentation Cables	Km	-	-	-	41	3,000	88
Special Cable/Auto Cable/Solar/Battery	Km	-	-	-	160	2,000	356
Copper/Aluminium Conductor	Metric ton	1,800	261	-	80	3,600	143
Communication Cables	Km	-	-	-	-	3,000	38

Our Management is striving to scale up the marketing and geographical reach by entering new markets domestically and internationally.

2. ***The availability, price, quality and timely delivery of raw material is an important factor for our business, any fluctuation, delay or increase in cost in same may affect our business and prices.***

Our basic raw materials are copper, aluminium and PVC/XLPE, which constitutes almost 80% to 90% of our overall cost depending upon the type of wires and cables. Any material shortage or interruption in the supply or decrease in the quality of raw materials due to natural causes or other factors could result in increased production costs that we may not be able to pass on to our customers, which in turn would have a material adverse effect on our margins and results of operations. We procure these raw materials from domestic suppliers at the existing market rates. However, the prices of these materials are subject to rapid fluctuations owing to changes in demand-supply forces which are not within our control. Increase in prices shall lead to an increase in cost of production, thereby increasing the price of our final product. This could have an adverse impact on our business, financial conditions and results of operations. Generally increases in prices of raw material have not faced significant fluctuation in the recent past.

3. ***We have a limited number of raw material suppliers. Any kind of refusal from them can hinder our production resulting into loss of our clients.***

There are a very few suppliers from which raw materials like copper and aluminium is sourced (especially copper, single largest raw material (60% of the total cost of raw materials) is sourced from a single supplier) and they may allocate their resources to service other clients ahead of us. While we believe that we could find additional suppliers to supply these raw materials, any failure of our suppliers to deliver these raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose a customer or incur contractual penalties or liabilities for failure to perform contracts, which could have a material adverse effect on our business, financial condition and results of operations.

4. ***Our Company has a negative cash flow in its operating activities as well as investing activities in the past 5 years, details of which are given below. Sustained negative cash flow could impact our growth and business.***

Our Company had negative cash flows from our operating activities as well as investing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(Rs. In Lakhs)

Particulars	For The Year Ended				
	2010	2011	2012	2013	2014
Cash Flow from / (used in) Operating Activities	(112.31)	(28.20)	(94.90)	(43.60)	8.87
Cash Flow from / (used in) Investing Activities	(21.32)	(10.77)	(59.41)	(115.29)	(100.57)
Cash Flow from / (used in ) Financing Activities	134.58	52.67	160.11	145.21	93.45

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations. Cash flow from operating activities was negative in the early years primarily due to increased working capital requirements,

however the same has turned positive in the last year and management believes that with increased turnover, the Company would be able to optimize the cash flow.

**5. *Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.***

Our business is working capital intensive. A significant portion of our working capital is utilized towards trade receivables. Summary of our working capital position is given below:-

(Rs. In lakhs)

Particulars	For the year ended				
	2010	2011	2012	2013	2014
<b>A. Current Assets</b>	<b>789.00</b>	<b>1,266.24</b>	<b>1,857.46</b>	<b>2,156.99</b>	<b>2,600.10</b>
a. Inventories	460.53	734.82	1,127.15	1,574.33	2,030.14
b. Trade Receivables	283.63	477.59	655.31	506.97	465.44
c. Cash and Cash Equivalents	24.13	37.84	43.64	29.96	31.70
d. Short Term Loans & Advances	20.36	15.64	29.72	45.45	54.73
e. Other Current Assets	0.36	0.36	1.65	0.29	18.10
<b>B. Current Liabilities</b>	<b>637.75</b>	<b>1,141.64</b>	<b>1,471.09</b>	<b>1,783.98</b>	<b>2,118.96</b>
Short Term Borrowings	298.86	599.91	919.64	961.95	1,180.64
Trade Payables	265.34	359.43		578.64	808.20
<b>Working Capital (A-B)</b>	<b>151.26</b>	<b>124.60</b>	<b>386.38</b>	<b>373.01</b>	<b>481.14</b>
<b>Inventories as % of total current assets</b>	<b>58.37%</b>	<b>58.03%</b>	<b>60.68%</b>	<b>72.99%</b>	<b>78.08%</b>
<b>Trade receivables as % of total current assets</b>	<b>35.95%</b>	<b>37.72%</b>	<b>35.28%</b>	<b>23.50%</b>	<b>17.90%</b>

The cables & wires manufacturing business is working capital intensive and involves a lot of investment in trade receivables and inventory. We intend to continue growing by reaching to other geographical areas. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page 86 of this Draft Prospectus.

**6. *We generate a majority of our sales from our operations in certain geographical regions especially Gujarat and any adverse developments affecting our operations in this region could have an adverse impact on our revenue and results of operations.***

A significant percentage of our total sales are made in Gujarat of India. In financial year 2013-2014, 62.09% of our total revenues were generated from Gujarat. Such geographical concentration of our sales and manufacturing unit in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. The Company is diversifying its market geographically into other states of India

**7. Our Company is involved in certain legal proceedings. Any adverse decision in such proceedings may render us / them liable to liabilities / penalties and may adversely affect our / their business and results of operations.**

Our Company is involved in certain legal proceedings and claims in relation to certain civil and tax matters. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may render us / them liable to liabilities / penalties and may adversely affect our / their business and results of operations. A classification of these legal and other proceedings are given in the following table:

(Rs.)\*

Entity involved in the litigation	Civil cases	Tax Cases	Financial implications	Potential Litigations	Financial implications
<b>Our Company</b>	-	-	-	-	-
Litigations against our Company	-	1	2,41,059	-	-
Litigations by our Company	11	-	20,85,650	-	-
<b>Our Group Entities</b>	-	-	-	-	-
Litigations filed against our Group Entities	-	-	-	-	-
Litigations filed by our Group Entities	-	-	-	-	-

*\*The table above does not include those penalties, interests and costs, if any, which may be imposed or which may have been pleaded but not quantified in the course of legal proceedings, or which the court / tribunal otherwise has the discretion to impose. The imposition and amount of such penalties / interests / costs are at the discretion of the court / tribunal where the case is pending. Such liability, if any, would crystallize only on the order of the tribunal where the case(s) is / are pending.*

We believe the quantum of amount involved in the litigations above stated would not impact our Company as a going concern. For further details regarding these legal proceedings, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page number 212 of this Draft Prospectus.

**8. Our Company has not complied with certain statutory provisions under Companies Act 1956, reporting requirements under Foreign Exchange Management Act, 1999 etc and has also delayed in filing of certain forms under the said Acts. Such non-compliances/lapses may attract penalties.**

- Our Company has delayed in complying with reporting requirements such as registration of special resolutions, filing of form for appointment / resignation of directors, filing of annual returns etc, as required under the Companies Act to the RoC. Such delay/non-compliance may in the future render us liable to statutory penalties.
- The paid up capital of our Company was more than Rupees one crore after March 28, 2011 and pursuant to Section 297 of the Companies Act, 1956, our Company was required to take previous approval of Central Government before entering into any contract inter alia with a

private company of which the Director is a member or director. However, our Company has not taken approval of Central Government before entering into such contracts.

- c. All Indian companies which have received funds from outside India in the previous year(s) including the current year, should file the annual return on Foreign Liabilities and Assets ("FLA") in the soft form to the Reserve Bank of India, Department of Statistics and Information Management, Mumbai by July 15 every year under the provisions of Master Circular on Foreign Investment in India dated July 1, 2014 issued by RBI and Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000. Our Company has received investment from out-side India for issuance of equity shares in previous years, however our Company did not filed FLA in past with RBI for such outside India investment received in our Company. Such non-compliance in the future may render us to liable to statutory penalties.

**9. *Our Group Company, Fusion Pumps Private Limited, has incurred losses for the Financial Year 2012 -2013.***

Sustained financial losses by our Group Company may not be perceived positively by external parties such as customers, banker, suppliers etc, which may affect our credibility and business operations. Our group company, Fusion Pumps Private Limited, has incurred losses of Rs. 20.85 lacs for the Financial Year 2012-2013. Such financial losses by our Group Company may not be perceived positively by external parties such as customers, banker, suppliers etc, which may affect our credibility and business operations.

**10. *One of our Promoter Group Entity, M/s Jigar Industries has business similar to that of our Company's business and this could lead to a potential conflict of interest between our Company and the Promoter Group Entity.***

One of our Promoter Group Entity, Jigar Industries has business similar to that of our Company's business. Currently we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth.

**11. *Our Company has manufacturing facility located in Shapar (Varaval) Rajkot, Gujarat. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in this facility may in turn adversely affect our business, financial condition and results of operations.***

Our Company has manufacturing facility located in Shapar (Varaval) Rajkot, Gujarat. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Our cable and wire manufacturing facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. Further, our manufacturing facility is also subject to operating risk arising from compliance with the directives of relevant government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns at any or all of these facilities due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.



**12. *We may not be able to accurately manage our inventory; this may adversely affect our goodwill and business, financial condition and results of operations.***

We maintain physical inventory for substantially all of our products. Changes in consumer requirements and demands for these products expose us to significant inventory risks. The demand for specific products can change between the time of manufacturing a product and the time of shipment of these products from our facilities. Further, accurate assessment of market demand requires significant investment in the creation of a sales and marketing network and training of marketing personnel. There is no guarantee that our estimate of market demand in India or in foreign countries will be accurate. In the event that we overestimate the demand for our products, we will have expended resources in manufacturing excess products, export costs, insurance costs, distribution expenses and storage and other allied expenditures and if we understock one or more of our products, we may not be able to obtain additional units in a timely manner and will lose out on sales opportunities that our competitors will capitalize on and thereby increase their respective market shares. In addition, if our products do not achieve widespread consumer acceptance, we may be required to take significant inventory markdowns, or may not be able to sell the products at all. Any incorrect assessment of the demand for our products may adversely affect our business, financial condition and results of operations.

**13. *We are subject to restrictive covenants in secured debt facility provided to us by our lender. Our Company has not received “No-Objection” certificate from some of our lenders to undertake this Issue. Non receipt of such “No Objection” certificate could lead to non compliance of the terms of loan agreements entered into by our Company with said lender.***

We have entered into agreements for availing debt facilities from lender. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business.

Further, as on the date of the Draft Prospectus, we have not received “No Objection” certificates from the lender, Bank of India. We cannot assure you that the lender will grant us the “No-Objection” certificate for this Issue. Non-receipt of such “No Objection” certificate could lead to non-compliance of the terms of loan agreements entered into by our Company with Bank of India. For further details in this regard, including approvals obtained from our lender for this Issue, please refer chapter titled “Financial Indebtedness” beginning on page 210 of this Draft Prospectus.

**14. *Our Company has unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.***

As on date of draft of prospectus our Company has unsecured loans amounting to Rs. 235.47 lakhs from our Directors, shareholders, etc that are repayable on demand by the relevant lenders. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

For further details of unsecured loans of our Company, please refer ‘Annexure XV’ ‘Statement of Unsecured Loans’ of chapter titled “Financial Statements” beginning on page 177 under the chapter ‘Auditors’ Report and Financial Information of Our Company’ of the Draft Prospectus.

- 15. *We have not applied for certain statutory and regulatory approvals, registrations including trademarks and licenses and also application for certain statutory and regulatory approvals, registrations and licenses are still pending with the relevant governmental or regulatory authorities. Further, our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.***

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. For details please refer to chapter titled “Government and Other Statutory Approvals” beginning on page 218 of this Draft Prospectus. Further, we have made various applications for registration of various marks under the Trade Marks Act, 1999. For further details, refer to chapter title “Our Business” beginning on page 121 of this Draft Prospectus.

- 16. *Our Promoters and members of the Promoter Group have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.***

Our Promoters and members of the Promoter Group have provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

- 17. *Any increases in interest rates would have an adverse effect on our results of operations.***

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. As on March 31, 2014, we had secured borrowings in form of cash credit of Rs.1180.64 lakhs and term loan of Rs. 84.07 lakhs. Our secured debt has been availed at floating rates of interest. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations.

- 18. *Negative publicity with respect to our products or the industry in which we operate could adversely affect our business, financial condition and results of operations.***

Our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding us, our products i.e., wires and cables and industry generally in India and internationally could adversely affect our reputation and our results of operations. Challenges to the “conflict-free” status of wires and cables used in our wires and cables industry

and sold by us may result in a negative change in consumer attitudes to wires and cables and could result in negative publicity, having a material adverse effect on our business, financial condition and results of operations.

**19. *Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

We have a manufacturing facility containing rod breakdown/RBD machines, bunching machines, and laying machines and we maintain large amounts of inventory at our factory at all times. Our operations may be subject to incidents of theft or damage to inventory in transit. Although we have set up various security measures, security guards and follow stringent operational processes such as daily stock taking. There can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. Additionally, in case of losses due to theft, fire, breakage or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

**20. *Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be impaired.***

Few of our agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may adversely impact the continuance of our activity from such premises.

**21. *Within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 86 of this Draft Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use entire Issue proceeds for working capital, general corporate and issue expenses. We intend to deploy the Net Issue Proceeds in Financial Year 2014-2015 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 86 of this Draft Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 86 of this Draft Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue.

**22. *Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

Post this Issue, our Promoters and Promoter Group will collectively own 63.23% of our equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

**23. *Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and terrorism. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.***

Our Company has obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, standard fire and special perils, earthquake (fire and shock), workmens compensation insurance etc. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits, losses due to terrorism etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

**24. *We have not identified any alternate source of financing the ‘Objects of the Issue’. If we fail to mobilize resources as per our plans, our growth plans may be affected.***

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from the Issue or any shortfall in the Issue Proceeds may delay the implementation schedule of our Project and could adversely affect our growth plans.

For further details please refer to the chapter titled “Objects of the Issue” beginning on page 86 of the Draft Prospectus.

**25. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.***

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit

our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “*Financial Indebtedness*” on page 210 of the Draft Prospectus

**26. *We have in the past entered into related party transactions and may continue to do so in the future.***

Our Company has entered into certain transactions with our related parties including our Promoter, the Promoter Group, our Directors and their relatives. While we believe that all such transactions have been conducted on the arms length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to section “*Related Party Transactions*” in Section “*Financial Statements*” beginning on page 175 of this Draft Prospectus.

**27. *Our Promoter and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Promoter and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entity, and benefits deriving from their directorship in our Company. Our Promoter is interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entity. For further details, please refer to the chapters titled “*Our Business*” and “*Our Promoter and Promoter Group*”, beginning on page 121 and 165, respectively and “*Related Party Transactions*” beginning on page 175 of this Draft Prospectus.

**28. *Our Company is dependent on third party transportation providers for the delivery of raw materials/ finished Products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations***

Our Company uses third party transportation providers for delivery of our raw materials and finished products. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition raw materials/ finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

In order to mitigate the above risks we choose to work with contractors who have adequate resources and have demonstrated consistent track record for given work.

**29. *Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and

such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

**30. *Our success depends largely upon the services of our Promoters and other Key Managerial Personnel and our ability to retain them. Our inability to attract and retain key managerial personnel may adversely affect the operations of our Company.***

Our Company and our Promoters have over a few years built relations with suppliers, clients and other persons who are connected with our business. Further, our Key Managerial Personnel also possesses the requisite knowledge to assist production of cables and wires. Accordingly, our Company's performance is dependent upon the services of our Promoters and other Key Managerial Personnel. Our future performance will, therefore, depend upon the continued services of these persons. It is possible that we may lose our skilled and trained staff to our competitors and high attrition rates in particular, could result in a loss of volumes. Demand for key managerial personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.

**31. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and dealers may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**32. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

Modernization and technology upgradation is essential to manufacture cables and wires as per the industry standards. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

**33. *Mishaps or accidents could result in a loss or slowdown in operations and could also cause damage to life and property.***

The products offered by our Company are subject to operating risks, including but not limited to, breakdown or accidents & mishaps. While, till date, there have not been any notable incidents involving mishaps or major accidents, we cannot assure that these may not occur in the future. Any consequential losses arising due to such events will affect our operations and financial condition.

**34. *We are subject to risks arising from exchange rate fluctuations.***

Exporting of our goods helps us gain a foreign exchange earnings and outgo in terms of FOB value of exports. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect the Company to the extent of cost of goods rendered in foreign currency terms. Any adverse fluctuations with respect to the exchange rate of any foreign currency for Indian Rupees may affect the Company's profitability, since a part of its service is rendered in foreign currency.

**35. *Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.***

Till date our Company has not paid any dividend. The amount of our future dividend payments, if any, will depend upon various factors such as our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future.

Additionally, the terms of any financing we obtain in the future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

**36. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

**37. *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.***

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, 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 circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do 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 limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may 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.

**38. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors;
- d. Adverse media reports on the Company or pertaining to the cable and wire Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies;
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after



this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

**39. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares has been determined by fixed price method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 91 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**40. *You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor’s demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Draft Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

## EXTERNAL RISK FACTORS

### A. Industry Risks

**41. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

### B. Other Risks

**42. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

***43. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

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

***44. Financial instability in Indian financial markets could adversely affect Our Company's results of operations and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

***45. Political, economic and social changes in India could adversely affect economic conditions generally and our business in particular.***

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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

***46. 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, fluctuations in commodities markets, consumer debt levels, unemployment trends 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, which may negatively affect our stock prices.

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

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

**48. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the central or state governments in India that affect our industry include:

- custom duties on imports of raw materials and components;
- excise duty on certain raw materials and components;
- central and state sales tax, value added tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

**49. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

**50. *The occurrence of natural disasters may adversely affect our business, financial condition and results of operations.***

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires and pandemic disease may adversely affect our financial condition or results of operations. The potential impact of a natural disaster on our results of operations and financial position is

speculative, and would depend on numerous factor The extent and severity of these natural disasters determines their effect on the Indian economy. Although the long term effect of diseases such as the H5N1 “avian flu” virus, or H1N1, the swine flu virus and Ebola virus cannot currently be predicted, previous occurrences of avian flu and swine flu had an adverse effect on the economies of those countries in which they were most prevalent. An outbreak of a communicable disease in India would adversely affect our business and financial conditions and results of operations. We cannot assure you that such events will not occur in the future or that our business, financial condition and results of operations will not be adversely affected.

**51. *It may not be possible for you to enforce any judgment obtained outside India against our Company or our management or any of our associates or affiliates in India, except by way of a suit in India.***

Our Company is incorporated as a public limited company under the laws of India and all of its directors and executive officers reside in India. All of our assets are, and assets of our executive officers and directors may be, located in India. As a result, it may be difficult to effect service of process outside India upon us and our executive officers and directors or to enforce judgments obtained in courts outside India against us or our executive officers and directors, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the “Civil Code”). Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to execute such a judgment or to repatriate any amount recovered.

**52. *Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determine their impact on the Indian economy. Further prolonged spells of below normal rainfall or other natural calamities could have a negative impact on the Indian economy, adversely affecting our business and the prices of the Bonds and Shares. Pandemic diseases, if any, could have a severe adverse effect on the Company’s business. However, the potential impact of such a pandemic on the results of our operations and financial position is highly speculative and cannot be ascertained with any degree

of certainty.

**53. You may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.**

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months is not subject to capital gains tax in India if securities transaction tax (“STT”) is paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax. Any change in tax provisions may significantly impact your return on investments.

**PROMINENT NOTES:**

- a) The Public Issue of 22,14,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 36/- per Equity Share (including a premium of Rs. 26/- per Equity Share) aggregating Rs. 797.04 Lakhs (“the Issue”). Issue of Equity Shares will constitute 27.63 % of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled “*The Issue*” on page 54 of this Draft Prospectus.
- b) The pre-issue net worth of our Company was Rs. 624.55 Lakhs, Rs.541.77 Lakhs and Rs. 433.05 Lakhs as of March 31, 2014, March 31, 2013 and March 31, 2012 respectively. The book value of each Equity Share was Rs. 24.20, Rs. 23.88 and Rs. 22.78 as of March 31, 2014, March 31, 2013, and March 31, 2012 respectively as per the restated financial statements of our Company. For more information, please refer to section titled “*Financial Statements*” beginning on page 177 of this Draft Prospectus.
- c) The average cost of acquisition of per Equity Shares by our Promoter, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Nitesh Vaghasiya	5,92,100	9.06
Pankaj Shingala	5,25,880	7.59
Sangeetaben Vaghasiya	1,85,000	11.27
Artiben Shingala	48,900	10.75
Nitesh Vaghasiya HUF	2,57,000	7.40

- d) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled “*Related Party Transactions*” beginning on page 175 of this Draft Prospectus.
- e) Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoter and Promoter Group*” and “*Our Management*” beginning on pages 63, 165 and 152 respectively, of this Draft Prospectus, none of our Promoter, Directors or Key Management Personnel has any interest in our Company.
- f) Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 63 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than cash.
- g) Investors may contact the LM or the Company Secretary and Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the LM and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever. For contact details of the LM and the Company Secretary and Compliance Officer, please refer to the chapter titled “*General Information*” beginning on page 55 of this Draft Prospectus.

- h) Investors are advised to refer to chapter titled “*Basis for Issue Price*” on page 91 of this Draft Prospectus.
- i) Trading in Equity Shares for all investors shall be in dematerialized form only.
- j) There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoter of our Company, the Independent Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Draft Prospectus.
- k) Except as stated in the chapter titled “*Our Group Entities*” beginning on page 171 and chapter titled “*Related Party Transactions*” beginning on page 175 of this Draft Prospectus, our Group Entities have no business interest or other interest in our Company.
- l) Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “*Issue Structure*” beginning on page 241 of this Draft Prospectus
- m) Our Company was incorporated as “Ultracab (India) Private Limited” under the provisions of the Companies Act, 1956 vide certificate of incorporation dated December 19, 2007 bearing registration no. 052394, in Rajkot, Gujarat. Later Our Company was converted into a public limited company vide fresh certificate of incorporation dated July 30, 2014 bearing CIN U31300GJ2007PLC052394 and consequently the name of our Company was changed to “Ultracab (India) Limited”. However, the new name does not suggest any change of activity and company continues to carry on the same activity. For further details of changes in the name of our Company, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 149 of this Draft Prospectus.

## SECTION III – INTRODUCTION

### SUMMARY OF INDUSTRY

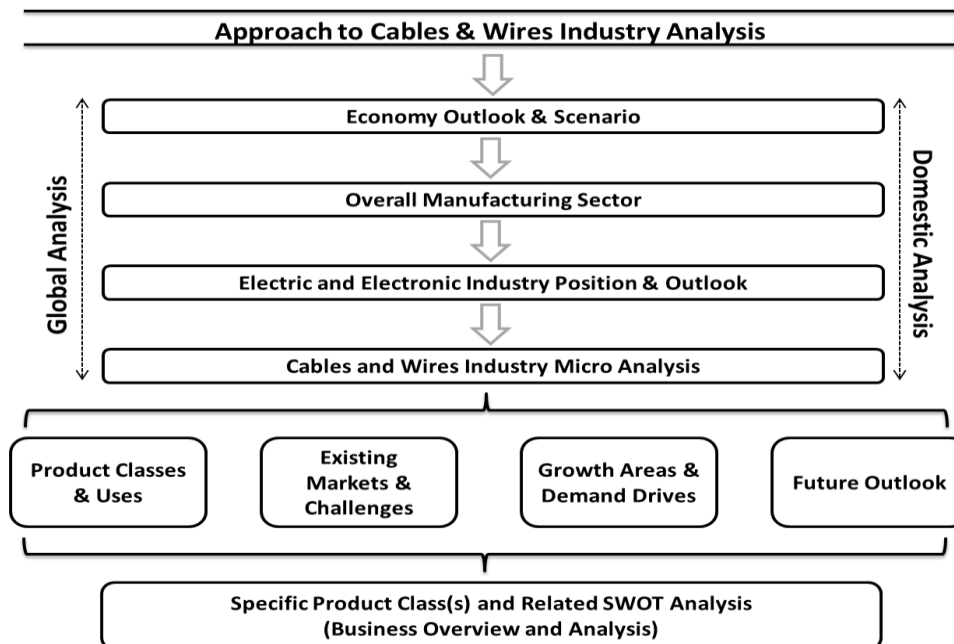
*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 16 and 177 respectively of this Draft Prospectus before deciding to invest in our Equity Shares.*

### APPROACH TO CABLES & WIRES INDUSTRY ANALYSIS

Analysis of cables and wires industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Cables and wires industry forms part of manufacturing sector at a macro level. Hence, broad picture of manufacturing sector should be at preface while analyzing the cables and wires industry. If the entire manufacturing sector is likely to be impacted by a specific set of factors, so would, most likely, be the cables and wires industry as well.

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall manufacturing sector is ‘Electrical and Electronic’, which in turn encompasses various components one of them being ‘cables and wires’.

Thus, cables and wires industry segment should be analyzed in the light of ‘Electrical and Electronic’ industry. An appropriate view on cables and wires industry, then, calls for the overall economy outlook, performance and expectations of manufacturing sector, position of electronic industry and micro analysis.





This Approach Note is developed by Pantomath Capital Advisors (P) Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of cables and wires industry and / or any other industry, may entail legal consequences.

## INDIAN ECONOMY

In 2014-15, the Indian economy is poised to overcome the sub-5 per cent growth of gross domestic product (GDP) witnessed over the last two years. The growth slowdown in the last two years was broad based, affecting in particular the industry sector. Inflation too declined during this period, but continued to be above the comfort zone, owing primarily to the elevated level of food inflation. Yet, the developments on the macro stabilization front, particularly the dramatic improvement in the external economic situation with the current account deficit (CAD) declining to manageable levels after two years of worryingly high levels was the redeeming feature of 2013-14. The fiscal deficit of the Centre as a proportion of GDP also declined for the second year in a row as per the announced medium term policy stance. Reflecting the above and the expectations of a change for the better, financial markets have surged. Moderation in inflation would help ease the monetary policy stance and revive the confidence of investors, and with the global economy expected to recover moderately, particularly on account of performance in some advanced economies, the economy can look forward to better growth prospects in 2014-15 and beyond.

**Growth in Real GDP (per cent)**



Source – Economic Survey 2013-2014

## OUTLOOK FOR 2014-15

The descent into the present phase of sub-5 per cent growth has been rather sharp. The interplay of structural constraints alongside delays in project implementation, subdued domestic sentiments, and an uncertain global milieu led to general growth slowdown while rendering macroeconomic stabilization particularly challenging. Inflation also remained at elevated levels. These factors triggered risk-aversion and injected considerable uncertainty in investment activity. The current macroeconomic situation precludes fiscal stimulus to kick-start activity. Similarly, the task of monetary policy calibration for growth revival has been made difficult by persistent inflation and further complicated by uncertainty in international financial conditions and, until recently, by rupee depreciation. Targeted measures by the government and RBI have improved the external economic situation significantly, even as India remains exposed to risk on/off sentiments of investors and to policy shifts in advanced economies. Regaining

growth momentum requires restoration of domestic macroeconomic balance and enhancing efficiency. To this end, the emphasis of policy would have to remain on fiscal consolidation and removal of structural constraints. Though some measures have been initiated to this end, reversion to a growth rate of around 7-8 per cent can only occur beyond the ongoing and the next fiscal.

Global economic activity is expected to strengthen in 2014- 15 on the back of some recovery in advanced economies. The Euro area is also expected to register a growth rate of above 1 per cent as against contraction witnessed in 2012 and 2013 (IMF, WEO, April 2014). The European Central Bank's monetary policy measures, most significantly introduction of the negative deposit facility interest rate are expected to boost economic activity in Europe. In addition, the performance of the real sector in the US (that is likely affect the pace of taper) is a major factor that would impact the global economic situation in 2014-15. The growth outlook for emerging Asian economies is generally benign with some grappling with inflation, structural bottlenecks, and external imbalances. The slowdown in emerging economies comes at an inopportune juncture.

Downward movement along with heightened volatility, witnessed, for example, in fixed investment post 2008-09 in India, often tends to magnify the impact and transmission channels of shocks (e.g. below-normal monsoons and/or upshot in oil prices) and hampers build-up of positive expectations. Under such circumstances, the Indian economy can recover only gradually with the GDP at factor cost at constant prices expected to grow in the range of 5.4 – 5.9 per cent in 2014-15. This assumes the revival of growth in the industrial sector witnessed in April 2014 to continue for the rest of the year, the generally benign outlook on oil prices (notwithstanding the uncertainty on account of recent developments in the Middle East), and the absence of pronounced destabilizing shocks (including below-normal monsoons). Growth in the above range implies a pick-up, aided by an improved external economic situation characterized by a stable current account and steady capital inflows, improved fiscal situation and, on the supply side, robust electricity generation and some recovery in manufacturing and non-government services.

Growth in 2014-15 is expected to remain more on the lower side of the range given above, for the following reasons: (i) steps undertaken to restart the investment cycle (including project clearances and incentives given to industry) are perceived to be playing out only gradually; (ii) the benign growth outlook in some Asian economies, particularly China; (iii) still elevated levels of inflation that limit the scope of the RBI to reduce policy rates; and (iv) expectation of below-normal monsoons. Downside risk also emerges from prolonging of the geo-political tensions. On the upside, such factors as institutional reform to quicken implementation of large projects and a stronger-than-expected recovery in major advanced economies would help the Indian economy clock a higher rate of growth.(Source: Economic Survey 2013-14)

## **GLOBAL ECONOMIC GROWTH**

The IMF World Economic Outlook (WEO), released in January 2014, highlights that global economic activity has picked up during the second half of 2013 with expectation of further improvement in 2014–15. The outlook has projected world growth at 3.7per cent in 2014 and by 3.9per cent in 2015. It also mentions that recovery in global economy will be supported by improvement in the advanced economies as final demand in advanced economies has expanded with higher inventory demand. On the other hand financial condition in emerging markets has remained tight with equity prices not fully recovered and some currencies under pressure after US tapering announcement in May 2013.

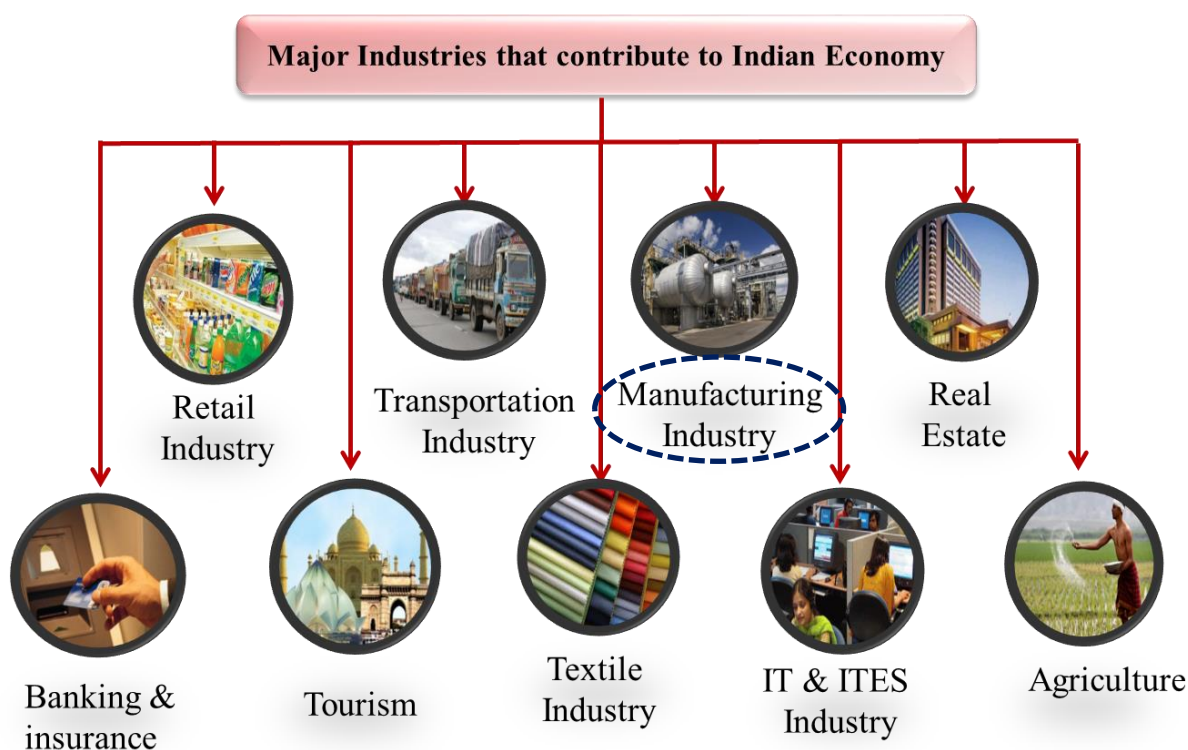
The WEO also mentions that downside risks remain in advanced economies where output gaps have remained large. Growth in emerging market and developing economies (EMDEs) will be supported by stronger external demand from advanced economies despite domestic weakness.

The data on advanced world economies shows that growth in United States is expected to be 2.8 per cent in 2014, up from 1.9 per cent in 2013 with expansion and improvement in final domestic demand, reduction in fiscal drag. The forecast for 2015 is marked at 3per cent. The projection for Euro Area is marked at 1per cent and 1.4per cent for 2014 and 2015. With exports further contributing to growth, high debt and financial fragmentation is expected to affect domestic demand. The annual growth is expected to remain broadly unchanged for Japan at 1.7per cent in 2014, before moderating to 1per cent in 2015.

The growth in EMDEs is expected to increase to 5.1per cent in 2014 and 5.4 per cent for 2015. China is projected to grow at the rate of 7.5 per cent and 7.3 per cent for 2014 and 2015. The growth in China rebounded in second half of 2013 due to improvement in investment. Growth in India picked up after a favourable monsoon and export growth and is expected to firm further on stronger structural policies supporting investment. The projection for India is 5.4 per cent and 6.4 per cent for 2014 and 2015 respectively which is a 0.2 per cent

The tightening of global liquidity has increased external pressures and heightened the focus on India's macroeconomic imbalances (high inflation, large current account and fiscal deficits) and structural weaknesses (particularly supply bottlenecks in infrastructure, power and mining).(Source-Statements of activities 2013-14-Ministry of Commerce & Industry Department of Commerce)

The major industries that contribute to Indian economy are as shown in the below chart :

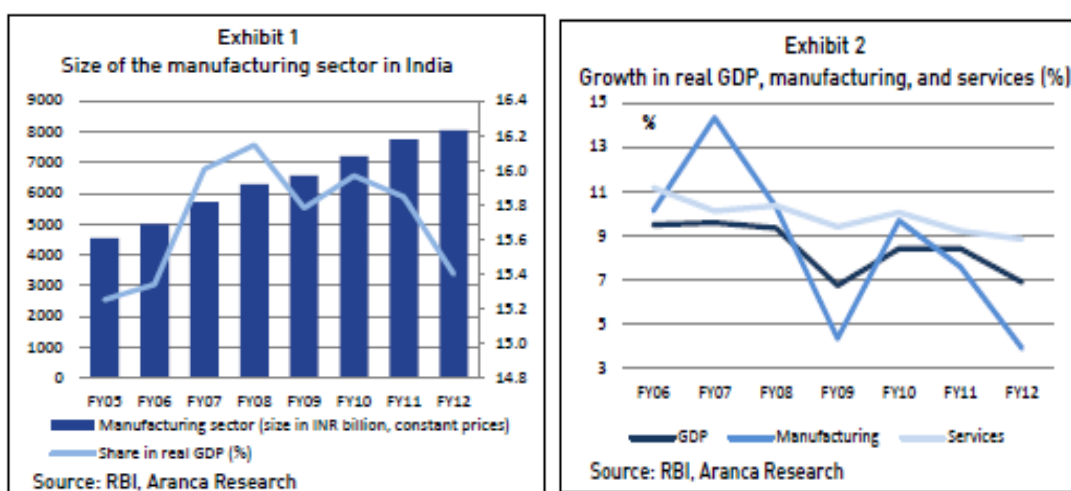


## INDIAN MANUFACTURING INDUSTRY

Manufacturing Industry in India has gone through various phases of development over the period of time. Since independence in 1947, the Indian manufacturing sector has traveled from the initial phase of building the industrial foundation in 1950's and early 1960's, to the license-permit regime in the period of 1965-1980, to a phase of liberalization of 1990's, emerging into the current phase of global competitiveness. It has grown at a robust rate over the past ten years and has been one of the best performing manufacturing economy (Source: [www.cci.in](http://www.cci.in))

Manufacturing holds a key position in the Indian economy, accounting for nearly 16 per cent of real GDP in FY12 and employing about 12.0 per cent of India's labour force. Growth in the sector has been matching the strong pace in overall GDP growth over the past few years. For example, while real GDP expanded at a CAGR of 8.4 per cent over FY05-FY12, growth in the manufacturing sector was marginally higher at around 8.5 per cent over the same period. Consequently, its share in the economy has marginally increased during this time to 15.4 per cent from 15.3 per cent. Growth however has remained below that of services, an issue that has not escaped the attention of policy makers in the country.

Strong growth has been accompanied by a change in the nature of the sector – evolving from a public sector dominated set-up to a more private enterprise driven one with global ambitions. In fact, according to UNIDO, India (with the exception of China) is currently the largest producer of textiles, chemical products, pharmaceuticals, basic metals, general machinery and equipment, and electrical machinery. In the coming year, the sector's importance to the domestic and global economy is set to increase even further as a combination of supply-side advantages, policy initiatives, and private sector efforts set India on the path to a global manufacturing hub.



India's expanding economy offers domestic entrepreneurs and international players alike, opportunities to invest. The Government of India knowing the importance of the sector to the country's industrial development has taken a number of steps to further encourage investment and improve the economy.

India was ranked the fourth most competitive manufacturing nation in Deloitte's global index for 38 nations (2013). The country's economy witnessed significant expansion in the period 2006–2011, achieving a five-year compound annual growth rate (CAGR) of 7.8 per cent. (Source : [www.ibef.org](http://www.ibef.org))

India's manufacturing sector could reach US\$ 1 trillion by 2025, as per a study by global management consulting firm McKinsey and Company. This could be achieved on the back of the continually growing demand in the country and the inclination of multinational corporations to establish low-cost plants in India. Up to 90 million domestic jobs could be created by 2025, with the manufacturing sector contributing to about 25–30 per cent of India's gross domestic product (GDP)

FICCI's latest quarterly survey gauges the expectations of manufacturers for Q-1 (April-June 2014-15) for fourteen major sectors namely textiles, capital goods, metals, chemicals, cement, electronics, automotive, leather & footwear, machine tools, Food processing, paper, tyre, textiles machinery, ceramics

and others. Responses have been drawn from 352 manufacturing units from both large and SME segments with a combined annual turnover of over Rs 3.75 lac crore.

In many sectors, average capacity utilization has remained same in Q-4 of 2013-14 as was in Q-3 of 2013-14. These are sectors like Capital Goods, Chemicals, Metals, Textiles Machinery, Leather & footwear and Paper. On the other hand capacity utilization has slightly improved in Q-4 like in Auto and Cement.

### Current Average Capacity Utilization Levels As Reported in Survey

Sector	Average Capacity Utilisation (%) in Q-4 2012-13	Average Capacity Utilisation (%) in Q-1 2013-14	Average Capacity Utilisation (%) in Q-2 2013-14	Average Capacity Utilisation (%) in Q-3 2013-14	Average Capacity Utilisation (%) in Q-4 2013-14
Auto	73	72	60	70	73
Capital Goods	68	70	70	70	70
Cement	77	75	73	65	72
Chemicals & Fertilizers	74.5	77	78	79	80
Textiles	81	80	78	83	79
Electronics & Electricals	58	56	60	60	75
Food Processing	80	75	86	80	78
Leather & Footwear	73	82	71	80	80
Metals	66	63	70	70	70
Textiles Machinery	NA	NA	60	60	60
Tyre	NA	NA	60	60	80
Paper	NA	NA	NA	80	80

Source: FICCI Quarterly Survey on Indian Manufacturing Sector – May 2014

The current average capacity utilization as reported in the survey is around 76per cent for Q-4 2013-14 as against 74 per cent in Q-3 of 2013-14 and 70per cent in Q-2 of 2013-14

### Sectoral Growth

Based on expectations in different sectors, the FICCI survey pointed out that five out of fourteen sectors were likely to witness low growth (less than 5per cent). Only three sectors namely, leather, chemicals and ceramics are expected to have a strong growth of over 10per cent in April-June 2014-15 and rest all the sectors likely to witness moderate growth.



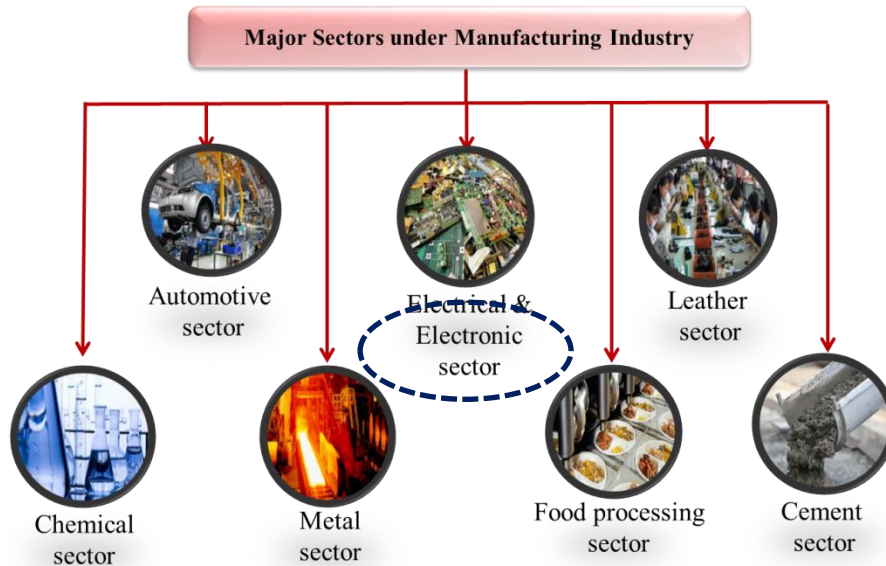
**Table : Growth expectations for Q-1 2014-15 compared with Q-1 2013-14**

Sector	Growth Expectation
Capital Goods	Low
Automotive	Low
Machine Tools	Low
Cement	Low
Steel & Metals	Low
Electronics & Electricals	Moderate
Tyre	Moderate
Paper	Moderate
FMCG/Food Products	Moderate
Textiles Machinery	Moderate
Textiles	Moderate
Chemicals	Strong
Ceramics	Strong
Leather & footwear	Strong

**Note: Strong > 10%; 5% < Moderate < 10%; Low < 5% (Source: FICCI Survey)**

*Source: FICCI Quarterly Survey on Indian Manufacturing Sector – May 2014*

The major sectors that contribute to Manufacturing Industry are as shown in the below chart:

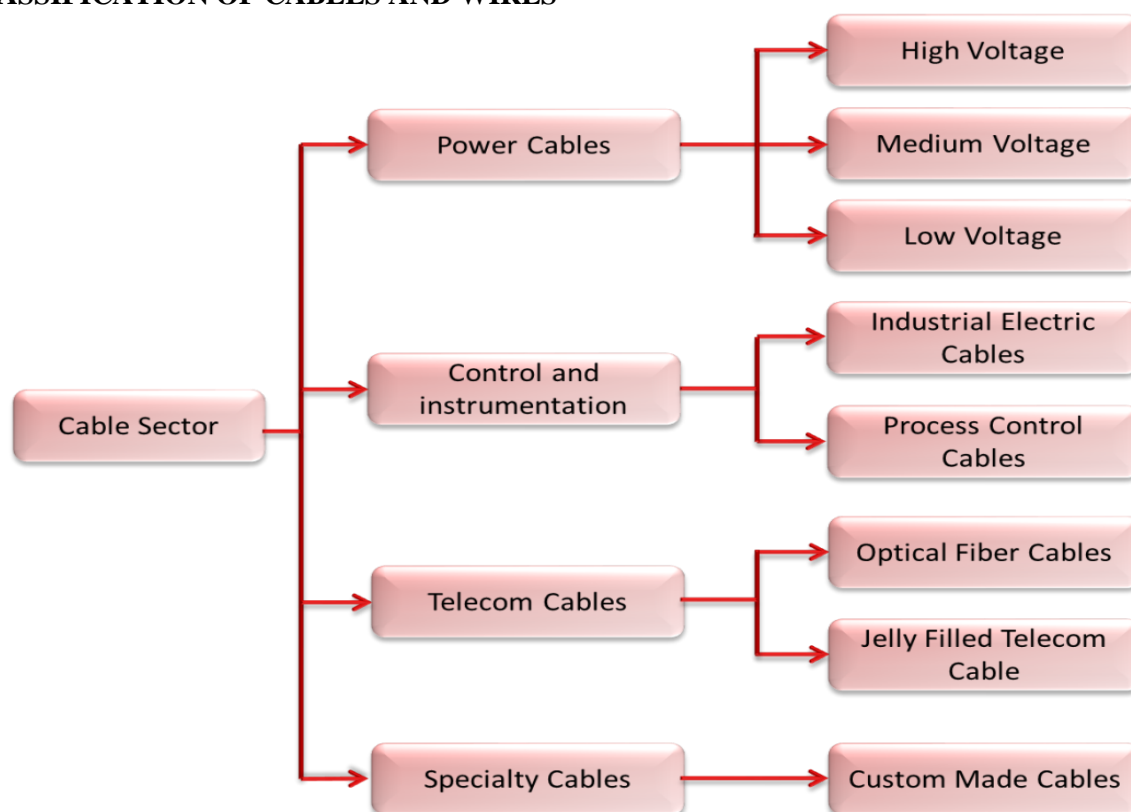


## CABLE AND WIRE INDUSTRY

Cables and wires are used for transmitting power, signals, and also in various industries. They are widely used across various end-use segments including residential, commercial, and industrial purposes. The growth of global cables and wires market is primarily driven by the growth of the IT and communication industry where cables and wires play a vital role in transmitting power.

The growing demand for wire and cables across various end-use industries such as IT and telecommunication is one of the major factors driving the market for wire and cables. However, the volatility in raw material prices is acting as one of the major concerns for various players operating in the global market for cables and wires.

### CLASSIFICATION OF CABLES AND WIRES



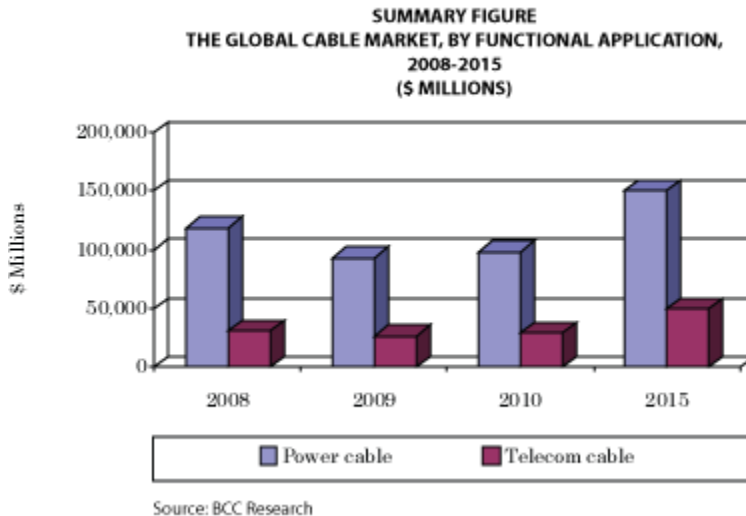
### GLOBAL CABLE AND WIRE INDUSTRY

The global cables and wires industry is very large with many participants operating in the market. Some of the end-use industries for cables and wires market include telecom operators and power supply companies. The global market also exhibits non-homogenous characteristics.

The market for cables and wires can be segmented into power cables and telecommunication cables based on their application. Power cables constitute the biggest segment for the cables and wires market which is expected to exceed a market worth of USD 190 billion by 2018, growing at a CAGR of approximately 8.9 per cent from 2012 to 2018. The telecommunication segment is the fastest growing one for cables and wires and is expected to grow at a CAGR of approximately 11.1 per cent from 2012 to 2018.

The global estimate relating to cable and wire industry is as below:

- The global cable market is valued at an estimated \$127 billion in 2010. This market is expected to increase at a 9.4 per cent compound annual growth rate (CAGR) to reach nearly \$200 billion in 2015.
- Power cables will continue to be the mainstay of cable demand, accounting for more than three-quarters of the market. This sector is valued at nearly \$98 billion in 2010 and is expected to increase at a 9 per cent compound annual growth rate (CAGR) to reach more than \$150 billion by 2015.
- Telecom cables are confined to the relatively narrower domain of the health of the global information, communications and technology (ICT) domains. This sector is valued at \$29 billion in 2010 and is expected to increase at an 11 per cent compound annual growth rate (CAGR) to reach \$49 billion by 2015. (Source : bcc research)



Some of the leading companies operating in the global market of cables and wires include Alcan Cable, Belden, CommScope, Corning Inc., EL Sewedy, Leviton, and Molex

## INDIAN CABLE AND WIRE INDUSTRY

The wire and cable industry has moved from being a small industry twenty years back to a very large industry over the last decade. Although it is a volume-driven product, it has a lot of quality and technical particulars. Requirements like brand and quality perception are key in this industry. The wire and cables industry predominantly provides challenging opportunities in the field of manufacturing, supply chain, procurement, marketing and HR. This industry is currently undergoing a major change and portends huge opportunity for upcoming professionals.

### Present Status in India

Electrical wires and cable industry is one of the earliest industries established in the country in the field of electric products. Ferrous or non ferrous metals, play a decisive role in almost all areas of industrial and daily life. A wide range of cables and wires are manufactured in the country which includes



communication cables such as jelly filled cables, optic fibre cables, local area network cables etc. The power cable industry may be mainly divided into four segments viz; house wiring(up to 440 V), LT (1.1 to 3.3kV), HT(11 to 66kV), EHV(66kV and above).

The Indian power cable industry has about a dozen producers in the organised sector, claiming more than two-thirds share of the market.

<b>Organised Sector</b>	<b>Un-organised Sector</b>
The organised sector of the Indian power cable industry claims more than two-thirds share of the market.	The un-organised sector of the Indian power cable industry is constituted of a few small units.
Deals mostly in the field of manufacturing of high voltage and speciality cables. Apart from that also caters to the industrial market.	The un-organised sector on the other hand mostly limits itself to the relatively low voltage market.

## **SUMMARY OF BUSINESS**

Our Company was incorporated in the year 2007 and is engaged in the manufacture and export of wires and cables in India. Our Company is working in this domain for more than 6 years. We are using advanced technology and machineries for manufacturing quality products. We started our business with PVC cables and wires in India which are now supplied across different networks worldwide. We produce durable and reliable cables and wires, and our products have earned reputation in the market. Because of our manufacturing skills and technical expertise in electrical industry, we are able to make strong market presence in India. Our quality products are sold not only in India but also in countries like UK, UAE, Africa, Singapore, Uganda etc. We follow strict quality standards during manufacturing process. Once product is ready, it is closely checked for safety and quality assurance by our administration team and on approval, it is transported to market for customer use. Our manufacturing facility is situated at Shapar (Rajkot, Gujarat) India. Our facility involves modern technology, tools, high-tech machines which spin out the quality standard of cables.

We believe in making strong bond with our customers for continuing long – lasting relationship with them. We are popular for delivering quality electrical products before committed time frame. We also offer customized business solution to our clients without any delay and at competitive prices. Our strong national distribution network bonds us with our clients.

## **OUR MANUFACTURING FACILITY AND BUSINESS PROCESS**

We have successfully met the needs of our diverse client base by implementing cutting-edge technology and modern machineries in our set up. We have a strong footing in the overseas market due to our cables and wires manufactured under strict quality control measures. We offer the quality products after following the recognized quality standards.

We have a well-equipped research and development unit that helps us immensely to offer innovative products to our clients. R & D is always a boon for staying ahead of others in this extremely competitive environment and our cables and wires have always assisted in the growth of a substantial segment of Indian industry.

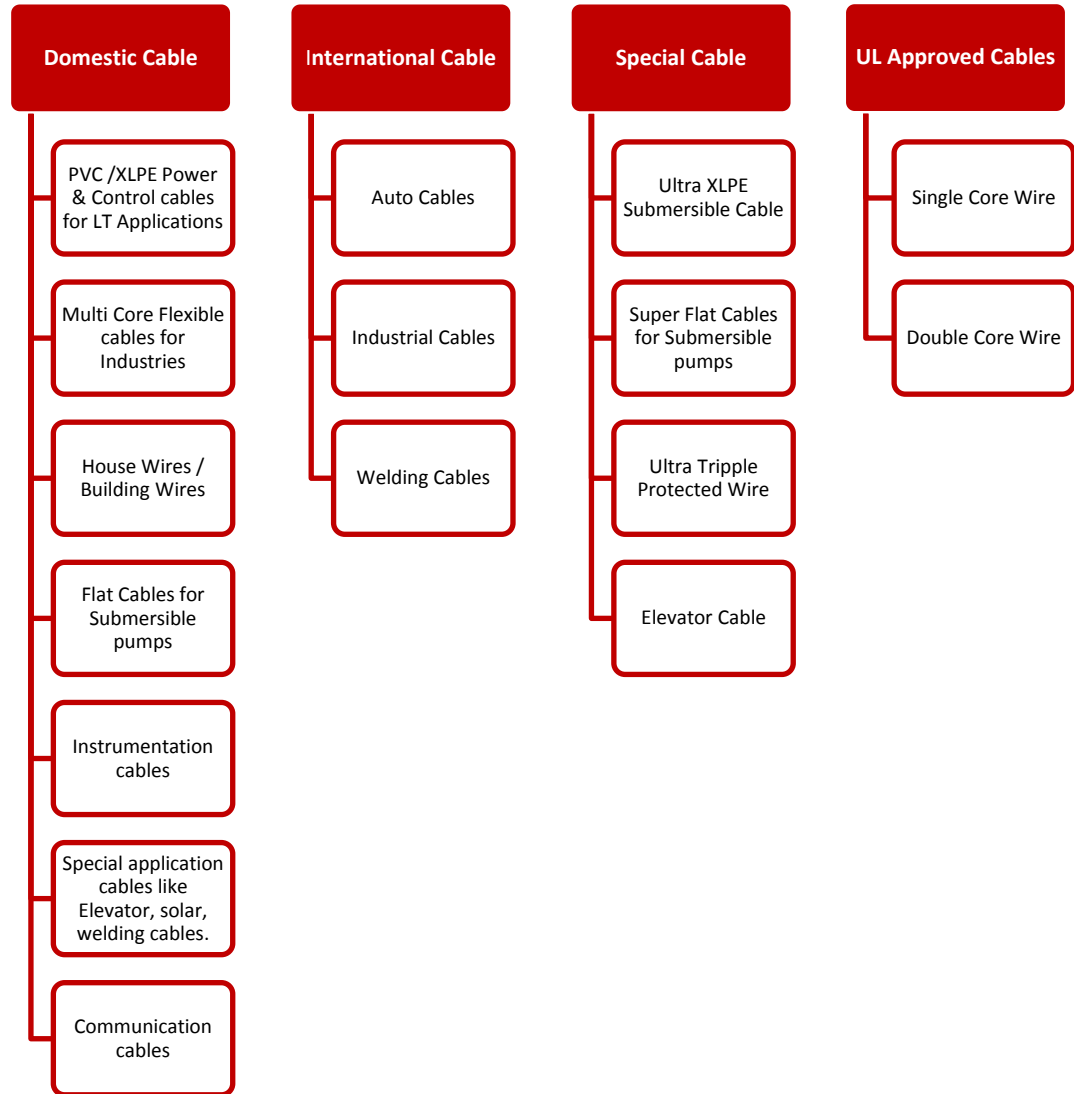
Our manufacturing facility, spread over 11483.19 sq m area and has 100 per cent in house facility from wire drawing machine until testing on finished products.



## OUR SPECTRUM OF PRODUCTS

With years of experience, Company possess the expertise needed to offer a range of products to cater the need of domestic as well as international market. Our power cables in are made using premium raw materials to ensure a great durability and quality too. We are highly committed in our endeavor and have the installed capacity to meet bulk orders or to mitigate the risks associated with any unforeseen eventuality.

Company has requisite infrastructure and this helps to manufacture the varied types of cables. Classes of product manufactured at our company have been shown through a pictorial diagram:-



Our range of cables is capable to withstand extreme conditions and is made available in assorted sizes and specifications for catering to the special needs of our clients. These cables conform to the quality standards and are capable of withstanding repeated use. Before final delivery, each cable is quality tested for ensuring longer service life, high resistivity and flawless performance.

## PLANT & MACHINERY

Our factory is located at Survey No. 262, Behind Galaxy Bearing Limited, Shapar (Varaval) and the corporate office is in Rajkot. The factory at Shapar (Varaval) is about 20 kms. away from Rajkot with approximately 11,482 sq. mtr. area. The following is the list of machineries owned by the Company at the factory:

Sr. No.	Description/ Name of Machinery	Unit (In.Nos)
1.	Extrusion line (for Pvc/XLPE/PE etc)	8
2.	Double Twisted High Speed Bunching Machine	3
3.	Stranding Machine	2
4.	Power/control Cable Laying Machine	2
5.	Foil Tapping M/C/ braiding machine	6
6.	Tapping M/C	1
7.	Amouring M/C	1
8.	Wire Drawing M/C	16
9.	Rewinder Machine	6
10.	Test Instruments For PVC/XLPE Cables	70

## COLLABORATIONS

We have not entered into any technical or other collaboration.

## UTILITIES & INFRASTRUCTURE FACILITIES

Our corporate office at Rajkot, Gujarat, is well equipped with computer systems, internet connectivity, other communication equipment, security canteen facilities, transport and other facilities, which are required for our business operations to function smoothly. Our registered office and factory at Shapar (Gujarat) is equipped with requisite utilities and modern infrastructure facilities including the following:

### Power

Our Company meets its Power requirements by purchasing electricity from Paschim Gujarat Vij Company Limited which is around 275 KVA.

### Water

Our water requirements are low as water is required only for the cooling process. Generally we make use of ground water to meet our requirements; however we also purchase water from local water supplier to meet our water requirements in case of any shortages.

## HUMAN RESOURCE

We believe that our employees are key contributors to our business success. To achieve this, we focus on attracting and retaining the best possible talent. Multi stage induction and skill enhancement training programmes are conducted to prepare the employees for the desired performance levels. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on August 16, 2014 our Company has 91 employees on Payroll. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

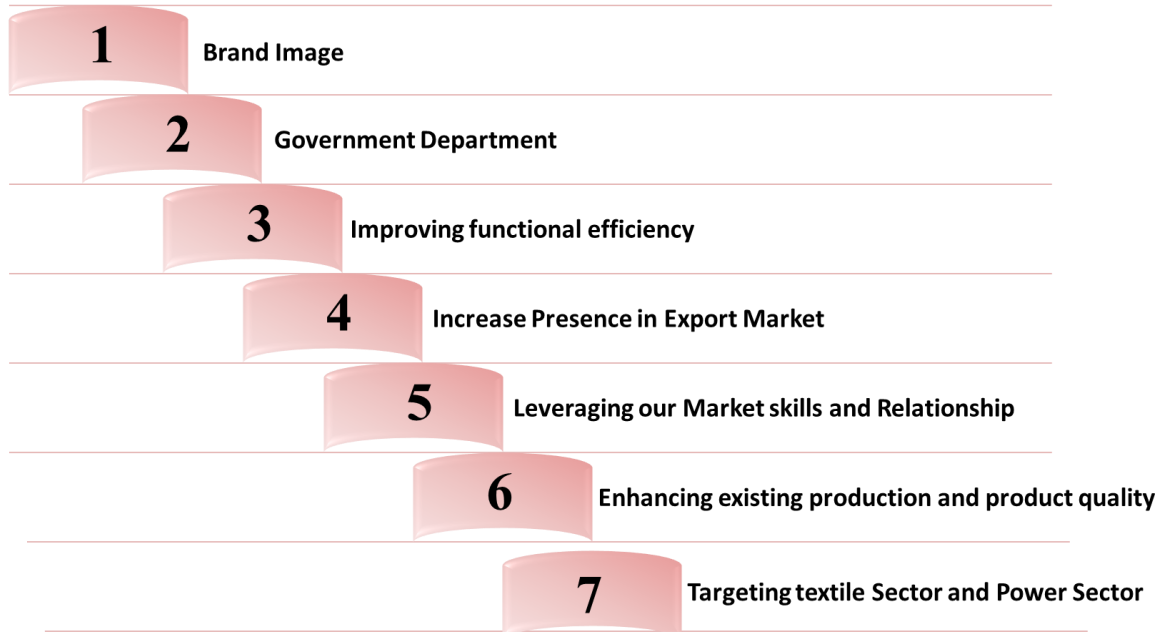
**Department wise Break up**

Department	No. of employees
Sales & Marketing	10
Warehouse & Factory Management	65
Dispatch	5
Design/ QC	3
Accounts & Finance	2
Legal	2
Administration	1
Production & Others	3

**BUSINESS STRATEGY**

Our Company targets to satisfy the changing and evolving cable and wire industry. The diagram below represents our continuous growth philosophy being implemented on a day-to-day basis.

Our vision is to strive for growth in existing and new markets by providing cost-effective and quality solutions for electrical connectivity requirements for various businesses as well as domestic users by offering high quality customized cables at competitive price with best service and unfailing commitment. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus first and foremost on capitalizing on our core strengths and enhancing the volume of our business. We intend to focus on our existing range of products with specific emphasis on the following factors as business and growth strategy:



**1. Brand image**

We would continue to associate ourselves with good quality customers and execute projects to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

**2. Government Department**

We have received permission from various state government departments as approved vendors. Some of them include: Maharashtra, Gujarat, Kerela etc. Thus we are eligible to apply for tenders called by Government departments. We shall continue to apply for the government tenders and which will help to enhance our sales

**3. Improving functional efficiency**

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology development.

**4. Increase Presence in Export Market**

Customized cables are required in the export market. Our Company exports its products to various countries like U.S, U.K, Dubai etc. We intend to continue our focus on developing business in international markets.

**5. Leveraging our Market skills and Relationship**

Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart to our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

**6. Enhancing existing production and product quality**

We believe quality service and products of global standards will be of utmost importance for customer retention and repeat-order flow. We intend to have close interaction with our customers in a bid to strengthen our relationships with them. We train our employees to consistently design and deliver client focused solutions.

**7. Targeting textile Sector and Power Sector**

Cables and wires are required for setting up a unit in the textile sector and for setting power plant in the power sector. We shall have focus on the newly coming up power project and textile mills including spinning units.

## SUMMARY FINANCIAL STATEMENTS

The following summary of financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the Auditor's Report in the section titled "Financial Statements". You should read this financial data in conjunction with our financial statements for Financial Year 2010, 2011, 2012, 2013 and 2014 including the notes thereto and the reports thereon, which appears under the chapter titled "*Financial Statements*" and chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 177 and 201 of this Draft Prospectus.

### STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. In Lakhs)

Sr.no	Particulars	As at March 31,				
		2010	2011	2012	2013	2014
<b>1)</b>	<b>Equity &amp; Liabilities</b>					
	<b>Shareholders Funds</b>					
	a. Share Capital	80.00	190.00	223.28	258.10	258.10
	b. Reserves & Surplus	0.28	131.70	209.76	283.67	366.44
<b>2)</b>	<b>Share Application money pending allotment</b>	-	-	11.88	-	-
<b>3)</b>	<b>Non Current Liabilities</b>	-	-	-	-	-
	a. Long Term Borrowings	305.09	23.00	183.43	170.65	384.65
	b. Deferred Tax Liabilities	2.05	1.89	2.83	7.14	7.82
	c. Long Term Provisions	0.44	1.90	4.00	5.43	7.77
<b>4)</b>	<b>Current Liabilities</b>	-	-	-	-	-
	a. Short Term Borrowings	298.86	599.91	919.64	961.95	1,180.64
	b. Trade Payables	265.34	359.43	420.10	578.64	808.20
	c. Other Current Liabilities	70.67	178.26	129.20	230.86	93.60
	d. Short Term Provisions	2.88	4.03	2.14	12.52	36.52
	<b>T O T A L (1+2+3+4)</b>	<b>1,025.61</b>	<b>1,490.12</b>	<b>2,106.28</b>	<b>2,508.97</b>	<b>3,143.75</b>
<b>5)</b>	<b>Non Current Assets</b>					
	a. Fixed Assets					
	i. Tangible Assets	267.29	270.55	341.68	456.97	557.54
	Less: Depreciation	(44.09)	(68.94)	(95.96)	(128.28)	(172.91)
	<i>Net Block</i>	<b>223.20</b>	<b>201.62</b>	<b>245.72</b>	<b>328.69</b>	<b>384.63</b>
	b. Non Current Investment	12.50	20.00	-	-	-
	c. Deferred Tax Asset	-	-	-	-	-
	c. Long Term Loans & Advances	0.20	1.91	3.09	23.29	159.03
	d. Other Non Current Assets	0.71	0.36	-	-	-
<b>6)</b>	<b>Current Assets</b>	-	-	-	-	-
	a. Inventories	460.53	734.82	1,127.15	1,574.33	2,030.14

Sr.no	Particulars	As at March 31,				
		2010	2011	2012	2013	2014
	b. Trade Receivables	283.63	477.59	655.31	506.97	465.44
	c. Cash and Cash Equivalents	24.13	37.84	43.64	29.96	31.70
	d. Short Term Loans & Advances	20.36	15.64	29.72	45.45	54.73
	e. Other Current Assets	0.36	0.36	1.65	0.29	18.10
	<b>T O T A L (5+6)</b>	<b>1,025.61</b>	<b>1,490.12</b>	<b>2,106.27</b>	<b>2,508.97</b>	<b>3,143.75</b>



**STATEMENT OF PROFIT AND LOSS AS RESTATED****(Rs. In Lakhs)**

<b>Particulars</b>	<b>FOR THE YEAR ENDED MARCH 31,</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>INCOME</b>					
Revenue from Operations	1,063.99	1,587.31	2,271.46	2,867.38	3,168.05
Other Income	1.97	2.15	7.64	16.58	12.52
<b>Total Income (A)</b>	<b>1,065.96</b>	<b>1,589.47</b>	<b>2,279.10</b>	<b>2,883.96</b>	<b>3,180.57</b>
<b>EXPENDITURE</b>					
Cost of materials consumed	1,113.59	1,356.04	2,180.94	2,728.38	2,861.81
Purchase of stock-in-trade	-	-	-	-	-
Changes in inventories of finished goods, traded goods and work-in-progress	(328.87)	(136.24)	(460.04)	(384.00)	(427.90)
Employee benefit expenses	43.39	67.50	124.26	113.37	121.48
Finance costs	70.82	102.63	165.24	153.62	248.08
Depreciation and amortisation expense	29.99	24.85	27.02	32.32	44.63
Other Expenses	117.37	147.19	206.94	200.35	212.68
<b>Total Expenses (B)</b>	<b>1,046.30</b>	<b>1,561.96</b>	<b>2,244.36</b>	<b>2,844.05</b>	<b>3,060.79</b>
<b>Profit before tax</b>	<b>19.66</b>	<b>27.50</b>	<b>34.74</b>	<b>39.91</b>	<b>119.79</b>
Prior period items (Net)	-	-	-	-	-
<b>Profit before exceptional, extraordinary items and tax (A-B)</b>	<b>19.66</b>	<b>27.50</b>	<b>34.74</b>	<b>39.91</b>	<b>119.79</b>
Exceptional items	-	-	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>19.66</b>	<b>27.50</b>	<b>34.74</b>	<b>39.91</b>	<b>119.79</b>
Extraordinary items	-	-	-	-	-
<b>Profit before tax</b>	<b>19.66</b>	<b>27.50</b>	<b>34.74</b>	<b>39.91</b>	<b>119.79</b>
Tax expense :					
(i) Current tax	(2.95)	(6.25)	(6.43)	(12.79)	(37.01)
(ii) Deferred tax	(2.05)	0.17	(0.95)	(4.31)	(0.68)
(iii) (Short)/Excess provision for earlier years	-	-	0.77	(1.13)	0.69
<b>Total Tax Expense</b>	<b>(5.00)</b>	<b>(6.08)</b>	<b>(6.61)</b>	<b>(18.23)</b>	<b>(37.01)</b>
<b>Profit for the year</b>	<b>14.66</b>	<b>21.42</b>	<b>28.13</b>	<b>21.68</b>	<b>82.78</b>
<b>Earning per equity share(face value of Rs10/- each): Basic and Diluted Rs</b>	<b>1.83</b>	<b>2.64</b>	<b>1.48</b>	<b>0.96</b>	<b>3.21</b>
<b>Adjusted Earning per equity share(face value of `10/- each): Basic and Diluted Rs</b>	<b>1.83</b>	<b>2.64</b>	<b>1.48</b>	<b>0.96</b>	<b>3.21</b>

## STATEMENT OF CASH FLOW AS RESTATED

(Rs. In Lakhs)

Particulars	As at March 31,				
	2010	2011	2012	2013	2014
<b><u>Cash flow from operating activities:</u></b>					
Net Profit before tax as per Profit And Loss A/c	19.66	27.50	34.74	39.91	119.79
<b>Adjusted for:</b>	-	-	-	-	-
Depreciation & Amortisation	29.99	24.85	27.02	32.32	44.63
Interest Expense	0.35	(0.02)	(0.33)	0.01	(0.00)
Gratuity	0.45	1.48	2.14	1.46	2.39
Gratuity Expense disallowed	-	-	-	-	(9.24)
<b>Operating Profit Before Working Capital Changes</b>	50.46	53.82	63.57	73.70	157.56
Adjusted for (Increase)/ Decrease:					
Inventories	(337.23)	(274.28)	(392.33)	(447.18)	(455.81)
Trade Receivables	(219.87)	(193.96)	(177.72)	148.34	41.53
Other current assets	0.91	(2.09)	(23.75)	(30.92)	(160.67)
Banks Working Capital	142.26	301.06	319.73	42.31	218.69
Other Current Liabilities	41.18	(17.71)	40.93	(10.62)	(0.49)
Trade Payables	209.98	104.98	70.67	180.77	208.06
<b>Cash Generated From Operations</b>	(112.31)	(28.20)	(98.90)	(43.60)	8.87
Direct Tax Paid			4.00		
<b>Net Cash Flow from/(used in) Operating Activities:</b>	<b>(112.31)</b>	<b>(28.20)</b>	<b>(94.90)</b>	<b>(43.60)</b>	<b>8.87</b>
<b><u>Cash Flow From Investing Activities:</u></b>					
Purchase of Fixed Assets	(11.32)	(3.27)	(64.41)	(115.29)	(100.57)
Purchase of Investments	(10.00)	(7.50)	-	-	-
Proceeds from other investment	-	-	5.00	-	-
<b>Net Cash flow from /(Used in) Investing Activities</b>	<b>(21.32)</b>	<b>(10.77)</b>	<b>(59.41)</b>	<b>(115.29)</b>	<b>(100.57)</b>
<b><u>Cash Flow from Financing Activities:</u></b>					
Proceeds From Share Capital & Share Premium	-	220.00	83.21	87.05	-
Share Application Money	-	-	11.88	(11.88)	-
Proceeds from Long Term Borrowing (Net)	84.54	(36.32)	65.03	70.04	93.45
Proceeds from Short-term borrowings	50.04	(131.00)	-	-	-
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>134.58</b>	<b>52.67</b>	<b>160.11</b>	<b>145.21</b>	<b>93.45</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>0.95</b>	<b>13.71</b>	<b>5.80</b>	<b>(13.68)</b>	<b>1.74</b>
<b>Cash &amp; Cash Equivalents As At Beginning of the Year</b>	<b>23.18</b>	<b>24.13</b>	<b>37.84</b>	<b>43.64</b>	<b>29.96</b>
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>24.13</b>	<b>37.84</b>	<b>43.64</b>	<b>29.96</b>	<b>31.70</b>

**THE ISSUE**

<b>Particulars</b>	<b>Number of Equity Shares</b>
Equity Shares Offered	22,14,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 36 per Equity Share aggregating Rs. 797.04 Lakhs
Of which	
Issue Reserved for Market Makers	1,14,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 36 per Equity Share aggregating Rs. 41.04 Lakhs
Net Issue to the Public	21,00,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs 36 per Equity Share aggregating Rs. 756.00 Lakhs
	of which
	10,50,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 36 per Equity Share will be available for allocation to Retail Individual Investors.
	10,50,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs.36 per Equity Share will be available for allocation to investors other than Retail Individual Investors.
Equity Shares outstanding prior to the Issue	58,00,000
Equity Shares outstanding after the Issue	80,14,000
Objects of the Issue	Refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 86

1. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. The Issue is being made through the Fixed Price method and hence, as per regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, at least 50% of the Net Issue to Public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Issue Price.
2. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 27, 2014 and by the shareholders of our Company vide a special resolution passed pursuant to section 62 of the Companies Act, 2013 at the EGM held on June 28, 2014.

For further details please refer to chapter titled “*Issue Structure*” beginning on page 241 of this Draft Prospectus.

**GENERAL INFORMATION**

Our Company was incorporated as Ultracab (India) Private Limited under the provisions of the Companies Act, 1956 on December 19, 2007 bearing registration no. 052394 of 2007, issued by Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently, our Company was converted from private limited company to a public limited company vide fresh Certificate of Incorporation dated July 30, 2014 bearing Corporate Identity Number U31300GJ2007PLC052394. For further details please refer to chapter titled “*Our History and Certain Other Corporate Matter*” beginning on page 149 of this Draft Prospectus.

**REGISTERED OFFICE OF OUR COMPANY****Ultracab (India) Limited**

Survey No. 262

Behind Galaxy Bearing Ltd

Shapar (Varaval)

Rajkot- 360024

**Tel:** (91) 2827 - 253122/23**Fax:** 91- 2827- 252725**Email:** ipo@ultracab.in**Website:** www.ultracab.in**Registration Number:** 052394**Corporate Identification Number:** U31300GJ2007PLC052394**REGISTRAR OF COMPANIES****Registrar of Companies, Ahmedabad**

ROC Bhavan, Opp Rupal Park Society

Behind Ankur Bus Stop

Naranpura, Ahmedabad-380013

Gujarat, India.

**Website:** [www.mca.gov.in](http://www.mca.gov.in)**DESIGNATED STOCK EXCHANGE:****SME Platform of BSE**

P. J Towers, Dalal Street,

Mumbai, Maharashtra, 400001.

For details in relation to the changes to the name of our Company, please refer to the chapter titled, “*Our History and Certain Other Corporate Matters*” beginning on page 149 of this Draft Prospectus.

**BOARD OF DIRECTORS OF OUR COMPANY**

<b>Sr. No.</b>	<b>Name</b>	<b>Age</b>	<b>DIN</b>	<b>Address</b>	<b>Designation</b>
1.	Nitesh Parshottambhai Vaghasiya	40	01899455	“Astha”, Silver Stone- 3, Street No.1, Nr. Oscar Tower, Opp Big Bazar, 150 Feet Ring Road, Rajkot, 360005, Gujarat, India	Chairman & Managing Director
2.	Pankaj Vasantbhai Shingala	27	03500393	“Shree Ram” Silver Stone Society - 3, Street No. 9, Jalaram Banglows, Mota Mava, Rajkot, 360005, Gujarat, India	Whole-time Director

Sr. No.	Name	Age	DIN	Address	Designation
3.	Sangeetaben Vaghasiya	40	06910845	“Asta”, Silver Stone-3, Street No. 1, 150 Feet Ring Road Rajkot, Gujarat, India 360005	Non Executive Director
4.	Bipinchandra Mohanbhai Sangani	59	06945854	“RAJ”, 3 – Silver Stone Street, Opposite Oscar Tower, 150 feet Road, Rajkot, Gujarat India 360005	Independent Director
5.	Jayshanker Bhagvanji Dave	66	06945842	Bandhutava, University Road, Bombay Housing ST No. 3, Opposite Sabri Ashram, Rajkot, India 360005	Independent Director
6.	Kanjibhai Gandubhai Patel	60	06945882	“Premchand” Silver Stone- 3 , 1/9 Street, Opposite Big Bazar , 150 feet Ring Road, Rajkot, Gujarat, India- 360005	Independent Director

For further details of our Directors, please refer to the chapter titled “Our Management” beginning on page 152 of this Draft Prospectus.

#### COMPANY SECRETARY & COMPLIANCE OFFICER

##### Mayur Gangani

Ultracab (India) Limited  
Survey No. 262  
Behind Galaxy Bearing Ltd  
Shapar (Varaval)  
Rajkot- 360024  
**Tel:** (91) 2827 - 253122/23  
**Fax:** 91- 2827- 252725  
**Email:** [cs@ultracab.in](mailto:cs@ultracab.in)  
**Website:** [www.ultracab.in](http://www.ultracab.in)

#### CHIEF FINANCIAL OFFICER

##### Diljeet Bhatti

Ultracab (India) Limited  
Survey No. 262  
Behind Galaxy Bearing Ltd  
Shapar (Varaval)  
Rajkot- 360024  
**Tel:** (91) 2827 - 253122/23  
**Fax:** 91- 2827- 252725  
**Email:** [cfo@ultracab.in](mailto:cfo@ultracab.in)  
**Website:** [www.ultracab.in](http://www.ultracab.in)

**Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or the Lead Manager, in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.**

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Locations), giving full details such

as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs to whom the Application was submitted (at ASBA Locations) where the ASBA Form was submitted by the ASBA Applicants.

#### **STATUTORY AUDITOR**

**M/s R. Harsoda & Co**  
Chartered Accountants  
206/207, Aarthik Bhavan  
Nr. Bombay Garage Petrol Pump  
Gondal Road, Rajkot - 360024  
**Tel:** 0281-2230290  
**Fax:** 0281-2230290  
**E-mail:** [rharsodacoca@yahoo.com](mailto:rharsodacoca@yahoo.com)  
**Contact Person:** Rajesh Harsoda  
**Firm Registration No:** 128513W  
**Membership No:** 127385

#### **PEER REVIEWED AUDITOR**

**M/s. R.T. Jain & Co.**  
**Chartered Accountants**  
2nd Floor, Lotus Bldg,  
59, Mohammed Ali Road,  
Mumbai – 400 003  
**Tel:** +91 22 23465218  
**Fax:** + 91 22 23464955  
**E-Mail:** [rtjain\\_ca@yahoo.co.in](mailto:rtjain_ca@yahoo.co.in)  
**Contact Person:** R. T. Jain  
**Firm Registration No:** 103961W

M/s. R.T Jain & Co holds a peer reviewed certificate dated September 20, 2011 issued by the Institute of Chartered Accountants of India.

#### **LEAD MANAGER**

**Pantomath Capital Advisors Private Limited**  
108, Madhava Premises Co-Op Soc Ltd.  
Bandra Kurla Complex, Bandra East  
Mumbai 400 051  
**Tel:** +91 22 26598687  
**Fax:** + 91 22 26598690  
**Contact Person:** Mahavir Lunawat  
**Email:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)  
**SEBI Registration No:** INM000012110

#### **REGISTRAR TO THE ISSUE**

**Bigshare Services Private Limited**  
E/2, Ansa Industrial Estate Saki Vihar Road,  
Saki Naka, Andheri (East), Mumbai 400 072  
**Tel:** +91-22-40430200  
**Fax:** +91-22-28475207  
**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Contact Person:** Babu Raphael

**Website:** www.bigshareonline.com  
**SEBI Registration No.:** INR000001385

#### **LEGAL ADVISOR TO THE ISSUE**

**M/s. Crawford Bayley & Co.**  
State Bank Buildings, 4<sup>th</sup> Floor,  
N.G.N. Vaidya Marg, Fort,  
Mumbai - 400 001  
Maharashtra  
**Tel:** +91-022-2266 8000  
**Fax:** +91-022-2266 3978  
**Email:** [sanjay.asher@crowfordbayley.com](mailto:sanjay.asher@crowfordbayley.com)

#### **BANKER TO THE COMPANY**

[•]

#### **ESCROW COLLECTION BANKS**

**IndusInd Bank Limited**  
IndusInd Bank, PNA House, 4th Floor  
Plot No 57 & 57/1, Road No. 17  
Near SRL, MIDC Andheri East  
Mumbai – 400093  
**Tel:** -(91) 022 61069248  
**Fax:** (91) 022 66238021  
**Email:** suresh.esaki@indusindbank.com  
**Contact Person:** Suresh Esaki  
**SEBI Registration No.:** INBI000000002

**ICICI Bank Limited**  
Capital Market Division  
1st Floor, 122, Mistry Bhavan  
Dinshaw Vachha Road  
Mumbai - 400020  
**Tel:** -(91) 022 22859905  
**Fax:** (91) 022 22611138  
**Email:** anil.gadoo@icicibank.com  
**Contact Person:** Anil Gadoo  
**SEBI Registration No.:** INBI000000004

#### **REFUND BANKER**

**ICICI Bank Limited**  
Capital Market Division,  
1st Floor, 122, Mistry Bhavan  
Dinshaw Vachha Road  
Mumbai - 400020  
**Tel:** (91) 022 22859905  
**Fax:** (91) 022 22611138  
**Email:** anil.gadoo@icicibank.com  
**Contact Person:** Anil Gadoo  
**SEBI Registration No.:** INBI000000004

**SELF CERTIFIED SYNDICATE BANKS**

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognition-Intermediaries>. For details on Designated Branches of SCSBs collecting the ASBA Bid Form, please refer to the above-mentioned SEBI link.

**CREDIT RATING**

This being an issue of Equity Shares, credit rating is not required.

**IPO GRADING**

Since the Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading agency.

**APPRAISAL AND MONITORING AGENCY**

As per regulation 16(1) of the SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000 Lakhs. Since the Issue size is only of Rs 797.04 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Clause 52 of the SME Listing Agreement to be entered into with BSE upon listing of the Equity Shares and the corporate governance requirements, *inter-alia*, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

**INTER-SE ALLOCATION OF RESPONSIBILITIES**

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

**EXPERT OPINION**

Except the report of the Peer Reviewed Auditor on statement of tax benefits included in this Draft Prospectus, our Company has not obtained any other expert opinion.

**DEBENTURE TRUSTEE**

Since this is not a debenture issue, appointment of debenture trustee is not required.

**UNDERWRITER**

Our Company and LM to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated August 14, 2014, pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter have indicated its intention to underwrite the following number of specified securities being offered through this Issue.

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
<b>Pantomath Capital Advisors Private Limited</b> 108, Madhava Premises Co-Op Soc Ltd. Bandra Kurla Complex, Bandra East, Mumbai 400051 <b>Tel:</b> (022) 26598687 <b>Fax:</b> (022) 26598690 <b>Contact Person:</b> Mahavir Lunawat	22,14,000	797.04	100%



Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
Email: <a href="mailto:ipo@pantomathgroup.com">ipo@pantomathgroup.com</a> SEBI Registration No: INM000012110			
<b>Total</b>	<b>22,14,000</b>	<b>797.04</b>	<b>100%</b>

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

#### DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated August 14, 2014 with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

**Choice Equity Broking Private Limited**

Shree Shakambhari Corporate Park

Plot No. 156 – 158,

Chakravarti Ashok Society, J. B. Nagar

Andheri (E), Mumbai – 400099

**Tel:** +91 22 67079999

**Fax:** +91 22 67079898

**E-mail:** mahavir.toshniwal@choiceindia.com

**Contact Person:** Mahavir Toshniwal

**SEBI Registration No.:** INB011377331

**Market Maker Registration No. (SME Segment of BSE):** SMEMM0329931012012

Choice Equity Broking Private Limited, registered with SME segment of BSE will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by BSE and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. 36, the minimum lot size is 3000 Equity shares thus minimum depth of the quote shall be Rs 1,08,000/- until the same ,would be revised by BSE.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (Including the 1,14,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 1,14,000. Equity Shares would not be taken

in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.

4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Choice Equity Broking Private Limited is acting as the sole Market Maker.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

11. BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
12. BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

13. SEBI Circular bearing reference no: CIR/D/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 25,000 Lakhs, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT (Trade for Trade) segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME Platform:

Sr. No.	Market Price Slab (in Rs.)	Proposed spread (in % to sale price)
1	Up to 50	9%
2	50 to 75	8%
3	75 to 100	6%
4	Above 100	5%

14. Pursuant to SEBI Circular number CIR/D/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the issue size and as follows:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to Rs. 20 Crore	25%	24%
Rs. 20 crore to Rs. 50 crore	20%	19%
Rs. 50 to Rs. 80 crore	15%	14%
Above Rs. 80 crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/BSE from time to time.

The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up.

Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

**CAPITAL STRUCTURE**

The share capital of our Company as of the date of this Draft Prospectus before and after the Issue is set forth below:

(Rs. In Lakhs except share data)

Sr. No	Particulars	Aggregate Value	
		Face Value	Issue Price
A	Authorised Share Capital		
	10,000,000 Equity Shares of face value of Rs. 10/- each	1,000.00	
B.	<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>		
	58,00,000 fully paid up Equity Shares of face value of Rs. 10/- each	580.00	
C.	<b>PRESENT ISSUE IN TERMS OF DRAFT PROSPECTUS*</b>		
	22,14,000 Equity Shares of face value of Rs. 10/- each	221.40	797.04
	Which comprises		
	1,14,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 26/- per Equity Share reserved as Market Maker Portion	11.40	41.04
	Net Issue to Public of 21,00,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 26/- per Equity Share to the Public	210.00	756.00
	10,50,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. 26/- per Equity Share will be available for allocation to Retail Individual Investors.	105.00	378.00
	10,50,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. 26/- per Equity Share will be available for allocation to Investors other than Retail Individual Investors.	105.00	378.00
D.	<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE</b>		
	80,14,000 Equity Shares of face value of Rs. 10 each	801.40	-
E.	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		5.09
	After the Issue		580.73

\* The Issue has been authorized pursuant to a resolution of our Board dated June 27, 2014 and by Special Resolution passed under Section 62 of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held on June 28, 2014.

The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up.

Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

**NOTES TO THE CAPITAL STRUCTURE:**

History of changes in authorized Equity Share capital of Our Company.

Particulars of Change		Date of Shareholders' Meeting	AGM/EGM
From	To		
Rs. 25,00,000 consisting of 250,000 Equity shares of Rs. 10 each.		On incorporation	
Rs. 25,00,000 consisting of 2,50,000 Equity shares of Rs. 10 each.	Rs. 80,00,000 consisting of 8,00,000 Equity shares of Rs. 10 each.	March 10, 2008	EGM
Rs. 80,00,000 consisting of 8,00,000 Equity shares of Rs. 10 each.	Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs. 10 each.	March 14, 2011	EGM
Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs. 10 each.	Rs. 10,00,00,000 consisting of 1,00,00,000 Equity shares of Rs. 10 each.	June 02, 2014	EGM

**1. Equity Share Capital History:**

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Cumulative No of Shares	Cumulative Paid up Capital	Cumulative securities premium
December 11, 2007	2,50,000	10	10	Subscription to MoA <sup>(1)</sup>	Cash	2,50,000	25,00,000	NIL
April 29, 2008	5,50,000	10	10	Further allotment <sup>(2)</sup>	Cash	8,00,000	80,00,000	NIL
March 28, 2011	11,00,000	10	20	Further allotment <sup>(3)</sup>	Cash	19,00,000	1,90,00,000	1,10,00,000
March 31, 2012	3,32,836	10	25	Further allotment <sup>(4)</sup>	Cash	22,32,836	2,23,28,360	1,59,92,540
July 23, 2012	46,000	10	25	Further allotment <sup>(5)</sup>	Cash	22,78,836	2,27,88,360	1,66,82,540
July 25, 2012	2,400	10	25	Further allotment <sup>(6)</sup>	Cash	22,81,236	2,28,12,360	1,67,18,540
July 31, 2012	1,507	10	25	Further allotment <sup>(7)</sup>	Cash	22,82,743	2,28,27,430	1,67,41,145
March 30, 2013	2,98,280	10	25	Further allotment <sup>(8)</sup>	Cash	25,81,023	2,58,10,230	2,12,15,345
July 10, 2014	15,210	10	36	Right Issue <sup>(9)</sup>	Cash	25,96,233	2,59,62,330	2,15,95,595
	3,03,767	10	36	Right Issue <sup>(10)</sup>	Conversion of Unsecured Loan	29,00,000	2,90,00,000	2,95,08,747
August 9, 2014	29,00,000	10	NIL	Bonus <sup>(11)</sup>	Bonus Issue	58,00,000	5,80,00,000	5,08,747

- (1) Initial Subscribers to Memorandum of Association subscribed 2,50,000 Equity Shares of face value of Rs. 10/-each fully paid at par as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Tarun Shingala	62,500
2.	Nitesh Vaghasiya	62,500
3.	Harshadkumar Nandaniya	62,500
4.	Rahul Vasoya	62,500
	<b>Total</b>	<b>2,50,000</b>

- (2) The Company allotted 5,50,000 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Gopalbhai Hardashbhai Shingala	58,000
2.	Vasantbhai Hardashbhai Shingala	45,000
3.	Pravinbhai Hardashbhai Shingala	30,000
4.	Vijaybhai Gopalbhai Shingala	30,000
5.	Pankaj Shingala	15,000
6.	Mehulbhai Vasantbhai Shingala	30,000
7.	Parshottambhai Laljibhai Vaghasiya	30,000
8.	Manojbhai Parshottambhai Vaghasiya	25,000
9.	Jayaben Parshottambhai Vaghasiya	10,000
10.	Rekhaben Manojbhai Vaghasiya	15,000
11.	Sangeetaben Vaghasiya	15,000
12.	Bhumiben Vaghasiya	15,000
13.	Ramnikbhai Parshottambhai Vaghasiya	37,000
14.	Manubhai Harjibhai Vasoya	37,500
15.	Babubhai Harjibhai Vasoya	30,000
16.	Kishorbhai Babubhai Vasoya	20,000
17.	Kalpeshbhai Babubhai Vasoya	40,000
18.	Veljibhai Harjibhai Vasoya	20,000
19.	Pankaj Vasoya	20,000
20.	Daxaben Vasoya	10,000
21.	Ravjibhai Keshavbhai Nandaniya	10,000
22.	Dhansukhbhai Ravjibhai Nandaniya	7,500
	<b>Total</b>	<b>5,50,000</b>

- (3) The Company allotted 11,00,000 Equity Shares of face value of Rs. 10/- each fully paid at a price of Rs.20/- as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Gopalbhai Hardashbhai Shingala	1,02,500
2.	Vasantbhai Hardashbhai Shingala	42,500
3.	Pravinbhai Hardashbhai Shingala	20,000
4.	Vijaybhai Gopalbhai Shingala	70,000
5.	Pankaj Shingala	50,000
6.	Parshottambhai Laljibhai Vaghasiya	52,200
7.	Manojbhai Parshottambhai Vaghasiya	68,700

Sr. No	Name of Person	No of Shares Allotted
8.	Jayaben Tarunbhai Vaghasiya	31,400
9.	Rekhaben Manojbhai Vaghasiya	28,500
10.	Sangeetaben Vaghasiya	45,500
11.	Bhumiben Vaghasiya	23,900
12.	Ramnikbhai Parshottambhai Vaghasiya	54,100
13.	Gurudatt Trading Rajkot (Proprietor Arvindbhai Parshottambhai Vaghasiya)	1,20,000
14.	Jalpaben Tarunbhai Shingala	25,000
15.	Kanchanben Vasantbhai Shingala	75,000
16.	Nitaben Pravinbhai Shingala	40,000
17.	Nitesh Vaghasiya	1,25,700
18.	Ramaben Gopalbhai Shingala	55,000
19.	Tarunbhai Gopalbhai shingala	70,000
	<b>Total</b>	<b>11,00,000</b>

(4) The Company allotted 3,32,836 Equity Shares of face value of Rs. 10/- each fully paid at a price of Rs.25/- as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Yogeshbhai Govindbhai Ramani	20,000
2.	Govindbhai Karshanbhai Ramani	20,000
3.	Muktaben Govindbhai Ramani	20,000
4.	Sonalben Yogeshbhai Ramani	11,000
5.	Naranbhai L Vaghasiya –HUF	23,777
6.	Vasnatbhai L Vaghasiya – HUF	20,676
7.	Bhavkubhai L Vaghasiya – HUF	10,338
8.	Vasantbhai H Shingala – HUF	41,400
9.	Shilpaben Arvindbhai Vaghasiya	20,000
10.	Kanchanben Vasantbhai Shingala	10,200
11.	Mehul Vasantbhai Shingala	12,400
12.	Nitesh Vaghasiya	11,200
13.	Bhumiben Ramnikbhai Vaghasiya	19,000
14.	Manojbhai parshotambhai Vaghasiya	22,000
15.	Virta Trading Co.	25,845
16.	Sangeetaben Vaghasiya	15,000
17.	Rekhaben Manojbhai Vaghasiya	10,000
18.	Nitaben Pravinbhai Shingala	8,000
19.	Jalpaben Tarunbhai Shingala	12,000
	<b>Total</b>	<b>3,32,836</b>

(5) The Company allotted 46,000 Equity Shares of face value of Rs. 10/- each fully paid at a price of Rs.25/- as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Niteenbhai Bhikubhai Khatra	31,000
2.	Kumudben Balvantbhai Patel	15,000
	<b>Total</b>	<b>46,000</b>

- (6) The Company allotted 2,400 Equity Shares of face value of Rs. 10/- each fully paid at a price of Rs.25/- as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Yogeshbhai Govindbhai Ramani	2,400
	<b>Total</b>	<b>2,400</b>

- (7) The Company allotted 1,507 Equity Shares of face value of Rs. 10/- each fully paid at a price of Rs.25/- as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Niteenbhai Bhikubhai Khatra	1,000
2.	Kumudben Balvantbhai Patel	507
	<b>Total</b>	<b>1,507</b>

- (8) The Company allotted 2,98,280 Equity Shares of face value of Rs. 10/- each fully paid at a price of Rs.25/-per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Nitesh Vaghasiya	12,240
2.	Pravinbhai Hardashbhai Shingala	4,460
3.	Pankaj Shingala	4,640
4.	Ramnimbhai Parshottambhai Vaghasiya	3,200
5.	Gurudatt Trading Rajkot (Prop Arvindbhai Parsottambhai Vaghasiya)	35,000
6.	Bhumiben Ramnimbhai Vaghasiya	4,000
7.	Jayaben Parshottambhai Vaghasiya	19,360
8.	Yogeshbhai Govindbhai Ramani	20,000
9.	Govindbhai Karshanbhai Ramani	20,000
10.	Muktaben Govindbhai Ramani	10,600
11.	Sonalben Yogeshbhai Ramani	18,000
12.	Naranbhai Vaghasiya –HUF	22,220
13.	Bhavkubhai Vaghasiya – HUF	9,660
14.	Virta Trading company	24,000
15.	Niteenbhai Bhikubhai Khatra	28,000
16.	Jayesh Bhikubhai Patel	8,600
17.	Shaileshbhai B Khatra	3,000
18.	Artiben Pankajkumar Shingala	7,300
19.	Sangeetaben Vaghasiya	32,000
20.	Vasantbhai H Shingala	12,000
	<b>Total</b>	<b>2,98,280</b>

- (9) The Company allotted 15,210 Equity Shares of face value of Rs. 10/- each fully paid at a price of Rs.25/-per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Nitesh Vaghasiya	15,210

- (10) The Company allotted 3,03,767 Equity Shares of face value of Rs. 10/- each fully paid at a price of Rs.25/-per share upon conversion of Unsecured Loan



Sr. No	Name of Person	No of Shares Allotted
1.	Vasantbhai H Shingala	24,450
2.	Parshottambhai Laljibhai Vaghasiya	36,000
3.	Ramnikbhai Parshottambhai Vaghasiya	80,000
4.	Arvindbhai Parshottambhai Vaghasiya	3,450
5.	Vasantbhai H Shingala – HUF	55,550
6.	Niteenbhai Bhikubhai Khatra	12,000
7.	Parmeshwar Trading Company	40,000
8.	Naranbhai L Vaghasiya –HUF	3
9.	Vasantbhai Vaghasiya – HUF	16,004
10.	Bhavkubhai L Vaghasiya – HUF	2
11.	Kumudben Balvantbhai Patel	8,003
12.	Jayesh Bhikubhai Patel	8,300
13.	Virta Trading Company	5
14.	Ramaben Gopalbhai Shingala	20,000
	<b>Total</b>	<b>3,03,767</b>

- (11) The Company issued Bonus of 29,00,000 Equity Shares of face value of Rs. 10/- each fully paid at a ratio of 1 Equity Share for every Equity Share held as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Nitesh Parshottambhai Vaghasiya	2,96,050
2.	Gopalbhai Hardasbhai Shingala	1,41,250
3.	Vasantbhai Hardasbhai Shingala	1,05,700
4.	Pravinbhai Hardasbhai Shingala	94,460
5.	Pankaj Shingala	2,58,440
6.	Mehulbhai Vasantabhai Shingala	1,59,400
7.	Parshottambhai Laljibhai Vaghasiya	1,85,700
8.	Ramnikbhai Parshottambhai Vaghasiya	2,41,800
9.	Arvindbhai Parshottambhai Vaghasiya	2,25,450
10.	Bhumiben Ramnikbhai Vaghasiya	46,900
11.	Jayabhai Parshottambhai Vaghasiya	50,760
12.	Kanchanben Parshottambhai Vaghasiya	1,03,900
13.	Nitaben Pravinbhai Shingala	81,800
14.	Ramaben Gopalbhai Shingala	75,000
15.	Sangeetaben Vaghasiya	92,500
16.	Yogeshbhai Govindbhai Ramani	42,400
17.	Govindhai Karshanbhai Ramani	40,000
18.	Muktaben Govindbhai Ramani	30,600
19.	Sonaben Yogeshbhai Ramani	29,000
20.	Narangbhai Laljibhai Vashasiya HUF	46,000
21.	Vasantbhai Vaghasiya HUF	36,180
22.	Vasantbhai Shingala HUF	1,18,000
23.	Shilpaben Arvindbhai Vaghasiya	20,000
24.	Virta Trading Company	49,850
25.	Niteenbhai Bhikubhai Khatra	72,000
26.	Kumudben Balvantbhai Patel	23,510

Sr. No	Name of Person	No of Shares Allotted
27.	Nitesh Vaghasiya HUF	1,28,500
28.	Artiben Shingala	24,450
29.	Jayesh Bhikhubhai Patel	16,900
30.	Shaileshbhai B. Khatara	3,000
31.	Parmeshwar Trading Company	40,500
32.	Bavkubhai Vaghasiya	20,000
	<b>TOTAL</b>	<b>29,00,000</b>

\* The Equity Shares issued pursuant to the bonus issue are not ineligible as per Regulation 33 of the SEBI ICDR Regulations as the same are neither resulting from a bonus issue by utilization of revaluation reserves nor unrealised profits of our Company nor from the bonus issue against Equity Shares which are ineligible for minimum Promoters' contribution.

No benefits have accrued to the Company out the above issuances.

## 2. Issue of Equity Shares for consideration other than cash

Date of allotment	Number of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Allottees	No of Shares Allotted
August 9, 2014	29,00,000	10	Nil		Bonus issue of Equity Shares in the ratio of 1:1	Nitesh Parshottambhai Vaghasiya	2,96,050
						Pankaj Shingala	2,58,440
						Sangeetaben Vaghasiya	92,500
						Artiben Shingala	24,450
						Nitesh Vaghasiya-HUF	1,28,500
						Vasantbhai Hardasbhai Shingala	1,05,700
						Parshottambhai Laljibhai Vaghasiya	1,85,700
						Mehulbhai Vasantbhai Shingala	1,59,400
						Ramnikbhai Parshottambhai Vaghasiya	2,41,800
						Arvindbhai Parshottambhai Vaghasi	2,25,450
						Kanchanben Vasantbhai Shingala	1,03,900
						Yogeshbhai Govindbhai Ramani	42,400
						Vasantbhai H Shingala-HUF	1,18,000
						Jayaben Parshottambhai Vaghasiya	50,760
						Govindbhai Karshanbhai Ramani	40,000
						Muktaben Govindbhai Ramani	30,600

						Gopalbhai Hardasbhai Shingala	1,41,250
						Pravinbhai Hardasbhai Shingala	94,460
						Nitaben Pravinbhai Shingala	81,800
						Niteenbhai Bhikhubhai Khatra	72,000
						Parmeshwar Trading	40,500
						Sonaben Yogeshbhai Ramani	29,000
						Naranbhai L Vaghasiya - HUF	46,000
						Vasantbhai Vaghasiya-HUF	36,180
						Bavkubhai L Vaghasiya-HUF	20,000
						Kumudhben Balvanbhai Patel	23,510
						Jayesh Bhikhubhai Patel	16,900
						Shaileshbhai B Khatra	3,000
						Virta Trading Company	49,850
						Shilpaben Arvindbhai Vaghasiya	20,000
						Ramaben Gopalbhai Shingala	75,000
						Bhumiben Ramnikbhai Vaghasiya	46,900
						<b>Total</b>	<b>29,00,000</b>

Date of allotment	Number of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Allottees	No of Shares Allotted
July 10, 2014	3,03,767	10	36	Cash	Conversion of Unsecured Loan	Vasantbhai H Shingala	24,450
						Parshottambhai Laljibhai Vaghasiya	36,000
						Ramnikbhai Parshottambhai Vaghasiya	80,000
						Arvindbhai Parshottambhai Vaghasiya	3,450
						Vasantbhai H Shingala - HUF	55,550
						Niteenbhai Bhikubhai Khatra	12,000
						Parmeshwar Trading Company	40,000

						Naranbhai L Vaghasiya - HUF	3
						Vasantbhai L Vaghasiya - HUF	16,004
						Bhavkubhai L Vaghasiya - HUF	2
						Kumudben Balvantbhai Patel	8,003
						Jayesh Bhikubhai Patel	8,300
						Virta Trading Company	5
						Ramaben Gopalbhai Shingala	20,000
						<b>Total</b>	<b>3,03,767</b>

3. We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act.
4. No shares have been issued at price below Issue Price within last one year from the date of this Draft Prospectus except the bonus Issue as mentioned below:

Date of allotment	Number of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Allottees	No of Shares Allotted
August 9, 2014	29,00,000	10	Nil		Bonus issue of Equity Shares in the ratio of 1:1	Nitesh Parshottambhai Vaghasiya	2,96,050
						Pankaj Shingala	2,58,440
						Sangeetaben Vaghasiya	92,500
						Artiben Shingala	24,450
						Nitesh Vaghasiya-HUF	1,28,500
						Vasantbhai Hardasbhai Shingala	1,05,700
						Parshottambhai Laljibhai Vaghasiya	1,85,700
						Mehulbhai Vasantbhai Shingala	1,59,400
						Ramnikbhai Parshottambhai Vaghasiya	2,41,800
						Arvindbhai Parshottambhai Vaghasi	2,25,450
						Kanchanben Vasantbhai Shingala	1,03,900
						Yogeshbhai Govindbhai Ramani	42,400
						Vasantbhai H Shingala-HUF	1,18,000
						Jayaben Parshottambhai Vaghasiya	50,760
						Govindbhai Karshanbhai Ramani	40,000

						Muktaben Govindbhai Ramani	30,600
						Gopalbhai Hardasbhai Shingala	1,41,250
						Pravinbhai Hardasbhai Shingala	94,460
						Nitaben Pravinbhai Shingala	81,800
						Niteenbhai Bhikhubhai Khatra	72,000
						Parmeshwar Trading	40,500
						Sonaben Yogeshbhai Ramani	29,000
						Naranbhai L Vaghasiya - HUF	46,000
						Vasantbhai Vaghasiya-HUF	36,180
						Bavkubhai L Vaghasiya-HUF	20,000
						Kumudhben Balvanbhai Patel	23,510
						Jayesh Bhikhubhai Patel	16,900
						Shaileshbhai B Khatra	3,000
						Virta Trading Company	49,850
						Shilpaben Arvindbhai Vaghasiya	20,000
						Ramaben Gopalbhai Shingala	75,000
						Bhumiben Ramnikbhai Vaghasiya	46,900
						<b>Total</b>	<b>29,00,000</b>

#### 5. Details of shareholding of our Promoters

##### Nitesh Vaghasiya

Date of Allotment / Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds
December 11, 2007	62,500	10	10	Subscription to MoA	2.17	0.78	3 years	Nil	Nil	Earned income/savings
May 05, 2010	40,000	10	10	Transfer	0.69	0.50	3 years	Nil	Nil	Earned income/savings
March 28, 2011	1,25,700	10	20	Further allotment	0.19	1.57	3 years	Nil	Nil	Borrowing from Nitinbhai Khatra
March 31, 2012	11,200	10	25	Further allotment	0.21	0.14	3 years	Nil	Nil	Earned income/

										savings
February 15, 2013	29,200	10	23.77	Transfer	0.5	0.36	3 years	Nil	Nil	Earned income/savings
March 30, 2013	12,240	10	25	Further allotment	0.69	0.15	3 years	Nil	Nil	Cash gift received from B.L. Vaghasiya HUF
July 10, 2014	15,210	10	36	Right Issue	0.26	0.19	3 years	Nil	Nil	Earned income/savings
August 09, 2014	2,96,050	10	NIL	Bonus Issue	5.10	3.69	3 years	Nil	Nil	N.A.
<b>Total</b>	<b>5,92,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10.21</b>	<b>7.39</b>	3 years	Nil	Nil	<b>-</b>

*\*Cost of acquisition excludes Stamp Duty*

**Pankaj Shingala**

Date of Allotment / Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds
April 29, 2008	15,000	10	10	Further allotment	0.86	0.19	3 years	Nil	Nil	Earned income/savings
February 02, 2009	15,000	10	10	Transfer	2.65	0.19	3 years	Nil	Nil	Earned income/savings
May 05, 2010	20,000	10	10	Transfer	0.08	0.25	3 years	Nil	Nil	Earned income/savings
March 28, 2011	50,000	10	20	Further allotment	4.46	0.62	3 years	Nil	Nil	Borrowing from Bavkubhai Vaghasiya HUF and Vasantbhai Vaghasiya HUF
February 15, 2013	1,53,800	10	13.34	Transfer	0.16	1.92	3 years	Nil	Nil	Earned income/savings
March 30, 2013	4,640	10	25	Further allotment	9.07	0.06	3 years	Nil	Nil	Earned income/savings

										savings
August 9, 2014	2,58,440	10	NIL	Bonus Issue	4.46	3.22	3 years	Nil	Nil	N.A.
August 14, 2014	9,000	10	36	Transfer	0.16	0.11	3 years	Nil	Nil	Earned income/savings
<b>Total</b>	<b>5,25,880</b>	-	-	-	<b>9.07</b>	<b>6.56</b>	3 years	Nil	Nil	-

*\*Cost of acquisition excludes Stamp Duty*

### Sangeetaben Vaghasiya

Date of Allotment / Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds
April 29, 2008	15,000	10	10	Further allotment	0.26	0.19	3 years	Nil	Nil	Earned income/savings
February 02, 2009	(15,000)	10	10	Transfer	-0.26	-0.19	3 years	Nil	Nil	N.A.
March 28, 2011	45,500	10	20	Further allotment	0.78	0.57	3 years	Nil	Nil	Borrowing from Vasantbhai Vaghasiya HUF / Earned income/savings
March 31, 2012	15,000	10	25	Further allotment	0.26	0.19	3 years	Nil	Nil	Earned income/savings
March 30, 2013	32,000	10	25	Further allotment	0.55	0.40	3 years	Nil	Nil	Cash gifted from Bavkubhai Vaghasiya HUF / Earned income/savings
August 9, 2014	92,500	10	NIL	Bonus Issue	1.59	1.15	3 years	Nil	Nil	N.A.
<b>Total</b>	<b>1,85,000</b>	-	-	-	<b>3.19</b>	<b>2.31</b>	3 years	Nil	Nil	-

*\*Cost of acquisition excludes Stamp Duty*

**Artiben Shingala**

Date of Allotment / Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds
February 15, 2013	17,150	10	20	Transfer	0.30	0.21	3 years	Nil	Nil	Borrowing/ Cash gifted from Pankaj Shingala
March 30, 2013	7,300	10	25	Further allotment	0.13	0.09	3 years	Nil	Nil	Earned income/savings
August 9, 2014	24,450	10	NIL	Bonus Issue	0.42	0.31	3 years	Nil	Nil	N.A.
<b>Total</b>	<b>48,900</b>	-	-	-	<b>0.84</b>	<b>0.61</b>	3 years	Nil	Nil	-

\*Cost of acquisition excludes Stamp Duty

**Nitesh Vaghasiya-HUF**

Date of Allotment / Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged	Source of funds
February 15, 2013	1,28,500	10	14.79	Transfer	2.22	1.60	3 years	Nil	Nil	Earned income/savings
August 9, 2014	1,28,500	10	N.A.	Bonus Issue	2.22	1.60	3 years	Nil	Nil	Earned income/savings
<b>Total</b>	<b>2,57,000</b>	-	-	-	<b>4.43</b>	<b>3.21</b>	3 years	Nil	Nil	-

\*Cost of acquisition excludes Stamp Duty

6. Shares purchased/sold by the Promoter and Promoter Group, Directors and their immediate relatives during last 6 months.

Date of Transaction	Name of Transferor	Name of Transferee	Number of Shares Transacted
August 14, 2014	Nitaben Shinghala	Pankaj Shinghala	9,000

The above transaction was made at the price of Rs 36 per share on the above mentioned dates.

7. There are no financing arrangements whereby the Promoter, Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the Issuer



other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing this Draft Prospectus with the Stock Exchange.

**8. Details of Promoter's Contribution locked in for three years:**

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations, an aggregate of 20.08% of the post-Issue capital held by our Promoter shall be considered as Promoters' Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.08 % of the post-issue Equity Share Capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified above.

Date of allotment	Date when made fully paid up	No of Shares Allotted	Face Value	Issue Price	Nature of Allotment	% of Post Issue Capital
<b>Nitesh Vaghasiya</b>						
December 11, 2007	December 11, 2007	62,500	10	10	Subscription to MoA	0.78
May 05, 2010	May 05, 2010	40,000	10	10	Transfer	0.50
March 28, 2011	March 28, 2011	1,25,700	10	20	Further allotment	1.57
March 31, 2012	March 31, 2012	11,200	10	25	Further allotment	0.14
February 15, 2013	February 15, 2013	29,200	10	23.77	Transfer	0.36
March 30, 2013	March 30, 2013	12,240	10	25	Further allotment	0.15
July 10, 2014	July 10, 2014	15,210	10	36	Right Issue	0.19
August 09, 2014	August 09, 2014	2,96,050	10	N.A.	Bonus Issue	3.69
<b>Total</b>		<b>5,92,100</b>				<b>7.39</b>
<b>Pankaj Shingala</b>						
April 29, 2008	April 29, 2008	15,000	10	10	Further allotment	0.19
February 02, 2009	February 02, 2009	15,000	10	10	Transfer	0.19
May 05, 2010	May 05, 2010	20,000	10	10	Transfer	0.25
March 28, 2011	March 28, 2011	50,000	10	20	Further allotment	0.62
February 15, 2013	February 15, 2013	1,53,800	10	20	Transfer	1.92
March 30, 2013	March 30, 2013	4,640	10	25	Further allotment	0.06
August	August 09,	2,58,440	10	N.A.	Bonus Issue	3.22

09, 2014	2014					
August 14, 2014	August 14, 2014	9,000	10	36	Transfer	0.11
<b>Total</b>		<b>5,25,880</b>				<b>6.56</b>
<b>Sangeetaben Vaghasiya</b>						
April 29, 2008	April 29, 2008	15,000	10	10	Further allotment	0.19
February 02, 2009	February 02, 2009	(15,000)	10	10	Transfer	-0.19%
March 28, 2011	March 28, 2011	45,500	10	20	Further allotment	0.57
March 31, 2012	March 31, 2012	15,000	10	25	Further allotment	0.19
March 30, 2013	March 30, 2013	32,000	10	25	Further allotment	0.40
August 09, 2014	August 09, 2014	92,500	10	N.A.	Bonus Issue	1.15
<b>Total</b>		<b>1,85,000</b>				<b>2.31</b>
<b>Artiben Shingala</b>						
March 30, 2013	March 30, 2013	7,300	10	25	Further allotment	0.09
February 15, 2013	February 15, 2013	17,150	10	25	Transfer	0.21
August 09, 2014	August 09, 2014	24,450	10	N.A.	Bonus Issue	0.3
<b>Total</b>		<b>48,900</b>				<b>0.61</b>
<b>Nitesh Vaghasiya- HUF</b>						
February 15, 2013	February 15, 2013	1,28,500	10	14.79	Transfer	1.60
August 09, 2014	August 09, 2014	1,28,500	10	N.A.	Bonus Issue	1.60
<b>Total</b>		<b>2,57,000</b>				<b>3.21</b>
<b>Total</b>						<b>20.08</b>

We further confirm that the aforesaid minimum Promoter Contribution of 20.08% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired in preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue. The Equity Shares held by the Promoter and offered for minimum Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.
- Equity shares issued to our Promoter on conversion of partnership firm into limited company.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

As per the applicable provisions of SEBI (ICDR) Regulations the Promoters Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the pledge of the Equity Shares is one of the terms of the sanction of the loan. The Promoters Contribution may be pledged only if in addition to the above stated, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue.

In terms of the applicable provisions of SEBI (ICDR) Regulations the Equity Shares held by our Promoter may be transferred to and among the Promoter Group or to new Promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

We further confirm that our Promoter's Contribution of 20% of the post Issue Equity does not include any contribution from Alternative Investment Fund.

**9. Details of share capital locked in for one year**

In addition to minimum 20% of the Post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR) Regulations, the entire pre-issue share capital of our Company shall be locked in for a period of one year from the date of Allotment in this Issue.

The Equity Shares held by persons other than our Promoter and locked-in for a period of one year from the date of Allotment, in accordance with regulation 37 of SEBI (ICDR) Regulations, in the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Code.

A. The table below represents the shareholding pattern of our Company in accordance with clause 37 of the SME Listing Agreement, as on the date of this Draft Prospectus:

Category	Category of shareholder	No. of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)		(VII)	
(A)	Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/Hindu Undivided Family	19	48,42,320	[•]	83.49	83.49	0	0
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0
(c)	Bodies Corporate	1	81,000	[•]	1.40%	1.40%		
(d)	Financial Institutions/Banks	0	0	0	0	0	0	0
(e)	Any other (Specify)	0	0	0	0	0	0	0
	<b>SUB TOTAL (A) (1)</b>	20	49,23,320	[•]	<b>84.88</b>	<b>84.88</b>	<b>0</b>	<b>0</b>
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	1	1,44,000	[•]	2.67	2.67		
(b)	Bodies Corporate	0	0	0	0	0	0	0
(c)	Institutions/FPI	0	0	0	0	0	0	0
(d)	Any other (Specify)	0	0	0	0	0	0	0

Category	Category of shareholder	No. of shareholder s	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
	<b>SUB TOTAL (A)(2)</b>	0	0	0	0	0	0	0
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>21</b>	<b>50,67,320</b>	<b>[•]</b>	<b>87.37%</b>	<b>87.37%</b>	0	0
<b>(B)</b>	<b>Public shareholding</b>							
<b>(1)</b>	<b>Institutions</b>							
<b>(a)</b>	Mutual Funds/UTI	0	0	0	0	0	0	0
<b>(b)</b>	Financial Institutions/Banks	0	0	0	0	0	0	0
<b>(c)</b>	Central Government/State Government(s)	0	0	0	0	0	0	0
<b>(d)</b>	Venture Capital Fund	0	0	0	0	0	0	0
<b>(e)</b>	Insurance Companies	0	0	0	0	0	0	0
<b>(f)</b>	Foreign Portfolio Investors	0	0	0	0	0	0	0
<b>(g)</b>	Foreign Venture Capital Investors	0	0	0	0	0	0	0
<b>(h)</b>	Nominated Investors (as defined in Chapter XB of SEBI (ICDR) Regulations)	0	0	0	0	0	0	0
<b>(i)</b>	Market Makers	0	0	0	0	0	0	0
<b>(j)</b>	Any other (Specify)	0	0	0	0	0	0	0
	<b>SUB TOTAL (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2)</b>	<b>Non-Institutions</b>							
<b>(a)</b>	Bodies Corporate	1	99,700	<b>[•]</b>	1.72%	1.72%	0	0
<b>(b)</b>	Individuals -							
	i) Individual shareholders holding nominal share Capital up to Rs.1 lakh	1	6,000	<b>[•]</b>	0.10%	0.10%	0	0
	ii) Individual shareholders	9	6,26,980	<b>[•]</b>	10.81%	10.81%	0	0

Category	Category of shareholder	No. of shareholder s	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage
	holding nominal share capital in excess of Rs. 1 lakh							
(c)	Any other (Specify)Individual (Non-Resident individuals )	0	0	0	0.00%	0.00%	0	0
	<b>SUB TOTAL (B) (2)</b>	<b>11</b>	<b>7,32,680</b>	<b>[•]</b>	<b>12.63%</b>	<b>12.63%</b>	<b>0</b>	<b>0</b>
	<b>Total Public Shareholding (B)=(B)(1) (B)(2)</b>	<b>11</b>	<b>7,32,680</b>	<b>[•]</b>	<b>12.63%</b>	<b>12.63%</b>	<b>0</b>	<b>0</b>
	<b>TOTAL (A)+(B)</b>	<b>32</b>	<b>58,00,000</b>	<b>[•]</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>32</b>	<b>58,00,000</b>	<b>[•]</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>

In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialised prior to filing the Prospectus with the RoC.

Our Company will file the shareholding pattern of our Company, in the form prescribed under clause 37 of the Listing Agreement, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.

**B. Shareholding of our Promoter and Promoter Group**

The table below presents the current shareholding pattern of our Promoter and Promoter Group (individuals and companies).

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
<b>A</b>	<b>Promoters</b>				
1.	Nitesh Parshottambhai Vaghasiya	5,92,100	10.21%	5,92,100	7.39%
2.	Pankaj Shingala	5,25,880	9.07%	5,25,880	6.56%
3.	Sangeetaben Vaghasiya	1,85,000	3.19%	1,85,000	2.31%
4.	Artiben Shingala	48,900	0.84%	48,900	0.61%
5.	Nitesh Vaghasiya-HUF	2,57,000	4.43%	2,57,000	3.21%
	<b>Sub total (A)</b>	<b>16,08,880</b>	<b>27.74%</b>	<b>16,08,880</b>	<b>20.08%</b>
<b>B</b>	<b>Promoter Group</b>				
6.	Vasantbhai Hardasbhai Shingala	2,11,400	3.64%	2,11,400	2.64%
7.	Parshottambhai Laljibhai Vaghasiya	3,71,400	6.40%	3,71,400	4.63%
8.	Mehulbhai Vasantbhai Shingala	3,18,800	5.50%	3,18,800	3.98%
9.	Ramnimbhai Parshottambhai Vaghasiya	4,83,600	8.34%	4,83,600	6.03%
10.	Arvindbhai Parshottambhai Vaghasiya	4,50,900	7.77%	4,50,900	5.63%
11.	Kanchanben Vasantbhai Shingala	2,07,800	3.58%	2,07,800	2.59%
12.	Yogeshbhai Govindbhai Ramani	84,800	1.46%	84,800	1.06%
13.	Vasantbhai H Shingala-HUF	2,36,000	4.07%	2,36,000	2.94%
14.	Jayaben Parshottambhai Vaghasiya	1,01,520	1.75%	1,01,520	1.27%
15.	Govindbhai Karshanbhai Ramani	80,000	1.38%	80,000	1.00%
16.	Muktaben Govindbhai Ramani	61,200	1.06%	61,200	0.76%
17.	Gopalbhai Hardasbhai Shingala	2,82,500	4.87%	2,82,500	3.53%
18.	Pravinbhai Hardasbhai Shingala	1,88,920	3.26%	1,88,920	2.36%
19.	Nitaben Pravinbhai Shingala	1,54,600	2.67%	1,54,600	1.93%
20.	Niteenbhai Bhikhubhai Khatra	1,44,000	2.48%	1,44,000	1.80%
21.	Parmeshwar Trading Co.	81,000	1.40%	81,000	1.01%
	<b>Sub Total (B)</b>	<b>34,58,440</b>	<b>59.63%</b>	<b>34,58,440</b>	<b>43.15%</b>
	<b>Total (A+B)</b>	<b>50,67,320</b>	<b>87.37%</b>	<b>50,67,320</b>	<b>63.23%</b>

10. The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Nitesh Vaghasiya	5,92,100	9.06
Pankaj Shingala	5,25,880	7.59
Sangeetaben Vaghasiya	1,85,000	11.27
Artiben Shingala	48,900	10.75
Nitesh Vaghasiya HUF	2,57,000	7.40

**11. Public shareholders holding more than 1% of the pre-Issue paid-up capital of our Company:**

The details of the public shareholders holding more than 1% of the pre-Issue paid-up capital of our Company and their pre-Issue and post-Issue shareholding are set forth in the table below:

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
1.	Sonalben Yogeshbhai Ramani	58,000	1.00%	58,000	0.72%
2.	Naranbhai L Vaghasiya -HUF	92,000	1.59%	92,000	1.15%
3.	Vasantbhai Vaghasiya-HUF	72,360	1.25%	72,360	0.90%
4.	Virta Trading Company	99,700	1.72%	99,700	1.24%
5.	Ramaben Gopalbhai Shingala	1,50,000	2.59%	1,50,000	1.87%
6.	Bhumiben Ramnikbhai Vaghasiya	93,800	1.62%	93,800	1.17%

## 12. Equity Shares held by top ten shareholders

Our top ten shareholders and the number of Equity Shares held by them as on date of this Draft Prospectus are as under:

Sr. No.	Name of shareholder*	No. of Shares	% age of pre-Issue capital
1.	Nitesh Vaghasiya	5,92,100	10.21%
2.	Pankaj Shingala	5,25,880	9.07%
3.	Ramnikbhai Parshottambhai Vaghasiya	4,83,600	8.34%
4.	Arvindbhai Parshottambhai Vaghasiya	4,50,900	7.77%
5.	Parshottambhai Laljibhai Vaghasiya	3,71,400	6.40%
6.	Mehulbhai Vasantbhai Shingala	3,18,800	5.50%
7.	Gopalbhai Hardashbhai Shingala	2,82,500	4.87%
8.	NiteshVaghasiya-HUF	2,57,000	4.43%
9.	Vasantbhai H Shingala – HUF	2,36,000	4.07%
10.	Vasantbhai Hardashbhai Shingala	2,11,400	3.64%
	<b>Total</b>	<b>37,29,580</b>	<b>64.30%</b>

\*Our Company has 32 shareholders as on date of this Draft Prospectus

Our top ten shareholders and the number of Equity Shares held by them ten days prior to the date of this Draft Prospectus are as under:

Sr no.	Name of shareholder	No. of shares	% age of pre-Issue capital
1.	Nitesh Vaghasiya	5,92,100	10.21%
2.	Pankaj Shingala	5,16,880	8.91%
3.	Ramnikbhai Parshottambhai Vaghasiya	4,83,600	8.34%
4.	Arvindbhai Parshottambhai Vaghasiya	4,50,900	7.77%
5.	Parshottambhai Laljibhai Vaghasiya	3,71,400	6.40%
6.	Mehulbhai Vasantbhai Shingala	3,18,800	5.50%
7.	Gopalbhai Hardashbhai Shingala	2,82,500	4.87%
8.	NiteshVaghasiya-HUF	2,57,000	4.43%
9.	Vasantbhai H Shingala – HUF	2,36,000	4.07%
10.	Vasantbhai Hardashbhai Shingala	2,11,400	3.64%
11.	<b>Total</b>	<b>37,20,580</b>	<b>63.87%</b>

\*Our Company had 32 shareholders ten days prior to the date of this Draft Prospectus

Our top ten shareholders and the number of Equity Shares held by them two years prior to date of this Draft Prospectus are as under:



Sr. No.	Name of shareholder*	No. of Shares	% age of then existing capital
1.	Nitesh Vaghasiya	2,39,400	10.49%
2.	Arvindbhai Parshottambhai Vaghasiya	1,87,000	8.19%
3.	Tarunbhai Gopalbhai shingala	1,72,500	7.56%
4.	Manojbhai Parshottambhai Vaghasiya	1,57,700	6.91%
5.	Parshottambhai Laljibhai Vaghasiya	1,49,700	6.56%
6.	Gopalbhai Hardashbhai Shingala	1,41,250	6.19%
7.	Ramnikbhai Parshottambhai Vaghasiya	1,20,100	5.26%
8.	Vijaybhai Gopalbhai Shingala	1,20,000	5.26%
9.	Pankaj Shingala	1,00,000	4.38%
10.	Pravinbhai Hardashbhai Shingala	90,000	3.94%
	<b>Total</b>	<b>14,77,650</b>	<b>64.73%</b>

\*Our Company had 32 shareholders two years prior to the date of this Draft Prospectus

13. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoter/Directors/Lead Manager for purchase of Equity Shares offered through this Draft Prospectus.
14. The Equity Shares, which are subject to lock-in, shall carry the inscription "non-transferable" and the non transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.
15. As on the date of this Draft Prospectus, none of the shares held by our Promoter/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
16. Except as otherwise disclosed in the chapter titled "*Objects of the Issue*" beginning on page 86 of this Draft Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
17. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "*Basis of Allotment*" under the chapter title "Issuse Procedure" beginning on page 243 of this Draft Prospectus.
18. The Equity Shares Issued pursuant to this Issue shall be made fully paid-up.
19. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
20. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and SME Platform of BSE.
21. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
22. The Issue is being made through Fixed Price method.

23. As on date of filing of this Draft Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up.
24. On the date of filing this Draft Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
25. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
26. Lead Manager to the Issue viz. Pantomath Capital Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
27. Our Company has not revalued its assets since incorporation.
28. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
29. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
30. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
31. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
32. Our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
33. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
34. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
35. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.

## OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the SME platform of BSE.

The objects of the Issue are:-

1. Working Capital requirements
2. Issue Expenses
3. For General Corporate Purposes

We believe that listing will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India. The main objects clause of our Memorandum enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

### FUND REQUIREMENTS

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

We intend to utilize the proceeds of the Issue, in the manner set forth below:

S. No.	Particulars	Amount (in Rs. Lakhs)	Percentage of total Issue (%)
1.	Working Capital Requirement	657.04	82.43
2.	*Issue Expenses	40.00	5.02
3.	General Corporate Purpose	100.00	12.55
	<b>Total</b>	<b>797.04</b>	<b>100</b>

*\*As on date of the Draft Prospectus, Company has incurred Rs. 3.60 Lakhs towards Issue Expenses.*

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt.

Our historical capital expenditure may not be reflective of our future capital expenditure plans. We may have to revise our estimated costs, fund allocation and fund requirements owing to factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management.

While we intend to utilise the Net Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements. In case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. In the event of any shortfall in the Net Proceeds, we will bridge the fund requirements from internal accruals or debt/equity financing.

### **Details of Utilization of Issue Proceeds**

#### **Working Capital**

Our business is working capital intensive. We finance our working capital requirements from various banks / financial institutions and from our internal accruals. As on March 31, 2014, the Company's working capital funding sanctioned from bank is of Rs.1450.00 lakhs (fund based). Total working capital requirements as of March 31, 2015 is estimated to be Rs.2874.52 lakhs. Since the working capital requirement is staggered over the financial year 2014- 15, we propose to deploy the amount as working capital margin for the purpose of bank funding.

Basis of estimation of working capital requirement and estimated working capital requirement:

(Rs. In Lakhs)

Particulars	Holding levels (days)	2013-14 (Audited)	Holding levels (days)	2014-15 (Estimated)
<b>Current Assets</b>				
Inventories				
a) Raw materials	24	194.09	27	531.98
b) Finished goods	150	1836.05	120	3140.51
Trade Receivables	57	465.44	50	903.72
Cash and Bank Balance		31.7		186.13
Other Current Assets		79.75		79.96
<b>Total (A)</b>		2607.03		4842.3
<b>Current Liabilities</b>				
Trade Payables	101	808.22	90	1857.73
Other Current Liabilities		160.84		110.05
Short Term Provisions				
<b>Total (B)</b>		969.06		1967.78
<b>Net Working Capital (A)-(B)</b>		1637.97		2874.52
<b>Sources Of Working Capital</b>				
Fund based borrowings *		1180.65		1450
Internal sources		156.74		767.48
Unsecured borrowings		300.58		0
IPO Proceeds		-		657.04

\* As on March 31, 2014, our Company has sanctioned working capital facilities consisting of an aggregate fund based limit of Rs. 1450.00 lakhs and an aggregate non-fund based limit of Rs.800.00 lakhs. For further details regarding our working facilities kindly refer to the Chapter titled “Financial Indebtedness” beginning on page 210 of this Draft Prospectus.

### **Schedule of Implementation/Utilization of Net Proceeds**

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the Financial Year 2014-2015. For details of the estimated schedule of deployment of funds, kindly refer to “Basis of estimation of working capital requirement and estimated working capital requirement” on page 90 of this Draft Prospectus.

### **Basis of Estimation**

The incremental long term working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2014-15 considering the growth in activities of our Company and in line with norms accepted by our banker(s). Our Company has assumed inventory of 27 days for raw materials and 120 days for finished goods for the Financial Year 2014-2015.

Our Debtors cycle is of about 57 days. We have assumed that our debtor’s cycle will be 50 days for Financial Year 2014-15. Similarly we have estimated advance to suppliers, other current assets and current liabilities in line with working capital employed in Financial Year 2014-2015.

### **Justification for “Holding Period” levels**

<b>Inventories</b>	We believe that the strong inventory levels that gives a competitive edge as the Company is able to supply its products within efficient timeline. The inventory holding period for raw materials in Financial Year 2014-2015 is estimated to be 27 days as compared to 24 days in Financial Year 2013-2014. Further, the inventory holding period for finished goods is estimated to be 150 days in Financial Year 2014-2015 as compared to 120 days in Financial Year 2013-2014.
<b>Debtors</b>	The Company provides credit to its customers based on trade relations and vintage of association with the Company. Although the average receivable period of the Company is less than the industry average level period of 60 days, the Company strives to continue having disciplined debtor management and strong management control policies in place. Then, in view of the same the receivables period for Financial Year 2014-2015 is estimated at 50 days as compared to 57 days in than Financial Year 2013-2014.
<b>Creditors</b>	Considering the vintage of the company and trade relations with its suppliers, the company gets a credit of average 90-100 days from its suppliers. Since availing longer credit period decreases the cost of raw materials, thus going forward the Company plans to avail optimal level of credit from its suppliers. The estimated average credit period for year Financial Year 2014-2015 is considered at 90 days as compared to 101 days in Financial Year 2013-2014.

### **Issue Related Expenses**

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 40 Lakhs.

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Makers, Bankers etc.	32.00	80	4.01
Regulatory fees	5.00	12.5	0.63
Marketing and Other Expenses	3.00	7.5	0.38
<b>Total estimated Issue expenses</b>	<b>40.00</b>	<b>100</b>	<b>5.02</b>

### General Corporate Purpose

Our Company intends to deploy the balance Issue proceeds aggregating Rs. 100 Lakhs, towards the general corporate purposes, including but not restricted to strategic initiatives, entering into strategic alliances, partnerships, joint ventures etc. and meeting exigencies and contingencies for the project, which our Company in the ordinary course of business may not foresee, or any other purposes as approved by our Board of Directors.

Our management, in response to the fluctuations in the cable and wire industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Issue Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Issue Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds of the Issue. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue. For further details in relation to our borrowing arrangements, kindly refer to the Chapter titled “Financial Indebtedness” beginning on page 210 of this Draft Prospectus.

### DEPLOYMENT OF FUNDS

As estimated by our management, the entire proceeds from the Issue shall be utilized as follows:

(Rs. in Lakhs)

Particulars	Total Funds required	Amount incurred till August 18, 2014	Balance Deployment during Financial Year 2014-15
Working Capital Requirement	657.04	-	657.04
Issue Expenses	40.00	3.60	36.40
General Corporate Purpose	100.00	-	100
<b>Total</b>	<b>797.04</b>	<b>3.60</b>	<b>797.04</b>

M/s. R.T. Jain and Co., Chartered Accountants have *vide* certificate dated August 18, 2014, confirmed that as on August 18, 2014 following funds were deployed for the proposed Objects of the Issue:

(Rs. in Lakhs)

Particulars	Amount
Internal Accruals	3.40
<b>Total</b>	<b>3.40</b>

**APPRAISAL BY APPRAISING AGENCY**

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

**INTERIM USE OF FUNDS**

Pending utilization for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks, for the necessary duration or for reducing overdrafts. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds.

**MONITORING UTILIZATION OF FUNDS**

As the Net Proceeds of the Issue will be less than Rs. 50,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its Audit Committee. Pursuant to Clause 52 of the SME Listing Agreement, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

Other than as disclosed above no part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

### BASIS FOR ISSUE PRICE

The Issue Price of Rs. 36 per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10 and Issue Price is Rs. 36 per Equity Share and is 3.6 times the face value.

#### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price are

- Quality of our products
- Understanding the consumer specifications
- Wide product range
- Experience of Promoters

For further details, refer to heading '*Our Competitive Strengths*' under chapter titled "*Our Business*" beginning on page 125 of this Draft Prospectus.

#### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2012, 2013 and 2014 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

##### 1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

Year ended	EPS (Rs.)	Weight
March 31, 2014	1.60	3
March 31, 2013	0.48	2
March 31, 2012	0.74	1
<b>Weighted Average</b>	<b>1.08</b>	

##### Note:

The EPS has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-. Bonus shares issue done August 09, 2014, has been counted for the weighted Average number of shares in calculation of EPS.

##### 2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 36 per Equity Share of Rs. 10/- each fully paid up.

Particulars	P/E Ratio
P/E ratio based on Basic EPS for Financial Year 2013-14	<b>22.00</b>
P/E ratio based on Weighted Average EPS	<b>33.20</b>
<b>*Industry P/E</b>	
Highest	32.49
Lowest	15.34
Average	23.91

\*Industry comprises Cords Cable Industries Limited, Finolex Cables Limited, KEI Industries Limited, Torrent Cables Limited and V-Guard industries Limited



**3. Average Return on Net worth (RoNW)**

Return on Net Worth ("RoNW") as per restated financial statements

Year ended	RoNW (%)	Weight
March 31, 2014	14.19	3
March 31, 2013	4.45	2
March 31, 2012	7.45	1
<b>Weighted Average</b>	<b>9.82</b>	

Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

**4. Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2014 is 3.66%.****5. Net Asset Value (NAV)**

Particulars	Amt. (Rs.)
Net asset value per equity share as of March 31, 2014	<b>12.10</b>
Net Asset Value per equity share after the issue	<b>17.74</b>
Issue Price	<b>36</b>

NAV per equity share has been calculated as net worth as divided by number of equity shares.

**6. Comparison with other listed companies**

Companies	CMP	EPS	PE Ratio	RONW %	NAV (Per Share)	Face Value	Sales (In Crores)
Ultracab (India) Limited	36	1.60	22.45	14.19	12.10	10	31.80
Cords Cable Industries Limited	24.85	1.62	15.34	1.93	92.45	10	262.99
Finolex Cables Limited	211.15	13.6	15.53	20.48	66.29	2	2,407.39
KEI Industries Limited	32.15	1.59	20.22	4.39	35.85	2	1,618.91
Torrent Cables Limited	105.35	5.02	20.99	2.58	194.23	10	220.92
V-Guard industries Limited	763.45	23.50	32.49	24.19	97.12	10	1,522.40

**\*Source:** [www.bseindia.com](http://www.bseindia.com) **\*\*** CMP is considered as on August 18, 2014 and for Ultracab (India) Limited it is considered as Issue Price

**Notes:**

- The figures for Ultracab (India) Limited are based on the restated results for the year ended March 31, 2014.
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2014.
- Current Market Price(CMP) is the closing prices of respective scripts as on August 18, 2014

The Issue Price of Rs. 36 /- per Equity Share of Rs. 10 each fully paid up has been determined by the Company in consultation with the LM and is justified based on the above accounting ratios.

For further details refer to "Risk Factors" on page 16 and the financials of the Company including profitability and return ratios, as set out in the "Financial Statements" beginning on page 178 of this Draft Prospectus for a more informed view.

**STATEMENT OF POSSIBLE TAX BENEFITS**

To  
The Board of Directors,  
Ultra cab (India) Limited  
Survey No 262, Behind Galaxy Bearings Limited  
Shapar (Veraval)  
Dist Rajkot, Gujarat

Dear Sirs,

Sub: Statement of possible tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws

We hereby confirm that the enclosed annexure, prepared by The Board of Directors, Ultracab(India) Limited ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') and the Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been/would be met.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws. The same shall be subject to notes to this annexure.

\*No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to Ultracab (India) Limited for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

**For R T Jain & Co.**  
**Chartered Accountants**  
**Firm Registration No.103961 W**

**(CA Bankim Jain)**  
**Partner**  
**Membership No.139447**  
**Date: 16<sup>th</sup> August, 2014**  
**Place: Mumbai**

## **ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO ULTRACAB (INDIA) LIMITED AND ITS SHAREHOLDERS**

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2013-14.

### **BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

#### **1. General tax benefits**

##### **A. Business Income**

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

##### **B. MAT Credit**

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax (‘MAT’) paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- As per Section 115JB, Minimum Alternate Tax (‘MAT’) is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 5% would be levied if the total income exceeds Rs.10 million but does not exceed Rs 100 million. A surcharge at the rate of 10% would be levied if the total income exceeds Rs 100 million. Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge.
- MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to ten years succeeding the assessment year in which the MAT credit arises.

##### **C. Capital Gains**

###### **(i) Computation of capital gains**

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains (‘LTCG’). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- Short - term capital gains (‘STCG’) means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.

- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by :-
  1. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
  2. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.

- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

#### ***D. Securities Transaction Tax***

As per provisions of Section 36(1) (xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

#### ***E. Dividends***

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company paying dividends will be liable to pay dividend distribution tax (DDT) at the rate of 15%. A surcharge of 10% would be levied on the amount of DDT. Further, Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge. Credit in respect of dividend distribution tax paid by a domestic subsidiary of the Company & tax Payable by the company U/s 115 BBD on dividend received from foreign subsidiary could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O (1A) of the Act, subject to fulfillment of prescribed conditions.
- As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.
- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of as specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.
- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education cess).

### **BENEFITS TO THE RESIDENT MEMBERS / SHAREHOLDERS OF THE COMPANY UNDER THE ACT**

#### ***A. Dividends exempt under section 10(34) of the Act***

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge as applicable, on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

## **B. Capital Gains**

### **(i) Computation of capital gains**

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long - term capital assets.
- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% (plus applicable surcharge and cess) with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% (plus applicable surcharge and cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long – term capital

gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.

- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains arising from income – tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed Rs 5,000,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

**C. Tax Treaty Benefits**

As per provisions of Section 90 (2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

**D. Non-Resident Taxation**

Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
- Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.

- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively).
- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.
- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

## **BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIS') UNDER THE ACT**

### **A. Dividends exempt under section 10(34) of the Act**

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge as applicable on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

### **B. Long – Term Capital Gains exempt under section 10(38) of the Act**

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.



**C. Capital Gains**

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB & certain securities & government Bonds as mentioned in section 194LD) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Interest on certain securities & government bonds as mentioned in section 194LD is taxable @5% only.
- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10%
STCG on sale of equity shares subjected to STT	15%
STCG on sale of equity shares not subjected to STT	30%

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge (as applicable) where the taxable income exceeds Rs. 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.
- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

**D. Securities Transaction Tax**

As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains

**E. Tax Treaty benefits**

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial to them.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors

**BENEFITS AVAILABLE TO MUTUAL FUNDS UNDER THE ACT****a) Dividend income**

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

**b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.**

## **BENEFITS UNDER THE WEALTH TAX ACT, 1957**

### **Wealth Tax Act, 1957**

- Wealth tax is chargeable on prescribed assets. As per provisions of Section 2(m) of the Wealth Tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax while determining the net taxable wealth.
- Shares in a company, held by a shareholder are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957 and hence, wealth tax is not applicable on shares held in a company.

Note: All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

**For R T Jain & Co.**

**Chartered Accountants**

**Firm Registration No.103961 W**

**(CA Bankim Jain)**

**Partner**

**Membership No.139447**

**Date: 16<sup>th</sup> August, 2014**

**Place: Mumbai**

## SECTION IV – ABOUT THE COMPANY

### OUR INDUSTRY

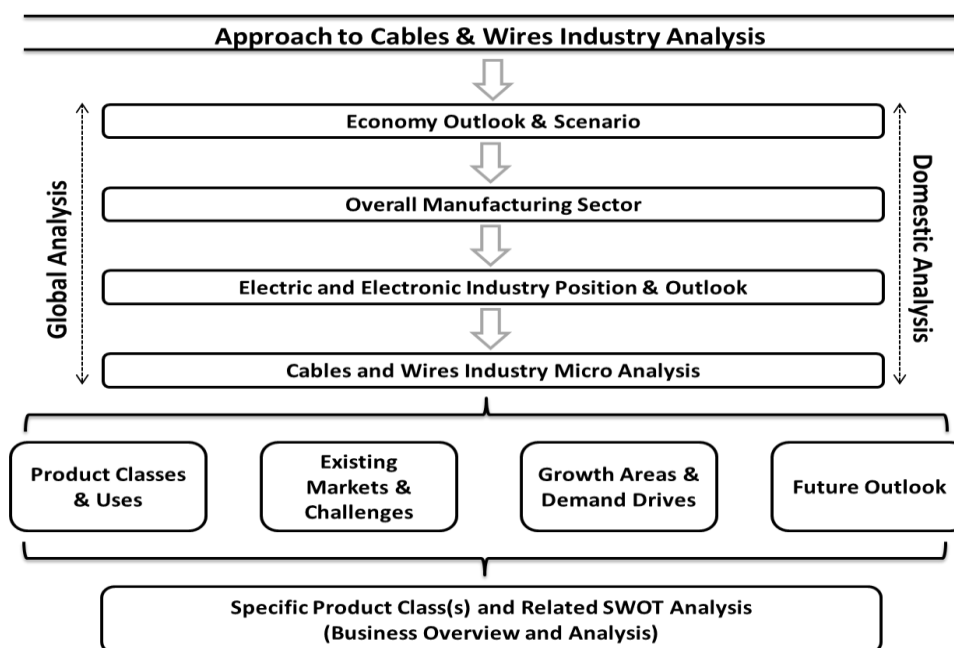
*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on pages 16 and 177 respectively of this Draft Prospectus before deciding to invest in our Equity Shares.*

### APPROACH TO CABLES & WIRES INDUSTRY ANALYSIS

Analysis of cables and wires industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Cables and wires industry forms part of manufacturing sector at a macro level. Hence, broad picture of manufacturing sector should be at preface while analyzing the cables and wires industry. If the entire manufacturing sector is likely to be impacted by a specific set of factors, so would, most likely, be the cables and wires industry as well.

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall manufacturing sector is ‘Electrical and Electronic’, which in turn encompasses various components one of them being ‘cables and wires’.

Thus, cables and wires industry segment should be analyzed in the light of ‘Electrical and Electronic’ industry. An appropriate view on cables and wires industry, then, calls for the overall economy outlook, performance and expectations of manufacturing sector, position of electronic industry and micro analysis.

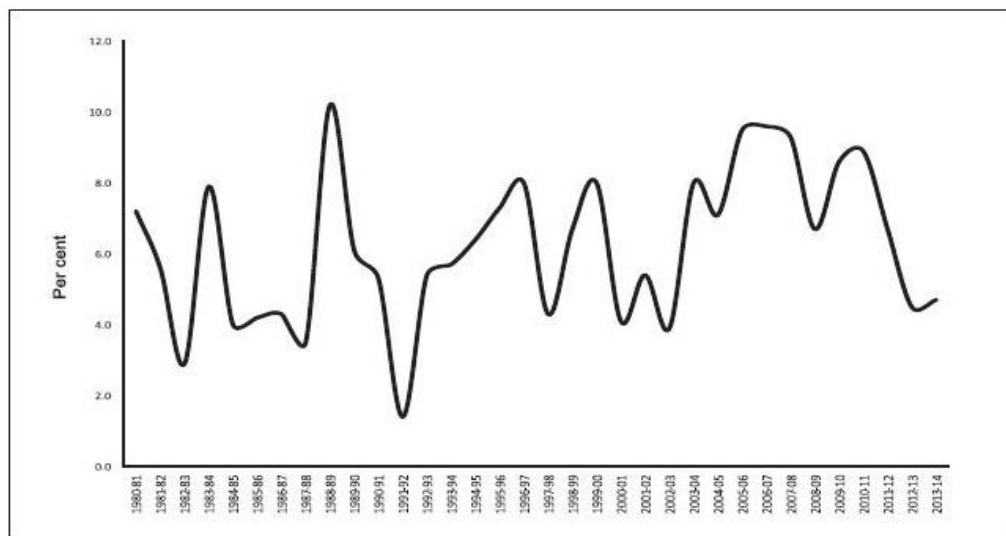


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## INDIAN ECONOMY

In 2014-15, the Indian economy is poised to overcome the sub-5 per cent growth of gross domestic product (GDP) witnessed over the last two years. The growth slowdown in the last two years was broad based, affecting in particular the industry sector. Inflation too declined during this period, but continued to be above the comfort zone, owing primarily to the elevated level of food inflation. Yet, the developments on the macro stabilization front, particularly the dramatic improvement in the external economic situation with the current account deficit (CAD) declining to manageable levels after two years of worryingly high levels was the redeeming feature of 2013-14. The fiscal deficit of the Centre as a proportion of GDP also declined for the second year in a row as per the announced medium term policy stance. Reflecting the above and the expectations of a change for the better, financial markets have surged. Moderation in inflation would help ease the monetary policy stance and revive the confidence of investors, and with the global economy expected to recover moderately, particularly on account of performance in some advanced economies, the economy can look forward to better growth prospects in 2014-15 and beyond.

**Growth in Real GDP (per cent)**



Source – Economic Survey 2013-2014

## OUTLOOK FOR 2014-15

The descent into the present phase of sub-5 per cent growth has been rather sharp. The interplay of structural constraints alongside delays in project implementation, subdued domestic sentiments, and an uncertain global milieu led to general growth slowdown while rendering macroeconomic stabilization particularly challenging. Inflation also remained at elevated levels. These factors triggered risk-aversion and injected considerable uncertainty in investment activity. The current macroeconomic situation precludes fiscal stimulus to kick-start activity. Similarly, the task of monetary policy calibration for growth revival has been made difficult by persistent inflation and further complicated by uncertainty in international financial conditions and, until recently, by rupee depreciation. Targeted measures by the government and RBI have improved the external economic situation significantly, even as India remains exposed to risk on/off sentiments of investors and to policy shifts in advanced economies. Regaining

growth momentum requires restoration of domestic macroeconomic balance and enhancing efficiency. To this end, the emphasis of policy would have to remain on fiscal consolidation and removal of structural constraints. Though some measures have been initiated to this end, reversion to a growth rate of around 7-8 per cent can only occur beyond the ongoing and the next fiscal.

Global economic activity is expected to strengthen in 2014- 15 on the back of some recovery in advanced economies. The Euro area is also expected to register a growth rate of above 1 per cent as against contraction witnessed in 2012 and 2013 (IMF, WEO, April 2014). The European Central Bank's monetary policy measures, most significantly introduction of the negative deposit facility interest rate are expected to boost economic activity in Europe. In addition, the performance of the real sector in the US (that is likely affect the pace of taper) is a major factor that would impact the global economic situation in 2014-15. The growth outlook for emerging Asian economies is generally benign with some grappling with inflation, structural bottlenecks, and external imbalances. The slowdown in emerging economies comes at an inopportune juncture.

Downward movement along with heightened volatility, witnessed, for example, in fixed investment post 2008-09 in India, often tends to magnify the impact and transmission channels of shocks (e.g. below-normal monsoons and/or upshot in oil prices) and hampers build-up of positive expectations. Under such circumstances, the Indian economy can recover only gradually with the GDP at factor cost at constant prices expected to grow in the range of 5.4 – 5.9 per cent in 2014-15. This assumes the revival of growth in the industrial sector witnessed in April 2014 to continue for the rest of the year, the generally benign outlook on oil prices (notwithstanding the uncertainty on account of recent developments in the Middle East), and the absence of pronounced destabilizing shocks (including below-normal monsoons). Growth in the above range implies a pick-up, aided by an improved external economic situation characterized by a stable current account and steady capital inflows, improved fiscal situation and, on the supply side, robust electricity generation and some recovery in manufacturing and non-government services.

Growth in 2014-15 is expected to remain more on the lower side of the range given above, for the following reasons: (i) steps undertaken to restart the investment cycle (including project clearances and incentives given to industry) are perceived to be playing out only gradually; (ii) the benign growth outlook in some Asian economies, particularly China; (iii) still elevated levels of inflation that limit the scope of the RBI to reduce policy rates; and (iv) expectation of below-normal monsoons. Downside risk also emerges from prolonging of the geo-political tensions. On the upside, such factors as institutional reform to quicken implementation of large projects and a stronger-than-expected recovery in major advanced economies would help the Indian economy clock a higher rate of growth.(Source: Economic Survey 2013-14)

## **GLOBAL ECONOMIC GROWTH**

The IMF World Economic Outlook (WEO), released in January 2014, highlights that global economic activity has picked up during the second half of 2013 with expectation of further improvement in 2014–15. The outlook has projected world growth at 3.7per cent in 2014 and by 3.9per cent in 2015. It also mentions that recovery in global economy will be supported by improvement in the advanced economies as final demand in advanced economies has expanded with higher inventory demand. On the other hand financial condition in emerging markets has remained tight with equity prices not fully recovered and some currencies under pressure after US tapering announcement in May 2013.

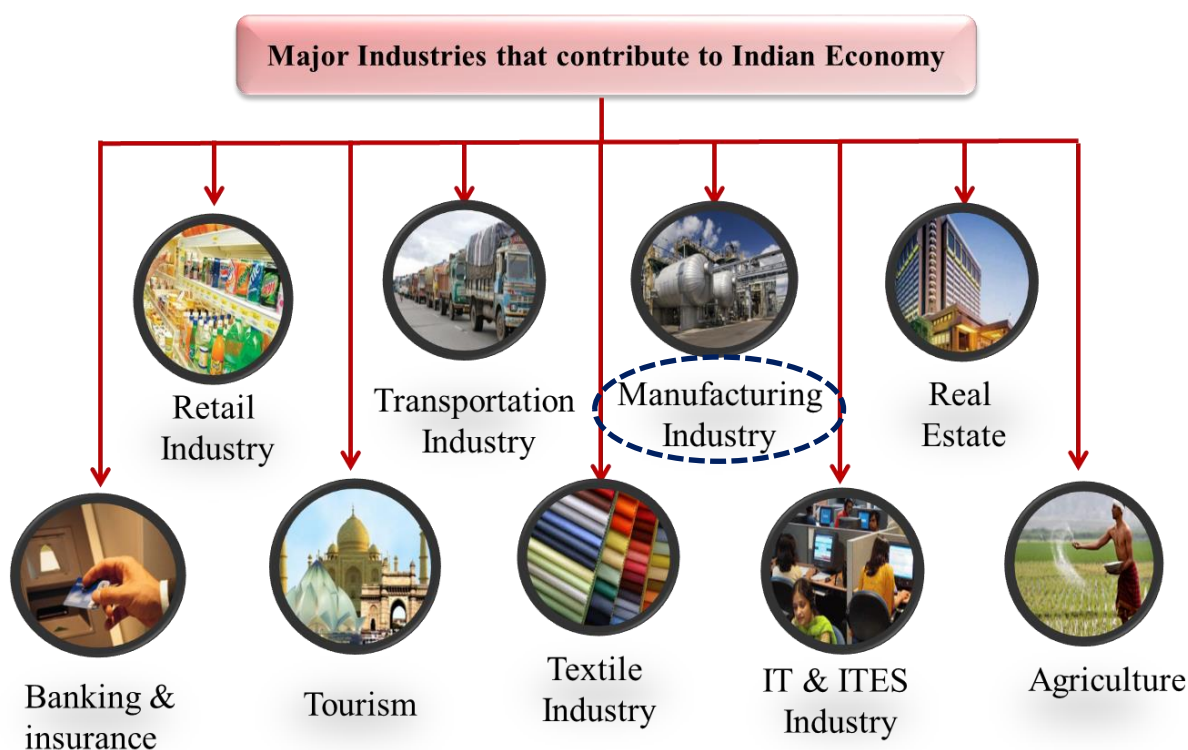
The WEO also mentions that downside risks remain in advanced economies where output gaps have remained large. Growth in emerging market and developing economies (EMDEs) will be supported by stronger external demand from advanced economies despite domestic weakness.

The data on advanced world economies shows that growth in United States is expected to be 2.8 per cent in 2014, up from 1.9 per cent in 2013 with expansion and improvement in final domestic demand, reduction in fiscal drag. The forecast for 2015 is marked at 3 per cent. The projection for Euro Area is marked at 1 per cent and 1.4 per cent for 2014 and 2015. With exports further contributing to growth, high debt and financial fragmentation is expected to affect domestic demand. The annual growth is expected to remain broadly unchanged for Japan at 1.7 per cent in 2014, before moderating to 1 per cent in 2015.

The growth in EMDEs is expected to increase to 5.1 per cent in 2014 and 5.4 per cent for 2015. China is projected to grow at the rate of 7.5 per cent and 7.3 per cent for 2014 and 2015. The growth in China rebounded in second half of 2013 due to improvement in investment. Growth in India picked up after a favourable monsoon and export growth and is expected to firm further on stronger structural policies supporting investment. The projection for India is 5.4 per cent and 6.4 per cent for 2014 and 2015 respectively which is a 0.2 per cent

The tightening of global liquidity has increased external pressures and heightened the focus on India's macroeconomic imbalances (high inflation, large current account and fiscal deficits) and structural weaknesses (particularly supply bottlenecks in infrastructure, power and mining). (Source-Statements of activities 2013-14-Ministry of Commerce & Industry Department of Commerce)

The major industries that contribute to Indian economy are as shown in the below chart :



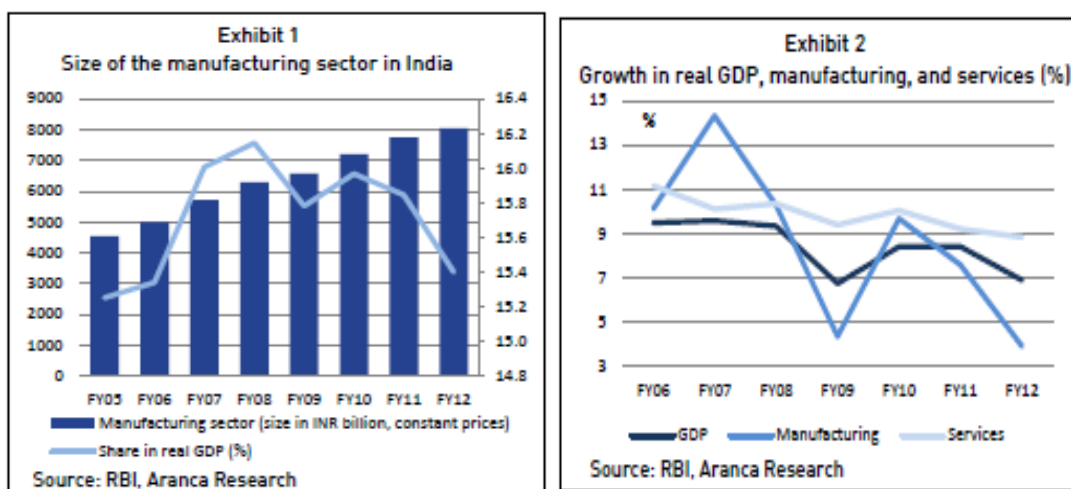
## INDIAN MANUFACTURING INDUSTRY

Manufacturing Industry in India has gone through various phases of development over the period of time. Since independence in 1947, the Indian manufacturing sector has traveled from the initial phase of building the industrial foundation in 1950's and early 1960's, to the license-permit regime in the period of 1965-1980, to a phase of liberalization of 1990's, emerging into the current phase of global competitiveness. It has grown at a robust rate over the past ten years and has been one of the best performing manufacturing economy (Source: [www.cci.in](http://www.cci.in))



Manufacturing holds a key position in the Indian economy, accounting for nearly 16 per cent of real GDP in FY12 and employing about 12.0 per cent of India's labour force. Growth in the sector has been matching the strong pace in overall GDP growth over the past few years. For example, while real GDP expanded at a CAGR of 8.4 per cent over FY05-FY12, growth in the manufacturing sector was marginally higher at around 8.5 per cent over the same period. Consequently, its share in the economy has marginally increased during this time to 15.4 per cent from 15.3 per cent. Growth however has remained below that of services, an issue that has not escaped the attention of policy makers in the country.

Strong growth has been accompanied by a change in the nature of the sector – evolving from a public sector dominated set-up to a more private enterprise driven one with global ambitions. In fact, according to UNIDO, India (with the exception of China) is currently the largest producer of textiles, chemical products, pharmaceuticals, basic metals, general machinery and equipment, and electrical machinery. In the coming year, the sector's importance to the domestic and global economy is set to increase even further as a combination of supply-side advantages, policy initiatives, and private sector efforts set India on the path to a global manufacturing hub.



India's expanding economy offers domestic entrepreneurs and international players alike, opportunities to invest. The Government of India knowing the importance of the sector to the country's industrial development has taken a number of steps to further encourage investment and improve the economy.

India was ranked the fourth most competitive manufacturing nation in Deloitte's global index for 38 nations (2013). The country's economy witnessed significant expansion in the period 2006–2011, achieving a five-year compound annual growth rate (CAGR) of 7.8 per cent. (Source : [www.ibef.org](http://www.ibef.org))

India's manufacturing sector could reach US\$ 1 trillion by 2025, as per a study by global management consulting firm McKinsey and Company. This could be achieved on the back of the continually growing demand in the country and the inclination of multinational corporations to establish low-cost plants in India. Up to 90 million domestic jobs could be created by 2025, with the manufacturing sector contributing to about 25–30 per cent of India's gross domestic product (GDP)

FICCI's latest quarterly survey gauges the expectations of manufacturers for Q-1 (April-June 2014-15) for fourteen major sectors namely textiles, capital goods, metals, chemicals, cement, electronics, automotive, leather & footwear, machine tools, Food processing, paper, tyre, textiles machinery, ceramics

and others. Responses have been drawn from 352 manufacturing units from both large and SME segments with a combined annual turnover of over Rs 3.75 lac crore.

In many sectors, average capacity utilization has remained same in Q-4 of 2013-14 as was in Q-3 of 2013-14. These are sectors like Capital Goods, Chemicals, Metals, Textiles Machinery, Leather & footwear and Paper. On the other hand capacity utilization has slightly improved in Q-4 like in Auto and Cement.

### Current Average Capacity Utilization Levels As Reported in Survey

Sector	Average Capacity Utilisation (%) in Q-4 2012-13	Average Capacity Utilisation (%) in Q-1 2013-14	Average Capacity Utilisation (%) in Q-2 2013-14	Average Capacity Utilisation (%) in Q-3 2013-14	Average Capacity Utilisation (%) in Q-4 2013-14
Auto	73	72	60	70	73
Capital Goods	68	70	70	70	70
Cement	77	75	73	65	72
Chemicals & Fertilizers	74.5	77	78	79	80
Textiles	81	80	78	83	79
Electronics & Electricals	58	56	60	60	75
Food Processing	80	75	86	80	78
Leather & Footwear	73	82	71	80	80
Metals	66	63	70	70	70
Textiles Machinery	NA	NA	60	60	60
Tyre	NA	NA	60	60	80
Paper	NA	NA	NA	80	80

Source: FICCI Quarterly Survey on Indian Manufacturing Sector – May 2014

The current average capacity utilization as reported in the survey is around 76per cent for Q-4 2013-14 as against 74 per cent in Q-3 of 2013-14 and 70per cent in Q-2 of 2013-14

### Sectoral Growth

Based on expectations in different sectors, the FICCI survey pointed out that five out of fourteen sectors were likely to witness low growth (less than 5per cent). Only three sectors namely, leather, chemicals and ceramics are expected to have a strong growth of over 10per cent in April-June 2014-15 and rest all the sectors likely to witness moderate growth.



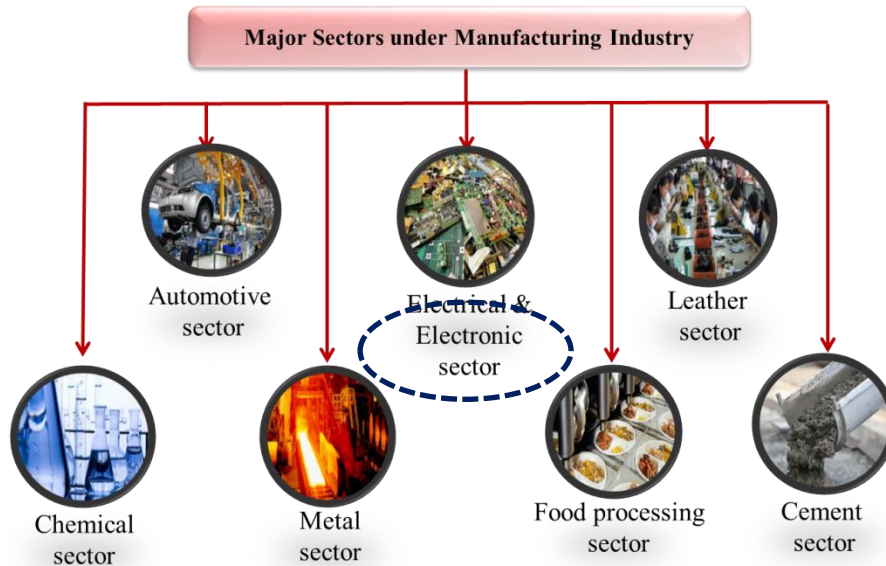
**Table : Growth expectations for Q-1 2014-15 compared with Q-1 2013-14**

Sector	Growth Expectation
Capital Goods	Low
Automotive	Low
Machine Tools	Low
Cement	Low
Steel & Metals	Low
Electronics & Electricals	Moderate
Tyre	Moderate
Paper	Moderate
FMCG/Food Products	Moderate
Textiles Machinery	Moderate
Textiles	Moderate
Chemicals	Strong
Ceramics	Strong
Leather & footwear	Strong

**Note: Strong > 10%; 5% < Moderate < 10%; Low < 5% (Source: FICCI Survey)**

*Source: FICCI Quarterly Survey on Indian Manufacturing Sector – May 2014*

The major sectors that contribute to Manufacturing Industry are as shown in the below chart:



## ELECTRICAL AND ELECTRONIC SECTOR

### Introduction

Electronics Systems Design and Manufacturing sector comprises semiconductor design, high-tech manufacturing, electronics and electrical components, electronics manufacturing services and electronics systems design for consumer electronic products, telecom products and equipment, IT systems and hardware and other segments. Electronics, along with Information and Communications Technology, is considered a meta-resource: the competitiveness of various industries often depends on their ability to integrate ICTE in their business processes. At 1.75 Trillion, Electronics is the largest and the fastest growing manufacturing industry in the world. It is expected to reach USD 2.4 Trillion by 2020. (Source: *The manufacturing plan, Planning commission of India*)

### Electrical and Electronics Sector

#### *Quarterly Outlook for the Sector at a Glance*

Production	Exports	Inventory	Investment for Expansion	Hiring
Bleak outlook	Bleak outlook	Average levels of inventory	Expansion not expected in next 6 months	Bleak outlook

Source : FICCI Quarterly Survey On Indian Manufacturing Sector – May 2014

- 60 per cent respondents reported same or lower production levels in January - March 2014 in comparison to the same quarter of last year. On an average the decrease is reported to be -5.5per cent. Outlook for current quarter has not changed much with majority expecting same or lower production levels in April - June 2014 quarter vis-à-vis same quarter of last year. The expected fall in production is reported to be around 2per cent
- 50 per cent respondents expect higher number of orders in April - June 2014 in comparison to January - March 2014.
- Current capacity utilization is around 75per cent for electronics industry and 70per cent respondents do not have any plans to add any fresh capacity in next few months.
- Most of the respondents reported either lower or flat growth in exports in January - March 2014 and April - June 2014 quarters as compared to the respective quarters of last year.
- 60 per cent respondents have maintained average inventory levels during January – March 2014.
- 72 per cent respondents reported no plans of hiring additional work force in next 3 months. The rest are planning to hire in the range of 6-10per cent.
- On an average the electronics industry respondents are getting credit at 12 per cent. Around 75per cent Respondents in electronics sector expect the manufacturing sector to continue growing at the same level in the next six months. Free Trade Agreements remains an area of concern for this sector and industry respondents have sought review of FTAs in some cases and also pressed for stricter enforcement of rules of origin to prevent circumvention. Following other suggestions were made:

- ✓ Reduce cost of capital by lowering interest rates
- ✓ Improved availability of credit
- ✓ Aggressive push to infrastructure development

Hardening of raw material prices, lack of domestic and export demand are significantly affecting the growth of this sector. (Source: FICCI Quarterly Survey on Indian Manufacturing Sector – May 2014)

### Key objectives

The key objectives for the ESDM Sector are:

- To achieve domestic production of USD 122 Billion by 2017 (growth of 30per cent)
- To ramp up domestic value addition in ESDM manufacturing

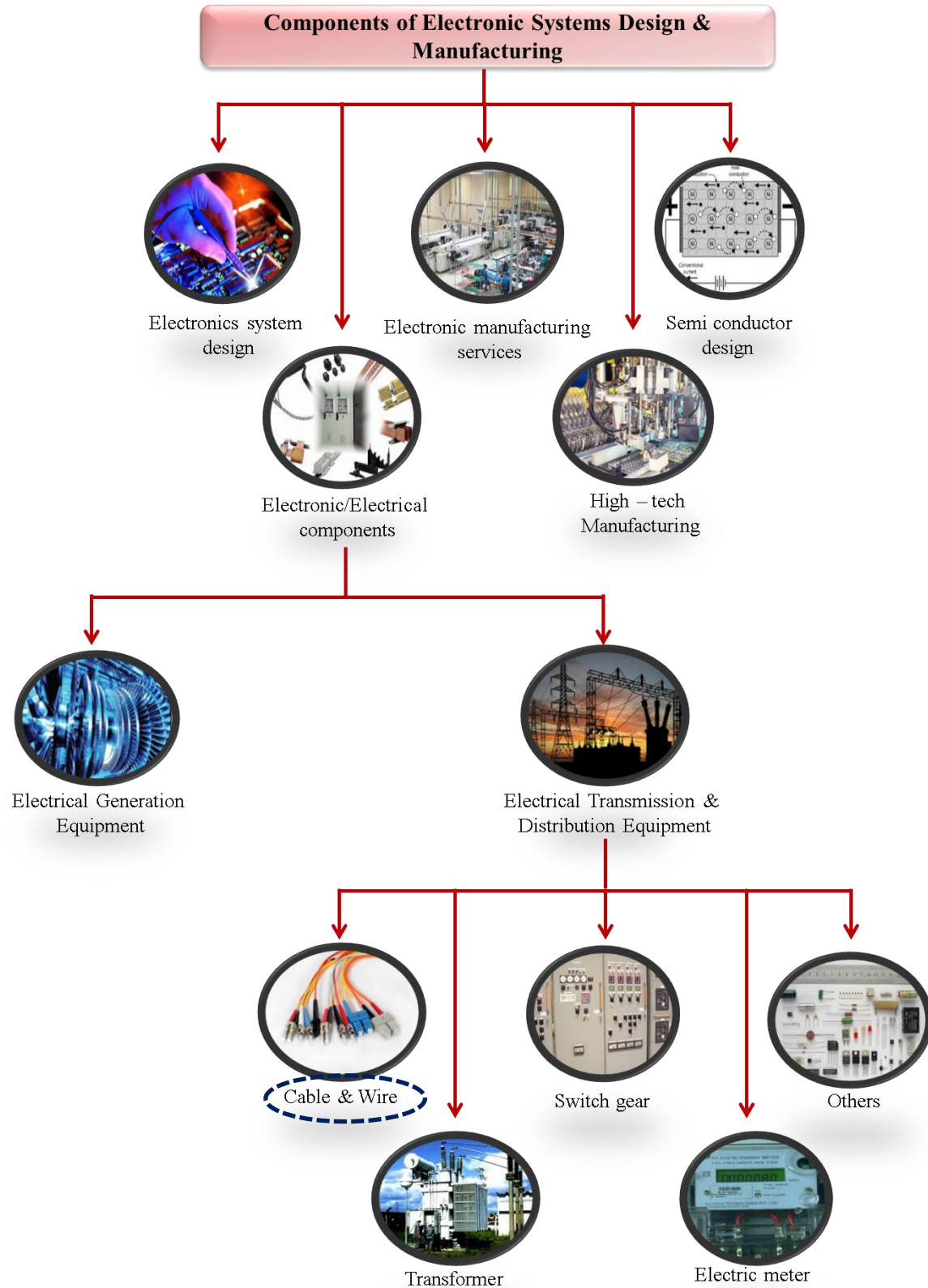
### Status and key challenges

The demand in the Indian market was USD 45 Billion in 2008-09 and is expected to reach USD 400 Billion by 2020. The growth of domestic production was at a CAGR of 22per cent in 2008-09. In 2008-09 and domestic production was about USD 20 Billion (estimated to be about USD 33 Billion in 2011-12, at a growth rate of 33per cent). The gross value addition from manufacturing was between 5 to 10 percent .Indian electronics hardware constituted around 1.3per cent of the global production. Extrapolating the current situation, without a significant impetus in growth of domestic manufacturing, the total imports in the ESDM sector will go up to USD 152 billion in 2016-17.

The key challenges faced by the sector are:

- Competition from China: India's biggest competition in the sector is from China which has achieved significant economies of scale and has a highly subsidized operating environment which is largely opaque.
- Zero Duty Regime: As a signatory to the Information Technology Agreement-1 (ITA-1) of the World Trade Organization (WTO), India has implemented zero duty regime on 217 product lines. Under the Free Trade Agreements (FTAs) and Preferential Trade Agreement (PTAs) with various countries, the import of electronics hardware from these countries is allowed at a duty which is lower than the normal duty rate.
- Disability Costs in local Manufacturing: Infrastructure, Power and Finance issues pose significant challenges to Indian manufacturing. Infrastructure challenges arise from poor supply chain logistics and inadequate ready availability of land. The finance costs in India are typically 5 to 6 points above international rates. Power supply is, in several parts, inadequate, unreliable and costly. High transaction costs due to stringent rules and regulations, complex administrative processes also add to the disability costs. An analysis by the Federation of Indian Export Organizations (FIEO) reveals that cost disabilities including the transactions costs borne by Indian exporters vary and range from 19-22per cent compared to 2-3per cent in developed countries.
- Diversity and Velocity of Technological Change: Electronics is pervasive and spans all sectors. Therefore the development of the sector involves domain knowledge of each of the sectors which it serves. The half-life of technologies in the sector has been continuously reducing. Currently it is estimated to be even less than six months in certain verticals. Convergence between different technologies, devices, software and hardware are also driving technology changes.

The components of Electronic Systems Design & Manufacturing are as shown in the below chart:

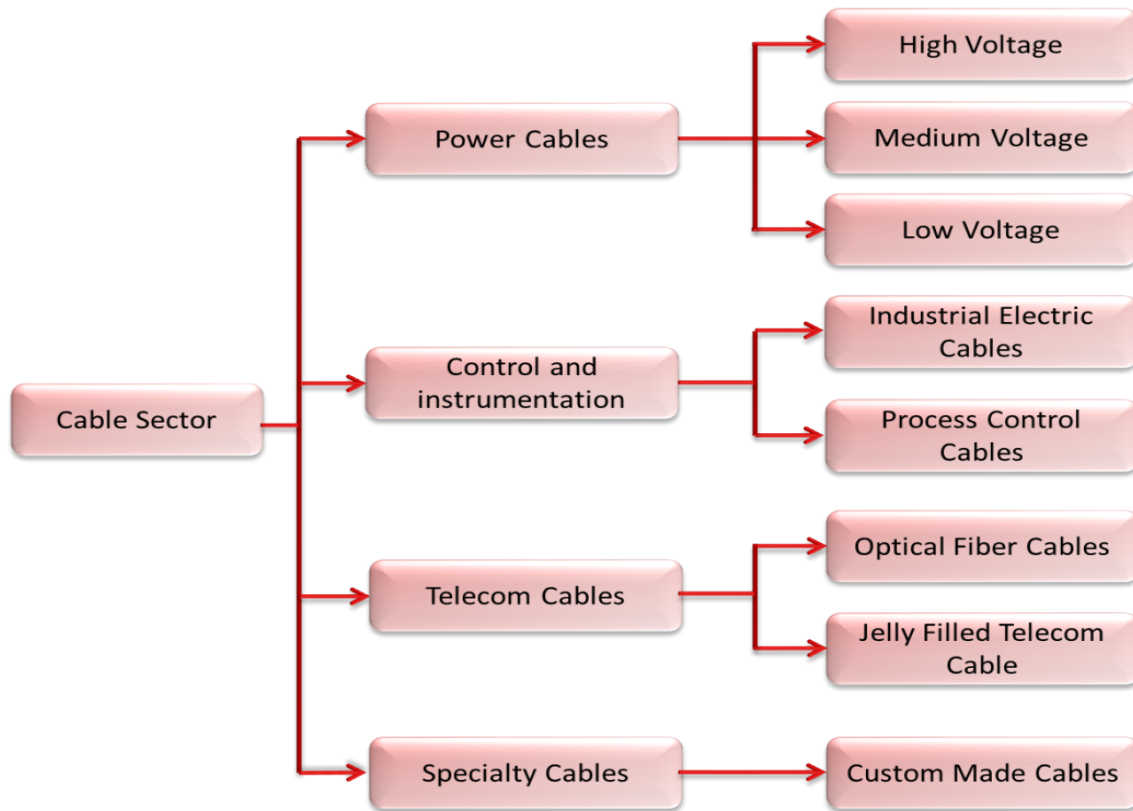


## CABLE AND WIRE INDUSTRY

Cables and wires are used for transmitting power, signals, and also in various industries. They are widely used across various end-use segments including residential, commercial, and industrial purposes. The growth of global cables and wires market is primarily driven by the growth of the IT and communication industry where cables and wires play a vital role in transmitting power.

The growing demand for wire and cables across various end-use industries such as IT and telecommunication is one of the major factors driving the market for wire and cables. However, the volatility in raw material prices is acting as one of the major concerns for various players operating in the global market for cables and wires.

### CLASSIFICATION OF CABLES AND WIRES



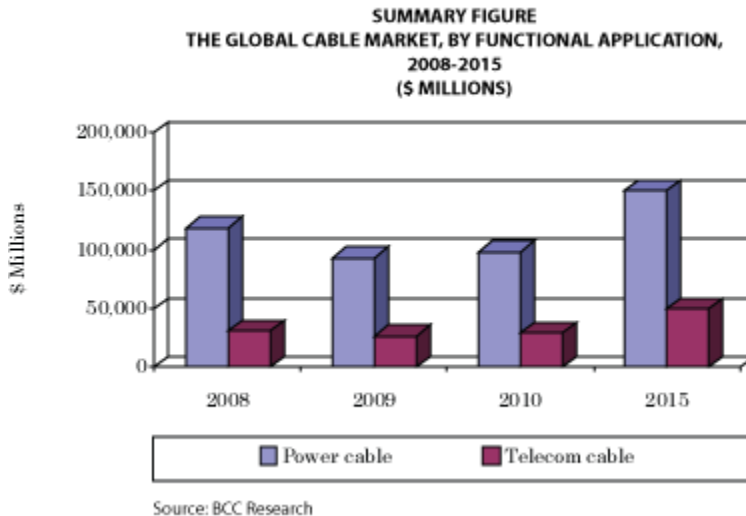
### GLOBAL CABLE AND WIRE INDUSTRY

The global cables and wires industry is very large with many participants operating in the market. Some of the end-use industries for cables and wires market include telecom operators and power supply companies. The global market also exhibits non-homogenous characteristics.

The market for cables and wires can be segmented into power cables and telecommunication cables based on their application. Power cables constitute the biggest segment for the cables and wires market which is expected to exceed a market worth of USD 190 billion by 2018, growing at a CAGR of approximately 8.9per cent from 2012 to 2018. The telecommunication segment is the fastest growing one for cables and wires and is expected to grow at a CAGR of approximately 11.1per cent from 2012 to 2018.

The global estimate relating to cable and wire industry is as below:

- The global cable market is valued at an estimated \$127 billion in 2010. This market is expected to increase at a 9.4 per cent compound annual growth rate (CAGR) to reach nearly \$200 billion in 2015.
- Power cables will continue to be the mainstay of cable demand, accounting for more than three-quarters of the market. This sector is valued at nearly \$98 billion in 2010 and is expected to increase at a 9 per cent compound annual growth rate (CAGR) to reach more than \$150 billion by 2015.
- Telecom cables are confined to the relatively narrower domain of the health of the global information, communications and technology (ICT) domains. This sector is valued at \$29 billion in 2010 and is expected to increase at an 11 per cent compound annual growth rate (CAGR) to reach \$49 billion by 2015. (Source : bcc research)



Some of the leading companies operating in the global market of cables and wires include Alcan Cable, Belden, CommScope, Corning Inc., EL Sewedy, Leviton, and Molex

## INDIAN CABLE AND WIRE INDUSTRY

The wire and cable industry has moved from being a small industry twenty years back to a very large industry over the last decade. Although it is a volume-driven product, it has a lot of quality and technical particulars. Requirements like brand and quality perception are key in this industry. The wire and cables industry predominantly provides challenging opportunities in the field of manufacturing, supply chain, procurement, marketing and HR. This industry is currently undergoing a major change and portends huge opportunity for upcoming professionals.

### Present Status in India

Electrical wires and cable industry is one of the earliest industries established in the country in the field of electric products. Ferrous or non ferrous metals, play a decisive role in almost all areas of industrial and daily life. A wide range of cables and wires are manufactured in the country which includes

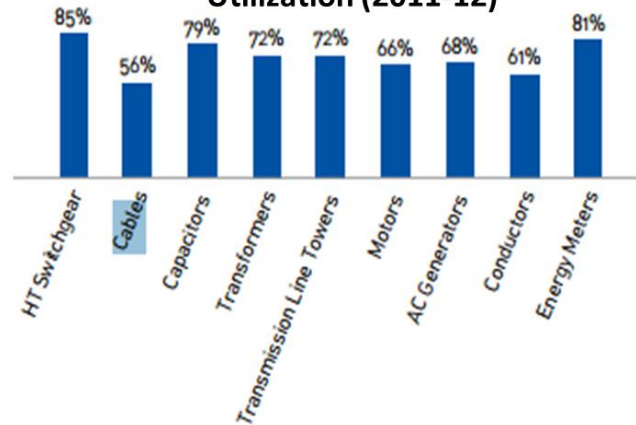
communication cables such as jelly filled cables, optic fibre cables, local area network cables etc. The power cable industry may be mainly divided into four segments viz; house wiring(up to 440 V), LT (1.1 to 3.3kV), HT(11 to 66kV), EHV(66kV and above).

The Indian power cable industry has about a dozen producers in the organised sector, claiming more than two-thirds share of the market.

Organised Sector	Un-organised Sector
The organised sector of the Indian power cable industry claims more than two-thirds share of the market.	The un-organised sector of the Indian power cable industry is constituted of a few small units.
Deals mostly in the field of manufacturing of high voltage and speciality cables. Apart from that also caters to the industrial market.	The un-organised sector on the other hand mostly limits itself to the relatively low voltage market.

It has registered a sharp deceleration in growth to the tune of almost 26 per cent in 2012-13 in Kilometer terms as against same per cent age of growth registered during last fiscal. This de-growth is the highest amongst all sectors of electrical equipment. However, with changing specifications, kilometers are not the sole barometer to judge the growth of the industry. Power cables production declined by 23per cent whereas Control & special purpose cables production declined by 33per cent. Aerial Bunched Cables, on the other hand, continued to be in demand, growing at more than 30per cent due to shift from bare conductors to insulated, which also helps curb power theft in addition to make it safer and reliable.(Source : IEEMA) As per the analysis of IEEMA the domestic utilization of cables was around 56 per cent.

**Domestic Transmission & Distribution Capacity Utilization (2011-12)**



Source: IEEMA

The State Electricity Boards remain the major buyers for power cables. Small buyers of power cables also include companies having their own power distribution within plant limits. Conforming to their need-patterns, they require low tension PVC and medium tension XLPE cables. It is obvious that the client profile is changing from what it was. The thrust has slowly shifted to private sector and exports.



**Transmission & Distribution Equipment Capacity and Actual Production in 2011-12**

Equipment	Unit	Estimated Production Capacity	Actual Production in 2011-12
HT Switchgear	Nos.	100,000	84,908
Cables	Km	550,000	306,400
Capacitors	MVAR	70,000	55,110
Transformers	MVA	400,000	286,755
Transmission Line Towers	MT	1,800,000	1,300,000
Motors (FHP, LT, HT & DC)	MW	32,000	21,210
AC Generators	MVA	16,000	10,958
Conductors	MT	700,000	430,000
Energy Meters	000' Nos.	30,000	24,280

Source: IEEMA

**Estimated Segment-wise Electric Equipment Industry Size (2011-12)**

Equipment	₹ '000 crore
Boilers	19.5
Turbines	8.5
Generators	3.0
Cables	17.6
Transmission Lines and Conductors	15.0
Transformers	12.4
Switchgear & Controlgear	9.8
Rotating Machines	6.4
Energy Meters	2.5
Capacitors	0.5
Other Electrical Equipment	25.0
<b>Total</b>	<b>120.2</b>

Source: IEEMA

Private power generation companies like BSES, with expansion plans underway, are generating significant demand. Nonetheless, for the time being the State Electricity Boards continue to be the big customers. The major players in the organised industry include: Cable Corporation of India, Universal Cables, Fort Gloster, Industrial Cables, Uniflex Cables, RPG Cables, Finolex Cables. (Source : DIPP annual report 2012-13)

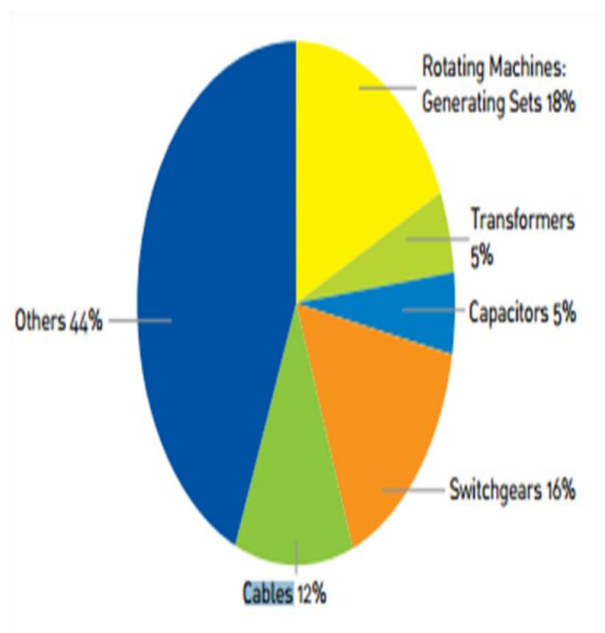
This sector also faced severe challenges like increase / fluctuations in the commodity prices, escalating forex rates etc. The size of cable industry was estimated at approx Rs. 23,000 crores which includes Rs. 7,000 Crores of building wire segment. The weightage of cable industry is about 25 per cent of the overall electrical industry.

The sharp decline in production is mainly due to delays in project/order finalizations and execution due to precarious financial health of state utilities, SEBs and overall economic slowdown. This has resulted in cut throat competition and price erosion. In some cases, buyers did not even take delivery of the ordered material leading to piling up of inventory at the manufacturers premises. The overall scenario of this sector is very depressing and concerns are raised by the manufacturers about a bleak medium term outlook as tenders from utilities are not getting finalized.

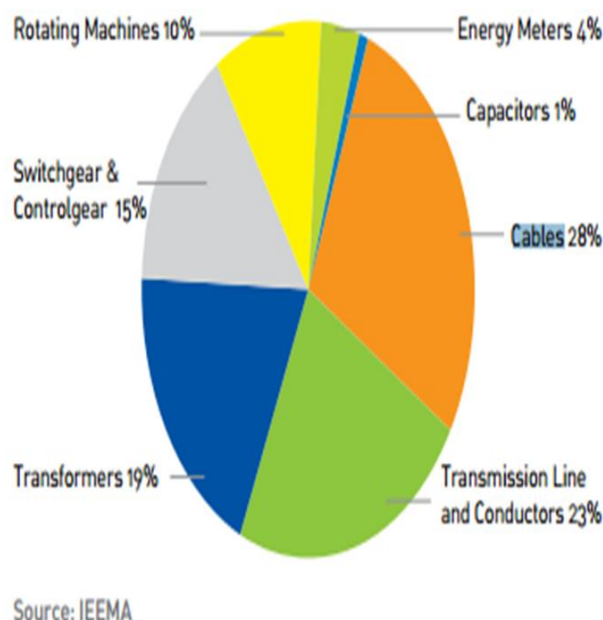
Major imports of HV/EHV cables and accessories to the tune of Rs. 2193 crores were observed primarily from China, South Korea, Thailand, and Germany. (Source: IEEMA )



Product-wise Breakup of Traded Electrical Equipment (2011)



Market Size of T&amp;D Equipment (2011–12)



### Uses

(i) Power Cables -Major users of power cables are broadly classified into:

1. Power sector – central, state and private electricity utilities
2. Other Industry Sectors like Petrochemicals, Mining, Steel, Non-ferrous, Ship building, Cement, Railway, Defense etc.

Many overseas cable companies are looking at India as a potential market for HV & EHV cables, hence overseas cable manufacturing giants have entered into the market through joint ventures with Indian cable manufacturers for manufacturing EHV cables and special types of cables and accessories. The year has seen a larger base of Indian manufacturers producing medium voltage cables upto 33kV, besides LV cables.

The growth of HV & EHV cable industry mainly depend on acceleration in implementation on the ongoing and new upcoming projects, especially in densely populated metropolitan cities, where the installation of overhead transmission towers is expensive as well as hazardous.

In the year 2012-2013, the total production of LV, PVC & XLPE power cables was about 2.6 lacs kms (estimated) both in organized & unorganized sector, decreased by more than 20per cent over previous year. The estimated industry size for power cables is at about Rs. 9,900 Crores.

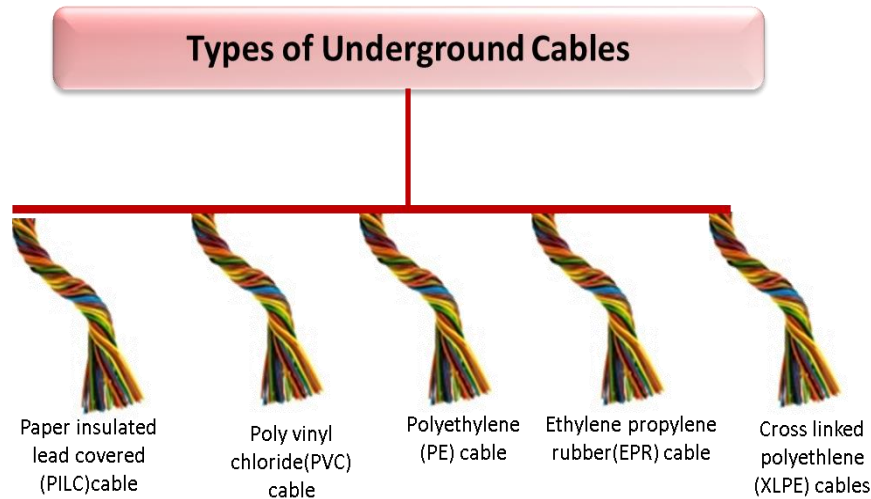
There are basically two ways by which electricity is transported from generating plants to load areas. These are by overhead transmission lines and by underground cables. Overhead transmission is more favoured for economic reasons. The cost of under-ground cables is invariably higher than that of overhead lines with equivalent capability, particularly for extra high voltage transmission system.

Inspite of the higher cost, the . need for underground installations has been pronounced with each passing year owing to:

- a) Ever growing concern for safety and amenities in densely populated areas.

b) Preservation of aesthetic values in many localities.

These factors have led to the continuous growth of cable system in many countries in the world. Different types of underground cables are:

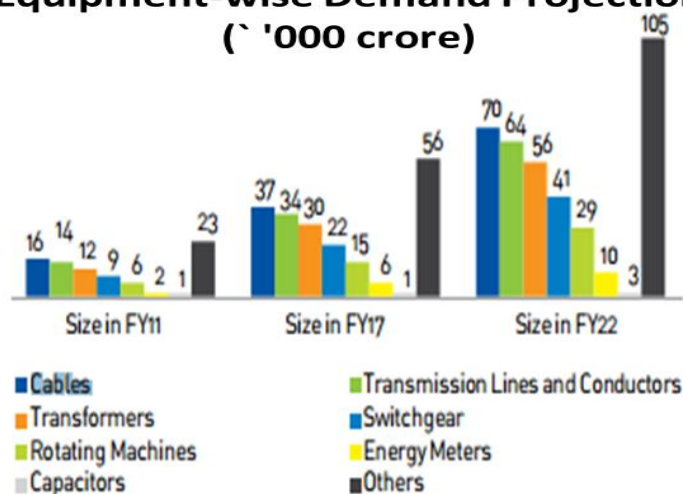


- (ii) **Control and Special Purpose Cables:** This segment comprises of control, instrumentation, panel, automobile wiring and other special purpose applications. Majority of these cables are manufactured in small sectors due to low capex and also technology required is low. The estimated value of control cable market was about Rs. 3,300 Crores; a sharp decline of more than 30 per cent over previous year. This excludes building cables and wires.
- (iii) **Building Wire & Cables :** The building wiring cables segment comprises of the cables and wires required for wiring of residential and commercial buildings. This segment showed some amount of growth due to momentum in housing sector. The residential segment contributes to major portion of the demand, followed by shops and offices. The size of building cables and wires is estimated at approx Rs. 7000 crores. However, it is observed that share of unorganized sector is getting converted into that for organized one due to stiff competition, economy of scale and volatility of raw material prices.
- (iv) **Telecommunication Cables :** Optical fiber segment obviously shows better growth than Jelly Filled Telephone Cables (JFTC) segment, which continues to decline due to change in technology and the situation is not likely to improve (*source: IEEMA*)

### Growth Areas

The demand for electrical equipment (which includes cable and wires) in India is expected to witness a significant expansion on the back of the growth of the power sector. The government is likely to add around 88.5 GW and 93 GW, respectively, under its 12th and 13th Five Year Plans. The Transmission & Distribution equipment industry will be Rs 350,000–375,000 crore (US\$ 70-75 billion) which includes cables whose position is also estimated to improve.

### Transmission & Distribution Equipment-wise Demand Projection (` '000 crore)



Source: CEA, EY Analysis

According to the IEEMA analysis (IEEMA), the Indian electrical equipment industry has registered a moderate growth of 3.5per cent in output in 2013-14 after a worst performance in last 10 years in 2012-13, when production clocked a negative 8per cent growth. It appears that growth has bottomed out; even though there was some turbulence especially in last two quarters registering just 1per cent and 3per cent growth respectively after the first half of the year witnessed a growth of 6per cent.

Growth Indices for Electrical Equipment Industry		
Cumulative Growth Compared to same period of previous year		
Product	Weightage	April - Mar 2013-14 (% Growth)
Rotating Machines	10.1	-6.9
Switchgear	15.9	4.4
Cables	25.0	9.1
Transformers	17.0	4.3
Capacitors	0.7	41.1
Energy Meters	4.4	10.0
Transmission Lines	27.1	-0.8
<b>Overall IEEMA Electrical Equipment Growth Index</b>	<b>100</b>	<b>3.54</b>

Source : IEEMA

Well established R&D facilities are key factors for development of this industry. In India, Renowned laboratories like Central Power Research Institute (CPRI), Electrical Research and Development Association (ERDA) are well equipped with the most advanced product testing facilities to meet

international standards. Most of the major electrical and electronics manufacturing companies in India have strong R&D base.

With infrastructure receiving priority attention from the Govt. of India, construction, power and telecom sector are fast developing. This will give boost to cable and wire industry in near future. In 2011-12, the non-SSI sector has reported production of insulated cables and wires of all kinds 54.7 lakh crore kms and in the year 2012-13 (April-November) the production was reported at 37.11 lakh crore kms. India exported cables and wires (HS code. 7413 and 8544) of value around Rs.2800.09 crore in 2011-12 against import of around Rs.4492.18 crore during the same period. During the year 2012-13 (April-September) the export was around Rs.1513.30 crore against import of Rs.2186.07 crore during the same period. The industry is de-licensed and eligible for automatic approval for Foreign Direct Investment up to 100 percent. (Source: Annual Report of Department of Industrial Policy and Promotion, 2012-13)

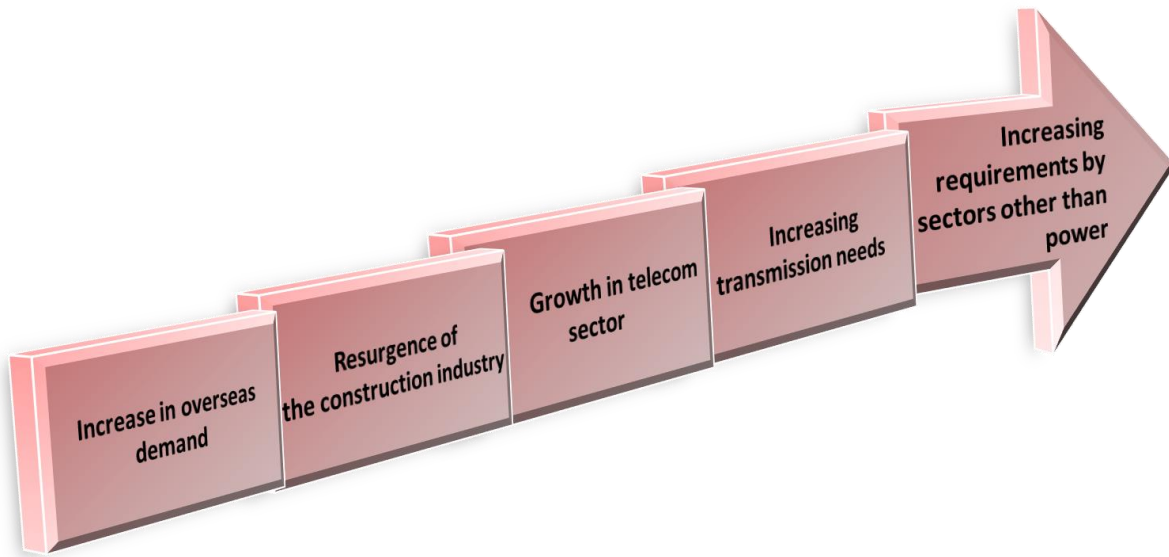
This field requires and teaches freshers and professionals to be techno-commercially inclined. Ideally, electrical/mechanical engineers for manufacturing, electrical engineers for EPC related sales for special applications, managers with operations knowledge for implementation of world class manufacturing techniques, managers with knowledge of creative/application based marketing, MBAs who can use various strengths of companies and make use of adjacent opportunities, as well as fresh graduates who have the zeal to outperform and change customer outlook. The sector also provides tremendous entrepreneurial opportunities in trading, contracting and manufacturing.

## **FUTURE OUTLOOK**

Global demand for insulated cable and wire is forecast to expand 8.3per cent p.a. between 2014 - 2018. Azerbaijan, China, Lithuania, Turkey, and the United States are considered the highest potential markets in the coming years.

According to recently published research, the expansion of the global insulated cable and wire industry is forecast to reach 8.3per cent p.a. in the coming years. Between 2007 and 2013 the market increased with an average annual growth of 9.5per cent. Currently, electric conductors (< 80 volts) account for 39.1per cent of the global demand while the remaining market share is divided between electric conductors (80-1000 volts) (31.5per cent), co-axial cable and co-axial electric conductors (8.4per cent), electric conductors (>1000 volts) (7.0per cent), insulated winding wire of copper (6.9per cent), optical fibre cables (5.7per cent), and other insulated winding wire (1.4per cent). China, Japan, Russia, South Korea, and the United States represent the largest insulated cable and wire markets while the strongest annual growth is forecast to occur in Azerbaijan (16.0per cent), Lithuania (15.7per cent), Turkey (14.0per cent), Georgia (13.9per cent), and Latvia (13.9per cent).

Based on in-house analysis and an advanced model which takes into consideration the actual market size, trends, forecast market growth, and changes in the market environment, Global Research and Data Services calculates the Market Potential Rates, the predicted market potential of the country in the coming years. The larger the Market Potential Rate, the more potential the market has in the coming years; and conversely, the smaller the rate, the less potential the market is considered to have in the future. (www.MarketResearchReports.com)

**DEMAND DRIVERS**

1. **Increasing Overseas demand** – Not only in India but the demand for Indian manufactured cables and wires is increasing even overseas. Global demand for insulated cable and wire is forecast to expand 8.3% p.a. between 2014 – 2018 according to some market research reports. Azerbaijan, China, Lithuania, Turkey, and the United States are considered the highest potential markets in the coming years. This gives opportunity to Indian manufacturers in the industry to grow even in global market.
2. **Resurgence of the construction industry**- Demand for insulated cables and wires is strongly influenced by economic growth. GDP growth, and health of major end-use industries such as, construction, automotive, electronics, energy generation, and telecom, therefore play key roles in influencing market prospects. Resurgence of the construction industry from the recessionary slump is benefitting demand for insulated cables and wires. Major factors driving growth in developed economies include residential repair, remodelling and repair activity, introduction of stricter building codes, and increasing need for improved energy efficiency, while in developing countries, increased investments in infrastructure in China, India, Brazil, and Russia is spearheading market growth.
3. **Growth in telecom sector**- Growth in the region is led by robust construction activity, significant infrastructure improvement in power and telecom industries, and strong automobile production. Telecommunication data wire & cable represents the largest and the fastest growing market worldwide. Insulated cable deployment in the telecom sector is gaining strength with telecom operators making active efforts to expand capacity in line with escalating demand for Internet video and data traffic amidst increasing use of mobile devices, such as smartphones and tablets.
4. **Increasing transmission needs**- The power generation units, and such other sources are situated in few fixed areas. Thus there is a need for transmission from the source to the wide spread destinations. This can be done using cable and wires of different types according to specifications required. Thus in short with growing population occupying more and more area of land on earth, the need for transmission increases and thus the requirement of cables and wires.
5. **Increasing requirements by sectors other than power** -Mechanical cables, which are widely used for lifting, towing, or hauling, are generally produced with high-carbon and stainless steel as well as nonferrous metals. Mechanical cables are used heavily in the construction, mining, and oil drilling industries. Suspension bridges use an extensive amount of mechanical cable.



## **OUR BUSINESS**

Our Company was incorporated in the year 2007 and is engaged in the manufacture and export of wires and cables in India. Our Company is working in this domain for more than 6 years. We are using advanced technology and machineries for manufacturing quality products. We started our business with PVC cables and wires in India which are now supplied across different networks worldwide. We produce durable and reliable cables and wires, and our products have earned reputation in the market. Because of our manufacturing skills and technical expertise in electrical industry, we are able to make strong market presence in India. Our quality products are sold not only in India but also in countries like UK, UAE, Africa, Singapore, Uganda etc. We follow strict quality standards during manufacturing process. Once product is ready, it is closely checked for safety and quality assurance by our administration team and on approval, it is transported to market for customer use. Our manufacturing facility is situated at Shapar (Rajkot, Gujarat) India. Our facility involves modern technology, tools, high-tech machines which spin out the quality standard of cables.

We believe in making strong bond with our customers for continuing long – lasting relationship with them. We are popular for delivering quality electrical products before committed time frame. We also offer customized business solution to our clients without any delay and at competitive prices. Our strong national distribution network bonds us with our clients.

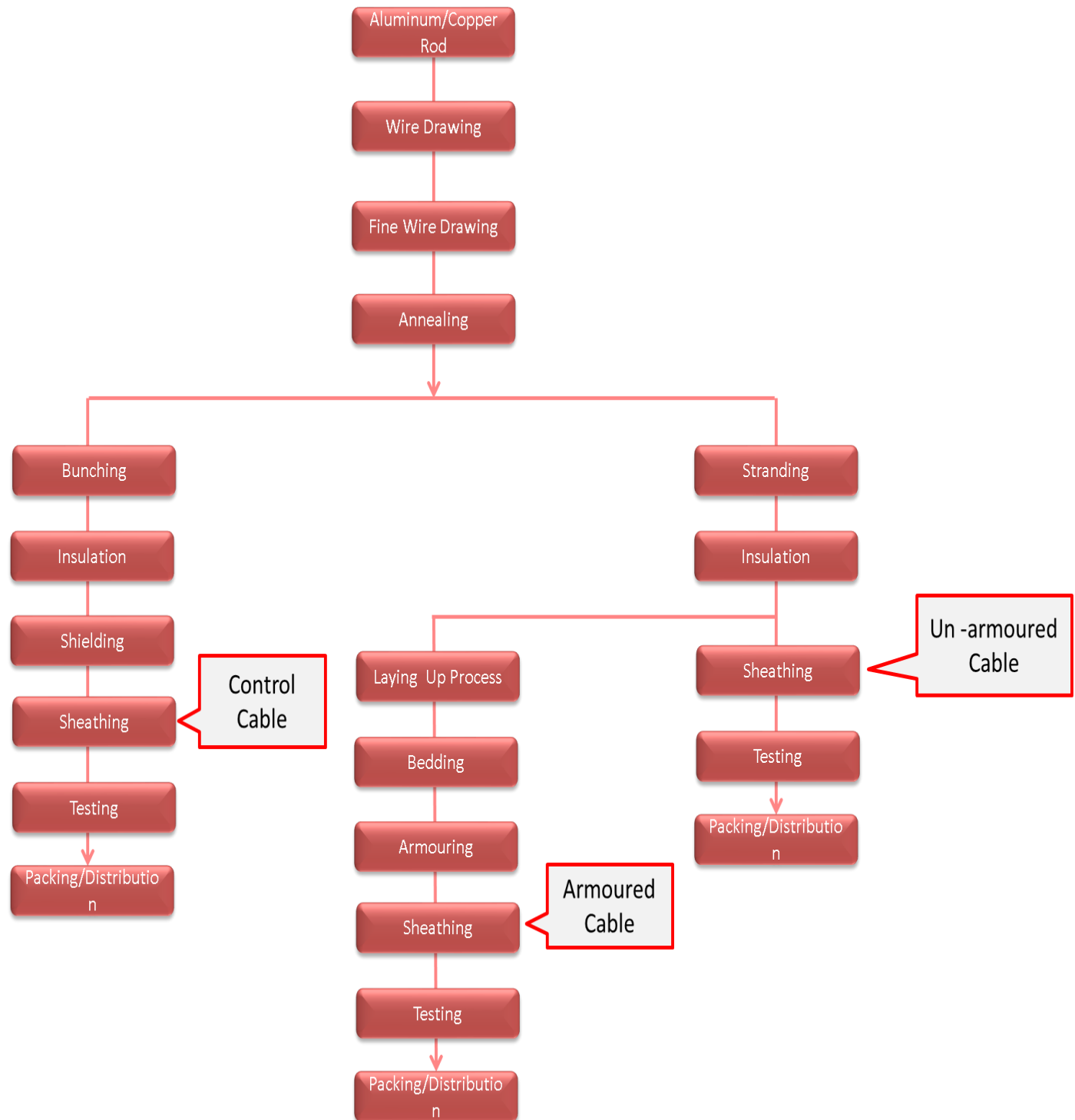
## **OUR MANUFACTURING FACILITY AND BUSINESS PROCESS**

We have successfully met the needs of our diverse client base by implementing cutting-edge technology and modern machineries in our set up. We have a strong footing in the overseas market due to our cables and wires manufactured under strict quality control measures. We offer the quality products after following the recognized quality standards.

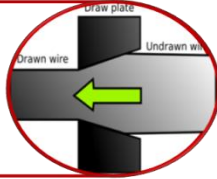

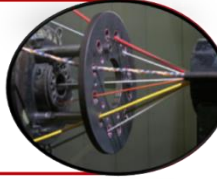
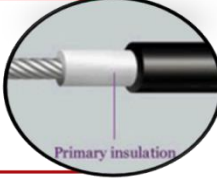
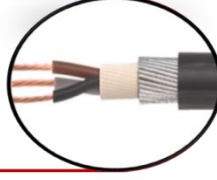

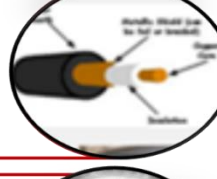

We have a well-equipped research and development unit that helps us immensely to offer innovative products to our clients. R & D is always a boon for staying ahead of others in this extremely competitive environment and our cables and wires have always assisted in the growth of a substantial segment of Indian industry. Our manufacturing facility, spread over 11483.19 sq m area and has 100 per cent in house facility from wire drawing machine until testing on finished products.



## Manufacturing process



A brief note on what each step means is as below:

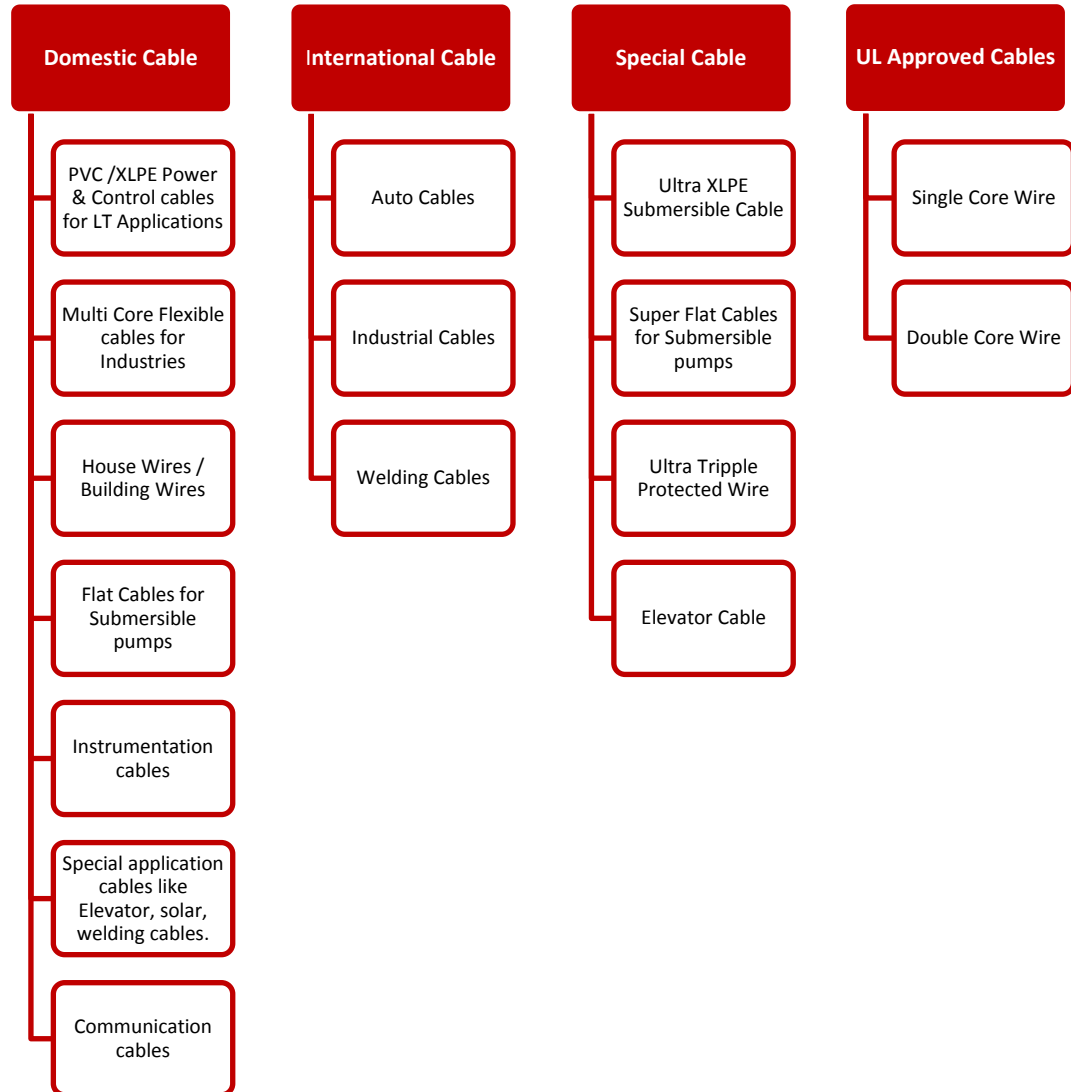
<b>Wire Drawing</b>	<b>Wire drawing</b> is a metalworking process used to reduce the cross-section of a wire by pulling the wire through a single, or series of, drawing die(s). There are many applications for wire drawing, including electrical wiring, cables etc.	
<b>Annealing</b>	<b>Annealing</b> is a heat treatment that alters the microstructure of a material causing changes in properties such as strength, hardness, and ductility	
<b>Bunching/ Stranding/ Laying up</b>	Small wires before concentric stranding adds the flexibility . Electrical cables may be made more flexible by stranding the wires. In this process, smaller individual wires are twisted or braided together to produce larger wires that are more flexible than solid wires of similar size.	
<b>Insulation</b>	<b>Insulation</b> is a process of placing an insulating cover over the conductor to prevent current leakages. The quality of an insulation material depends on its insulation capacity and heat resistance. Voltage test is used to ensure that there are no faults in insulation.	
<b>Armouring</b>	Galvanized steel wires and flat steel strips are used for protection of internal cores. This process is required for under ground application of electrical power and control cables.	
<b>Shielding</b>	Electrical covering (screens) insulate signals that circulate in the cable from possible external interference. They also shield the power cables to prevent them from interfering with adjacent signal circuits.	
<b>Sheathing</b>	Outer sheath is the outer polymer covering that protects the conductors and their insulation from external elements which may change their electrical properties and also from mechanical aggressions.	
<b>Testing</b>	In order to guarantee high quality required by customers, the cables undergo extensive quality control checks in laboratories, therefore ensuring that all cables are free from defects and ready to be sold.	



## OUR SPECTRUM OF PRODUCTS

With years of experience, Company possess the expertise needed to offer a range of products to cater the need of domestic as well as international market. Our power cables in are made using premium raw materials to ensure a great durability and quality too. We are highly committed in our endeavor and have the installed capacity to meet bulk orders or to mitigate the risks associated with any unforeseen eventuality.

Company has requisite infrastructure and this helps to manufacture the varied types of cables. Classes of product manufactured at our company have been shown through a pictorial diagram:-



Our range of cables is capable to withstand extreme conditions and is made available in assorted sizes and specifications for catering to the special needs of our clients. These cables conform to the quality standards and are capable of withstanding repeated use. Before final delivery, each cable is quality tested for ensuring longer service life, high resistivity and flawless performance.

Detailed description of all our products with specification as to their characteristics and varied uses is provided below:-

## Domestic Cables

**Domestic Cables include the following:-**



**PVC/XLPE Power  
& Control cables**



**Multi Core  
Flexible cables for  
Industries**



**House Wires/  
Building Wires**



**Flat Cables for  
Submersible  
pumps**



**Aerial Bunched  
Cables**

### **PVC/XLPE power & control cables for LT applications**

These single core cables have higher flexibility due to larger number of strands in the conductors and are used for wiring of control panels, machines and various electrical installations in small, medium and large industries where bending radius is less. Abrasive resistance, superior flexibility, stringent quality control, attractive finishing and colour are some of the key features of PVC/XLPE Power & Control cables for LT Applications

Various uses of this cable include:-

- Power plants
- Chemicals
- Refineries
- Commercial buildings
- Industrial plants
- Local distribution systems
- Conduits
- All electrical installations



### **Multi core flexible cables for industries**

Multicore cables involve the insulated cores being laid up to form the core assembly. The inner cores are coded for ease of identification as per national/ international coding practices. The sheathing is provided with a specially formulated PVC compound to facilitate not only ease in stripping but also to withstand mechanical abrasion while in use. These PVC compounds used for insulation and sheathing have high oxygen and temperature index. These properties help restrict the spread of fire even at very high temperatures. Superb connectivity, resistance to abrasion, moisture, sunlight, heat and adverse conditions good capacitance, superb connectivity etc are some of the key characteristics of multi core flexible cables for Industries

Various uses of this cable include:-

- Connecting a central processing unit with monitor
- Television



- Laptop & other appliances

### **House wires / building wires**

Company offers an array of products that are safe and are flame retardant. Thus, our products like building cables and house wires are absolutely immune to fires, short circuits or electric shocks. Being a global player in this domain, our cables and wires are extensively used for lighting purpose both in: commercial and residential buildings. Some of the other reasons because of which our products are applauded are the following ones:-

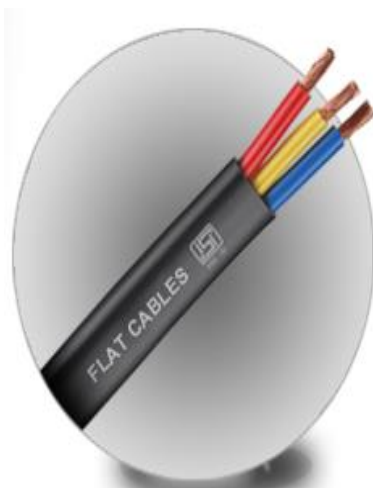
- Superior tensile strength
- High efficiency
- Good insulation property
- Ability of withstanding high temperatures
- Abrasion resistance properties
- Reliability
- Ductility



### **Flat cables for submersible pumps**

Tough & flexible submersible pump cables specially designed to supply power to submersible borehole pumps in a deep borewell. Loaded with exclusive features of safety, power savings and long-term reliability, they are better performing submersible pump cables in the market. Tested for toughness and performance, the insulation & jacket will stand up to even the aggressive wet conditions. Our finely stranded copper conductor has better flexibility and strength for easier handling and installation. Its applications involve :-

- Irrigations
- Drinking water supply
- Mine dewatering
- Industries
- Swimming pools
- Fountains
- Offshore drilling rigs
- Sewage treatment plants
- Sea water filtration plants
- Aquariums



## **International Cables**

**International cables include the following:-**



[Auto Cable](#)



[Industrial Cables](#)



[Welding Cables](#)

### **Auto Cables**

Auto cables need to be manufactured using utmost care, safety and precautionary measures. Our supplied auto cables are used for wiring in diverse range of automobiles and also in auto harnesses thus they need to be of superior quality. From over 17 years we have been supplying many reputed clients with auto cables and battery cables with lugs soldered or crimped, immediately ready for use in automobiles. Battery cables from Ultracab can be used successfully in various applications including power, computer back-ups, wind energy farms, telecommunications etc.



Key Features that we provide in our auto cables:

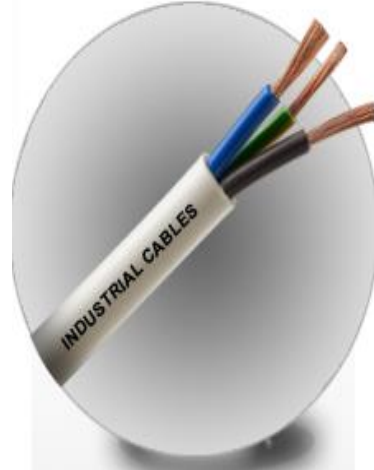
- Precision-engineered using latest machineries
- Use of bright annealed 99.97 per cent pure bare copper conductors
- Resistant to low conductors
- Special grade PVC compound formulation
- Resistant to moisture, oils, grease and acids.

## **Industrial Cables**

Our industrial flexible cables and power cables, prepared using ultra grade components, assure competitive and effective range of products. Our industrial flexible cables and power cables are designed with specific features which are highly required for industrial purposes. Our flexible cables and power cables are used in diverse industrial applications where high voltage maintenance is required.

Major application areas include:

- Instrumental industry
- Power industry
- Refining and petrochemical industry
- Automation industry
- Natural gas production sectors



## **Welding Cables**

Backed by skilled staff and trained engineers, we at Ultracab offer assorted range of welding cables for catering to the customer needs in India and worldwide. We use high grade raw materials procured from top vendors in the industry. Our products are developed under strict quality guidelines and sophisticated range of technologies. Our welding cables are usually coated with rubber to provide excellent insulation property. These cables are light in weight and able to withstand with high temperature and pressure conditions. Our welding cables are widely accepted across various industrial sectors and highly efficient too. Besides, welding cables are also suitable for:

- Stage or entertainment lighting cables for sound systems, lighting, communication vans and movie theatres
- Battery cable for vehicles
- Alternative to reeling/pendant cable on cranes and hoists
- Inverter cables



## Special Cables

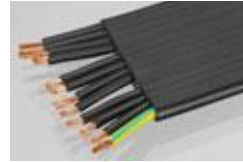
Special cables include the following:-



**Super Flat Cable**



**Ultra Triple Protected**



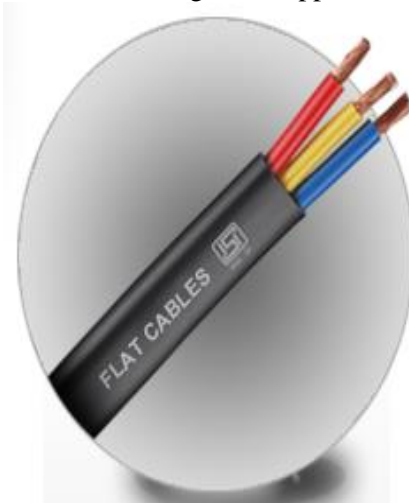
**Elevator Cable**

### Ultra XLPE submersible cable

We manufacture and supply XLPE Cables for residential and industrial purposes. In the field of electrical supply, high quality and electric shock proof XLPE Cables and PVC Cables for domestic purposes have witnessed the growing demand worldwide. As an ISO 9001:2008 certified company, we ensure that all our products meet the safety and longevity standards that are applicable worldwide.

Specification of our product :-

- Temperature range
- Superior strength of overload ampere
- Super insulation strength on copper



### Super flat cables for submersible pumps

Ultracab super flat/rubber cables have been specifically designed for submersible pump motors. Rubber submersible pump cable is a weather proof cable which can withstand the extreme mechanical & electrical conditions.

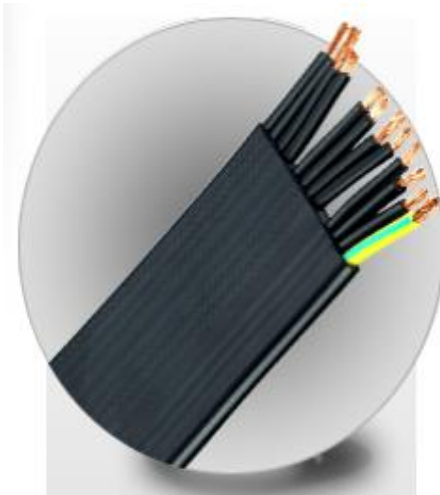
Specification of the Product :-

- Temperature -40°C to 105°C
- Higher flexibility
- Two layers insulation
- 10 per cent lower resistance than normal flat cable
- Moisture resistance at 80°C
- Knurling on outer sheath for accurate gripping
- Copper purity-99.97 per cent (IACS)



### **Ultra tripple protected wire**

Ultracab's UTP (Ultra Tripple Protected) house wires are insulated with flame retardant (FR) PVC compound, specially formulated to provide added safety. This FR PVC compound has a high oxygen and temperature index. These properties help restrict the spread of fire even at very high ambient temperatures. This special compound also offers high insulation resistance and dielectric strength. These ISI marked wires meet the requirements of IS 694:1990 of flame retardant properties which means extra protection against electric shocks, short circuits and fires. Ultracab UTP wires are energy efficient as only electrolytic copper conductors of 99.97 per cent purity having very low resistance are used thus ensuring low energy losses.



### **Elevator Cable**

Our cables and wires are suitable for wide industry applications with specific key features –

- Annealed bare or tinned copper conductor
- Copper purity 99.97 per cent IACS
- High flexibility
- Number coding / color coding
- -20 °C to 80 °C
- Weather proof
- Available Sizes: 0.5sqmm to 2.5sqmm
- Available cores: 4C to 24 core

## UL Approved Cables



**Single Core Wires**  
Single core wires

Flexible single-core wires are used for transmission of low-voltage signals, electric motors, DC power transformers, panel boards, battery cables, etc. The characteristics of the single core cable manufactured by us include good flexibility, adequate voltage resistance and manufacturing as per ISO standards

Key features of our product are :-

- High conductivity
- Reliable
- Cost effective
- Highly insulated



**Multi-Core Cables**



### Multi core cable

A multicore cable is a generic term for an electrical cable that has multiple cores made of copper wire. The term is normally only used in relation to a cable that has more cores than commonly encountered. Because of our experience and deep domain knowledge, we are able to provide cutting edge arctic grade cables, and PVC cables in India and overseas.

Key features include :-

- High conductivity
- Reliable
- Cost effective
- Highly insulated

### Business Analysis

Product Mix	Per cent
<b>Wires</b>	<b>10</b>
<b>Cables</b>	
<b>a. Industrial</b>	<b>45</b>
<b>b. Agricultural</b>	<b>30</b>
<b>c. Special</b>	<b>15</b>



## Sales Analysis

Exports	Percentage of total sales
<b>Countries</b>	
Dubai	4.68
United Kingdom	2.09
Germany	0.38
Singapore	0.10
Italy	0.06
South Korea	0.02
Kenya	0.01
<b>Total Export Sales</b>	<b>7.32</b>
<b>Domestic</b>	
<b>States</b>	
Gujarat	62.09
Tamil Nadu	11.12
Maharashtra	7.07
Rajasthan	5
Madhya Pradesh	4.26
Punjab	2.95
Others	0.19
<b>Total Domestic Sales</b>	<b>92.68</b>

## RAW MATERIALS

Cables are raw material intensive products and the basic raw materials for manufacturing cables are copper, aluminium, PVC granule, XLPE etc. We have an established supplier base with whom we have been dealing from years. We have stringent quality control checks before any consignment is accepted into the factory as the quality of raw materials has a direct bearing on the quality of finished products. Some of our major raw material suppliers are included below:

Raw Material	Regular Suppliers	Value in (Rs)	As per cent of total
Copper	2	71958601	64.38
Aluminium	4	21850972	19.55
PVC Compound	12	13716035	12.27
XLPE	2	4241706	3.80

## OUR STRENGTHS

Our Company focuses on serving the changing and evolving needs in the cable and wire industry. Customer focus, Creativity, Quality consciousness, innovative marketing strategies and adherence to fair practices has always been the Company's overall philosophy.



1. **Quality Control Management & High Standard Service:** With the help of our quality control team, we are able to design highly scalable and interoperable products which are sold in India and abroad. We are able to set new heights and dimensions with our assorted range of products in electrical industry. Our quality team ensures that perfect quality products are delivered to our clients that are not damaged in any way. Our team makes necessary quality checks wherever possible. The products are rigorously tested at the Lab ensuring for the finest quality of cables. Our Company has accreditations like ISO 9001:2008, ISO14000:2004 and OHSAS 18001:2007 and also has BIS certification for all our products confirming to IS:694/1990, IS:7098 PART-1 & IS:1554(1)/1988 . In addition we have a product certificates of UL(American) and cUL (Canadian). We consciously dedicate resources for quality assurance to ensure that quality norms are continually met. Our objective to manufacture quality products is matched by our commitment to provide excellent service to our customers before an order is received, after the cables are supplied and during the working life of the cables. We have inhouse and/or outsource quality test after every processes for determining that every product is quality tested and per the specifications
2. **Our Company focuses on attaining highest level of customer satisfaction.** We believe in making strong bond with our customers for continuing long – lasting relationship with them. We deliver quality electrical products before committed time frame. We also offer customized business solution to our clients without any delay and at competitive prices. Our strong national distribution network bonds us with our clients at various geographical locations.
3. **Brand name:** Our brand name “Ultracab” was introduced in the year 2007 in Gujarat, India. Over the years, we have sought to strengthen our brand name “Ultracab” through various promotional and marketing activities. Further we have expanded our brand portfolio by launching new types of cables and wires under the brand “Ultracab” targeting different usages. These products cater to various uses and industries. We regularly introduce customized products to cater to changing consumer preferences. We believe that our customers identify us as a brand synonymous with a trusted quality. Further our brand image enhances our ability and competitiveness to spread our reach geographically.

Our brand image is enhanced by our integrated marketing, customer relations campaigns and our retail and merchandising strategies which enable us to identify and differentiate our 'Ultracab' brand.

4. **Strong Financial Management:** We have a disciplined financial management to ensure that proper records are maintained and follow up is conducted with regard to the day to day activities and receivables of the Company and to ensure that the receivables are consistent with the financial appetite of the Company. Our internal control systems ensure periodic audits to ensure continuous monitoring of the status of the financial resources of the Company and ensure that proper balance is maintained between the receivables and payables.
5. **Effective Management Information Systems:** We have adopted CABPRO, customised ERP Management Information System to assist our Company to accurately predict and foresee any possible risks associated with our business. We are currently maintaining our sale, records and store inventories on CABPRO. This customised software enables us to effectively manage the data from various sources and of various points of time. All daily transactions at either end are updated through pooling of incremental data of new transactions. This helps us to maintain complete control from the factory over all the stocks and sales on a daily basis. This also acts as a risk management tool in terms of controlling inventories, cost calculation, identifying characteristics of each specific lot of inputs and WIP and output, and the like
6. **Leveraging the experience of Our Promoters:** Our Promoters have vast experience in the electrical industry and with their years of experience in electrical industry, we have track record as cable and wire manufacturers and exporters in both domestic and international market. It is our experience and passion that makes us different from crowd.
7. **Strong Marketing Practices:** Our marketing team is ready to take up challenges so as to scale new heights in India as well as in global market. Our marketing strategies have established a new scope for us. Our commitment and competitive prices have ensured the loyalty of our customers. Ultracab has expanded its distribution network across the country through the network of dealers and regular marketing and promotional activities.
8. **Customized Product Development:** The customers would prefer to have a product tailor made as per their particular requirement. Our manufacturing team focuses on the precise demands of customers and with the help of individual support, customized products are developed.
9. **State of Art Infrastructure:** Ultracab has state-of-the-art infrastructure and this helps to manufacture the varied types of cables. Our Company has invested significant resources in technological capabilities and has developed a scalable technology system to enable us to deliver quality products.
10. **Wide range of products and Diversified Clientele:** Our diverse range of cables are capable to withstand extreme conditions and is made available in assorted sizes and specifications for catering to the special needs of our clients. We supply cables across various industries to various organizations of diverse sectors such as power, chemical, cement, fertilizer, refineries, irrigation etc. This ensures that our business is safeguarded against slowdown in any particular industry. The approximate industry wise contribution to our revenues during the last three years is given below:

Industry	For the Year ended					
	March 31, 2014		March 31, 2013		March 31, 2012	
	Rs. in Lacs	per cent	Rs. In Lacs	per cent	Rs. In Lacs	per cent
Power	1.13	4.00	1.30	5.00	1.03	5.00
Cement	0.65	2.00	0.87	3.00	0.92	4.00
Automotive	1.61	5.00	2.31	8.00	1.38	6.00
Textile	2.26	7.00	0.58	2.00	0.92	4.00
Ceramics	2.10	7.00	2.89	10.00	2.75	12.00

Electrical equipment manufacture	3.23	10.00	2.89	10.00	2.75	12.00
Refiners	0.65	2.00	0.00	0.00	0.69	3.00
Mining and minerals	2.58	8.00	0.87	3.00	0.46	2.00
Miscellaneous	18.06	56.00	17.03	59.00	11.93	52.00

### PLANT & MACHINERY

Our factory is located at Survey No. 262, Behind Galaxy Bearing Limited, Shapar (Varaval) and the corporate office is in Rajkot. The factory at Shapar (Varaval) is about 20 kms. away from Rajkot with approximately 11,482 sq. mtr. area. The following is the list of machineries owned by the Company at the factory:

Sr. No.	Description/ Name of Machinery	Unit (In.Nos)
11.	Extrusion line (for Pvc/XLPE/PE etc)	8
12.	Double Twisted High Speed Bunching Machine	3
13.	Stranding Machine	2
14.	Power/control Cable Laying Machine	2
15.	Foil Tapping M/C/ braiding machine	6
16.	Tapping M/C	1
17.	Amouring M/C	1
18.	Wire Drawing M/C	16
19.	Rewinder Machine	6
20.	Test Instruments For PVC/XLPE Cables	70

### COLLABORATIONS

We have not entered into any technical or other collaboration.

### UTILITIES & INFRASTRUCTURE FACILITIES

Our corporate office at Rajkot, Gujarat, is well equipped with computer systems, internet connectivity, other communication equipment, security canteen facilities, transport and other facilities, which are required for our business operations to function smoothly. Our registered office and factory at Shapar (Gujarat) is equipped with requisite utilities and modern infrastructure facilities including the following:

#### Power

Our Company meets its Power requirements by purchasing electricity from Paschim Gujarat Vij Company Limited which is around 275 KVA.

#### Water

Our water requirements are low as water is required only for the cooling process. Generally we make use of ground water to meet our requirements; however we also purchase water from local water supplier to meet our water requirements in case of any shortages.

### HUMAN RESOURCE

We believe that our employees are key contributors to our business success. To achieve this, we focus on attracting and retaining the best possible talent. Multi stage induction and skill enhancement training programmes are conducted to prepare the employees for the desired performance levels. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on August 16, 2014 our Company has 91 employees on Payroll. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

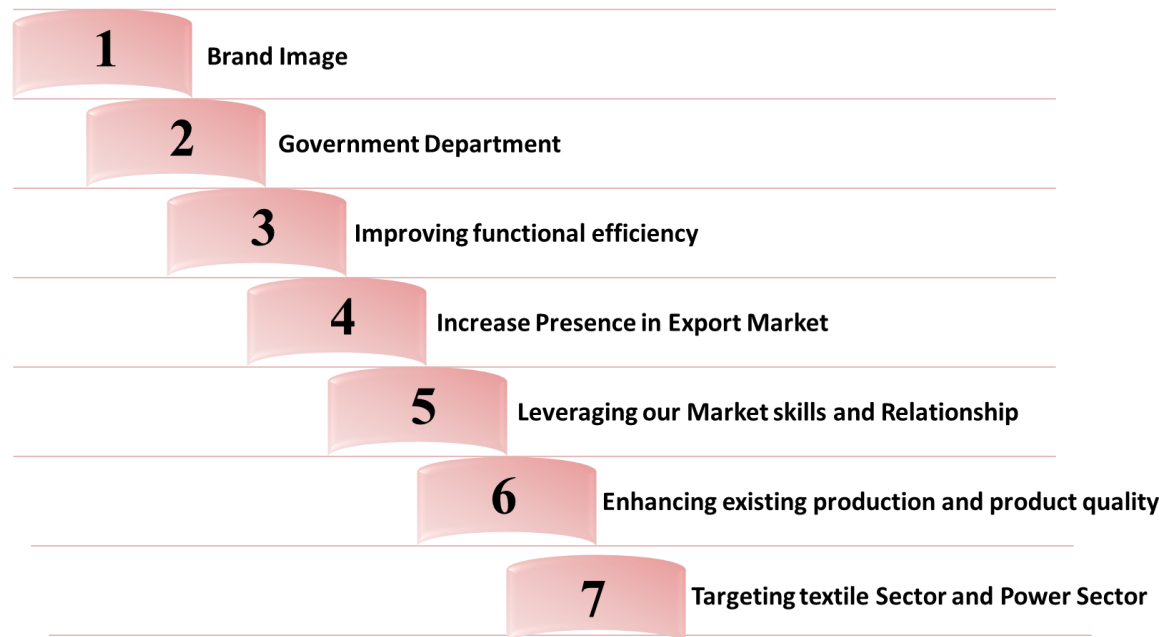
#### Department wise Break up

Department	No. of employees
Sales & Marketing	10
Warehouse & Factory Management	65
Dispatch	5
Design/ QC	3
Accounts & Finance	2
Legal	2
Administration	1
Production & Others	3

#### BUSINESS STRATEGY

Our Company targets to satisfy the changing and evolving cable and wire industry. The diagram below represents our continuous growth philosophy being implemented on a day-to-day basis.

Our vision is to strive for growth in existing and new markets by providing cost-effective and quality solutions for electrical connectivity requirements for various businesses as well as domestic users by offering high quality customized cables at competitive price with best service and unfailing commitment. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus first and foremost on capitalizing on our core strengths and enhancing the volume of our business. We intend to focus on our existing range of products with specific emphasis on the following factors as business and growth strategy:



**1. Brand image**

We would continue to associate ourselves with good quality customers and execute projects to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

**2. Government Department**

We have received permission from various state government departments as approved vendors. Some of them include: Maharashtra, Gujarat, Kerela etc. Thus we are eligible to apply for tenders called by Government departments. We shall continue to apply for the government tenders and which will help to enhance our sales

**3. Improving functional efficiency**

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology development.

**4. Increase Presence in Export Market**

Customized cables are required in the export market. Our Company exports its products to various countries like U.S, U.K, Dubai etc. We intend to continue our focus on developing business in international markets.

**5. Leveraging our Market skills and Relationship**

Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart to our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

**6. Enhancing existing production and product quality**

We believe quality service and products of global standards will be of utmost importance for customer retention and repeat-order flow. We intend to have close interaction with our customers in a bid to strengthen our relationships with them. We train our employees to consistently design and deliver client focused solutions.

**7. Targeting textile Sector and Power Sector**

Cables and wires are required for setting up a unit in the textile sector and for setting power plant in the power sector. We shall have focus on the newly coming up power project and textile mills including spinning units.

**Capacity Utilisation**

It is difficult to calculate the exact capacity utilisation as same machineries are used to manufacture various types of products. However the Productwise capacity is as follows

Product Name	Installed	Actual 2011-12	Actual 2012-13	Actual 2013-14
House Wire (90 mtr each Coil)	4,80,000	98,267	64,244	31,166
Flat Cables (Km)	3,000	837	1,747	1,446
Ind. Flexible Cables (Km)	2,000	1,374	714	839
Power and Control Cables (Km)	2,000	458	590	697
*Instrumentation Cables (Km)	3,000	-	41	88
**Special Cable/Auto Cable/Solar/Battery (Km)	2,000	-	160	356
#Copper/Aluminium Conductor (Metric Ton)	3,600	261	80	143
##Communication Cables (Km)	3,000	-	-	38

\*The Product capacity was installed in 2012-13 for 500 Km which was increased to 3000 Km in 2013-14

\*\* The Product capacity was installed in 2012-13 for 2000 Km

# The Product capacity was installed in 2011-12 for 1800 MT and was increased to 2500 MT in 2013-14

## The Product capacity was installed in 2013-14 for 3000Km

### Projected Capacity

The Company is underutilizing its installed capacity and will achieve higher production by utilising its installed capacity. The Projected capacity for the next three years cannot be estimated as the production depends upon the demand of the products and the capacity of the machines cannot be determined as the same machineries are used for different products.

### COMPETITION

We face competition for our products from various companies as listed below. Besides them, there are many unorganised players in every region in the country.

## **List of competitors**

Major Player include Polycab Wires Private Limited, Finolex Cables Limited, Ramratana Wires Limited, KEI Industries Limited, Havells India Limited, Torrent Cables Limited, Diamond Cables Limited, V-Guard Industries Limited, Cord Cable Industries Limited etc

## **Area of Competition**

We are therefore well poised to capitalize on our diverse product range and compete with even big players in the industry by providing customized products as per the demands of our customers.

## **END USERS**

The market for Cables can be broadly classified into two categories, on the basis of their end-use:

- Industrial ;
- Domestic and
- Agricultural

### **a) Industrial Users**

The demand for cable and wires is mostly from sectors like power, transmission & distribution, communication, cement, steel and petro-chemical which constitutes what is termed as industrial users of the product. Both organized and unorganized segments address such demands but the organized sector takes the lead. The two most important types of industrial customers for cable industry are :

- Government/Public sector undertakings-For sales to government or public sector undertakings, approvals are required from them or their respective consultants. We either approach customers with Company credentials or they may make factory visits for assessment before giving the required approval.  
Some of our customers under this category comprise PGVCL, GETCO, MSEDCL, GSPL, GWSSB, etc.
- Private customers-The procedure in relation to private customers also goes takes place either by directly approaching the customers or by customers first making factory visits and then giving approval for sales to them. Apart from this we also respond to open tenders by participating through press tenders or through internet. Our overseas supplies generally happen through customers or contracts within the country.

### **b) Domestic Users**

The domestic users mostly comprises household usage in house wire and home appliances fitting cables. We manufacture cables and wires used for residential purposes which are sold as per the orders received by parties either directly or through a third party.

### **c) Agriculture**

Submersible cable are mainly used in the submersible pump set to procure the water through a bore from hundreds of feet below the earth.



## MARKETING

Our marketing team is ready to take up challenges so as to scale new heights in India as well as in global market. Our marketing strategies have established a new scope for us. Our commitment and competitive prices has made us one of the innovative and leading manufacturer and exporter of cable wires.

Ultracab spreads its strong distribution network across the country and the marketing team with its sharp skills explores the market for the company. Ultracab portrays a promising picture for the future that has immense potentials to be explored at the national as well as the International Market.

## INTELLECTUAL PROPERTY



Our logo **ULTRACAB** WIRES & CABLES is registered with the Trademark Registrar of Trade Marks. Further, our Company has applied for registration of certain trademarks of the Company under the Trademarks act, 1999 to the Trademarks Registry, Ahmedabad. For details regarding the applications, kindly refer to “Government and Other Statutory Approvals” on page 218 of this Draft Prospectus.

## INSURANCE

We have taken insurance to cover different risks which we believe is sufficient to cover all material risks to our operations and revenue. We maintain a comprehensive set of insurance policies, which are renewable every year. These policies include standard fire and special perils, earthquake (fire and shock), workmens compensation insurance. For further details in relation to risks associated with insurance policies of the Company, please refer to “Risk Factors” section on page 16 of this Draft Prospectus.

## PROPERTY

Sr. No.	Assets Purchase Agreement	Name of the Purchaser / Transferee / Occupier	Name of the Seller/ Transferor	Consideration	Area	Particulars of the Property, Description	Usage
1.	Sale Deed dated March 26, 2008	Ultra Cab India Private Limited	Patidar Ceramics Private Limited	68,00,000/-	1148 3-19 square meter s.	1) Property admeasuring 986-40 sq. mtrs. on Industrial Non Agricultural plot No. 1 from Revenue Survey No. 257 of Shapar Village of Kotda Sangani Taluka, District Rajkot, Gujarat.  2) Constructed property on Industrial	Manufacturing Plant, Factory Common area and Dwelling house

						<p>Non Agricultural–</p> <ul style="list-style-type: none"> <li>• Plot no. 40-B admeasuring 465-38 sq. meters;</li> <li>• Plot no. 41-A admeasuring 486-63 sq. meters; and</li> <li>• Plot no. 40-A admeasuring 439-78 sq. meters;</li> </ul> <p>from among Revenue Survey No. 257 of Village Shapar of Taluka Kotda Sangani, District Rajkot, Gujarat.</p> <p>3) Land with Industrial construction on 9105-00 sq. meters of industrial non agricultural land A 2-10 G from among Revenue Survey No. 262 of Village Shapar, Taluka Kotda Sangani, District Rajkot, Gujarat.</p>	
2.	Sale Deed dated September 7, 2012	Ultracab (India) Private Limited	M/s. Chandan Estate	10,00,000/-	631.40 sq ft built up area	Flat No. 102 on the first floor in the building “C” in the building named “Siddhi-6” situated in the land bearing plot No. 125,126 and 127 in the revenue survey No. 20 of “Hill View Plots” converted into non-agricultural land of Ishwari village, Sub-district-Paddhari, District-Rajkot.	Guest House
3.	Sale Deed	Ultracab	M/s.	16,00,000/-	65.52	Office No. C-303	Corporate

	dated July 2, 2012	(India) Private Limited	Aishani Developer s		sq mtrs	situated on the 3 <sup>rd</sup> Tower-C of “Imperial Heights” 150 feet Ring Road, Opposite Iscon Prozone Mall, Kalawad Road, Rajkot-360 005, India.	Office
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## KEY INDUSTRY REGULATIONS AND POLICIES

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to applicants and is neither designed nor intended to be a substitute for professional legal advice.*

*The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “Government and Other Statutory Approvals” beginning on page 218 of this Draft Prospectus.*

### Regulations and Policies

Various regulations and policies that are applicable for our company are as follows:

#### 1. Electricity Act, 2003

The Electricity Act is a central unified legislation relating to generation, transmission, distribution, trading and use of electricity, which seeks to replace the multiple legislations that governed the Indian power sector.

The most significant reform initiative under the Electricity Act was the move towards a multi buyer, multi seller system as opposed to the existing structure which permitted only a single buyer to purchase power from power generators. In addition, Electricity Act provides for a greater flexibility and grants the respective electricity regulatory commission’s greater freedom in determining tariffs, without being constrained by rate-of-return regulations. The Electricity Act seeks to encourage competition with appropriate regulatory intervention. An Appellate Tribunal to hear appeals against the decision of the Central Electricity Regulatory Commission (“CERC”) and the State Electricity Regulatory Commission (“SERC”) has been established. However, the Electricity Act provided that transmission; distribution and trade of electricity are regulated activities which require licenses from the appropriate electricity regulatory commission, unless exempted by the appropriate government in accordance with the provisions of Electricity Act. It was amended in 2007 to exempt captive power generation plants from licensing requirements for supply to any licensee or consumer. Government has also announced National Electricity Policy in 2005 to guide the development of the electricity sector in India

#### 2. Factories Act, 1948

The Factories Act, 1948 (the “Factories Act”) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The Factories Act defines a ‘factory’ to cover any premises, which employs ten or more workers and in which manufacturing processes are carried on with the aid of power, and to cover any premises, where there are at least 20 workers who may or may not be engaged in an electrically aided manufacturing process. Each State Government has set out rules in respect of the prior submission of plans and its approval for the establishment of factories and registration and licensing of factories. The Factories Act also provides for the mechanisms for safety of certain equipment used in factories, procedures for periodic examination of equipment such as pressure vessels and lifting tackles, regulation of working conditions within the factories and includes specific provisions applicable to women and children employed in factories.

#### 3. Payment of Wages Act, 1936

The Payment of Wages Act, 1936 was enacted with a view to ensuring that wages payable to employed persons covered by the Act were disbursed by the employers within the prescribed time

limit and that no deductions other than those authorised by law were made by them. It applies in the first instance to the payment of wages to persons employed in any [factory, to persons] employed (otherwise than in a factory) upon any railway by a railway administration or, either directly or through a sub-contractor, by a person fulfilling a contract with a railway administration [and to persons employed in an industrial or other establishment specified in sub-clauses (a) to (g) of clause (ii) of section 2].

**4. Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 was enacted to provide for the payment of bonus to persons employed in certain establishments on the basis of profits or productivity and for the matters connected therewith. The Act applies to:- (i) every factory as defined under the Factories Act, 1948; and (ii) every other establishment in which twenty or more persons are employed on any day during an accounting year. However, the Government may, after giving two months' notification in the Official Gazette, make the Act applicable to any factory or establishment employing less than twenty but not less than ten persons.

The Act is enforced through the Central Industrial Relations Machinery (CIRM). CIRM is an attached office of the Ministry of Labour and is also known as the Chief Labour Commissioner (Central) [CLC(C)] Organisation. It is headed by the Chief Labour Commissioner (Central).

**5. Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA Act") requires establishments that employ or have employed on any day in the previous 12 months, 20 or more workmen as contract labour to be registered and prescribes certain obligations with respect to the welfare and health of contract labour. The CLRA Act places an obligation on the principal employer of an establishment to which the CLRA Act applies to make an application for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA Act applies is required to obtain a licence and not to undertake or execute any work through contract labour except under and in accordance with the licence issued. To ensure the welfare and health of contract labour, the CLRA Act imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities, provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. A person in contravention of the provisions of the CLRA Act may be punished with a fine or imprisonment, or both.

**6. Employees' Provident Funds and Miscellaneous Provisions Act, 1952**

The umbrella legislation relating to provident fund is the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 (EPF & MP Act). The Act was enacted with the main objective of making some provisions for the future of industrial workers after their retirement and for their dependents in case of death. It provides insurance to workers and their dependents against risks of old age, retirement, discharge, retrenchment or death of the workers. It is applicable to every establishment which is engaged in any one or more of the industries specified in Schedule I of the Act or any activity notified by Central Government in the Official Gazette and employing 20 or more persons.

**7. Employees State Insurance Act, 1948 (the "ESI Act")**

The ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. It applies to, inter alia, seasonal power using factories employing ten or more persons and non-power

using factories employing 20 or more persons. Every factory or establishment to which the ESI Act applies is required to be registered in the manner prescribed in the ESI Act

#### **8. Payment of Gratuity Act, 1972**

The umbrella legislation relating to gratuity is the Payment of Gratuity Act, 1972. The Act was enacted to provide for a scheme for the payment of gratuity to employees engaged in factories, mines, oilfields, plantations, ports, railway companies, shops or other establishments employing ten or more persons and for matters connected therewith or incidental thereto. The appropriate Government may, by notification, and subject to such conditions as may be specified in the notification, exempt any establishment to which this Act applies or any employee or class of employees employed therein, from the operation of the provisions of this Act, if in the opinion of the appropriate Government, the employees in such establishment are in receipt of gratuity or pensionary benefits not less favourable than the benefits conferred under this Act.

The Act is administered by the Central Government in:- (i) establishments which are under its control; (ii) establishments having branches in more than one State; and (iii) major ports, mines, oil fields and the railways. While, in all other cases, it is administered by the State Governments and the Union Territory administrations. The appropriate Government may, by notification, appoint any officer to be a controlling authority, who shall be responsible for the administration of this Act and different controlling authorities may be appointed for different areas.

Besides, here is Central Industrial Relation Machinery (CIRM) in the Ministry of Labour which is responsible for enforcing this Act. It is also known as the Chief Labour Commissioner (Central) [CLC(C)] Organisation. It is headed by the Chief Labour Commissioner (Central).

#### **9. Shops and Commercial Establishments Acts, where applicable**

The Shops and Establishments Act, 1953 was enacted to provide statutory obligation and rights to employees and employers in the unorganised sector of employment, i.e. shops and establishments. It is applicable to all persons employed in an establishment with or without wages, except the members of the employer's family. It is a State legislation and each State has framed its own rules for the Act. The State Government can exempt, either permanently or for a specified period, any establishments from all or any provisions of this Act. The Act provides for compulsory registration of shop/establishment within thirty days of commencement of work and all communications of closure of an establishment within 15 days from its closing. It also lays down the hours of work per day and week as well as the guidelines for spread-over, rest interval, opening and closing hours, closed days, national and religious holidays, overtime work, etc.

#### **10. Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 was enacted to safeguard the interests of workers, mostly in the unorganised sector by providing for the fixation of minimum wages in certain specified employments. It binds the employers to pay their workers the minimum wages fixed under the Act from time to time.

Under the Act, both the Central Government and the State Governments are the appropriate Governments to fix, revise, review and enforce the payment of minimum wages to workers in respect of 'scheduled employments' under their respective jurisdictions. There are 45 scheduled employments in the Central sphere and as many as 1530 in State sphere.

In the Central sphere, the Act is enforced through the Central Industrial Relations Machinery (CIRM). CIRM is an attached office of the Ministry of Labour and is also known as the Chief Labour Commissioner (Central) [CLC(C)] Organisation. The CIRM is headed by the Chief Labour Commissioner (Central). While, the State Industrial Relations Machinery ensures the enforcement of the Act at the State level.

## **11. Workmen's Compensation Act, 1923**

The Workmen's Compensation Act, 1923 provides for payment of compensation to workmen and their dependants in case of injury and accident (including certain occupational disease) arising out of and in the course of employment and resulting in disablement or death. The Act applies to railway servants and persons employed in any such capacity as is specified in Schedule II of the Act. The schedule II includes persons employed in factories, mines, plantations, mechanically propelled vehicles, construction works and certain other hazardous occupations.

The amount of compensation to be paid depends on the nature of the injury and the average monthly wages and age of workmen. The minimum and maximum rates of compensation payable for death (in such cases it is paid to the dependents of workmen) and for disability have been fixed and is subject to revision from time to time.

A Social Security Division has been set up under the Ministry of Labour and Employment, which deals with framing of social security policy for the workers and implementation of the various social security schemes. It is also responsible for enforcing this Act. The Act is administered by the State Governments through Commissioners for Workmen's Compensation.

## **12. Industrial Disputes Act 1947**

Industrial disputes are the disputes which arise due to any disagreement in an industrial relation. The term 'industrial relation' involves various aspects of interactions between the employer and the employees; among the employees as well as between the employers. In such relations whenever there is a clash of interest, it may result in dissatisfaction for either of the parties involved and hence lead to industrial disputes or conflicts. These disputes may take various forms such as protests, strikes, demonstrations, lock-outs, retrenchment, dismissal of workers, etc.

In India, the Industrial Disputes Act, 1947 is the main legislation for investigation and settlement of all industrial disputes. The Act enumerates the contingencies when a strike or lock-out can be lawfully resorted to, when they can be declared illegal or unlawful, conditions for laying off, retrenching, discharging or dismissing a workman, circumstances under which an industrial unit can be closed down and several other matters related to industrial employees and employers.

The Act is administered by the Ministry of Labour through its Industrial Relations Division. The Division is concerned with improving the institutional framework for dispute settlement and amending labour laws relating to industrial relations. It works in close co-ordination with the Central Industrial Relations Machinery (CIRM) in an effort to ensure that the country gets a stable, dignified and efficient workforce, free from exploitation and capable of generating higher levels of output. The CIRM, which is an attached office of the Ministry of Labour, is also known as the Chief Labour Commissioner (Central) [CLC(C)] Organisation. The CIRM is headed by the Chief Labour Commissioner (Central).

## **13. Trade Union Act 1926**

Trade union is a voluntary organization of workers pertaining to a particular trade, industry or a company and formed to promote and protect their interests and welfare by collective action. They are the most suitable organisations for balancing and improving the relations between the employer and the employees. They are formed not only to cater to the workers' demand, but also for inculcating in them the sense of discipline and responsibility.

In India, the first organised trade union was formed in 1918 and since then they have spread in almost all the industrial centres of the country. The legislation regulating these trade unions is the Indian Trade Unions Act, 1926. The Act deals with the registration of trade unions, their rights, their liabilities and responsibilities as well as ensures that their funds are utilised properly. It gives legal

and corporate status to the registered trade unions. It also seeks to protect them from civil or criminal prosecution so that they could carry on their legitimate activities for the benefit of the working class.

The Act is applicable not only to the union of workers but also to the association of employers. It extends to whole of India. Also, certain Acts, namely, the Societies Registration Act, 1860; the Co-operative Societies Act, 1912; and the Companies Act, 1956 shall not apply to any registered trade union, and that the registration of any such trade union under any such Act shall be void.

The Act is administered by the Ministry of Labour through its Industrial Relations Division. The Division is concerned with improving the institutional framework for dispute settlement and amending labour laws relating to industrial relations. It works in close co-ordination with the Central Industrial Relations Machinery (CIRM) in an effort to ensure that the country gets a stable, dignified and efficient workforce, free from exploitation and capable of generating higher levels of output. The CIRM, which is an attached office of the Ministry of Labour, is also known as the Chief Labour Commissioner (Central) [CLC(C)] Organisation. The CIRM is headed by the Chief Labour Commissioner (Central).

#### **14. Child Labour (Prohibition and Regulation) Act 1986**

The Child Labour (Prohibition & Regulation) Act, 1986 was enacted to prohibit the engagement of children below the age of fourteen years in factories, mines and hazardous employments and to regulate their conditions of work in certain other employments. According to the Act, no child shall be employed or permitted to work in any of the occupations set forth in Part A of the Schedule or in any workshop wherein any of the processes set forth in Part B of the Schedule is carried on, provided that nothing in this Act shall apply to any workshop wherein any process is carried on by the occupier with the aid of his family or to any school established by, or receiving assistance or recognition from the Government. Also, the Central Government may, by notification in the official Gazette, constitute 'the Child Labour Technical Advisory Committee' to advise the Central Government for the purpose of additions of occupations and processes to the Schedule of the Act.

The Central Industrial Relation Machinery (CIRM) in the Ministry of Labour is responsible for enforcing this Act. CIRM is an attached office of the Ministry and is also known as the Chief Labour Commissioner (Central) [CLC(C)] Organisation. The CIRM is headed by the Chief Labour Commissioner (Central). In addition, a Central Advisory Board on Child Labour has also been constituted under the Ministry to review the implementation of the existing legislations and suggest measures for welfare of working children.

#### **15. Inter-State Migrant workmen's Regulation of Employment and Conditions of Service) Act 1979**

The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 was enacted to protect the rights and safeguard the interest of migrant workers. The Act intends to regulate the employment of inter-state migrant workmen and to provide their conditions of service. It applies to every establishment and the contractor, who employ five or more inter-state migrant workmen. The Act has provision for issue of Pass-Book to every inter-state migrant workman with full details, payment of displacement allowance, payment of journey allowance including payment of wage during the period of journey, suitable residential accommodation, medical facilities and protective clothing, payment of wages, equal pay for equal work irrespective of sex etc.

The responsibility for enforcement of the Act in establishments where the Central Government is the appropriate Government lies with the office of the Chief Labour Commissioner (Central) and for the establishments located under the States sphere lies with the respective State Governments.

#### **16. Environmental Regulations**

The power sector is also subject to central, state and local regulations which are designed to protect the environment. Among other things, these laws regulate the environmental impact of construction



and development activities, emission of air pollutants and discharge of chemicals into surrounding water bodies. These various environmental laws give primary environmental oversight authority to the Ministry of Environment and Forest (“MoEF”), the Central Pollution Control Board (the “CPCB”) and the respective State Pollution Control Boards. The MoEF is the key national regulatory agency responsible for policy formulation, planning and co-ordination of all issues related to environmental protection. The CPCB is the law enforcing body at the national level. It enforces environmental legislation, coordinates the activities of State Pollution Control Committees, establishes environmental standards and plans and executes a nationwide programme for the prevention, control and abatement of pollution.

The Environment Impact Assessment Notification S.O. 60(E), issued on 27th January 1994 (the “1994 notification”) under the provisions of the Environment (Protection) Act, 1986, as amended (the “EPA”), prescribes that new construction projects that have an investment of more than Rs.500 million require prior environmental clearance of the MoEF. The environmental clearance must be obtained from the MoEF according to the procedure specified in the 1994 Notification. No construction work, preliminary or other, relating to the setting up of a project can be undertaken until such clearance is obtained.

The application to the MoEF is required to be accompanied by a project report which should include, inter alia, an Environmental Impact Assessment Report and an Environment Management Plan. The Impact Assessment Authority evaluates the report and plan submitted. Such assessment is required to be completed within a period of 90 days from receipt of the requisite documents from the project developer/manager. Thereafter, a public hearing has to be completed and a decision conveyed within 30 days.

The clearance granted is valid for a period of five years from the commencement of the construction or operation of the project. The project developer/manager concerned is required to submit a half yearly report to the Impact Assessment Authority to enable it to monitor effectively the implementation of the recommendations and conditions subject to which the environmental clearance has been given. If no comments from the Impact Assessment Authority are received within the time limits outlined above, the project will be deemed to have been approved by the project developer/manager.

On September 14, 2006 the Environmental Impact Assessment Notification S.O. 1533 (the “2006 Notification”) was issued in supersession of the 1994 Notification. Under the 2006 Notification, the environmental clearance process for new projects consists of four stages – screening, scoping, public consultation and appraisal. After completion of public consultation, the applicant is required to make appropriate changes in this Draft Environment Impact Assessment Report and the Environment Management Plan. The final Environment Impact Assessment Report has to be submitted to the concerned regulatory authority for appraisal. The regulatory authority is required to give its decision within 105 days of the receipt of the final Environment Impact Assessment Report.

## **17. Excise Regulations**

The Central Excise Act, 1944 seeks to impose an excise duty on specified excisable goods, which are produced or manufactured in India. However, the Government has the power to exempt certain specified goods from excise duty, by notification. The rate, at which the said duty is sought to be imposed, is contained in the Central Excise Tariff Act, 1985.

## **18. Customs Regulations**

All imports to the country and exports from the country are subject to duties under the Customs Act, 1962 at the rate specified under the Custom Tariff Act 1975.

There are no specific laws in India governing the industry in which we operate.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as “Ultracab (India) Private Limited” under the provisions of the Companies Act, 1956 vide certificate of incorporation dated December 19, 2007 bearing registration no. 052394 of 2007 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently, our Company was converted into a public limited company vide fresh certificate of incorporation dated July 30, 2014 and consequently the name of our Company was changed to “Ultracab (India) Limited”. Our corporate identification number is U31300GJ2007PLC052394.

Nitesh Vaghasiya, Tarun Shingala, Harshadkumar Nandaniya and Rahul Vasoya were the initial subscribers to the Memorandum and Articles of Association of our Company. Nitesh Vaghasiya, Promoter of the Company was subscriber to the Memorandum and other Promoters of our Company, Pankaj Shingala and Sangeetaben Vaghasiya were first allotted shares in our Company on April 29, 2008. Further Arti Shingala and Nitesh Vaghasiya HUF first acquired Equity Shares on February 15, 2013 as transferees. The Promoters have acquired further equity shares in our Company since then. The details in this regard have been disclosed in the section “*Capital Structure*” on page 67

Tarun Shingala, Rahul Vasoya have disassociated themselves from our Company on April 20, 2010 and Harshadkumar Nandaniya on March 25, 2011 respectively. Our Company is not aware of the reasons for the same.

For information on our Company’s profile, activities, products, market, growth, managerial competence, standing with reference to prominent competitors, major suppliers and customers, see the sections “*Our Management*”, “*Our Business*” and “*Our Industry*” on pages 155, 125 and 106, respectively.

### CHANGE OF REGISTERED OFFICE

Our Registered Office was situated at Plot No. 164/15, GIDC - 2, Jamwadi, Gondal, Rajkot -360311, Gujarat. Subsequently, our Registered Office was shifted to Survey No. 262, Behind Galaxy Bearing Ltd., Shapar (Varaval), Rajkot- 360024, Gujarat with effect from May 22, 2008 for greater operational efficiency.

### KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Period	Event
December 2007	Incorporation the Company
2009-10	Winner of ‘Rashtriya Udyog Ratna Award’ from Indian Organisation for Business Research & Development, New Delhi
2011-12	Registered/approved Vendor with, Government Departments Like Western Railway, GWSSB, PWD-KERELA, PWD Maharashtra, PGVCL, GETCO, JNPT, R&B GUJARAT, GSPL, and private sector companies
2012-13	Obtain new product certification of UL-(American) and cUL-(Canadian) certificate of maximum number of product in India.
2013-14	Excellence award in manufacturing sector by Government of Gujarat, organised by SME Chamber of India.

### OUR MAIN OBJECTS

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

*“To carry on the business as manufacturers of and dealers in Power Cables Submersible motor winding wires, Special purpose cables for Electronic industry, Enamelled, Magnet, Winding wires, Fire insulated and strips, Bare wires and cables, communication cables, Insulated wires and cables, Radio frequency products, steel and aluminium wires, sub-marine cables, elevator cables, Air craft wires, dredger cables, carrier cables, switch board cables, signalling cables, motor car wires, control cables, gas filled cables,*

oil filled cables, Branded copper wires, Tinned copper wires and cables, Aluminium wires, tinned copper wires and cables, Aluminium wires and cables and wires of all kinds and components in respect thereof.”

## **AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION**

Since incorporation, the following changes have been made to our Memorandum of Association:

<b>Date of Shareholders' Approval</b>	<b>Amendment</b>
March 10, 2008	The initial authorized share capital of Rs.25,00,000 (Rupees Twenty Five Lakhs Only) was increased to Rs. 80,00,000 (Rupees Eighty Lakhs Only) consisting of 8,00,000 Equity Shares of Rs. 10 each
March 14, 2011	The authorized share capital was further increased from Rs. 80,00,000 (Rupees Eighty Lakhs Only) to Rs. 3,00,00,000 (Rupees Three Crores Only) consisting of 30,00,000 Equity Shares of Rs. 10 each.
June 02, 2014	The authorized share capital was further increased from Rs. 3,00,00,000 (Rupees Three Crores Only) consisting of 30,00,000 Equity Shares of Rs. 10 each to Rs. 10,00,00,000 (Rupees Ten Crores Only) consisting of 1,00,00,000 Equity Shares of Rs. 10 each.
June 28, 2014	Clause I of the Memorandum of Association of the company changed to reflect changed name of the company as Ultracab (India) Limited on conversion of Company into a Public Company

## **HOLDING COMPANY OF OUR COMPANY**

Our Company has no holding company as on the date of filing of this Draft Prospectus.

## **SUBSIDIARY COMPANY OF OUR COMPANY**

There is no subsidiary of our Company as on this date of filing of this Draft Prospectus.

## **PROMOTERS OF OUR COMPANY**

The promoters of our Company are Nitesh Vaghasiya, Pankaj Shingala, Sangeetaben Vaghasiya, Arti Shingala and Nitesh Vaghasiya HUF. For details, see “*Our Promoter and Promoter Group*” beginning on page 167.

## **CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT**

For details regarding our capital raising activities through equity and debt, refer to the section titled “*Capital Structure*” and “*Financial Indebtedness*” beginning on pages 67 and 210 respectively.

## **INJUNCTIONS OR RESTRAINING ORDERS**

The Company is not operating under any injunction or restraining order.

## **DETAILS OF PAST PERFORMANCE**

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled “*Financial Statements*” beginning on page 178 of this Draft Prospectus.

## **SHAREHOLDERS AGREEMENTS**

Our Company has not entered into any shareholders agreement as on date of filing of this Draft Prospectus.

#### **OTHER AGREEMENTS**

Our Company has not entered into any agreements except under normal course of business of the Company, as on the date of filing of this Draft Prospectus.

#### **STRATEGIC/ FINANCIAL PARTNERS**

Our Company does not have any strategic/financial partner as on the date of filing of this Draft Prospectus.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS**

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Draft Prospectus.

#### **CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS**

We have not changed the activities of our company in the last five years.

#### **STRIKES AND LOCKOUTS**

There have been no strikes or lockouts in our Company since incorporation.

#### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.

#### **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

#### **NUMBER OF SHAREHOLDERS**

Our Company has 32 shareholders as on date of this Draft Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. We currently have six directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Prospectus other than Directorship in our Company:

Sr no.	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment as Director	Other Directorship
1.	<b>Name:</b> Nitesh Parshottambhai Vaghasiya <b>Age:</b> 41 years <b>Father's Name:</b> Parshottambhai Laljibhai Vaghasiya <b>Designation:</b> Chairman cum Managing Director <b>Address:</b> Astha, Silver Stone- 3, Street No.1, Nr. Oscar Tower, Opp Big Bazar, 150 Feet Ring Road, Rajkot, 360005, Gujarat, India. <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Upto March 31, 2016 <b>DIN:</b> 01899455	Initial Appointment: December 19, 2007  Subsequently appointed as Chairman and Managing Director on August 9, 2014	Nil
2.	<b>Name:</b> Pankaj Vasantbhai Shingala <b>Age:</b> 27 years <b>Father's Name:</b> Vasantbhai Hardasbhai Shingala <b>Adoptive Father:</b> Pravinbhai Hardasbhai Shingala <b>Designation:</b> Whole-time Director <b>Address:</b> "Shree Ram" Silver Stone Society - 3, Street No. 9,	Initial Appointment: March 25, 2011  Subsequently appointed as Whole-time Director on August 9, 2014	Nil

	<p>Jalaram Banglows, Mota Mava, Rajkot, 360005, Gujarat, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Upto March 31, 2019, subject to liable to retire by rotation</p> <p><b>DIN:</b> 03500393</p>		
3.	<p><b>Name:</b> Sangeetaben Vaghasiya</p> <p><b>Age:</b> 41 years</p> <p><b>Father's Name:</b> Govindbhai Karsanbhai Ramani</p> <p><b>Designation:</b> Non-executive Director</p> <p><b>Address:</b> "Astha" Silver Stone-3, Street No.1, 150 Feet Ring Road Rajkot, Gujarat, India 360005</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>DIN:</b> 06910845</p>	<p><b>Initial Appointment:</b> June 28, 2014</p>	Nil
4.	<p><b>Name:</b> Bipinchandra Mohanbha Sangani</p> <p><b>Age:</b> 59 years</p> <p><b>Father's Name:</b> Mohanbhan Karmshaibhai Sangani</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> "RAJ", 3 – Silver Stone Street, Opposite Oscar Tower, 150 feet Road, Rajkot, Gujarat India 360005</p> <p><b>Occupation:</b> Business/Professional</p> <p><b>Nationality:</b> Indian</p>	<p><b>Initial Appointment:</b> August 9, 2014</p>	Nil

	<b>Term:</b> Five years from August 9, 2014 <b>DIN:</b> 06945854		
5.	<b>Name:</b> Jayshanker Bhagvanji Dave <b>Age:</b> 66 years <b>Father's Name:</b> Bhagvanji Jivrambhai Dave <b>Designation:</b> Independent Director <b>Address:</b> Bandhutava, University Road, Bombay Housing ST No. 3, Opposite Sabri Ashram, Rajkot, India 360005 <b>Occupation:</b> Business/Professional <b>Nationality:</b> Indian <b>Term:</b> Five years from August 9, 2014 <b>DIN:</b> 06945842	<b>Initial Appointment:</b> August 9, 2014	NIL
6.	<b>Name:</b> Kanjibhai Gandubhai Patel <b>Age:</b> 60 years <b>Father's Name:</b> Gandubhai Harjibhai Patel <b>Designation:</b> Independent Director <b>Address:</b> "Premchand" Silver Stone- 3 , 1/9 Street, Opposite Big Bazar , 150 feet Ring Road, Rajkot, Gujarat, India- 360005 <b>Occupation:</b> Business/Professional <b>Nationality:</b> Indian <b>Term:</b> Five years from August 9, 2014 <b>DIN:</b> 06945882	<b>Initial Appointment:</b> August 9, 2014	NIL

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

### Nitesh Vaghasiya

Nitesh Vaghasiya, aged 41 years, is currently the Chairman and Managing Director of our Company. He has been a Director in our Company since its incorporation. He is qualified B.E (Mechanical), from KLES Engineering College, Belgaum, Karnatak University. He has more than 17 years of experience in the field of engineering. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.

### Pankaj Shingala

Pankaj Vasantbhai Shingala, aged 27 years is currently the Whole-time Director of our Company. He is qualified B.E. (Electrical), from Atmiya Institute of Tech and Science, Saurashtra University. He has an experience of 3 years in the field of electrical engineering. He is responsible for looking after operational activities like, commissioning of machinery, product design and production activity of our Company.

### Sangeetaben Vaghasiya

Sangeetaben Vaghasiya, aged 41 years is currently appointed as a Director in our Company. She holds a Diploma in Automobile Engineering from Sir Bhavsinhji Polytechnic Institute. She provides guidance and advice to the Company on human resources of our Company.

**Bipinchandra Sangani**, aged 60 years, has been appointed as an Independent Director in our Company on August 9, 2014. He has obtained Bachelor Degree of Commerce from Saurashtra University after that he has done his L.D.C. from Bhavnagar, G.D.C. from Gujarat and D.C.B.M from Pune. He has more than one decade of experience in the area of banking.

**Jayshankar Dave**, aged 66 years, has been appointed as an Independent Director in our Company on August 9, 2014. He was working as a talati mantri in kharsara (Jetpur) and was working as a government officer.

**Kanjibhai Patel**, aged 60 years, has been appointed as an Independent Director in our Company on August 9, 2014. He is an entrepreneur and was working as a commission agent in Agricultural Produce Market Committee.

## CONFIRMATIONS

As on the date of this Draft Prospectus:

1. Apart from Nitesh Parshottambhai Vaghasiya and Sangeetaben Vaghasiya who are related to each other as Husband and Wife. Hence, they are “relatives” within the meaning of Section 2 (77) of the Companies Act, 2013. Except the above stated; none of the Directors of the Company are related to each other.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges.
6. None of the Promoter, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other



company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

### REMUNERATION/COMPENSATION OF DIRECTORS

The remuneration payable to Mr. Nitesh Vaghasiya who is appointed as Chairman and Managing Director *vide* shareholders resolution dated August 9, 2014 is upto Rs. 1,50,000 per month and reimbursement of expenses on actuals.

The remuneration payable to Mr. Pankaj Shingala who is appointed as Whole-time Director *vide* shareholders resolution dated August 9, 2014 is upto Rs. 1,00,000 per month and reimbursement of expenses on actuals.

Non-executive and Independent Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

During the last financial year ended on 31<sup>st</sup> March, 2014, the directors have been paid gross remuneration as per following

Name of Director	Remuneration received in year 2013-14 ( <i>in Rs.</i> )
Nitesh Parshottambhai Vaghasiya	6,16,000
Pankaj Vasantbhai Shingala	3,67,000

None of the Directors except above have received any remuneration during the Financial Year 2013-14.

### SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Draft Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Nitesh Parshottambhai Vaghasiya	5,92,100	10.21	7.39
2.	Pankaj Vasantbhai Shingala	525,880	9.07	6.56
3.	Sangeetaben Vaghasiya	1,85,000	3.19	2.31
4.	Bipinchandra Mohanbhai Sangani	Nil	--	--
5.	Jayshanker Bhagvanji Dave	Nil	--	--
6.	Kanjibhai Gandubhai Patel	Nil	--	--

### INTERESTS OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable, if any to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable, if any to them under our Articles of Association, and/or to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Some of our Directors may be deemed to be interested to the extent of consideration received/paid or any loan or advances provided to anybody corporate including companies, firms and trusts, in which they are interested as Directors, members, partners or trustees.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as

Directors, members, promoter, and /or trustees pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares, if any.

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Except as stated in the chapters “*Our Management*” and “*Related Party Transactions*” beginning on pages 155 and 176 respectively of this Draft Prospectus and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

## PROPERTY INTEREST

Except as stated/referred to in the heading titled “*Property*” beginning on page 144 of the Draft Prospectus, our Directors have no interest in any property acquired by our Company in the preceding two years from the date of this Draft Prospectus nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company. Further our Directors do not have any interest in any immovable property proposed to be acquired by the Company.

## INTEREST IN THE BUSINESS OF OUR COMPANY

Save and except as stated otherwise in “*Related Party Transactions*” in the chapter titled “*Financial Information*” beginning on page 178 of this Draft Prospectus, our Directors does not have any other interests in our Company as on the date of this Draft Prospectus.

## SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have a subsidiary or associate Company.

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the change in directors of our Company in last three years prior to the date of this Draft Prospectus.

Name	Date of event	Nature of event	Reason
Sangeetaben Vaghasiya	June 28, 2014	Appointment	Appointment of Women Director
Bipinchandra Mohanbhai Sangani	August 9, 2014	Appointment	Appointment of independent director
Jayshanker Bhagvanji Dave	August 9, 2014	Appointment	Appointment of independent director
Kanjibhai Gandubhai Patel	August 9, 2014	Appointment	Appointment of independent director

## BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on June 28, 2014, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company’s bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided

however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs.100 crores.

## CORPORATE GOVERNANCE

The provisions of the SME Listing Agreement, to be entered into by our Company with the BSE, will be applicable to our Company immediately upon the listing of our Equity Shares with BSE SME Platform. We have complied with the corporate governance code in accordance with Clause 52 (as applicable) of the SME Listing Agreement, particularly in relation to appointment of Independent Directors to our Board and constitution of the audit committee and shareholders'/ investors' grievance committee. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 52 of the SME Listing Agreement.

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

We have a Board constituted in compliance with the Companies Act and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has six directors out of which one is non-Executive and two are Independent Directors and three are Executive Directors. The constitution of our Board is in compliance with the requirements of Clause 52 of the SME Listing Agreement.

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

- A. Audit Committee
- B. Shareholders/Investors Grievance Committee
- C. Nomination and Remuneration Committee

#### **A) Audit Committee**

Our Company has constituted an audit committee ("**Audit Committee**"), as per section 177 of the Companies Act 2013 and Clause 52 of the SME Listing Agreement to be entered with SME, vide resolution passed at the meeting of the Board of Directors held on August 14, 2014.

The terms of reference of Audit Committee adheres to the requirements of Clause 52 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

Name of the Director	Status	Nature of Directorship
Bipinchandra Mohanbhai Sangani	Chairman	Independent Director
Jayshankar Bhagvanji Dave	Member	Independent Director
Nitesh Parshottambhai Vaghasiya	Member	Managing Director

Bipinchandra Mohanbhai Sangani is the Chairman of the Audit Committee.

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference,
- b. To seek information from any employee
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

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 Committee, reasons for disagreement shall have to be incorporated in the minutes of 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 the Company to provide clarifications on matters relating to the audit

The role of the Audit Committee not limited to but includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees..
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - i. 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;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, 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 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 the vigil mechanism.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

#### **Meeting of Audit Committee and relevant Quorum**

The audit committee shall meet at least 4 times in a year and not more than 4 months shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

#### **B) Stakeholders Relationship Committee**

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders Relationship Grievance Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on August 14, 2014.

The **Stakeholders Relationship** Committee comprises the following Directors:

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Kanjibhai Gandubhai Patel	Chairman	Independent Director
Jayshankar Bhagvanji Dave	Member	Independent Director
Sangeetaben Vaghasiya	Member	Non-executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder Relationship Committee.

The Stakeholder Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Investor's Grievance Committee include the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholder's/investor's complaints Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
3. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5. Allotment and listing of shares;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company

#### **Quorum for Stakeholders Relationship Committee**

The quorum necessary for a meeting of the Shareholders / Investors' Grievance Committee shall be 2 members or one third of the members, whichever is greater.

#### **C) Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Compensation committee was approved by a Meeting of the Board of Directors held on August 14, 2014. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

<b>Name of Director</b>	<b>Designation in Committee</b>	<b>Nature of Directorship</b>
Kanjibhai Gandubhai Patel	Chairman	Independent Director
Bipinchandra Mohanbhai Sangani	Member	Independent Director
Pankaj Shingala	Member	Whole-time Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee.

#### **The terms of reference of the Nomination and Compensation Committee are:**

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

### Quorum for Nomination and Remuneration Committee

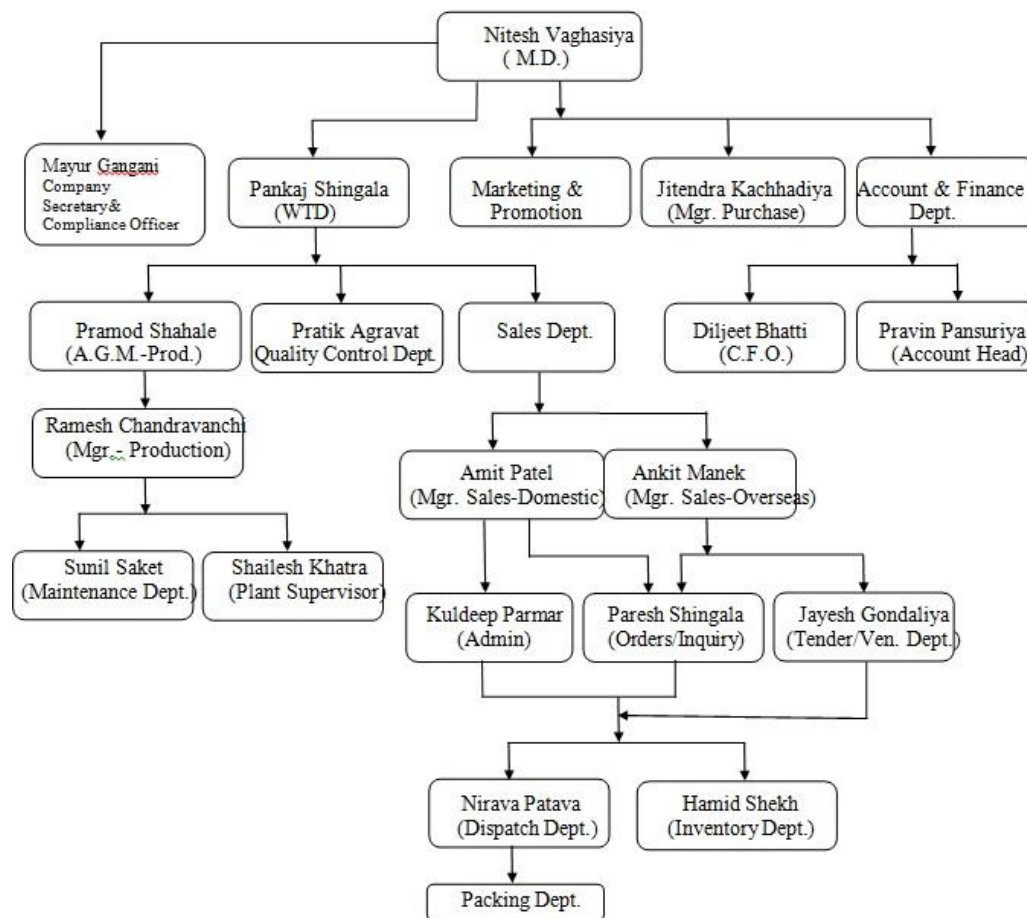
The quorum necessary for a meeting of the Remuneration Committee shall be 2 members or one third of the members, whichever is greater.

### Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, post listing of our Company's shares on the Stock Exchange.

Mayur Gangani, Company Secretary & Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

## ORGANIZATIONAL STRUCTURE



## KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

### Ankit Manek

Ankit Manek aged 28 years is Manager Sales-(Overseas) of our Company. He holds a degree of BSc. (Mathematics) and has also cleared Post Graduation course in Business Management from AICTE University. He has an experience of



16 years in the field of sales and marketing. He has joined our Company on August 01, 2011. Before joining our Company he was employed at Zeeta Electrical Engineering and was working as Export Manager (Sales & marketing). His annual compensation was Rs.4,15,000/- for the year 2014.

**Amit Patel**

Amit Patel aged 46 years is Manager-Sales (Domestic) of our Company. He holds Diploma in Mechanical Engineering from Government Polytechnic, Ahmadabad. Amit Patel has an experience of 18 years in the field of sales and marketing. He has joined our Company on January 19, 2009. Before joining our Company he was employed at Vimal Flexsol Limited as Marketing Manager. His annual compensation was Rs.6,00,000/- for the financial year 2014.

**Diljeet Bhatti**

Diljeet Bhatti aged 43 years is the Chief Financial Officer of our Company. He holds a bachelors degree in Commerce from Saurashtra University. He has an experience of 25 years in the fields of accounts, excise and export. He has joined our Company on January 01, 2009. Before joining our Company he was employed in Rollwell Forge Limited. Deeljit was initially appointed as a Senior Accountant and has been promoted to the post of Chief Financial Officer (CFO) on August 9, 2014. His annual compensation was Rs. 1,89,000/- for the financial year 2014.

**Mayur Gangani**

Mayur Gangani aged 29 years is the Company Secretary and Compliance Officer of our Company. He holds a bachelor's degree in commerce from Saurashtra University. He is a qualified Company Secretary. He has joined our Company on August 14, 2014. He has an experience of one year in secretarial matters. Before joining our Company he was employed with Savaliya Associates, Rajkot. Since, he has joined our Company on August 14, 2014. He has not been paid any remuneration in the financial year 2014.

**RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL**

None of the key managerial personnel are "related" to the each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employee of our Company.

**RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL**

None of the key managerial personnel are "related" to the Promoter or Director of our Company within the meaning of Section 2 (77) of the Companies Act, 2013.

**ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

**SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL**

None of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Prospectus.

**BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL**

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

**Contingent and Deferred Compensation payable to Key Managerial Personnel**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

**LOANS TO KEY MANAGERIAL PERSONNEL**

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Draft Prospectus



## INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Draft Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

## Shareholding of the Key Managerial Personnel

None of our Key Managerial Personnel are holding any Equity Shares in our Company as on the date of this Draft Prospectus.

## CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The changes in the Key Managerial Personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Mayur Gangani	Company Secretary and Compliance Officer	August 14, 2014	Appointment
Diljeet Bhatti	Chief Financial Officer	August 9, 2014	Promoted as CFO
Ankit Manek	Manager-Sales (Overseas)	Janaury 01, 2011	Appointment
Amit Patel	Manager-Sales (Domestic)	Janaury 19, 2011	Appointment

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

## ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

## PAYMENT OR BENEFIT TO OUR OFFICERS

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements*” beginning on page 178 of this Draft Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

## OUR PROMOTER AND PROMOTER GROUP

Our Company has been promoted by Nitesh Vaghasiya, Pankaj Shingala, Sangeetaben Vaghasiya, Artiben Shingala and Nitesh Vaghasiya HUF.

### OUR PROMOTERS

#### Nitesh Vaghasiya



Nitesh Vaghasiya, aged 41 years, a resident Indian national, is the Managing Director of our Company. He is one of the Promoters of our Company and has been a Director in our Company since its incorporation. He holds a bachelor degree in engineering (Mechanical), from KLES Engineering College of Engineering, Belgaum (Karnatak). He has about 17 years of experience in the field of engineering. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.

For further details relating to Nitesh Parshottambhai Vaghasiya, including terms of appointment as our Managing Director and other directorships, please refer to the chapter titled “*Our Management*” beginning on page 155 of this Draft Prospectus.

Particulars	Details
Passport No.	F5631027
Voter ID	JWC3347507
Driving License No.	GJ03-20120033213

#### Pankaj Shingala



Pankaj Vasantbhai Shingala, aged 27 years, a resident Indian national, is the Executive Director of our Company. He is one of the Promoters of our Company and has been a Director in our Company on March 25, 2011. He is qualified B.E.(Electrical), from Atmiya Institute of Tech and Science, Saurashtra University. He has about 3 years of experience in the field of electricals. He is responsible for looking after operational activity like, commissioning of machinery, product design and production activity of our Company.

For further details relating to Pankaj Vasantbhai Shingala, including terms of appointment as our Whole-time Directors and other directorships, please refer to the chapter titled “*Our Management*” beginning on page 155 of this Draft Prospectus.

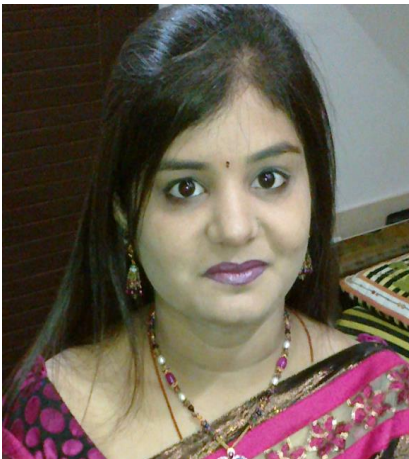
Particulars	Details
Passport No.	J9173764
Voter ID	WQT3082641
Driving License No.	GJ03/016244/06

**Sangeetaben Vaghasiya**

Sangeetaben Vaghasiya, aged 41 years, a resident Indian national is a Non-Executive Director of our Company. She has been appointed as a Director in our Company on June 28, 2014. She holds a diploma in Automobile Engineering from Sir Bhavsinhji Polytechnic Institute.

For further details relating to Sangeetaben Vaghasia, including terms of appointment as Executive Director, please refer to the chapter titled “*Our Management*” beginning on page 155 of this Draft Prospectus.

Particulars	Details
Passport No.	J2953181
Voter ID	GQY1426139
Driving License No.	GJ03 20090853676

**Artiben Shingala**

Artiben Shingala, aged 25 years, is a resident Indian national is one of the Promoter of our Company.

Particulars	Details
Passport No.	J9882581
Voter ID	WQT3082617
Driving License No.	GJ03 20120025714

**Nitesh Vaghasiya-HUF**

Nitesh Vaghasiya HUF is the Promoter of our Company and it was constituted on October 30, 2001 with Nitesh Parsottambhai Vaghasiya acting as the karta with Sangeetaben Vaghasiya, Astha Vaghasiya as co-parceners. The place of business of Nitesh Vaghasiya- HUF is situated at “Matru Ashish” Sanjay Society, Jetpur Road, Gondal, Gujarat-360311.

### OUR PROMOTER GROUP

Our Promoter Group in terms of regulation 2(1)(zb) of SEBI (ICDR) Regulations includes the following persons:

#### Individual Promoter

The natural persons who are part of our Promoter Group (due to the relationship with our Promoter), other than the Promoter named above are as follows:

#### Individuals related to our Promoter:

Relationship	Nitesh Vaghasiya	Pankaj Shingala	Sangeetaben Vaghasiya	Artiben Shingala
Spouse	Sangeetaben Vaghasiya	Artiben Shingala	Nitesh Vaghasiya	Pankaj Shingala.
Father	Parshottambhai Vaghasiya	Pravinbhai Shingala* Vasantbhai Shingala	Govindbhai Ramani	Gordhanbhai Padariya
Mother	Jayaben Vaghasiya	Nitaben Shingala* Kanchanben Shingala	Muktaben Ramani	Lilaben Padariya
Brother	Manojbhai Vaghasiya Ramnikbhai Vaghasiya Arvinbhai Vaghasiya	Mehulbhai Shingala	Yogeshbhai Ramani	Hiteshbhai Padariya
Sister		Anitaben Padariya Nilamben Padariya		Niraliben Ramani Manishaben Bhanderi
Daughter	Astha Vaghasiya	Prisha Shingala	Astha Vaghasiya	Prisha Shingala
Son	Devarshi Vaghasiya	-	Devarshi Vaghasiya	-
Spouse's Father	Govindbhai Ramani	Gordhanbhai Padariya	Parshottambhai Vaghasiya	Pravinbhai Shingala
Spouse's Mother	Muktaben Ramani	Lilaben Padariya	Jayaben Vaghasiya	Kanchanben Shingala
Spouse's Brother	Yogeshbhai Ramani	Hiteshbhai Padariya	Manojbhai Vaghasiya Ramnikbhai Vaghasiya Arvinbhai Vaghasiya	Mehulbhai Shingala
Spouse's Sister	-	Niraliben Ramani Manishaben Bhanderi	-	Anitaben Padariya Nilamben Padariya

\* Vide a Deed of Adoption dated August 22, 2012, Pravinbhai Shingala and Nitaben Shingala have adopted Pankaj Shingala.

**Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:**

1. Fusion Pumps Private Limited
2. Vaghasiya Parshottambhai Laljibhai – HUF
3. Vaghasiya Manojbhai Parshottambhai – HUF
4. Vaghasiya Ramnikbhai Parshottambhai – HUF
5. Vaghasiya Arvindbhai Parshottambhai – HUF
6. Ramani Govindbhai Karshanbhai – HUF
7. Ramani Yogeshbhai Govindbhai – HUF
8. Padariya Gordhanbhai Vashrambhai – HUF
9. Bhandari Bhaveshbhai Babubhai – HUF
10. Shingala Vasantbhai Hardasbhai – HUF
11. Padariya Hiteshbhai Gordhanbhai – HUF
12. Parmeshwar Trading co.
13. Jigar Industries
14. Ultracab Tradelink
15. Supreme Enterprise
16. Yogi Agro Industries
17. Yogi Industries
18. Global Metal Corporation
19. Nijanand Enterprise
20. Shyam Industries

**Relationship of Promoters with our Directors**

Except as disclosed herein, none of our Promoters are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Names	Nitesh Vaghasiya	Pankaj Shingala	Sangeetaben Vaghasiya	Artiben Shingala
Nitesh Vaghasiya (Promoter/Director)	-	-	Husband	-
Pankaj Shingala (Promoter/Director)	-	-	-	Husband
Sangeetaben Vaghasiya (Promoter/Director)	Wife	-	-	-
Artiben Shingala (Promoter)	-	Wife	-	-

**Other persons included in promoter group**

Gopalbhai Hardasbhai Shingala and Niteenbhai Bhikubhai Khatra are not relatives within the meaning of regulation 2(1)(zb) of ICDR Regulations but are considered for the purposes of shareholding of the Promoter Group under Regulation 2(1)(zb)(v) of ICDR Regulations.

### **Changes in our Promoters**

There has been no change in the Promoters of our Company since its incorporation.

### **Companies / Firms from which any of the Promoter has disassociated himself in last 3 (three) years**

Our Promoters have not disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of this Draft Prospectus.

### **OTHER UNDERTAKINGS AND CONFIRMATIONS**

Our Company undertakes that the details of bank account number and PAN of our Promoters will be submitted to the BSE Limited, where the securities of our Company are proposed to be listed at the time of submission of Prospectus.

### **COMMON PURSUITS OF OUR PROMOTER**

None of the persons belonging to the Promoter Group are having business similar to our business except Jigar Industries which is engaged in the business as mentioned in the Chapter “*Our Group Entities*” beginning on page 173 of the Draft Prospectus.

### **INTEREST OF THE PROMOTER**

#### ***Interest in the promotion of Our Company***

Our Promoters may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by him as well as his relatives and also to the extent of any dividend payable to him and other distributions in respect of the aforesaid Equity Shares. Further, Our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either he is interested as a director, member or partner. In addition, Our Promoters and Director, Nitesh Vaghasiya, Pankaj Shingala and Sangeetaben Vaghasiya may be deemed to be interested to the extent of fees, if any, payable for attending meetings of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses, if any, payable in terms of the agreements entered into by with our Company and under our Articles of Association.

#### ***Interest in the property of Our Company***

Our Promoters do not have any interest in any property acquired by our Company since incorporation or proposed to be acquired by our Company.

#### ***Interest as Member of our Company***

As on the date of this Draft Prospectus, our Promoters holds 16,08,880 Equity Shares in our Company and is therefore interested to the extent of his shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company, our Promoters do not hold any other interest in our Company.

#### ***Interest as a creditor of our Company***

As on the date of this Draft Prospectus our Company has availed unsecured loans from the Promoters of our Company. For further informations, please refer to the chapter titled “*Related Party Transactions*” beginning on page 176 of this Draft Prospectus

#### ***Payment Amounts or Benefit to Our Promoters since incorporation***

No payment has been made or benefit given to our Promoters since incorporation except as mentioned / referred to in this chapter and in the section titled “*Our Management*”, “*Financial Statement*” and “*Capital Structure*” beginning on pages 155, 178 and 67 respectively of this Draft Prospectus. Further as on the date of this Draft Prospectus, there is no bonus or profit sharing plan for our Promoters.

## **CONFIRMATIONS**

For details on litigations and disputes pending against the Promoters and defaults made by them, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 212 of this Draft Prospectus. Our Promoters has not been declared a willful defaulter by RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

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.

## **RELATED PARTY TRANSACTIONS**

Except as disclosed in the chapter titled “*Related Party Transactions*” beginning on page 176 of this Draft Prospectus, our Company has not entered into any related party transactions with our Promoters.

## **CHANGES IN OUR PROMOTERS**

There has been no change in the Promoters of our Company since its incorporation.



## OUR GROUP ENTITIES

No equity shares of our Group Companies are listed on any stock exchange and it has not made any public or rights issue of securities in the preceding three years.

### A. Our Group Entities

The details of our Group Entities are provided below:

#### 1. M/s. Parmeshwar Trading Co

M/s. Parmeshwar Trading Co is a partnership firm formed under the Partnership Act, 1932 *vide* a partnership deed dated September 01, 2012. M/s. Parmeshwar Trading Co has its office at AA-28, National Highway No. 27, Gondal, Gujarat 360311. M/s. Parmeshwar Trading Co is currently engaged in trading of garlic.

As on the date of the Draft Prospectus, M/s. Parmeshwar Trading Co has three partners, Pravinbhai Hardasbhai Shingala, Bhumiben Ramnikbhai Vadghasiya and Sangeetaben Nitesh Vaghasiya.

#### *Profit and Loss Sharing Ratio*

The profit and loss sharing ratio of the partners in the firm is as follows:

Name of the partner	Profit and loss sharing ratio
Pravinbhai Hardasbhai Shingala	33%
Bhumiben Ramnikbhai Vaghasiya	34%
Sangeetaben Nitesh Vaghasiya	33%
<b>Total</b>	<b>100</b>

#### *Financial Performance*

Particulars	For the years ended		
	March 31, 2011	March 31, 2012	March 31, 2013
Partner's capital	59,05,948	1,33,81,313	1,14,62,597
Sales and other income	54,05,68,582	27,63,48,225	14,97,92,626
Profit/loss after tax	8,33,627	3,77,103	1,30,924

Our company has no negative net worth in the financial year 2014.

#### 2. Fusion Pumps Private Limited

Fusion Pumps Private Limited ("FPPL") is a company incorporated in the name of Fusion Pumps Private Limited in India *vide* a certificate of incorporation dated April 02, 2011 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The corporate identity number of FPPL is U29120GJ2011PTC064746. The registered office of FPPL is situated at 6, Ashapura Chambers, Near Bus Stand, Rajkot Road, Gondal- 360311. The principle business of FPPL is:

*'To carry on in India or elsewhere the business to manufacture, repair, recondition, alter, let on hire, design, develop, improve, distribute, discover, fabricate, supply, purchase, sell, import, export, acquire, store, forward, market, or act as agent, broker, representative, consultant, franchiser, jobworker or otherwise or deal in all varieties, description, strength of all types of submersible pumps,*



*Centrifugal pumps, electric motors, machinery spares, tool and all type of equipments and accessories used in various pumps'*

The Promoters and Promoter Group of our Company (i.e Nitesh Vaghasiya, Ramikbhai Vaghasiya and Pankaj Shingala) holds 38.50% Equity share capital in FPPL.

***Financial performance of FPPL***

(in Rs)

Particulars	For the years ended	
	2013	2012
Equity capital (par value Rs10 per share)	50,00,000	6,00,000
Reserves and Surplus	(20,85,106)	-
Sales and Other Income	34,89,855	-
Profit/ (Loss) after tax	(20,85,106)	-
Earnings per share-Basic (in Rs)	(4.17)	-
Earnings per share-Diluted (in Rs)	(4.17)	-
Net Asset Value per equity share (in Rs)	5.83	-

***Capital structure and shareholding pattern***

FPPL has an authorized equity share capital of Rs. 6,00,000 divided into 60,000 equity shares of 10 each and a paid-up share capital of 5,00,000 divided into 50,000 equity shares of 10 each. The shareholding pattern of FPPL as on the date of the Draft Prospectus is as follows:

Sr No.	Name of Shareholder	Shares held	Percentage of Shareholding (%)
1.	Khimjibhai Arjanbhai Dudhagara	1,66,660	33.33
2.	Bharatbhai Jerambhai Shingala	83,330	16.67
3.	Nitesh Parshottambhai Vaghasiya	83,350	16.67
4.	Ramnikbhai Parshottambhai Vaghasiya	49,160	9.83
5.	Pankaj Shingala	60,000	12.00
6.	Vijaybhai Vasantbhai Vaghasiya	57,500	11.50
	<b>Total</b>	<b>5,00,000</b>	<b>100.00</b>

***Board of directors***

As on the date of filing the Draft Prospectus FPPL's Board of Directors consists of:

Sr. No.	Name of the Director	Designation	Date of appointment
1.	Bharatbhai Jerambhai Shingala	Director	April 02, 2011
2.	Khimjibhai Arjanbhai Dudhagara	Director	April 02, 2011
3.	Vijaykumar Vasantbhai Vaghasiya	Director	March 13, 2014

FPPL does not have negative net-worth for the financial year 2011-2012 and 2012 –2013.

Neither of the above entities has made any public/right issue so far.

Further, the above company is not sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor under winding up.

## **CONFIRMATION**

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Except as disclosed in this chapter, our Group Entity does not have negative net worth as of the date of the respective last three audited financial statements.

## **LITIGATION**

For details on litigations and disputes pending against the Promoters and Group entities and defaults made by them, please refer to the chapter titled, *“Outstanding Litigations and Material Developments”* beginning on page 212 of this Draft Prospectus.

## **DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR**

Our Promoters have not disassociated themselves from any of the companies/partnership firms during preceding three years.

## **SALES/PURCHASES BETWEEN OUR COMPANY AND PROMOTER COMPANY & GROUP ENTITIES AND ASSOCIATE COMPANIES**

There are no sales or purchases between our Company and Group entities. Further, our Company does not have any Associate Companies which exceeds in value aggregating ten per cent of the total sales or purchases of our Company.

## **INTERESTS OF OUR PROMOTERS AND GROUP COMPANIES AND ASSOCIATE COMPANIES**

All our Promoters and Group Companies and Associate Companies are interested to the extent of their shareholding of Equity Shares from time to time, and in case of our Individual Promoters, also to the extent of shares held by their relatives from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Individual Promoters may also benefit from holding directorship in our Company. Our Individual Promoter may also be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them under the Articles/ terms of appointment. As on the date of this Draft Prospectus, our Promoters together hold 16,08,880 Equity Shares of our Company.

Except as stated hereinabove and as stated in *“Annexure XIX - Related Party Transactions”* under chapter titled *“Financial Statements”* beginning on page 178 of this Draft Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Further, except as stated above and as stated otherwise under the paragraph titled “Shareholding of our Directors” in the chapter titled *“Our Management”* beginning on page 155 of this Draft Prospectus; in *“Annexure XIX - Related Party Transactions”* under chapter titled *“Financial Statements”* beginning on page 178 of this Draft Prospectus, and under the paragraph titled *“Interest of Directors”* in the chapter titled *“Our Management”* beginning on page 155, paragraph titled *“Property”* in the chapter titled *“Our Business”* beginning on page 125, our Promoters do not have any other interests in our Company as on the date of this Draft Prospectus.

Further, except as disclosed above and in the audited restated financial statements of our Company under *“Annexure XIX - Related Party Transactions”* under chapter titled *“Financial Statements”* beginning on

page 178 of this Draft Prospectus, our Group Companies and associates have no business interest in our Company.

**PAYMENT OR BENEFIT TO OUR GROUP ENTITIES**

Except as stated in the section titled “*Financial Information*” on page 178, there has been no payment of benefits to our Group Companies during the past 2 years from the date of this Draft Prospectus.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to Annexure XIX of restated financial statement under the section titled, '*Financial Statements*' beginning on page 178 of this Draft Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last five years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

## SECTION V FINANCIAL STATEMENTS

### FINANCIAL STATEMENTS AS RESTATED

#### Independent Auditor's Report for the Restated Financial Statements of Ultracab (India) Limited

The Board of Directors,  
Ultra cab (India) Limited  
Survey No 262, Behind Galaxy Bearings Limited  
Shapar (Veraval)  
Dist Rajkot, Gujarat

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of Ultracab (India) Limited, (**the Company**) as at March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the financial year ended on March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) in SME Platform of BSE Limited ("**BSE**").
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
  - (i) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ("**Act**");
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - (iii) The terms of reference to our engagements with the Company letter Dated July 1<sup>st</sup>, 2014 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited ("**IPO**" or "**SME IPO**"); and
  - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year/period ended on March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 which have been approved by the Board of Directors.
4. In accordance with the requirements of Paragraph B(1) of Part II of Schedule II of Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The "**Restated Statement of Asset and Liabilities**" as set out in **Annexure I** to this report, of the Company as at March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 are prepared by the Company and approved by the Board of Directors. These Statement of Asset and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our

opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

- (ii) The “**Restated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the financial year ended on March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
  - (iii) The “**Restated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the financial year ended on March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.
5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
- a) Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
  - b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
  - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
  - d) There were no qualification in the Audit Reports issued by the Statutory Auditors for the financial year ended on March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 which would require adjustments in this Restated Financial Statements of the Company.
  - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.
6. Audit for the financial year ended March 31, 2010 was conducted by M/s K K Trivedi & Co., Chartered Accountants, audit for the financial year ended March 31, 2011, 31 March 31, 2012, March 31, 2013 and March 31, 2014 was conducted by M/s.R Harshoda & Co., Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the financial year ended 31<sup>st</sup> March 2014 have been reaudited by us as per the relevant guidelines.
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2014, March 31, 2013,

March 31, 2012, March 31, 2011 and March 31, 2010 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

**Annexure of Restated Financial Statements of the Company:-**

1. Summary Statement of Assets and Liabilities, as restated as Annexure I;
  2. Summary Statement of Profit and Loss, as restated as Annexure II;
  3. Summary Statement of Cash Flow as Annexure III;
  4. Significant Accounting Policies in Annexure IV;
  5. Details of Trade Receivables as Restated enclosed as ANNEXURE V to this report;
  6. Details of Long Term Provisions as Restated as appearing in ANNEXURE VI to this report;
  7. Details of Short Term Provisions as Restated as appearing in ANNEXURE VII to this report
  8. Details of Inventories as Restated as appearing in ANNEXURE VII to this report;
  9. Details of Long Term Loans & Advances as Restated as appearing in ANNEXURE IX to this report;
  10. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE X to this report;
  11. Details of Other Current Assets as Restated as appearing in ANNEXURE XI to this report;
  12. Details of Other Non Current Assets as Restated as appearing in ANNEXURE XII to this report
  13. Details of Other Current Liabilities as Restated as appearing in ANNEXURE XIII to this report;
  14. Details of Short Term Borrowings as Restated as appearing in ANNEXURE XIV to this report
  15. Details of Long Term Borrowings as Restated as appearing in ANNEXURE XV to this report
  16. Details of Other Income as Restated as appearing in ANNEXURE XVI to this report
  17. Capitalization Statement as Restated as at March 31, 2014 as appearing in ANNEXURE XVII to this report;
  18. Statement of Tax Shelters as Restated as appearing in ANNEXURE XVIII to this report;
  19. Details of Related Parties Transactions as Restated as appearing in ANNEXURE XIX to this report;
  20. Details of Share Capital as Restated as appearing in ANNEXURE XX to this report
  21. Details of Reserves and Surplus as Restated as appearing in ANNEXURE XXI to this report.
  22. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXII to this report
  23. Reconciliation of Restated Profit as appearing in ANNEXURE XXIII to this report.
8. We, M/s. R T Jain & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (“**ICAI**”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI (“**Statutory Auditor**”).
  9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.



10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above financial information contained in Annexure I to XXII of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For R T Jain & Co.**  
**Chartered Accountants**  
**Firm Registration no.103961W**

**(CA Bankim Jain)**  
**Partner**  
**Membership No.139447**  
**Date: 16<sup>th</sup> August, 2014**  
**Place: Mumbai**

## STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

## ANNEXURE – I

(Rs. In Lakhs)

Sr. No.	Particulars	As at March 31,				
		2010	2011	2012	2013	2014
<b>1)</b>	<b>Equity &amp; Liabilities</b>					
	<b>Shareholders Funds</b>					
	a. Share Capital	80.00	190.00	223.28	258.10	258.10
	b. Reserves & Surplus	0.28	131.70	209.76	283.67	366.44
<b>2)</b>	<b>Share Application money pending allotment</b>	-	-	11.88	-	-
<b>3)</b>	<b>Non Current Liabilities</b>	-	-	-	-	-
	a. Long Term Borrowings	305.09	23.00	183.43	170.65	384.65
	b. Deferred Tax Liabilities	2.05	1.89	2.83	7.14	7.82
	c. Long Term Provisions	0.44	1.90	4.00	5.43	7.77
<b>4)</b>	<b>Current Liabilities</b>	-	-	-	-	-
	a. Short Term Borrowings	298.86	599.91	919.64	961.95	1,180.64
	b. Trade Payables	265.34	359.43	420.10	578.64	808.20
	c. Other Current Liabilities	70.67	178.26	129.20	230.86	93.60
	d. Short Term Provisions	2.88	4.03	2.14	12.52	36.52
	<b>T O T A L (1+2+3+4)</b>	<b>1,025.61</b>	<b>1,490.12</b>	<b>2,106.28</b>	<b>2,508.97</b>	<b>3,143.75</b>
<b>5)</b>	<b>Non Current Assets</b>					
	a. Fixed Assets					
	i. Tangible Assets	267.29	270.55	341.68	456.97	557.54
	Less: Depreciation	(44.09)	(68.94)	(95.96)	(128.28)	(172.91)
	<i>Net Block</i>	<b>223.20</b>	<b>201.62</b>	<b>245.72</b>	<b>328.69</b>	<b>384.63</b>
	ii. Capital Work In Progress	-	-	-	-	-
	iii. Intangible Assets under development	-	-	-	-	-
	b. Non Current Investment	12.50	20.00	-	-	-
	c. Deferred Tax Asset	-	-	-	-	-
	c. Long Term Loans & Advances	0.20	1.91	3.09	23.29	159.03
	d. Other Non Current Assets	0.71	0.36	-	-	-
<b>6)</b>	<b>Current Assets</b>	-	-	-	-	-
	a. Inventories	460.53	734.82	1,127.15	1,574.33	2,030.14
	b. Trade Receivables	283.63	477.59	655.31	506.97	465.44
	c. Cash and Cash Equivalents	24.13	37.84	43.64	29.96	31.70
	d. Short Term Loans & Advances	20.36	15.64	29.72	45.45	54.73
	e. Other Current Assets	0.36	0.36	1.65	0.29	18.10
	<b>T O T A L (5+6)</b>	<b>1,025.61</b>	<b>1,490.12</b>	<b>2,106.27</b>	<b>2,508.97</b>	<b>3,143.75</b>

## STATEMENT OF PROFIT AND LOSS AS RESTATED

## ANNEXURE – II

(Rs. In Lakhs)

Particulars	FOR THE YEAR ENDED MARCH 31,				
	2010	2011	2012	2013	2014
<b>INCOME</b>					
Revenue from Operations	1,063.99	1,587.31	2,271.46	2,867.38	3,168.05
Other Income	1.97	2.15	7.64	16.58	12.52
<b>Total Income (A)</b>	<b>1,065.96</b>	<b>1,589.47</b>	<b>2,279.10</b>	<b>2,883.96</b>	<b>3,180.57</b>
<b>EXPENDITURE</b>					
Cost of materials consumed	1,113.59	1,356.04	2,180.94	2,728.38	2,861.81
Purchase of stock-in-trade	-	-	-	-	-
Changes in inventories of finished goods, traded goods and work-in-progress	(328.87)	(136.24)	(460.04)	(384.00)	(427.90)
Employee benefit expenses	43.39	67.50	124.26	113.37	121.48
Finance costs	70.82	102.63	165.24	153.62	248.08
Depreciation and amortisation expense	29.99	24.85	27.02	32.32	44.63
Other Expenses	117.37	147.19	206.94	200.35	212.68
<b>Total Expenses (B)</b>	<b>1,046.30</b>	<b>1,561.96</b>	<b>2,244.36</b>	<b>2,844.05</b>	<b>3,060.79</b>
<b>Profit before tax</b>	<b>19.66</b>	<b>27.50</b>	<b>34.74</b>	<b>39.91</b>	<b>119.79</b>
Prior period items (Net)	-	-	-	-	-
<b>Profit before exceptional, extraordinary items and tax (A-B)</b>	<b>19.66</b>	<b>27.50</b>	<b>34.74</b>	<b>39.91</b>	<b>119.79</b>
Exceptional items	-	-	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>19.66</b>	<b>27.50</b>	<b>34.74</b>	<b>39.91</b>	<b>119.79</b>
Extraordinary items	-	-	-	-	-
<b>Profit before tax</b>	<b>19.66</b>	<b>27.50</b>	<b>34.74</b>	<b>39.91</b>	<b>119.79</b>
Tax expense :					
(i) Current tax	(2.95)	(6.25)	(6.43)	(12.79)	(37.01)
(ii) Deferred tax	(2.05)	0.17	(0.95)	(4.31)	(0.68)
(iii) (Short)/Excess provision for earlier years	-	-	0.77	(1.13)	0.69
<b>Total Tax Expense</b>	<b>(5.00)</b>	<b>(6.08)</b>	<b>(6.61)</b>	<b>(18.23)</b>	<b>(37.01)</b>
<b>Profit for the year</b>	<b>14.66</b>	<b>21.42</b>	<b>28.13</b>	<b>21.68</b>	<b>82.78</b>
<b>Earning per equity share(face value of Rs10/- each): Basic and Diluted Rs</b>	<b>1.83</b>	<b>2.64</b>	<b>1.48</b>	<b>0.96</b>	<b>3.21</b>
<b>Adjusted Earning per equity share(face value of `10/- each): Basic and Diluted Rs</b>	<b>1.83</b>	<b>2.64</b>	<b>1.48</b>	<b>0.96</b>	<b>3.21</b>

## STATEMENT OF CASH FLOW AS RESTATED

## ANNEXURE III

(Rs. In Lakhs)

Particulars	As at March 31,				
	2010	2011	2012	2013	2014
<b>Cash flow from operating activities:</b>					
Net Profit before tax as per Profit And Loss A/c	19.66	27.50	34.74	39.91	119.79
<b>Adjusted for:</b>	-	-	-	-	-
Depreciation & Amortisation	29.99	24.85	27.02	32.32	44.63
Interest Expense	0.35	(0.02)	(0.33)	0.01	(0.00)
Gratuity	0.45	1.48	2.14	1.46	2.39
Gratuity Expense disallowed	-	-	-	-	(9.24)
<b>Operating Profit Before Working Capital Changes</b>	50.46	53.82	63.57	73.70	157.56
Adjusted for (Increase)/ Decrease:					
Inventories	(337.23)	(274.28)	(392.33)	(447.18)	(455.81)
Trade Receivables	(219.87)	(193.96)	(177.72)	148.34	41.53
Other current assets	0.91	(2.09)	(23.75)	(30.92)	(160.67)
Banks Working Capital	142.26	301.06	319.73	42.31	218.69
Other Current Liabilities	41.18	(17.71)	40.93	(10.62)	(0.49)
Trade Payables	209.98	104.98	70.67	180.77	208.06
<b>Cash Generated From Operations</b>	(112.31)	(28.20)	(98.90)	(43.60)	8.87
Direct Tax Paid			4.00		
<b>Net Cash Flow from/(used in) Operating Activities:</b>	<b>(112.31)</b>	<b>(28.20)</b>	<b>(94.90)</b>	<b>(43.60)</b>	<b>8.87</b>
<b>Cash Flow From Investing Activities:</b>					
Purchase of Fixed Assets	(11.32)	(3.27)	(64.41)	(115.29)	(100.57)
Purchase of Investments	(10.00)	(7.50)	-	-	-
Proceeds from other investment	-	-	5.00	-	-
Net Cash flow from /(Used in) Investing Activities	<b>(21.32)</b>	<b>(10.77)</b>	<b>(59.41)</b>	<b>(115.29)</b>	<b>(100.57)</b>
<b>Cash Flow from Financing Activities:</b>					
Proceeds From Share Capital & Share Premium	-	220.00	83.21	87.05	-
Share Application Money	-	-	11.88	(11.88)	-
Proceeds from Long Term Borrowing (Net)	84.54	(36.32)	65.03	70.04	93.45
Proceeds from Short-term borrowings	50.04	(131.00)	-	-	-
Net Cash Flow from/(used in) Financing Activities	<b>134.58</b>	<b>52.67</b>	<b>160.11</b>	<b>145.21</b>	<b>93.45</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	0.95	13.71	5.80	(13.68)	1.74
Cash & Cash Equivalents As At Beginning of the Year	23.18	24.13	37.84	43.64	29.96
Cash & Cash Equivalents As At End of the Year	<b>24.13</b>	<b>37.84</b>	<b>43.64</b>	<b>29.96</b>	<b>31.70</b>

## **ANNEXURE – IV**

### **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:**

#### **A. SIGNIFICANT ACCOUNTING POLICY:**

##### **1. Basis of preparation of Financial Statements:**

- (a) These financial statements have been prepared to comply in all material respect with all the applicable Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.
- (b) The financial statements are prepared under the historical cost convention and on the accounting principles of going concern. The Company follows the accrual system of accounting where income & expenditure are recognized on accrual basis.
- (c) Accounting policies not specifically referred to are consistent and in consonance with generally accepted accounting policies.

##### **2. Use of Estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized

##### **3. Revenue Recognition :**

Sale of goods is recognized on dispatches to customers, which coincide with the transfer of significant risks and rewards associated with ownership, net of Discount.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

##### **4. Fixed Assets:**

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. All Cost including any cost attributable in bringing the assets to their working condition for their intended use is capitalized. Expenditure on additions, improvement and renewable is capitalized.

##### **5. Depreciation:**

Depreciation on fixed assets is provided on written down value (WDV) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life.

##### **6. Impairment of Assets:**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

##### **7. Valuation of Investments:**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current Investments are carried at the lower of cost or quoted / fair value computed scrip wise, Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

**8. Valuation of Inventories:**

Cost of inventory includes all cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

Closing Stock is valued as under:-

Raw Material – At cost or net realizable value whichever is less.

Work in Progress – At cost or net realizable value whichever is less.

Finished Goods – At cost or net realizable value whichever is less.

**9. Employee Benefits:**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

**10. Provision for Current Tax & Deferred Tax:**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from the timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in the future.

**11. Contingent Liabilities / Provisions:**

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

Provision is made in the accounts in respect of contingent liabilities which is likely to materialize into liabilities after the year end, till the finalization of accounts and which have material effect on the position stated in the Balance Sheet.

**12. Earning Per Share:**

Basic earnings per share is computed by dividing the net profit for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

**13. Miscellaneous Expenditure / Share Issue Expenses**

The company has a policy of writing off Miscellaneous Expenditure over a period of ten years.

**DETAILS OF TRADE RECEIVABLES AS RESTATED      ANNEXURE –V***(Rs. In Lakhs)*

Particulars	As at March 31,				
	2010	2011	2012	2013	2014
<b>Unsecured, considered good</b>					
Less than six months	270.92	397.89	596.40	394.65	395.66
More than six months	12.71	79.70	58.91	112.32	69.78
<b>T O T A L</b>	<b>283.63</b>	<b>477.59</b>	<b>655.31</b>	<b>506.97</b>	<b>465.44</b>

**DETAILS OF LONG TERM PROVISIONS AS RESTATED****ANNEXURE – VI***(Rs. In Lakhs)*

Particulars	As at March 31,				
	2010	2011	2012	2013	2014
<u>For Employee Benefit</u>					
Gratuity payable	0.44	1.90	4.00	5.43	7.77
<b>T O T A L</b>	<b>0.44</b>	<b>1.90</b>	<b>4.00</b>	<b>5.43</b>	<b>7.77</b>

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED****ANNEXURE – VII***(Rs. In Lakhs)*

Particulars	As at March 31,				
	2010	2011	2012	2013	2014
<b>Others</b>					
Provision for Income Tax	2.88	4.03	2.14	12.52	36.52
(Net off Advance Tax)	-	-	-	-	-
<b>T O T A L</b>	<b>2.88</b>	<b>4.03</b>	<b>2.14</b>	<b>12.52</b>	<b>36.52</b>

**DETAILS OF INVENTORIES AS RESTATED****ANNEXURE – VIII***(Rs. In Lakhs)*

Particulars	As at March 31,				
	2010	2011	2012	2013	2014
Raw materials	32.67	170.71	103.00	166.18	194.09
Finished goods	427.87	564.11	1,024.15	1,408.15	1,836.05
<b>T O T A L</b>	<b>460.53</b>	<b>734.82</b>	<b>1,127.15</b>	<b>1,574.33</b>	<b>2,030.14</b>

**DETAILS OF LONG TERM LOANS & ADVANCES****ANNEXURE – IX***(Rs. In Lakhs)*

<b>Particulars</b>	<b>As at March 31,</b>				
<b><u>Unsecured considered good</u></b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Security Deposit	0.20	1.91	3.09	23.29	159.03
<b>T O T A L</b>	<b>0.20</b>	<b>1.91</b>	<b>3.09</b>	<b>23.29</b>	<b>159.03</b>

**DETAILS OF SHORT TERM LOANS & ADVANCES****ANNEXURE – X***(Rs. In Lakhs)*

<b>Particulars</b>	<b>As at March 31, 2010</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Advance to supplier	-	2.23	-	-	-
Advance for Capital Good	4.00	7.00	17.50	4.21	4.00
Advance for expenses	1.01	0.93	5.78	7.10	17.22
Balances with Government Authorities	12.85	5.47	3.71	26.18	20.17
Other Loans & Advances	2.50	-	2.73	7.96	13.34
<b>T O T A L</b>	<b>20.36</b>	<b>15.64</b>	<b>29.72</b>	<b>45.45</b>	<b>54.73</b>

**DETAILS OF OTHER CURRENT ASSETS AS RESTATED****ANNEXURE – XI***(Rs. In Lakhs)*

<b>Particulars</b>	<b>As at March 31,</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Prepaid expenses	-	-	1.29	0.29	-
Preliminary Expense	0.36	0.36	0.36	-	-
Share Issue Expense	-	-	-	-	18.10
<b>T O T A L</b>	<b>0.36</b>	<b>0.36</b>	<b>1.65</b>	<b>0.29</b>	<b>18.10</b>

**DETAILS OF OTHER NON-CURRENT ASSETS AS RESTATED****ANNEXURE – XII***(Rs. In Lakhs)*

<b>Particulars</b>	<b>As at March 31,</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Preliminary Expenses	0.71	0.36	-	-	-
<b>T O T A L</b>	<b>0.71</b>	<b>0.36</b>	<b>-</b>	<b>-</b>	<b>-</b>



**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED****ANNEXURE – XIII****(Rs. In Lakhs)**

<b>Particulars</b>	<b>As at March 31,</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Current maturities of long term debt	36.32	151.09	55.68	63.25	46.70
Interest accrued but not due on borrowings	0.35	0.33	-	0.01	0.01
Gratuity Payable	0.01	0.04	0.07	0.10	0.15
<b>Other payables</b>	-	-	-	-	-
Deposit received	-	-	30.00	105.25	1.25
Creditors for expenses	16.67	17.07	33.96	29.63	31.08
Creditors for capital goods	0.87	4.86	4.08	26.95	0.81
Advance from customers	15.21	2.59	0.63	3.93	10.83
Statutory dues	1.22	2.29	4.77	1.74	2.78
<b>T O T A L</b>	<b>70.67</b>	<b>178.26</b>	<b>129.20</b>	<b>230.86</b>	<b>93.60</b>

**DETAILS OF SHORT TERM BORROWINGS AS RESTATED****ANNEXURE – XIV****(Rs. In Lakhs)**

<b>Particulars</b>	<b>As at March 31,</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Secured</b>					
The Co. op Bank of Rajkot - Cash Credit A/c	298.86	599.91	-	-	-
Bank Of India - Cash Credit A/c	-	-	919.64	961.95	1,180.64
<b>T O T A L</b>	<b>298.86</b>	<b>599.91</b>	<b>919.64</b>	<b>961.95</b>	<b>1,180.64</b>

**DETAILS OF LONG TERM BORROWINGS AS RESTATED****ANNEXURE – XV****(Rs. In Lakhs)**

<b>Particulars</b>	<b>As at March 31, 2010</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Secured</b>					
Term Loan	37.49	-	76.69	53.51	84.07
Vehicle Loan	1.14	-	-	2.09	-
Industrial Loan	112.46	-	-	-	-
<b>Unsecured</b>					
Loan from Directors & Shareholders	154.00	23.00	106.74	115.05	300.58
<b>T O T A L</b>	<b>305.09</b>	<b>23.00</b>	<b>183.43</b>	<b>170.65</b>	<b>384.65</b>

**NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS**

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Nature of Security	Terms of Repayment
<p>Car Loan amounting to 6.00 lakhs is secured against the Fiesta Car</p> <p>Car Loan amounting to 4.81 lakhs is secured against the Car</p>	<p>Loan to be repaid in 36 equal monthly installment, starting from November, 2009 and last installment due in September, 2011</p>
	<p>Loan to be repaid in 36 equal monthly installment, starting from July, 2012 and last installment due in September, 2014</p>
<p>Term Loan amounting to 150.00 Lakhs from The Co. Op. Bank of Rajkot Ltd</p>	<p>Loan to be repaid in 60 equal monthly installments, starting from July, 2009 and last installment due in August, 2014. The rate of interest being 12.50%</p>
<p>Industrial Loan amounting to 50.00 Lakhs from The Co. Op. Bank of Rajkot Ltd</p>	<p>Loan to be repaid in 60 equal monthly installments, starting from July, 2009 and last installment due in August, 2014. The rate of interest being 12.50%</p>
<p>Term Loan amounting to 104.60 Lakhs from Bank of India secured by Equitable mortgage on Factory Land &amp; Building</p>	<p>Loan to be repaid at monthly rests starting from June, 2011. The rate of interest being 14.7%</p>
<p>Term Loan amounting to 34.87 Lakhs from Bank of India secured by hypothecation of Plants &amp; Machineries</p>	<p>Loan to be repaid at monthly rests starting from June, 2011. The rate of interest being 14.7%</p>
<p>Term Loan amounting to 4.78 Lakhs from Bank of India secured by hypothecation of Plant &amp; Machineries</p>	<p>Loan to be repaid at monthly rests starting from June, 2011. The rate of interest being 14.7%</p>
<p>Term Loan amounting to 40.00 Lakhs from Bank of India secured by EQM of office Building at Imperial Heights</p>	<p>Loan to be repaid at monthly rests starting from December, 2012. The rate of interest being 14.7%</p>

**DETAILS OF OTHER INCOME AS RESTATED****Annexure – XVI****(Rs. In Lakhs)**

Particulars	For the Year Ended March 31,					Nature
	2010	2011	2012	2013	2014	
Other income	1.97	2.15	7.64	16.58	12.52	
Net Profit Before Tax as Restated	19.66	27.50	34.74	39.91	119.79	
<b>Percentage</b>	<b>10.03</b>	<b>7.82</b>	<b>21.99</b>	<b>41.54</b>	<b>10.46</b>	

Source of Income						
Interest Income	-	0.31	4.83	11.26	7.54	Recurring and not related to business activity.
	-	-	-	-	-	
Dividend Received	-	1.22	2.81	0.75	-	Recurring and not related to business activity.
	-	-	-	-	-	
Jobwork Income	1.97	0.50	-	0.29	-	Non recurring and not related to business activity.
	-	-	-	-	-	
Duty Drawback	-	-	-	0.42	4.39	Non recurring and related to business activity
	-	-	-	-	-	
Foreign Exchange Fluctuation	-	-	-	3.86	0.51	Recurring and related to business activity.
	-	-	-	-	-	
Miscellaneous Receipts	-	0.12	-	-	0.08	Non recurring and not related to business activity.
<b>Total Other income</b>	<b>1.97</b>	<b>2.15</b>	<b>7.64</b>	<b>16.58</b>	<b>12.52</b>	

**CAPITALISATION STATEMENT AS ON MARCH 31, 2014    ANNEXURE XVII****(Rs. in Lakhs)**

<b>Particulars</b>	<b>Pre Issue</b>	<b>Post Issue</b>
<b>Borrowings</b>		
Short term debt (A)	1,180.64	1,180.64
Long Term Debt (B)	384.65	384.65
<b>Total debts (C)</b>	<b>1,565.29</b>	<b>1,565.29</b>
<b>Shareholders' funds</b>		
Equity share capital	258.10	801.40
Reserve and surplus - as restated	366.44	159.38
<b>Total shareholders' funds</b>	<b>624.55</b>	<b>960.78</b>
<b>Long term debt / shareholders' funds</b>	<b>0.62</b>	<b>0.40</b>
<b>Total debt / shareholders' funds</b>	<b>2.51</b>	<b>1.63</b>

**STATEMENT OF TAX SHELTER****ANNEXURE XVIII****(Rs. In Lakhs)**

<b>Particulars</b>	<b>Year ended March 31,</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Profit before tax as per books (A)	18.05	27.27	37.92	42.74	110.58
Tax Rate (%)	30.90%	30.90%	30.90%	30.90%	30.90%
Tax at notional rate on profits	5.58	8.43	11.72	13.21	34.17
<b>Adjustments :</b>					
<b>Permanent Differences(B)</b>					
Expenses disallowed under Income Tax Act, 1961	0.44	0.13	0.74	0.53	9.40
<b>Total Permanent Differences(B)</b>	<b>0.44</b>	<b>0.13</b>	<b>0.74</b>	<b>0.53</b>	<b>9.40</b>
<b>Income considered separately (C)</b>					
Dividend Income	-	-	-	(0.75)	(1.91)
<b>Total Income considered separately (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.75)</b>	<b>(1.91)</b>
<b>Timing Differences (D)</b>					
Difference between tax depreciation and book depreciation	1.47	(0.67)	(14.93)	(8.57)	(4.40)
Difference due to expenses allowable/ disallowable u/s 43B	-	-	-	-	-
<b>Total Timing Differences (D)</b>	<b>1.47</b>	<b>(0.67)</b>	<b>(14.93)</b>	<b>(8.57)</b>	<b>(4.40)</b>
<b>Net Adjustments E = (B+C+D)</b>	<b>1.91</b>	<b>(0.55)</b>	<b>(14.18)</b>	<b>(8.79)</b>	<b>3.08</b>
<b>Tax expense / (saving) thereon</b>	<b>0.59</b>	<b>(0.17)</b>	<b>(4.38)</b>	<b>(2.72)</b>	<b>0.95</b>
<b>Income from Other Sources</b>					

Particulars	Year ended March 31,				
	2010	2011	2012	2013	2014
	-	-	-	-	-
<b>Income from Other Sources (F)</b>	-	-	-	-	-
Taxable Income/(Loss) (A+E+F)	<b>19.95</b>	<b>26.73</b>	<b>23.74</b>	<b>33.95</b>	<b>113.66</b>
<b>Taxable Income/(Loss) as per MAT</b>	18.05	27.27	37.92	42.74	110.58
<b>Income Tax as returned/computed</b>	-	-	-	-	-
Tax paid as per normal or MAT	MAT	Normal	Normal	Normal	Normal

## RELATED PARTY TRANSACTIONS

## ANNEXURE XIX

(Rs. in Lakhs)

	Transaction	Transaction in 2009-10	Outstanding as on 31.03.10	Transaction in 2010-11	Outstanding as on 31.03.11	Transaction in 2011-12	Outstanding as on 31.03.12	Transaction in 2012-13	Outstanding as on 31.03.13	Transaction in 2013-14	Outstanding as on 31.03.14
			(Payable)/		(Payable)/		(Payable)/		(Payable)/		(Payable)/
			Receivable		Receivable		Receivable		Receivable		Receivable
Jigar industries	Sales	0.61	-	-	-	13.12	9.79	127.86	10.43	400.78	79.51
Supreme enterprise	Loan paid/sales	(5.90)	(8.40)	8.40	-	-	-	-	-	222.77	22.38
Fusion pumps pvt. Limited	Sales	-	-	-	-	0.12	0.12	3.22	0.14	2.19	0.77
Ultracab tradelink	Sales	-	-	-	-	148.46	76.95	418.52	114.51	366.30	7.12
Parmeshwar trading co.	Loan Given/ Recd	3.00	-	128.95	25.00	25.00	-	65.84	-	(42.00)	(42.00)
Jigar industries	USL Received	17.00	-	-	-	-	-	(54.78)	(26.23)	(26.23)	-
Ultracab tradelink (loan)	Loan received	-	-	-	-	-	-	(80.00)	(80.00)	(80.00)	-
Parshottambhai l vaghasiya	Loan received	-	(4.96)	5.00	-	-	-	-	-	-	-
	Loan repaid	-	-	10.44	-	-	-	-	-	-	-
	Interest	0.53	-	0.60	-	-	-	-	-	-	-
Niteshbhai p vaghasiya	Loan received	7.75	(0.97)	36.00	-	6.00	-	10.00	-	5.40	(5.40)
	Loan repaid	7.25	-	41.19	-	6.05	-	10.00	-	-	-
	Interest	0.13	-	3.02	-	0.06	-	-	-	-	-
	Directors remuneration	-	-	-	-	-	-	-	-	6.16	-

	Transaction	Transaction in 2009-10	Outstanding as on 31.03.10	Transaction in 2010-11	Outstanding as on 31.03.11	Transaction in 2011-12	Outstanding as on 31.03.12	Transaction in 2012-13	Outstanding as on 31.03.13	Transaction in 2013-14	Outstanding as on 31.03.14
	n										
Jayaben p vaghasiya	Loan received	2.80	(2.06)	4.00	-	-	-	4.84	-	1.50	(1.50)
	Loan repaid	-	-	6.25	-	-	-	4.84	-	-	-
	Interest	0.29	-	0.25	-	-	-	-	-	-	-
Sangeetaben vaghasiya	Loan received	1.50	(1.00)	8.00	-	6.00	(2.25)	7.45	(1.70)	0.02	-
	Loan repaid	-	-	9.11	-	-	-	8.00	-	1.72	-
	Interest	-	-	0.12	-	-	-	-	-	-	-
Manojbhai p vaghasiya	Loan received	2.60	(3.82)	9.50	-	5.46	-	-	-	-	-
	Loan repaid	-	-	13.75	-	5.50	-	-	-	-	-
	Interest	0.25	-	0.48	-	0.05	-	-	-	-	-
Ramnimbhai p vaghasiya	Loan received	-	(0.55)	9.13	-	-	-	0.80	-	-	-
	Loan repaid	-	-	10.82	-	-	-	0.80	-	-	-
	Interest	0.06	-	0.16	-	-	-	-	-	-	-
Pankajbhai v shingala	Loan received	-	(1.48)	8.50	(0.15)	1.00	(1.16)	-	(0.00)	5.00	(2.00)
	Loan repaid	-	-	10.00	-	-	-	1.16	-	3.00	-
	Interest	0.16	-	0.19	-	0.02	-	-	-	-	-
	Directors remuneration	-	-	-	-	-	-	-	-	3.67	-
Vasantbhai h shingala	Loan received	-	(1.77)	7.75	(1.24)	-	(1.38)	3.43	(4.81)	4.00	(8.81)
	Loan repaid	-	-	8.50	-	-	-	-	-	-	-
	Interest	0.19	-	0.24	-	0.15	-	-	-	-	-

	Transaction	Transaction in 2009-10	Outstanding as on 31.03.10	Transaction in 2010-11	Outstanding as on 31.03.11	Transaction in 2011-12	Outstanding as on 31.03.12	Transaction in 2012-13	Outstanding as on 31.03.13	Transaction in 2013-14	Outstanding as on 31.03.14
Vasantbhai h shingala huf	Loan received	-	(2.77)	1.00	(0.41)	13.50	(4.89)	7.00	(8.89)	10.00	(14.89)
	Loan repaid	-	-	3.75	-	10.35	-	3.00	-	4.00	-
	Interest	0.30	-	0.43	-	1.47	-	-	-	-	-
Kanchanben v. Shingala	Loan received	2.50	(5.85)	12.77	(1.06)	1.50	(0.12)	-	(0.12)	8.00	(8.12)
	Loan repaid	-	-	18.00	-	2.55	-	-	-	-	-
	Interest	0.50	-	0.48	-	0.13	-	-	-	-	-
Mehulbhai v shingala	Loan received	-	(1.00)	-	(1.11)	2.00	(0.13)	13.77	(13.91)	6.10	(20.00)
	Loan repaid	-	-	-	-	3.10	-	-	-	-	-
	Interest	0.11	-	0.12	-	0.13	-	-	-	-	-
Tarunbhai . Shingala	Loan received	6.25	(7.89)	8.58	(0.19)	-	(0.21)	-	-	-	-
	Loan repaid	-	-	17.00	-	-	-	0.21	-	-	-
	Interest	0.44	-	0.79	-	0.02	-	-	-	-	-
Tarunbhai . Shingala HUF	Loan received	1.00	(1.04)	1.00	(0.18)	-	(0.20)	-	-	-	-
	Loan repaid	-	-	2.00	-	-	-	0.20	-	-	-
	Interest	0.04	-	0.16	-	0.02	-	-	-	-	-
Gopalbhai Shingala	Loan received	1.00	(2.91)	20.92	(3.67)	-	(4.06)	-	(4.06)	-	(4.06)
	Loan repaid	-	-	20.50	-	-	-	-	-	-	-
	Interest	0.23	-	0.37	-	0.44	-	-	-	-	-
Gopalbhai Shingala – HUF	Loan received	3.00	(8.69)	3.00	(0.77)	25.50	(28.77)	-	-	-	-
	Loan repaid	-	-	11.60	-	-	-	28.77	-	-	-
	Interest	0.77	-	0.75	-	2.79	-	-	-	-	-



	Transaction	Transaction in 2009-10	Outstanding as on 31.03.10	Transaction in 2010-11	Outstanding as on 31.03.11	Transaction in 2011-12	Outstanding as on 31.03.12	Transaction in 2012-13	Outstanding as on 31.03.13	Transaction in 2013-14	Outstanding as on 31.03.14
Ramaben Shingala	Loan received	2.25	(5.24)	6.00	(0.82)	-	(0.90)	15.00	(15.90)	-	(15.90)
	Loan repaid	-	-	11.00	-	-	-	-	-	-	-
	Interest	0.43	-	0.64	-	0.10	-	-	-	-	-
Jalpaben Shingala	Loan received	1.50	(2.68)	4.50	(0.87)	3.50	(1.46)	-	-	-	-
	Loan repaid	-	-	6.50	-	3.00	-	1.46	-	-	-
	Interest	0.20	-	0.21	-	0.10	-	-	-	-	-
Vijaybhai Shingala	Loan received	-	(1.06)	14.32	(1.56)	-	(1.73)	-	-	-	-
	Loan repaid	-	-	14.00	-	-	-	1.73	-	-	-
	Interest	0.12	-	0.20	-	0.17	-	-	-	-	-

**DETAILS OF SHARE CAPITAL****Annexure –XX****(Rs. in lakhs)**

Particulars	As at March 31,				
	2010	2011	2012	2013	2014
<b>Share Capital</b>					
<b>Authorised Share capital</b>					
Equity Share of Rs. 10/- each	80.00	300.00	300.00	300.00	300.00
<b>Issued, Subscribed &amp; Fully Paid Up share capital</b>	-	-	-	-	-
Equity Shares of Rs. 10/- each	80.00	190.00	223.28	258.10	258.10
<b>T O T A L</b>	<b>80.00</b>	<b>190.00</b>	<b>223.28</b>	<b>258.10</b>	<b>258.10</b>

**RECONCILIATION OF NUMBER OF SHARES OUTSTANDING AT THE END OF YEAR**

Particulars	As at March 31,				
	2010	2011	2012	2013	2014
Equity shares at the beginning of the year	8.00	8.00	19.00	22.33	25.81
Add: Other allotments	-	11.00	3.33	3.48	-
<b>T O T A L</b>	<b>8.00</b>	<b>19.00</b>	<b>22.33</b>	<b>25.81</b>	<b>25.81</b>

**Details of shareholders holding more than 5% of the aggregate shares in the company**

Name of Shareholder	As at 31st March, 2010		As at 31st March, 2011		As at 31st March, 2012		As at 31st March, 2013		As at 31st March, 2014	
	No. Of Shares	Percentage	No. Of Shares	Percentage	No. Of Shares	Percentage	No. Of Shares	Percentage	No. Of Shares	Percentage
Niteshbhai P Vaghasiya	62,500	7.81%	228,200	12.01%	239,400	10.72%	280,840	10.88%	280,840	10.88%
Tarunbhai G Shingala	62,500	7.81%	172,500	9.08%	172,500	7.73%	-	0.00%	-	0.00%
Harshandkumar Ravjibhai Nandaniya	62,500	7.81%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Rahul Manubhai Vasoya	62,500	7.81%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Manojbhai P Vaghasiya	40,000	5.00%	135,700	7.14%	157,700	7.06%	-	0.00%	-	0.00%
Parshottambhai L Vaghasiya	57,500	7.19%	149,700	7.88%	149,700	6.70%	149,700	5.80%	149,700	5.80%
Gopalbhai H Shingala	-	0.00%	141,250	7.43%	141,250	6.33%	141,250	5.47%	141,250	5.47%
Ramnikbhai P Vaghasiya	40,000	5.00%	120,100	6.32%	120,100	5.38%	161,800	6.27%	161,800	6.27%
Manubhai Harjibhai Vasoya (HUF)	57,500	7.19%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Gurudat Trading (Prop. Arvind Vaghasiya)	-	-	120,000	6.32%	120,000	5.37%	222,000	8.60%	222,000	8.60%
Vijaybhai Gopalbhai Shingala	-	-	120,100	6.32%	120,000	5.37%	-	0.00%	-	0.00%
Pankajbhai V Shingala	-	-	100,000	5.26%	-	0.00%	258,440	10.01%	258,440	10.01%
Mehulbhai V. Shingala	-	0.00%	-	0.00%	-	0.00%	159,400	6.18%	159,400	6.18%

**RESERVES & SURPLUS****Annexure – XXI***(Rs. in lakhs)*

<b>Particulars</b>	<b>As at March 31, 2010</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2012</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2014</b>
<b><u>Profit &amp; Loss Account</u></b>					
Opening Balance	(14.39)	0.28	21.70	49.83	71.51
Add: Profit for the year	14.67	21.42	28.13	21.68	82.78
Closing Balance	<b>0.28</b>	<b>21.70</b>	<b>49.83</b>	<b>71.51</b>	<b>154.29</b>
<b><u>Security Premium Account</u></b>					
Opening Balance	-	-	110.00	159.93	212.15
Add: Received During the Year	-	110.00	49.93	52.23	-
Closing Balance	-	<b>110.00</b>	<b>159.93</b>	<b>212.16</b>	<b>212.15</b>
<b>T O T A L</b>	<b>0.28</b>	<b>131.70</b>	<b>209.76</b>	<b>283.67</b>	<b>366.44</b>

**SUMMARY OF ACCOUNTING RATIOS****Annexure XXII***(Rs. in lakhs)*

<b>Ratios</b>	<b>Year ended March, 31st 2010</b>	<b>Year ended March, 31st 2011</b>	<b>Year ended March, 31st 2012</b>	<b>Year ended March, 31st 2013</b>	<b>Year ended March, 31st 2014</b>
Restated PAT as per P& L Account	15	21	28	22	83
Weighted Average Number of Equity Shares at the end of the Year	8	8.12	19.01	22.69	25.81
Net Worth	80.28	322	433	542	625
<b>Earnings Per Share</b>					
Basic & Diluted	1.83	2.64	1.48	0.96	3.21
<b>Return on Net Worth (%)</b>	<b>18.26</b>	6.66%	6.50%	4.00%	13.25%
<b>Net Asset Value Per Share (Rs)</b>					
	10.03	39.62	22.78	23.88	24.20
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00

**Reconciliation of Restated profit:****Annexure – XXIII****(Rs. in lakhs)**

<b>Adjustments for</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	18.05	22.41	26.23	31.15	72.11
<b><u>Adjustments for:</u></b>					
Change in Depreciation	2.42	1.70	(1.37)	(1.36)	(1.27)
	-	-	-	-	-
Expenses Not provided before	(0.80)	(1.82)	(2.14)	(1.47)	(2.39)
	-	-	-	-	-
Expenses Not allowed	-	0.35	0.33	-	12.87
	-	-	-	-	-
Deferred Tax Liability / Asset Adjustment	(2.05)	2.53	3.55	(1.72)	3.79
	-	-	-	-	-
Taxes adjusted in Current period	(2.95)	(3.75)	0.77	(3.79)	(3.01)
	-	-	-	-	-
Short/Excess Provision for Earlier Years	-	-	0.77	(1.13)	0.69
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>14.66</b>	<b>21.42</b>	<b>28.13</b>	<b>21.68</b>	<b>82.78</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the years ended 2014, 2013, 2012, 2011 and 2010 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in "*Financial Statements*" on page 178 of this Draft Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "*Risk Factors*" and "*Forward-Looking Statements*" on pages 16 and 15, of this Draft Prospectus beginning respectively.

Our Company was incorporated on December 19, 2007 and has only completed six years since incorporation. The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for years ended 31<sup>st</sup> March, 2014, 2013, 2012, 2011 and 2010.

### Overview

Our Company was incorporated in the year 2007 and is engaged in the manufacture and export of wires and cables in India. Our Company is working in this domain for more than 6 years. We are using advanced technology and machineries for manufacturing quality products. We started our business with PVC cables and wires in India which are now supplied across different networks worldwide. We produce durable and reliable cables and wires, and our products have earned reputation in the market. Because of our manufacturing skills and technical expertise in electrical industry, we are able to make strong market presence in India. Our quality products are sold not only in India but also in countries like UK, UAE, Africa, Singapore, Uganda etc. We follow strict quality standards during manufacturing process. Once product is ready, it is closely checked for safety and quality assurance by our administration team and on approval, it is transported to market for customer use. Our manufacturing facility is situated at Shapar (Rajkot, Gujarat) India. Our facility involves modern technology, tools, high-tech machines which spin out the quality standard of cables.

We believe in making strong bond with our customers for continuing long – lasting relationship with them. We are popular for delivering quality electrical products before committed time frame. We also offer customized business solution to our clients without any delay and at competitive prices. Our strong national distribution network bonds us with our clients.

**Significant developments subsequent to the last financial year**

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Draft Prospectus, any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

1. We have passed the resolution for conversion of our Company from private to public company dated June 28, 2014 and Registrar of Company issued the Fresh Certificate of Incorporation dated July 30, 2014.
2. M/s R. Harshoda & Co, Chartered Accountants statutory auditors of Company have been reappointed as statutory auditors from August 18, 2014.
3. The authorized share capital as on March 31, 2014 was Rs. 3,00,00,000 (Rupees Three Crores Only) consisting of 30,00,000 Equity Shares of Rs. 10 each which was increased to Rs. 10,00,00,000 (Rupees Ten Crores Only) consisting of 1,00,00,000 Equity Shares of face value Rs. 10 each pursuant to a resolution of the shareholders dated June 02, 2014 respectively.
4. We have passed a special resolution on June 28, 2014 authorizing the Board of Directors to borrow funds for the purpose of business of the Company upto an amount of Rs. 100 Crores and for the purpose also authorized them to provide requisite security.
5. We have passed a special resolution on June 28, 2014 to authorizing the Board of Directors to raise funds by making an initial public offering upto Rs. 10 Crores.
6. We have appointed Mr. Nitesh Parshottambhai Vaghasiya as the Managing Director and Mr. Pankajbhai Shingala as Whole-time Director of the Company with effect from August 09, 2014 till 31<sup>st</sup> March 2016 and 31<sup>st</sup> March, 2019 respectively.
7. We have issued Bonus Shares in the ratio 1:1 to the following existing shareholders of the Company on August 09, 2014:

Sr. No	Name of Shareholder	No of Shares Allotted
1.	Nitesh Parshottambhai Vaghasiya	2,96,050
2.	Gopalbhai Hardasbhai Shingala	1,41,250
3.	Vasantbhai Hardasbhai Shingala	1,05,700
4.	Pravinbhai Hardasbhai Shingala	94,460
5.	Pankaj Shingala	2,58,440
6.	Mehulbhai Vasantbhai Shingala	1,59,400
7.	Parshottambhai Laljibhai Vaghasiya	1,85,700
8.	Ramnimbhai Parshottambhai Vaghasiya	2,41,800
9.	Arvinbhai Parshottambhai Vaghasiya	2,25,450
10.	Bhumiben Ramnimbhai Vaghasiya	46,900
11.	Jayabhai Parshottambhai Vaghasiya	50,760
12.	Kanchanben Parshottambhai Vaghasiya	1,03,900
13.	Nitaben Pravinbhai Shingala	81,800
14.	Ramaben Gopalbhai Shingala	75,000
15.	Sangeetaben Vaghasiya	92,500
16.	Yogeshbhai Govindbhai Ramani	42,400
17.	Govindhai Karshanbhai Ramani	40,000
18.	Muktaben Govindbhai Ramani	30,600
19.	Sonaben Yogeshbhai Ramani	29,000

Sr. No	Name of Shareholder	No of Shares Allotted
20.	Narangbhai Laljibhai Vashasiya HUF	46,000
21.	Vasantbhai Vaghasiya HUF	36,180
22.	Vasantbhai Shingala HUF	1,18,000
23.	Shilpaben Arvindbhai Vaghasiya	20,000
24.	Virta Trading Company	49,850
25.	Niteenbhai Bhikhubhai Khatra	72,000
26.	Kumudben Balvantbhai Patel	23,510
27.	Nitesh Vaghasiya HUF	1,28,500
28.	Artiben Shingala	24,450
29.	Jayesh Bhikhubhai Patel	16,900
30.	Shaileshbhai B. Khatara	3,000
31.	Parmeshwar Trading Company	40,500
32.	Bavkubhai Vaghasiya	20,000
	<b>TOTAL</b>	<b>29,00,000</b>

8. We have appointed Mr. Jayshanker Bhagvanji Dave, Mr. Bipinchandra Mohanbhai Sangani and Mr. Kanjibhai Gandubhai Patel as Independent Director on the Board of the Company with effect from August 09, 2014
9. We have appointed Mr. Mayur Gangani as Company Secretary and Compliance Officer of Our Company on August 20, 2014.

#### **Significant Factors affecting our results of operations**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 16 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

#### **Prequalification**

The major entry barrier in our industry is getting pre- qualification on technical ratings and a proven track record. This is a long drawn out process and needs a substantial investment in terms of both time and money. Most of the orders are placed on the basis of “close tenders”. We are an approved vendor for many major Companies in India.

#### **Industry Growth**

The growth in various sectors like Power sector, Infrastructure sectors, Mining, Sector coupled with high demand in the household Cable and wire industry.

#### **Government policies**

Focus by our Government on development of infrastructure such as Power / Petroleum / Telecom / Road / Building etc., would give a major thrust to the Cable industry. These sectors require various customized / standard cables at various stages of the projects giving a boost to the cable industry as a whole.

#### **Fluctuation in price of raw material**

Copper and Aluminium are the basic raw material required to manufacture cable and wire. Fluctuation in the price of Copper and Aluminium can have effect on operations and profitability of our Company.



## DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for years ended 31<sup>st</sup> March, 2014, 2013, 2012, 2011 and 2010.

### OVERVIEW OF REVENUE & EXPENDITURE

#### Revenues

##### *Income from operations:*

Our principal component of income is from sale of cables manufactured by us. Our Company follows negotiated price mechanism. We quote on the basis of requirements received from our customers. Our customers include large corporates both from the government as well as private sector.

##### *Other Income:*

Our other income includes interest income, duty drawback, foreign exchange fluctuation, miscellaneous receipts etc.

**(Rs. In Lakhs)**

Particulars	As at March 31, 2012	As at March 31, 2013	As at March 31, 2014
<b>Income</b>			
Revenue from Operation	2271.46	2867.38	3168.05
Increase/Decrease in %	43.10%	26.24%	10.49%
Other Income	7.64	16.58	12.52
Increase/Decrease in %	255.04%	117.01%	-24.45%
<b>Total Revenue</b>	<b>2279.10</b>	<b>2883.96</b>	<b>3180.57</b>

#### Expenditure

Our Company's operating expenditure consists of following:

##### *Cost of materials consumed*

The raw material comprises of the following main ingredients:

- Copper / Aluminium which constitutes around 50% to 70% of the total raw material cost
- PVC / XLPE which constitutes around 10% to 20% of the total raw material cost

##### *Employee Benefits Expenses*

Our employee benefits cost primarily consists of salaries, wages and bonuses paid to our employees, staff welfare expenses and director's remuneration.

##### *Financial Cost*

Our financial cost includes bank interest, bank charges and interest paid to lenders.

##### *Depreciation*

Depreciation includes depreciation on plant & machinery, office equipments and other tangible and intangible assets

##### *Expenses*

Other expenses include administration expenses, office expenses, transport charges etc.

**Statement of profits and losses**

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue

(Rs. In Lakhs)

Particulars	For the Period Ended		
	2012	2013	2014
<b>INCOME</b>			
Revenue from Operations	2271.46	2867.38	3168.05
Increase/Decrease in %	43.10%	26.24%	10.49%
Other Income	7.64	16.58	12.52
Increase/Decrease in %	255.04%	117.01%	-24.45%
<b>Total Income (A)</b>	<b>2279.10</b>	<b>2883.96</b>	<b>3180.57</b>
<b>EXPENDITURE</b>			
Cost of materials consumed	2180.94	2728.38	2861.81
As a % of Total Revenue	95.69%	94.61%	89.98%
Changes in inventories of finished goods, traded goods and work-in-progress	(460.04)	(384.00)	(427.90)
As a % of Total Revenue	(20.19%)	(13.31%)	(13.45%)
Employee benefit expenses	124.26	113.37	121.48
As a % of Total Revenue	5.45%	3.93%	3.82%
Finance costs	165.24	153.62	248.08
As a % of Total Revenue	7.25%	5.33%	7.80%
Depreciation and amortisation expense	27.02	32.32	44.63
As a % of Total Revenue	1.19%	1.12%	1.40%
Other Expenses	206.94	200.35	212.68
As a % of Total Revenue	9.08%	6.95%	6.69%
<b>Total Expenses (B)</b>	<b>2244.36</b>	<b>2844.05</b>	<b>3060.79</b>
As a % of Total Revenue	98.48%	98.62%	96.23%
<b>Profit before tax (A-B)</b>	<b>34.74</b>	<b>39.91</b>	<b>119.79</b>
As a % of Total Revenue	1.52%	1.38%	3.77%
Prior period items (Net)	0.00	0.00	0.00
Profit before exceptional, extraordinary items and tax	34.74	39.91	119.79
As a % of Total Revenue	1.52%	1.38%	3.77%
Exceptional items	0.00	0.00	0.00
Profit before extraordinary items and tax	34.74	39.91	119.79
As a % of Total Revenue	1.52%	1.38%	3.77%
Extraordinary items	0.00	0.00	0.00
Profit before tax	34.74	39.91	119.79
<b>PBT Margin</b>	<b>1.52%</b>	<b>1.38%</b>	<b>3.77%</b>
Tax expense :			

Particulars	For the Period Ended		
	2012	2013	2014
(i) Current tax	(6.43)	(12.79)	(37.01)
(ii) Deferred tax	(0.95)	(4.31)	(0.68)
(iii) Fringe Benefit Tax	0.00	0.00	0.00
(iii) (Short)/Excess provision for earlier years	0.77	(1.13)	0.69
<b>Total Tax Expense</b>	<b>(6.61)</b>	<b>(18.23)</b>	<b>(37.01)</b>
Profit for the year	28.13	21.68	82.78
<b>PAT Margin</b>	<b>1.23%</b>	<b>0.75%</b>	<b>2.60%</b>

### COMPARISON OF FINANCIAL YEAR PERIOD ENDED MARCH 31, 2014 WITH FINANCIAL YEAR PERIOD ENDED MARCH 31, 2013.

#### OPERATING INCOME

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Operating Income	2883.96	3168.05	10.49%

The operating income of the Company for the year ending March 31, 2014 is Rs. 3168.05 lakhs as compared to Rs. 2883.96 lakhs for the year ending March 31, 2013, showing an increase of 10.49%.

#### DIRECT EXPENDITURE

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Cost of Material/ Purchase	2728.38	2861.81	4.90%

The direct expenditure has increased from Rs.2728.38 lakhs in Financial Year 2012-2013 to Rs. 2861.81 lakhs in Financial Year 2013-2014 showing an increase of around 4.9 % over the previous year. There is a increase of 4.9% in direct expenditure when compared with decrease of 20.97% of operating income.

#### ADMINISTRATIVE AND EMPLOYEE COSTS

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Employee Benefit Expense	113.37	121.48	7.15%
Other Expenses	200.35	212.68	6.15

There is an increase in personnel expenses from Rs 113.37 lakhs to Rs. 121.48 lakhs.

Administration costs encompasses fixed costs like rentals, electricity, legal charges, audit fees, miscellaneous repairs & maintenance, insurance, discounts & commissions, travelling & conveyance, etc.

The administrative & other costs have increased from Rs. 200.35 lakhs in March 31, 2013 to Rs. 212.68 lakhs in March 31, 2014 showing an increase in cost of Rs. 12.33 lakhs over the last year. The increased administrative cost has been allocated on the increased turnover of the Company.

#### FINANCE CHARGES

The finance charges for the period Financial Year 2013-2014 increased to Rs. 248.08 lakhs from Rs. 153.62 lakhs during Financial Year 2012 - 2013. The increase in financial charges by Rs. 94.46 lakhs when compared as a percentage of sales reveals a net saving of showing improved cash management.

#### DEPRECIATION

Depreciation for the period 2014 has increased to Rs. 44.63 lakhs as compared to Rs. 32.32 lakhs for the period 2013.

#### PROFIT BEFORE TAX

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Profit Before Tax	39.91	119.79	200

Profit before tax has jumped 200% from Rs.39.91 lakhs to Rs. 119.79 lakhs. As percentage of total income, profit before tax has increased from 1.38% in FY 2013 to 3.77% in FY 2014 showing an effective increase of 2.39 %.

#### PROVISION FOR TAX AND NET PROFIT

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Taxation Expenses	18.23	37.01	103
Profit after Tax	21.68	82.78	281.83

The variance in profit after tax is on account of different tax provisions. There is no change in tax rates as compared to last year.

#### COMPARISON OF FINANCIAL YEAR PERIOD ENDED MARCH 31, 2013 WITH FINANCIAL YEAR PERIOD ENDED MARCH 31, 2012.

#### OPERATING INCOME

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Operating Income	2279.10	2883.96	26.54

The operating income of the Company for the year ending March 31, 2013 is Rs. 2883.96 lakhs as compared to Rs. 2279.10 lakhs for the year ending March 31, 2012, showing an increase of 26.54%.

#### DIRECT EXPENDITURE

Particulars	2012-2013	2013-2014	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Cost of Material/ Purchase	2180.94	2728.38	25

The direct expenditure has increased from Rs. 2180.94 lakhs in FY 2012 to Rs. 2728.38 lakhs in FY 2013 showing an increase of around 25 % over the previous year. There is an increase of 25% in Direct Expenditure when compared with an increase of 26.54% in Operating Income.

**ADMINISTRATIVE AND EMPLOYEE COSTS**

<b>Particulars</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>Variance</b>
	<b>(Rs. Lacs)</b>	<b>(Rs. Lacs)</b>	<b>(%)</b>
Employee Benefit Expenses	124.26	113.37	8.76
Other expenses	206.94	200.35	-3.18

Personnel expenses in financial year 2012-2013 have decreased by 3.18% to Rs. 113.37 lakhs as against Rs.124.26 lakhs in financial 2011-2012.

Administration costs are generally fixed costs like rentals, electricity, legal charges, audit fees, miscellaneous repairs & maintenance, insurance, discounts & commissions, travelling & conveyance, etc. The increased administrative cost has been allocated on the increased turnover of the Company.

The administrative & other expenses have decreased from Rs. 206.94 lakhs in 2012 to Rs. 200.35 lakhs in 2013 showing a decrease in cost of 6.59 lakhs over last year.

**FINANCE CHARGES**

The finance charges for the period Financial Year 2012- 2013 has decreased to Rs. 153.62 lakhs from Rs. 165.24 lakhs during the period financial year 2011-2012.

**DEPRECIATION**

Depreciation for the period 2013 has increased to Rs. 32.32 lakhs as compared to Rs. 27.02 lakhs for the period 2012.

**PROFIT BEFORE TAX**

<b>Particulars</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>Variance</b>
	<b>(Rs. Lacs)</b>	<b>(Rs. Lacs)</b>	<b>(%)</b>
Profit Before Tax	34.74	39.91	14.88

The Profit before Tax has increased to Rs. 39.91 lakhs from Rs.34.74 lakhs showing an increase of around 14.88 %.

**PROVISION FOR TAX AND NET PROFIT**

<b>Particulars</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>Variance</b>
	<b>(Rs. Lacs)</b>	<b>(Rs. Lacs)</b>	<b>(%)</b>
Taxation Expenses	6.61	18.23	175.79
Profit after Tax	28.13	21.68	-22.93

The variance in profit after tax is on account of different tax provisions. There is no change in tax rates as Compared to last year.

**OTHER MATTERS****1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in the section titled "Risk Factors" beginning on page 16 of this Draft Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the section titled “*Risk Factors*” at the beginning on page 16 of this Draft Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**4. Future relationship between Costs and Income**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices of raw materials.

**5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

Increases in revenues are by and large linked to increases in volume of business activity and customized product developed by the Company.

**6. Total turnover of each major industry segment in which the issuer company operates.**

The Company is operating in Cable and Wire industry. Relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 106 of this Draft Prospectus.

**7. Status of any publicly announced new products or business segments**

Our Company has not announced any new product and segment, other than disclosed in the Draft Prospectus.

**8. The extent to which the business is seasonal**

Our Company business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers**

The % of Contribution of our Company’s customer and supplier vis a vis the total income and raw material cost respectively for the Financial Year 2013-2014 is as follows:

	Customers	Suppliers
Top 5 (%)	23%	89.36%
Top 10 (%)	33%	100.00%

**10. Competitive Conditions**

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “*Our Business*” on page 125 of this Draft Prospectus.

## FINANCIAL INDEBTNESS

### *I. Details of Borrowings of our Company*

Set forth below is a brief summary of our Company's secured and unsecured borrowings from banks and financial institutions together with a brief description of certain significant terms of such financing arrangements

#### **A. Secured Borrowings**

##### *Loan of Rs. 2,444 lakhs sanctioned by Bank of India*

<b>Name of the lender</b>	Bank of India
<b>Facility</b>	Total Term loan: Rs. 194 lakhs sanctioned as follows: Term Loan (I) – Rs. 40 lakhs; Term Loan (II) – Rs. 14 lakhs; Term Loan (III) – Rs. 14 lakhs; Term Loan (IV) – Rs. 38 lakhs; and Term Loan (V) – Rs. 88 lakhs Cash Credit Stocks – Rs. 1,250 lakhs and Cash Credit BD – Rs. 500 lakhs Export Packing Credit – Rs. 150 lakhs and Foreign Bill Purchase – Rs. 190 lakhs Non Fund Based Bank Guarantee Limit – Rs. 800 lakhs
<b>Interest Rate (% p.a., unless otherwise specified)</b>	Term Loan(s) – 4.50% over base rate Cash Credit – 4% over base rate Export Packing Credit and Foreign Bill Purchase – As advised by the Head Office of Bank from time to time.
<b>Tenor/ Repayment schedule</b>	<i>Repayment schedule:</i> Term Loan(s) – Monthly Installments Cash Credit – On demand
<b>Outstanding facility (including current maturities) as on March 31, 2014</b>	Term Loan (I)- Rs. 11.54 lakhs 1. Term Loan (II)- Rs. 4.51 lakhs 2. Term Loan (III)- Rs. 4.96 lakhs 3. Term Loan (IV)- Rs. 32.50 lakhs and 4. Term Loan (V)- Rs. 75.17 lakhs
<b>Security</b>	<b>Principal:</b> 1. Hypothecation of Stocks/ Book Debts/Plant and Machineries 2. Equitable mortgage of factory land and building at plot no. 1, 40A, 40B & 41A R S No. 257 (p) and plot at survey no. 262 (p), B/h Galaxy Bearing Limited, Rajkot 3. Equitable mortgage of office at C-303 at the Imperial Heights in the name of our Company 4. Pledge of TDR (20% margin of bank guarantee) face value of Rs. 160 lakhs <b>Collateral:</b> 1. Equitable mortgage of residential property in the name of Nitesh Vaghasiya situated at plot no. 35, S. No. 128 (p), Mota Mauwa, Rajkot 2. Equitable mortgage of residential property in the name of Arvindbhai Vaghasiya situated at plot no. 42, S. No. 28/2 (p), Sanidhya Bunglow, Rajkot and 3. Extension of equitable mortgage of residential property in the name of Nitesh Vaghasiya situated at silver stone – 3, Street No. 9/1, Corner,

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behind Nandbhavan Party Plot, Rajkot

**Guarantee:**

1. Joint and Several Guarantee by Nitesh Vaghasiya, Pankajkumar Shinghala, Arvindhbai Vaghasiya, Tarunbhai Shinghala and Manojbhai Shinghala
- 

**Restrictive Covenants**

Our Company cannot without the prior consent of the Bank of India, undertake, *inter alia*, effect any of the following:

- any adverse changes in company's capital structure;
- formulate any Scheme of Amalgamation or Reconstruction;
- implement any scheme of expansion or diversification or capital expenditure except normal replacements indicated in funds flow statement submitted to and approved by bank;
- invest by way of share capital in or lend or advance funds to, or place deposits with any other company/firm/concern (including group companies/associates)/persons. Normal trade credit or security deposits in the normal course of business or advances to employees can , however, be extended;
- enter into any borrowing or non-borrowing arrangements either secured or unsecured, with any other bank, Financial Institution, company, firm or otherwise, or accept deposits in excess of the limits laid down by RBI;
- undertake guarantee obligation on behalf of any other company/firm/person;
- declare dividend for any year except out of profits relating to that year after meeting all the financial commitments to the bank and making all due and necessary provisions;
- make any drastic change(s) in its management set-up;
- approach capital market for mobilizing additional resources either in form of debts or equity;
- sell or dispose off or create security or encumbrances on the assets charged to the bank in favor of any other bank. Financial institution, company, firm, individual;
- repay monies brought in by the promoters, partners, directors, shareholders, their relatives and friends in the business of the company/firm by way of deposits/loans/share application money etc; and
- Declare the value of stocks procured against BGs in the stock statement every month.

Pursuant to the aforesaid, we have received a No Objection Certificate from Bank of India for the Issue *vide* their letter dated [●].

**B. Un-Secured Borrowings**

As on March 31, 2014, our Company had unsecured borrowings of Rs. 300.58 lakhs.

For further details on unsecured borrowings availed during the year, repayment of unsecured loans availed and outstanding amount of unsecured loans, refer to Annexure XV of chapter titled "Financial Statements as Restated" beginning on page 177 of this Draft Prospectus.



## SECTION VI-LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by our Company, our Directors, our Promoter and Group Entities and there are no defaults, nonpayment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by our Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding Rs. 1 lakh, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part 1 of Schedule V of the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against our Company, our Promoter, our Directors and Group Entities.*

*Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, the Promoter, the Directors or the Group Entities, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of our Company. Further, there are no cases of litigations, defaults etc. in respect of Companies/Firms/Ventures with which the Promoter were associated in the past but are no longer associated, in respect of which the name(s) of the Promoter continues to be associated.*

*Further, apart from those as stated below, there are no show-cause notices / claims served on our Company, our Promoter, our Directors or Group Entities from any statutory authority / revenue authority that would have a material adverse effect on our business.*

#### LITIGATION INVOLVING OUR COMPANY

##### **Litigation by our Company**

##### ***Criminal cases***

1. ***Criminal Case No. 8759/2012 filed by Diljeetbhai G. Bhatti on behalf of our Company (Complainant) against M/s Anmol Agency and Vishal Sharma, proprietor of M/s. Anmol Agency (hereinafter collectively referred to as “Accused”) before the Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 8759/2012 against M/s Anmol Agency and Vishal Sharma, proprietor of M/s. Anmol Agency before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The Accused had purchased the materials from our Company on credit basis and towards consideration a cheque no. 762394 drawn on State bank of Patiala, Millerganj, Ludhiana branch dated June 12, 2012 for Rs. 5,47,771 was issued in favour of our Company. Our Company presented the cheque for payment, however the same was returned with remark “Today’s Opening Balance Insufficient” dated June 13, 2012. Thereafter, our Company issued a legal notice dated July 7, 2012 to make the payment of the dishonoured cheques. However the accused failed to reply to the said notice or to make the payment. Subsequently, our Company has filed this complaint. The matter is currently pending before the Chief Judicial Magistrate Court, Rajkot.

2. ***Criminal Case No. 2156/2013 filed by Diljeetbhai G. Bhatti on behalf of our Company (“Complainant”) against M/s Preeti Electrical and Jai Keswani, Proprietor of M/s. Preeti Electrical (hereinafter collectively referred to as “Accused”) before the Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 2156/2013 against M/s Preeti Electrical and Jai Keswani, proprietor of M/s. Preeti Electrical) before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The Accused had purchased the materials from the Company on credit basis and towards consideration a Cheque No. 18508 drawn on State bank of Bikaner & Jaipur, Shahganj branch, Agra dated January 21, 2013 for Rs. 6,41,868 was issued in favour of the Company. Our Company presented the cheque for payment, however the same was returned with remark "Today's Opening Balance Insufficient" dated January 22, 2013. Thereafter, our Company issued a legal notice dated February 12, 2013 to make the payment of the dishonored cheques. However the accused failed to reply to the said notice or to make the payment. Subsequently, the Complainant has filed this complaint. The matter is pending before the Chief Judicial Magistrate Court, Rajkot.

3. ***Criminal Case No. 2157/2013 filed by Diljeetbhai G. Bhatti on behalf of our Company ("Complainant") against M/s Preeti Electrical and Jai Keswani, proprietor of M/s. Preeti Electrical) (hereinafter collectively referred to as "Accused") before the Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 2157/2013 against M/s. Preeti Electrical and Jai Keswani, proprietor of M/s. Preeti Electrical before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The Accused had purchased the materials from our Company on credit basis and towards consideration a Cheque No. 18507 drawn on State Bank of Bikaner & Jaipur, Shahganj branch, Agra dated January 21, 2013 for Rs. 1,00,000 was issued in favour of our Company. Our Company presented the cheque for payment, however the same was returned with remark "Today's Opening Balance Insufficient" dated January 22, 2013. Thereafter, our Company issued a legal notice dated February 12, 2013 to make the payment of the dishonored cheques. However the Accused failed to reply to the said notice or to make the payment. Subsequently, the Complainant has filed this complaint. The matter is pending before the Chief Judicial Magistrate Court, Rajkot.

4. ***Criminal Case No. 2158/2013 filed by Diljeetbhai G. Bhatti on behalf of our Company ("Complainant") against M/s Preeti Electrical and Jai Keswani, proprietor of M/s. Preeti Electrical) (hereinafter collectively referred to as "Accused") before the Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 2158/2013 against M/s. Preeti Electrical and Jai Keswani, proprietor of M/s. Preeti Electrical before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The Accused had purchased the materials from the Company on credit basis and towards consideration a Cheque No. 18506 drawn on State Bank of Bikaner & Jaipur, Shahganj branch, Agra dated January 21, 2013 for Rs. 50,000/- was issued in favour of the Company. The Company presented the cheque for payment, however the same was returned with remark "Today's Opening Balance Insufficient" dated January 22, 2013. Thereafter, our Company issued a legal notice dated February 12, 2013 to make the payment of the dishonored cheques. However the Accused failed to reply to the said notice or to make the payment. Subsequently, the Complainant has filed this complaint. The matter is pending before the Chief Judicial Magistrate Court, Rajkot.

5. ***Criminal Case No. 6050/2013 filed by Diljeetbhai G. Bhatti on behalf of our Company ("Complainant") against M/s Padimannil Ventures and Shrikant R., proprietor of M/s. Padimannil Ventures (hereinafter collectively referred to as "Accused") before the Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 6050/2013 against M/s Padimannil Ventures and Shrikant R., proprietor of M/s. Padimannil Ventures before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The

Accused had purchased the materials from the Company on credit basis and towards consideration a Cheque No. 918308 drawn on Canara Bank, Mallapally Branch, Kerala dated April 22, 2013 for Rs. 2,72,847/- was issued in favour of the Company. The Company presented the cheque for payment, however the same was returned with remark "Today's Opening Balance Insufficient" dated April 23, 2013. Thereafter our Company issued a legal notice dated May 18, 2013 to make the payment of the dishonored cheques. However the Accused failed to reply to the said notice or to make the payment. Subsequently, the Complainant has filed this complaint. The matter is pending before the Chief Judicial Magistrate Court, Rajkot.

6. ***Criminal Case No. 6051/2013 filed by Diljeetbhai G. Bhatti on behalf of our Company ("Complainant") against M/s A.N. Traders and Sinujraj K.K, proprietor of M/s. A.N. Traders (hereinafter collectively referred to as "Accused") before the Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 6051/2013 against M/s A.N. Traders and Sinujraj K.K, proprietor of M/s. A.N. Traders before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The Accused had purchased the materials from the Company on credit basis and towards consideration a Cheque No. 591006 drawn on South Indian Bank Limited, Ernakulam, Kerala dated February 23, 2013 for Rs. 50,000 was issued in favour of the Company. The Company presented the cheque for payment, however the same was returned with remark "Today's Opening Balance Insufficient" dated April 23, 2013. Thereafter our Company issued a legal notice dated May 18, 2013 to make the payment of the dishonoured cheques. However the Accused failed to reply to the said notice or to make the payment. Subsequently, the Complainant has filed this complaint. The matter is pending before the Chief Judicial Magistrate Court, Rajkot.

7. ***Criminal Case No. 6052/2013 filed by Diljeetbhai G. Bhatti on behalf of our Company ("Complainant") against M/s A.N. Traders and Sinujraj K.K, proprietor of M/s. A.N. Traders (hereinafter collectively referred to as "Accused") before the Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 6052/2013 against M/s A.N. Traders and Sinujraj K.K, Proprietor of M/s. A.N. Traders before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The Accused had purchased the materials from the Company on credit basis and towards consideration a Cheque No. 591005 drawn on South Indian Bank Limited, Ernakulam, Kerala dated February 16, 2013 for Rs. 50,000/- was issued in favour of the Company. The Company presented the cheque for payment, however the same was returned with remark "Today's Opening Balance Insufficient" dated April 23, 2013. Thereafter the Company issued a legal notice dated May 18, 2013 to make the payment of the dishonored cheques. However the Accused failed to reply to the said notice or to make the payment. Subsequently, the Complainant has filed this complaint. The matter is pending before the Chief Judicial Magistrate Court, Rajkot.

8. ***Criminal Case No. 6053/2013 filed by Diljeetbhai G. Bhatti on behalf of our Company ("Complainant") versus M/s A.N. Traders and Sinujraj K.K, Proprietor of M/s. A.N. Traders (hereinafter collectively referred to as "Accused") before the Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 6053/2013 against M/s A.N. Traders and Sinujraj K.K, Proprietor of M/s. A.N. Traders before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The Accused had purchased the materials from the Company on credit basis and towards consideration a Cheque No. 591004 drawn on South Indian Bank Limited, Ernakulam, Kerala dated February 9, 2013 for Rs. 50,000/- was issued in favour of the Company. Our Company presented the cheque for payment, however the same

was returned with remark "Today's Opening Balance Insufficient" dated April 23, 2013. The Company thereafter contacted the accused to discharge his liability but however the same was not done. Thereafter our Company issued a legal notice dated May 18, 2013 to make the payment of the dishonored cheques. However the Accused failed to reply to the said notice or to make the payment. Subsequently, the Complainant has filed this Complaint. The matter is pending before the Chief Judicial Magistrate Court, Rajkot.

9. ***Criminal Case No. 6054/2013 filed by Diljeetbhai G. Bhatti on behalf of our Company ("Complainant") against M/s A.N. Traders and Sinujraj K.K, Proprietor of M/s. A.N. Traders (hereinafter collectively referred to as "Accused") before the Hon'ble Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 6054/2013 against M/s A.N. Traders and Sinujraj K.K, proprietor of M/s. A.N. Traders before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The Accused had purchased the materials from the Company on credit basis and towards consideration a Cheque No. 591003 drawn on South Indian Bank Limited, Ernakulam, Kerala dated February 2, 2013 for Rs. 50,000 was issued in favour of the Company. The Company presented the cheque for payment, however the same was returned with remark "Today's Opening Balance Insufficient" dated April 23, 2013. Thereafter our Company issued a legal notice dated May 18, 2013 to make the payment of the dishonored cheques. However the accused failed to reply to the said notice or to make the payment. Subsequently, the Complainant has filed this Complaint. The matter is pending before the Chief Judicial Magistrate Court, Rajkot.

10. ***Criminal Case No. 6055/2013 filed by Diljeetbhai G. Bhatti on behalf of our Company ("Complainant") against M/s A.N. Traders and Sinujraj K.K, Proprietor of M/s. A.N. Traders (hereinafter collectively referred to as "Accused") before the Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 6055/2013 against M/s A.N. Traders and Sinujraj K.K, proprietor of M/s. A.N. Traders before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The Accused had purchased the materials from the Company on credit basis and towards consideration a Cheque No. 591007 drawn on South Indian Bank Limited, Ernakulam, Kerala dated February 23, 2013 for Rs. 72,949 was issued in favour of the Company. The Company presented the cheque for payment, however the same was returned with remark "Today's Opening Balance Insufficient" dated April 23, 2013. Thereafter our Company issued a legal notice dated May 18, 2013 to make the payment of the dishonored cheques. However the Accused failed to reply to the said notice or to make the payment. Subsequently, the Complainant has filed this complaint. The matter is pending before the Chief Judicial Magistrate Court, Rajkot.

11. ***Criminal Case No. 1179/2014 filed by Diljeetbhai G. Bhatti on behalf of our Company ("Complainant") against M/s Panna Sales Agency and Jayprakash Narayan, proprietor of M/s. Panna Sales Agency (hereinafter collectively referred to as "Accused") before the Chief Judicial Magistrate Court, Rajkot.***

Our Company has filed a complaint bearing criminal case no 1179/2014 against M/s Panna Sales Agency and Jayprakash Narayan, proprietor of M/s. Panna Sales Agency before the Chief Judicial Magistrate Court, Rajkot under section 138 and 142 of the Negotiable Instruments Act, 1881. The Accused had purchased the materials from the Company on credit basis and towards consideration a Cheque No. 150243 drawn on State Bank of India, Dhanbad, Bihar Branch dated September 17, 2013 for Rs. 2,00,215 was issued in favour of our Company. Our Company presented the cheque for payment, however the same was returned with remark "Today's Opening Balance Insufficient" dated October 30, 2013. Thereafter our Company issued a legal notice dated November 19, 2013 to make

the payment of the dishonored cheques. However the accused failed to reply to the said notice or to make the payment. Subsequently, the Complainant has filed this complaint. The matter is pending before the Chief Judicial Magistrate Court, Rajkot.

**Civil Cases**

*Nil*

**Civil Cases**

*Nil*

**Litigation against our Company**

**Criminal Cases**

*Nil*

**Civil Cases**

***Our Company (“Appellants”) has filed an appeal and stay petition under Section 35B of the Central Excise Act, 1994 (“Act”) before the Commissioner (Appeal), Rajkot against the order-in-appeal bearing number 08/D/2012 -13 dated March 25, 2013 passed by the Assistant Commissioner of Central Excise Division – II, Rajkot.***

The Appellant had been issued a show cause notice dated May 11, 2012 (“SCN”) by the Assistant Commissioner, Central Excise, Rajkot alleging that the Appellant has suppressed the fact that the process of XLPE (cross linked polythelene) insulation work over the aluminum wires amounts to manufacture under section 2 (f) of the Central Excise Act, 1944 and resultant products (final products) covered under CETSH 85446090 of the Central Excise Tariff Act, 1985. The Appellants were to show cause as to why central excise duty including education cess and secondary education cess of Rs. 2,41,059 should not be recovered from our Company under section proviso to section 11A(5) of the Central Excise Act, 1944 and interest on the abovementioned duty should not be recovered under section 11AC of the Central Excise Act, 1944.

The Assistant Commissioner of Central Excise, Rajkot *vide* its order-in-original bearing number 08/D/2012 -13 dated March 25, 2013 stated that the process of XLPE insulation is covered within the definition of manufacture under 2 (f) of the Central Excise Act, 1944 and confirmed a) the recovery of central excise duty including education cess and secondary education cess of Rs. 2,41,059 under proviso to section 11A(5) of the Central Excise Act, 1944; and b) penalty equivalent to the fifty percent of the duty mentioned in a) under section 11AC (1) (b) of the Central Excise Act, 1944 on our Company. Being aggrieved by order-in-original, our Company has filed an Appeal before the Commissioner (Appeal), Rajkot to set aside the Order-in-Appeal.

**LITIGATION INVOLVING OUR GROUP ENTITIES**

***Cases by/against our Promoters***

*Nil*

**LITIGATION INVOLVING OUR PROMOTERS**

***Cases by/against our Promoters***

*Nil*

**LITIGATION INVOLVING OUR DIRECTORS**

***Cases by/against our Directors***

*Nil*

**AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS**

As on March 31, 2014 Company does not owe a sum exceeding Rs. 1 lakh to any small scale undertaking which is outstanding for more than 30 days, except the following:

<b>Particulars</b>	<b>Amount</b>
High cop manufacturing co.	2923169
Dhingra polymers Pvt. Ltd	1555516
Konnark polymer Pvt ltd	2324967
Keshariya polymers	5711246
Kund kund polymers	553533
Prem conductors Pvt ltd	720207
R.P.industries	2185230
Sakar industries Ltd.	2379688
Shree prabha enterprise	563085
Yashraj industries	1422571

**OTHER MATERIAL INFORMATION**

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 V of the Companies Act, 2013, show cause notices or legal notices pending involving our Company and our Promoter / Directors / Group Company whose outcome could affect the operations or finances of our Company.

There are no adverse findings involving our Company or any persons / entities connected with our Company as Promoter / Directors / Group Company as regards non compliance with securities law.

There is no disciplinary action taken by SEBI or stock exchanges against our Company or any persons / entities connected with our Company as Promoter / Directors / Group Company.

There are no proceedings initiated against our Company or any persons / entities connected with our Company as Promoter / Directors / Group Company for any economic offences.

**MATERIAL DEVELOPMENTS**

Except as described in this Draft Prospectus, to our knowledge, there have been no material developments, since the date of the last audited balance sheet.

**GOVERNMENT AND OTHER STATUTORY APPROVALS****APPROVALS FOR THE ISSUE****Corporate Approvals**

1. Our Board has, pursuant to a resolution passed at its meeting held on June 27, 2014 authorized the Issue.
2. Our shareholders have pursuant to a resolution passed at their meeting dated June 28, 2014 under Section 62 of the Companies Act, 2013 authorized the Issue.

**Approvals from Stock Exchange**

1. The Company has obtained approval from SME platform of the BSE Limited vide letter dated [•] to use the name of the Stock Exchange in the Draft Prospectus for listing of Equity Shares on the Stock Exchange.

**Approvals from Lenders**

- All approvals required from the lenders in relation to the Issue have been obtained on [•].

**INCORPORATION DETAILS**

- Corporate Identity Number: U31300GJ2007PLC052394
- Certificate of Incorporation dated December 19, 2007, issued by the Registrar of Companies, Ahmedabad.
- Fresh Certificate of Incorporation dated July 30, 2014 issued by the Registrar of Companies, Ahmedabad consequent upon change of name of our Company upon conversion to public limited company.

**APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY**

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

**1. Under Direct And Indirect Tax Law**

<b>Sr. No.</b>	<b>Nature of Approval/ License</b>	<b>Registration No.</b>
1.	Permanent Account Number	AAACU9613L
2.	Tax Deduction Account No.	RKTU00387C
3.	Gujarat Value Added Tax Registration No.	24592501795
4.	Central Sales Tax Registration No.	24592501795
5.	Professional Tax Registration No.	RC0906390002
6.	Professional Tax Enrolment Certificate No.	EC0906390001
7.	Service Tax Registration No.	AAACU9613LST001
8.	Central Excise Registration No.	AAACU9613LXM001
9.	Importer-Exporter code	2409010288

**2. Under Industrial and Labour Law**

<b>Sr. No.</b>	<b>Nature of License / Approvals</b>	<b>Authority</b>	<b>Particulars of License / Approvals</b>	<b>Validity Period</b>
1.	Registration & License to Work a Factory	Chief Inspector of Factory, Gujarat	Registration no. : 1608/31300/2008	December 31, 2015
2.	Consent to establish under section 25 of Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of Air (Prevention & Control of Pollution) Act, 1981	Gujarat Pollution Control Board	CTE-56024	April 16, 2018
3.	Consent order under section 25 of Water Act, under section 21 of Air Act, and authorization under rule 3 © and 5 (5) of Hazardous Wastes (Management and Handling) Rules, 1989	Gujarat Pollution Control Board	AW56086	May 03, 2018
4.	Employee's Provident Fund Organisation	Assistance Provident Fund Commissioner	Code no. GJ/RJT/44768	Valid until cancelled

**3. Other Registration And Licenses**

<b>Sr. No.</b>	<b>Nature of License / Approvals</b>	<b>Authority</b>	<b>Particulars of License / Approvals</b>	<b>Validity Period</b>	<b>Special conditions, if any</b>
1.	BIS certification for the IS 1554: part 1:1988	Bureau of Indian Standards	CM/L-7999423	January 18, 2015	
2.	BIS	Bureau of	CM/L-3647469	July 14, 2015	



Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
	certification for the IS 7098: part 1:1988	Indian Standards			
3.	Certificate of Compliance (UL 758)	UL Standard(s) certification (including Canadian certification)	Certificate no.- 20131014-E352485	N/A	Appliance wiring material
4.	Registration For ISO 9001: 2008	Certification Body of TUV SUD South Asia Pvt Ltd	Certificate Registration no : 99 100 10605	Upto January 30, 2015	Manufacturing & supply of various types of cables and wires
5.	Registration For ISO 14001 : 2004	The Governing Board of Progressive International Certifications Ltd	Registration no : PICL/EMS/053 3/1013	Upto October 26, 2016	Manufacturing & supply of various types of cables and wires
6.	Registration For OHSAS 18001 : 2007	The Governing Board of Progressive International Certifications Ltd	Registration no : PICL/OHSAS/0 534/1013	Upto October 26, 2016	Manufacturing & supply of various types of cables and wires
7.	Certificate of Importer-Exporter Code Number	Government of India Ministry of Commerce And Industry Foreign Trade Development Officer	IEC code : 2409010288	N/A	
8.	Registration as Merchant-cum-Manufacturer Exporter	Engineering Export Promotion Council	201/M23648	Upto March 31, 2015	
9.	Registration as approved supplier	Jawaharlal Nehru Port Trust	Registration no : 033A	Upto December 31, 2017	Cables of all type
10.	Registration as "New Approved Vendor"	Gujarat Energy Transmission Corporation Limited	Registration no. : 535	For period of 5yrs from date of issue ( 15/5/2014)	Armoured Cable of various cross section
11.	Registration as Vendor	Gujarat State Petronet Ltd	Registration no: GSPL/TS/VE-05-	For period of 3yrs from date	Armoured Cable of

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
			01/2012	of issue (18/12/2012)	various cross section
12.	Registration as approved Vendor	Paschim Gujarat Vij Company Ltd	Registration no: PGVCL/RJT/PR OC/1582	For period of 5yrs from date of issue (20/7/2012)	
13.	Registration as approved Vendor	Gujarat Water Supply & Sewerage Board	Registration no: CE(Mech-Mat)/2012/C-260/354	For the period of 3 years from July 21, 2012 Upto June 30, 2015	
14.	Product approval	Public Works Department(Kerala)	IS : 1554- Part 1: 1988 IS : 694-Part 1 1990 IS : 694 1990 IS : 7098 1998	N/A	
15.	Approval to use material	Public Works Department (Government of Maharashtra)	IS: 694-1990	N/A	
16.	Approval of vendor & GTP for supply of PVC insulated cable under Infra plan II scheme	Maharashtra State Electricity Distribution Co. Ltd	CE/Infra Plan/EE-I/GTP/15375 dated May 17, 2014	N/A	
17.	Test Report for the samples of copper conductor, XLPE insulated 1100V cable	Central Power Research Institute	Test Report no: DCCD-11754 issued on November 09, 2010  CPRI Sample Code no: DCCDCAB10S 0110	N/A	
18.	Test report for PVC insulated cable for the test specification IS 694:1990	Electrical Research and Development Association	Test report No. ICWRWO0071 397 dated May 22, 2009	N/A	
19.	Test report for copper wire for	Electrical Research and	Test report No. IPOLWO00751	N/A	

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
	the test specification IS 191: 2007 and IS 440:1964	Development Association	20 dated September 16, 2009		
20.	Test report for PVC insulated cable and sheathed armour cable for the test specification IS 1554(P-1): 1988	Electrical Research and Development Association	Test report No. ICWRWO0071 077 dated May 11, 2009	N/A	
21.	Test report for PVC sheathed unarmoured cable for the test specification IS 7098(Pt-1)- 1988	Electrical Research and Development Association	Test report No. ICWRWO0071 396 dated May 22, 2009	N/A	
22.	Product Certificate (EC attestation of conformity) for Multicore copper Multistrand cables	Progressive International Certifications Limited	PICL/CE/1317/ 1010	Upto October 24, 2015	
23.	Certificate of initial inspection of Electrical Installation of transformer	Electrical Inspector, Rajkot	E.I.RJT/Certificate/H.T./4173	N/A	

#### 4. Applications made by the Company:

- Company has made an application dated June 13, 2014 for renewal of License bearing number CM/L 3647570 as Bureau of Indian Standards certification for Indian Standard IS 694:1990 under BIS.
- Company has made an application dated July 15, 2014 for renewal of license bearing registration number 13160 for being approved vendor/supplier under Western railway.

#### 5. Trademarks

We have also applied for the registration of our logo under the Trade Marks Act, 1999. The status of our application is as under:

Registered trademarks

S.No.	Trademark Name	Trademark No.	Class	Date of Trade-mark Registration	Valid Upto
1.	ULTRACAB WIRES & CABLES (DEVICE)	1710648	9	15/07/2008	14/07/2018

Applied Trademarks to be registered:

S.No.	Trademark Name	Provisional Regn No.	Class	Date of application	Current Status
1	ULTRACAB (LABEL)	2697735	1	12/03/2014	Pending
2	ULTRACAB (LABEL)	2697736	2	12/03/2014	Pending
3	ULTRACAB (LABEL)	2697737	3	12/03/2014	Pending
4	ULTRACAB (LABEL)	2697738	4	12/03/2014	Pending
5	ULTRACAB (LABEL)	2697739	5	12/03/2014	Pending
6	ULTRACAB (LABEL)	2697740	6	12/03/2014	Pending
7	ULTRACAB (LABEL)	2697741	7	12/03/2014	Pending
8	ULTRACAB (LABEL)	2697742	8	12/03/2014	Pending
9	ULTRACAB (LABEL)	2697743	9	12/03/2014	Pending
10	ULTRACAB (LABEL)	2697744	10	12/03/2014	Pending
11	ULTRACAB (LABEL)	2697745	11	12/03/2014	Pending
12	ULTRACAB (LABEL)	2697746	12	12/03/2014	Pending
13	ULTRACAB (LABEL)	2697747	13	12/03/2014	Pending
14	ULTRACAB (LABEL)	2697748	14	12/03/2014	Pending
15	ULTRACAB (LABEL)	2697749	15	12/03/2014	Pending
16	ULTRACAB (LABEL)	2697750	16	12/03/2014	Pending
17	ULTRACAB (LABEL)	2697751	17	12/03/2014	Pending
18	ULTRACAB (LABEL)	2697752	18	12/03/2014	Pending
19	ULTRACAB	2697753	19	12/03/2014	Pending

S.No.	Trademark Name	Provisional Regn No.	Class	Date of application	Current Status
	(LABEL)				
20	ULTRACAB (LABEL)	2697754	20	12/03/2014	Pending
21	ULTRACAB (LABEL)	2697755	21	12/03/2014	Pending
22	ULTRACAB (LABEL)	2697756	22	12/03/2014	Pending
23	ULTRACAB (LABEL) Pending	2697757	23	12/03/2014	Pending
24	ULTRACAB Pending (LABEL)	2697758	24	12/03/2014	Pending
25	ULTRACAB (LABEL)	2697759	25	12/03/2014	Pending
26	ULTRACAB (LABEL)	2697760	26	12/03/2014	Pending
27	ULTRACAB (LABEL)	2697761	27	12/03/2014	Pending
28	ULTRACAB (LABEL)	2697762	28	12/03/2014	Pending
29	ULTRACAB (LABEL)	2697763	29	12/03/2014	Pending
30	ULTRACAB (LABEL)	2697764	30	12/03/2014	Pending
31	ULTRACAB (LABEL)	2697765	31	12/03/2014	Pending
32	ULTRACAB (LABEL)	2697766	32	12/03/2014	Pending
33	ULTRACAB (LABEL)	2697767	33	12/03/2014	Pending
34	ULTRACAB (LABEL)	2697768	34	12/03/2014	Pending
35	ULTRACAB (LABEL)	2697770	35	12/03/2014	Pending
36	ULTRACAB (LABEL)	2697771	36	12/03/2014	Pending
37	ULTRACAB (LABEL)	2697772	37	12/03/2014	Pending
38	ULTRACAB (LABEL)	2697773	38	12/03/2014	Pending
39	ULTRACAB (LABEL)	2697774	39	12/03/2014	Pending
40	ULTRACAB (LABEL)	2697775	40	12/03/2014	Pending
41	ULTRACAB (LABEL)	2697776	41	12/03/2014	Pending
42	ULTRACAB (LABEL)	2697777	42	12/03/2014	Pending

S.No.	Trademark Name	Provisional Regn No.	Class	Date of application	Current Status
43	ULTRACAB (LABEL)	2697778	43	12/03/2014	Pending
44	ULTRACAB (LABEL)	2697779	44	12/03/2014	Pending
45	ULTRACAB (LABEL)	2697780	45	12/03/2014	Pending

#### PROJECT RELATED APPROVAL

The Company has no projects thus no approvals required.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on June 27, 2014 and by the shareholders of our Company by a special resolution, pursuant to Section 62 of the Companies Act, 2013 passed at the EGM of our Company held on June 28, 2014 at registered office of the Company.

### PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors, our Promoter Group and our Group Entity(s), have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

The companies with which our Promoters, our Directors or persons in control of our Company are/were associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

### PROHIBITION BY RBI

Neither our Company, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Entity have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

### ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M(1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

#### We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 59 of this Draft Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, than our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 59 of this Draft Prospectus.
5. The Company has Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 1 crore as per the latest audited financial results.
7. The Company has track record of distributable profits in terms of sec. 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months.
8. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the year ended and as at March 31, 2014, 2013 and 2012 is as set forth below:-

(Rs. In lakhs)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Distributable Profits*	82.78	21.68	28.13
Net Tangible Assets**	632.37	548.91	447.76
Net Worth***	624.54	541.77	433.05

\* “Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

\*\*“Net Tangible Assets” are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities) and secured as well as unsecured long term liabilities excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

\*\*\* “Net Worth” has been computed as the aggregate of equity share capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

9. The Post-issue paid up capital of the Company shall be at least Rs. 1 Crore.
10. The Company shall mandatorily facilitate trading in demat securities and has already entered into an agreement with both the depositories.
11. The Company has not been referred to Board for Industrial and Financial Reconstruction.
12. No petition for winding up is admitted by a court of competent jurisdiction against the Company.
13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
14. The Company has a website <http://www.ultracab.in>
15. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.



As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED [•] AND [•] RESPECTIVELY IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
  - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

- C. THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
  - 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
  - 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.**
  - 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**
  - 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
  - 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
  - 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN**

**A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**

**10.WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE**

**11.WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

**12.WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:**

**A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**

**B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**

**13.WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**

**14.WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**

**15.WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

**16.WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”**

**17.WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.”**

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT**

**BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISOR TO SUB-REGULATION OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS.
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

**Note:**

The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under section 34, 35, 36 and 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead manager any irregularities or lapses in the Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, Ahmedabad in terms of 26, 32 and 33 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, <http://www.ultracab.in>, would be doing so at his or her own risk.

**Caution**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated August 14, 2014, the Underwriting Agreement dated August 14, 2014 entered into among the Underwriter and our Company and the Market Making Agreement dated August 14, 2014 entered into among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, *etc.*

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

**Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.**

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by M/s Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer "Annexure A" to this Draft Prospectus and the website of the Lead Manager at [www.pantomathgroup.com](http://www.pantomathgroup.com)

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such

restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Gujarat only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE**

As required, a copy of this Draft Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to RoC filing.

#### **FILING**

The Draft Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the SEBI at the Corporate Finance Department, Ahmedabad. A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013

#### **LISTING**

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principal approval for using its name in our Draft Prospectus vide its letter dated [•].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in



default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within twelve Working Days from the Issue Closing Date

## **CONSENTS**

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Lead manager, Underwriters, Market Makers Registrar to the Issue, Escrow Collection Bank, Banker(s) to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Draft Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

## **EXPERT TO THE ISSUE**

Except as stated below, our Company has not obtained any expert opinions:

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.

## **EXPENSES OF THE ISSUE**

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 86 of the Draft Prospectus.

## **DETAILS OF FEES PAYABLE**

### **Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager will be as per the Mandate Letter dated May 27, 2014 issue by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated August 14, 2014 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters if any.

## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Lead Manager. Payment of underwriting

commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2014 and the Companies (Prospectus and Allotment of Securities) Rule, 2014.

#### **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION**

We have not made any previous rights and/or public issues since incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

#### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 63 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

#### **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:**

None of the equity shares of our Group Entities are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

#### **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.



## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on August 9, 2014. For further details, please refer to the chapter titled “*Our Management*” beginning on page 152 of this Draft Prospectus.

Our Company has appointed Mayur Gangani as Compliance Officer and he may be contacted at the following address:

### **Ultracab (India) Limited**

Survey No. 262

Behind Galaxy Bearing Ltd

Shapar(Varaval)

Rajkot- 360024

**Tel:** (91) 2827 - 253122/23

**Fax:** 91- 2827- 252725

**Email:** [ipo@ultracab.in](mailto:ipo@ultracab.in)

**Website:** [www.ultracab.in](http://www.ultracab.in)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

## **CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS**

There has been no change in the Statutory Auditors of the Company in last three financial years. The present Statutory Auditor of the Company are M/s R.Harsoda & Co.

## **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 63 of this Draft Prospectus, our Company has not capitalized its reserves or profits during the last five years.

## **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

## **PURCHASE OF PROPERTY**

Other than as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus.

Except as stated elsewhere in this Draft Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

## **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## SECTION VII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, 2013 the Memorandum and Articles, the terms of this Draft Prospectus, Application Form, the Revision Form(if any), the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, SME platform of BSE, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in terms of SEBI circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, QIB Applicants, Non- Institutional applicants and other Applicants whose Application amount exceeds Rs. 2 lakhs can participate in the Issue only through the ASBA process. The Retail Individual Applicants can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Applicants should note that the ASBA process involves Application procedures that may be different from the procedure applicable to non ASBA process.*

### RANKING OF EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the Companies Act 1956, Companies Act 2013 (to the extent notified), our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details please refer to the section titled, “*Main Provisions of the Articles of Association of the Company*” on page 279 of this Draft Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to the chapter titled ‘*Dividend Policy*’ on page 176 of this Draft Prospectus.

### FACE VALUE AND ISSUE PRICE

The Equity Shares having a Face Value of Rs. 10/- each are being offered in terms of this Draft Prospectus at the price of Rs. 36 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled ‘*Basis for Issue Price*’ beginning on page 91 of this Draft Prospectus. At any given point of time, there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;

- Right to receive surplus on liquidation; Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

As per the provisions of the Depositories Act, the shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The investors have an option either to receive the security certificate or to hold the securities with depository. The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3,000 Equity Shares subject to a minimum allotment of 3,000 Equity Shares to the successful Applicants.

#### **MINIMUM NUMBER OF ALLOTTEES**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 15 working days of closure of Issue.

#### **JOINT HOLDERS**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 of the Companies Act 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company. In accordance with Section 72 of the Companies Act 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## APPLICATION PERIOD

Applicants may submit their application only in the application period. The issue opening date is [•] and the issue closing date is [•].

## MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under Companies Act, 2013 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

## MIGRATION TO MAIN BOARD

Our company may migrate to the Main Board of BSE from the SME Exchange at a later date subject to the following condition and/or such other conditions as applicable from time to time:

- a) If the Paid up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up Capital of our company is more than 10 crores but below Rs. 25 crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## MARKET MAKING

The shares offered through this issue are proposed to be listed on the SME Platform of BSE (SME Exchange) with compulsory Market Making through registered Market Makers of the SME Exchange for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the Market Making arrangement, see chapter titled “General Information” beginning on page 55 of this Draft Prospectus.

## ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 3000 shares in terms of the SEBI circular No. CIR/D/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

## **RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution as detailed in chapter titled "*Capital Structure*" beginning on 67 of this Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please refer to the section "*Main Provisions of the Articles of Association*" beginning on page 279 of this Draft Prospectus.

## **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

As per Section 29(1) of the Companies Act 2013, every Company making public offer shall issue securities only in dematerialized form only. Further, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. Accordingly, the Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

## **NEW FINANCIAL INSTRUMENTS**

The Issuer Company is not issuing any new financial instruments through this Issue.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Rajkot, Gujarat, India.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter X-B of SEBI (ICDR) Regulations, whereby, an issuer whose post-issue face value capital does not exceed ten crore rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ('SME Exchange', in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an Issue please refer to the chapters titled '*Terms of the Issue*' and '*Issue Procedure*' beginning on page 237 and 243 of this Draft Prospectus.

### FOLLOWING IS THE ISSUE STRUCTURE:

Public Issue of 22,14,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 36 per Equity Share (including a premium of Rs. 36 per Equity Share) aggregating Rs. 797.04 Lakhs ('the Issue') by our Company.

The Issue comprises of Net Issue to Public of 21,00,000 Equity Shares ('the Net Issue') and a reservation of 1,14,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion').

Particulars of the Issue	Net Issue to Public	Market Maker reservation Portion
Number of Equity Shares available for allocation	21,00,000 Equity Shares	1,14,000 Equity Shares
Percentage of Issue Size available for allocation	94.85% of the Issue size  26.20% of the Post Issue Paid up Capital	5.15% of the Issue size  1.42% of the Post Issue Paid up Capital
Basis of Allotment	Proportionate subject to minimum allotment of 3,000 Equity Shares and further allotment in multiples of 3,000 Equity Shares each. For further details please refer to the "Basis of Allotment" under the chapter titled "Issue Procedure" beginning on page 243 of this Draft Prospectus.	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or the Physical Form.	Through ASBA Process Only
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/-  For Retail Individuals: 3,000 Equity Shares	1,14,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	3,000 Equity Shares	3,000 Equity Shares, However

Particulars of the Issue	Net Issue to Public	Market Maker reservation Portion
		the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form	

\*50% of the shares offered are reserved for Applications below Rs. 2 lakh and the balance for higher amount applications.

<b>ISSUE OPENING DATE</b>	[•]
<b>ISSUE CLOSING DATE</b>	[•]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date when applications will be accepted only between 10.00 a.m. to 3.00 p.m. (Indian Standard Time) or such other extended time as may be permitted by BSE. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under section “- **Part B – General Information Document**”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Prospectus.*

### **Fixed Price Issue Procedure**

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process. Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit to them the Registrar of the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

### **Application Form**

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus. Upon completing and submitting the Application Form to the Bankers, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for ASBA Applicants to the SCSB, the ASBA Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus



with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Applicant.

The prescribed colour of the Bid-cum-Application Form for the various categories is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA as well as non ASBA Applicants)	White
Eligible NRIs, FPIs their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals) or FVCIs, QFIs applying on a repatriation basis (ASBA as well as non ASBA Applicants)	Blue

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

### Who can apply?

In addition to the category of Applicants set forth under “– *General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

### Participation by associates/ affiliates of Lead Manager

The Lead Manager shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

### Application by eligible NRIs

Eligible NRIs are permitted to participate in the Issue only on a non-repatriation basis. NRI may obtain copies of Bid cum Application Form from the offices of the LM and the SCSBs. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs (applying on a non-repatriation basis) should make payments through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (“NRE”) Accounts or Foreign Currency Non-Resident (“FCNR”) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance, or out of a Non-Resident Ordinary (“NRO”) Account. Payment

by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

### **Applications by Mutual Funds**

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

**No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.**

### **Application by limited liability partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

### **Applications by insurance companies**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application-Cum-Bidding Form. Failing this, our Company reserves the right to reject any Applicant without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *Equity shares of a company:* The least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;  
*The entire group of the investee company:* the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
2. *The industry sector in which the investee company operates:* 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

### **Payment instructions**

In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres in separate clearing session. This separate clearing session will operate thrice a week up to April 30, 2014, thereafter twice a week up to October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Issue Closing Date.

### **Pre- Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI

Regulations, in: (i) [●] edition of English national newspaper [●]; (ii) [●] edition of Hindi national newspaper [●]; and (iii) [●] edition of Gujarati newspaper [●], each with wide circulation.

### **Payment into Escrow Account**

1. The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:
  - a. In case of Resident Retail Applicants: “Ultracab (India) Limited- R”
  - b. In case of Non Resident Retail Applicants: “Ultracab (India) Limited- NR”

### **Impersonation**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

***“Any person who—***

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***

***shall be liable for action under Section 447.”***

### **Undertakings by the Company**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended to expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within seven Working Days of finalization of the Basis of Allotment or twelve (12) Working Days from the Issue Closing Date, whichever is earlier;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
4. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 days of the Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoters’ contribution in full has already been brought in;
6. That the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time;
7. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
8. That, adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the Basis of Allotment.

### **Utilization of the Issue proceeds**

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.

## PART B

### General Information Document for Investing in Public Issues

*This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.*

#### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”)

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

#### SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

##### 2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.

- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

## **2.2 OTHER ELIGIBILITY REQUIREMENTS**

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 73 of the Companies Act, 1956
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (e) The Issuer shall not have Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.
- (f) The Net worth (excluding revaluation reserves) of the Issuer shall be atleast Rs. 1 crore as per the latest audited financial results.
- (g) The Issuer should have a track record of distributable profits in terms of section 205 of Companies Act for two out of immediately preceding three financial years or it should have network of atleast Rs. 3 Crores.
- (h) The Post-issue paid up capital of the Issuer shall be at least Rs. 1 Crore.
- (i) The Issuer shall mandatorily facilitate trading in demat securities.
- (j) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (k) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.
- (l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (m) The Company should have a website

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

## **2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES**

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## **2.4 ISSUE PERIOD**

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

## **2.5 MIGRATION TO MAIN BOARD**

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## **2.6 FLOWCHART OF TIMELINES**

A flow chart of process flow in Fixed Price Issues is as follows





### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

***Each Applicant should check whether it is eligible to apply under applicable law.*** Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with IRDA; Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

### SECTION 4: APPLYING IN THE ISSUE

**Fixed Price Issue:** Applicants should only use the specified Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock

Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs, at the registered office of the Issuer and at the office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

<b>Category</b>	<b>Colour of the Application</b>
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue
Anchor Investors (where applicable) & Applicants applying in the reserved category	Not Applicable

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

#### **4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)**

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

## R Application Form

<b>COMMON APPLICATION FORM FOR ASBA / NON-ASBA</b>		<b>ULTRACAB (INDIA) LIMITED - PUBLIC ISSUE - R</b>		<b>FOR RESIDENT INDIANS &amp; QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS</b>	
<b>ULTRACAB</b> To, The Board of Directors <b>ULTRACAB (INDIA) LIMITED</b>		<b>FIXED PRICE SME ISSUE</b> <b>INE010R01015</b>		Date: _____ Application Form No. _____	
<b>BROKERS / AGENT'S STAMP &amp; CODE</b> _____ <b>BANK BRANCH STAMP &amp; CODE</b> _____ <b>REGISTRAR'S SERIAL NO.</b> _____		<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b> _____ <b>BANK BRANCH SERIAL NO.</b> _____		<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ Age _____ Address _____ E-mail _____ Tel. No. (with STD code) / Mobile _____ <b>2. PAN OF SOLE/FIRST APPLICANT</b> _____	
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID. _____				<b>6. INVESTOR STATUS</b> <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VC <input type="checkbox"/> Others (Please Specify) - OTH	
<b>4. APPLICATION DETAILS</b> No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 35/- per share <sup>1</sup> (In Figures) _____ (In Words) _____				<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB	
<sup>1</sup> Please note that applications must be made in minimum of 3000 shares and further multiples of 3000 shares accordingly.					
<b>7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)</b> <span style="float: right;">PAYMENT OPTION: Full Payment</span>					
Amount Paid (Rs. in Figures) _____ (Rs. in words) _____					
<input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD) Cheque / DD No. _____ Dated _____ Drawn on (Bank Name & Branch) _____			<input type="checkbox"/> (B) ASBA Bank A/c No. _____ Bank Name & Branch _____		
<small>(WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 3A AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. (WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.)</small>					
<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b> _____ Date: _____, 2014		<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s)</b> (AS PER BANK RECORDS) (For ASBA Option ONLY) (We authorize the SCSB to do all acts as are necessary to make the Application in the name 1) _____ 2) _____ 3) _____		<b>BANK BRANCH'S STAMP</b> _____ <b>REFUND OPTION (OPTIONAL)</b> Refund through RTGS (IFSC Code of the Branch whose account is maintained) _____	
TEAR HERE					
<b>ULTRACAB</b> Received from Mr./Ms. _____ Address _____ Telephone / Mobile _____ E-mail _____		<b>ULTRACAB (INDIA) LIMITED - PUBLIC ISSUE - R</b>		<b>Acknowledgement Slip for SCSB</b>	
DP ID / CL ID _____ PAN _____		Application Form No. _____		No. of Equity Shares applied for In Figures _____ In words _____ Cheque / Demand Draft dated _____ Instrument No./ASBA Bank A/c No.: _____ Drawn on (Name of Bank & Branch) _____	
Bank's Stamp & Signature _____		Bank's Stamp & Signature _____			
TEAR HERE					
<b>ULTRACAB (INDIA) LIMITED - PUBLIC ISSUE - R</b>		In Figures _____ In Words _____ No. of Equity Shares _____ Amount Paid (Rs.) _____ Cheque / DD/ ASBA Bank A/c No.: _____ Bank & Branch: _____		<b>Stamp &amp; Signature of SCSB</b> _____ <b>Name of Sole / First Applicant</b> _____ <b>Acknowledgment Slip for Applicant</b> Application Form No. _____	

## NR Application Form

<b>COMMON APPLICATION FORM FOR ASBA / NON-ASBA</b>	<b>ULTRACAB (INDIA) LIMITED - PUBLIC ISSUE - NR</b>	<b>FOR NRIs, FIIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS</b>
<b>ULTRACAB</b> To, <b>The Board of Directors</b> <b>ULTRACAB (INDIA) LIMITED</b>		<b>FIXED PRICE SME ISSUE</b> <b>INE010R01015</b>
<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ Age _____ Address _____ E-mail _____ Tel. No. (with STD code) / Mobile _____		Date : _____ Application Form No. _____
<b>BROKER'S / AGENT'S STAMP &amp; CODE</b> _____ <b>BANK BRANCH STAMP &amp; CODE</b> _____ <b>REGISTRAR'S SERIAL NO.</b> _____	<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b> _____ <b>BANK BRANCH SERIAL NO.</b> _____	<b>2. PAN OF SOLE/FIRST APPLICANT</b> _____
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL <small>For NSDL enter 8 Digit DP ID followed by 5 Digit Client ID / For CDSL enter 16 Digit Client ID.</small>		<b>4. INVESTOR STATUS</b> <input type="checkbox"/> Non-Resident Indians (Repatriation basis) <b>NRI</b> <input type="checkbox"/> Foreign Institutional Investor <b>FI</b> <input type="checkbox"/> Foreign Venture Capital Investor <b>FVCI</b> <input type="checkbox"/> FI Sub Account Corporate/Individual <b>FI SA</b> <input type="checkbox"/> Others (Please Specify) <b>OTH</b>
<b>4. APPLICATION DETAILS</b> No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 35/- per share <sup>1</sup> (In Figures) _____ (In Words) _____		<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
<small><sup>1</sup> Please note that applications must be made in minimum of 3000 shares and further multiples of 3000 shares accordingly.</small>		
<b>7. PAYMENT DETAILS (Please tick ("x") any one of payment option A or B below)</b> <span style="float: right;">PAYMENT OPTION : Full Payment</span>		
Amount Paid (Rs. in Figures) _____ (Rs. in words) _____ <input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD) <input type="checkbox"/> (B) ASBA Cheque / DD No. _____ Dated _____ Bank A/c No. _____ Drawn on (Bank Name & Branch) _____ Bank Name & Branch _____		
<small>(WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. (WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.)</small>		
<b>6A. SIGNATURE OF SOLE / FIRST APPLICANT</b> _____ Date: _____, 2014	<b>6B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s)</b> (AS PER BANK RECORDS) (For ASBA Option ONLY) (We authorize the SCSS to do all acts as are necessary to make the Application in the name 1) _____ 2) _____ 3) _____	<b>BANK BRANCH'S STAMP</b> _____ <b>REFUND OPTION (OPTIONAL)</b> Refund through RTGS (IFSC Code of the Branch whose account is maintained) _____
TEAR HERE		
<b>ULTRACAB (INDIA) LIMITED - PUBLIC ISSUE - NR</b>		<b>Acknowledgement Slip for SCSS</b>
DP ID / Client ID _____ PAN _____		Application Form No. _____
Received from Mr./Ms. _____ Address _____ Telephone / Mobile _____ E-mail _____	No. of Equity Shares applied for in Figures _____ in words _____ Cheque / Demand Draft dated _____ Instrument No./ASBA Bank A/c No.: _____ Drawn on (Name of Bank & Branch) _____	Bank's Stamp & Signature _____
TEAR HERE		
<b>ULTRACAB (INDIA) LIMITED - PUBLIC ISSUE - NR</b>	In Figures _____ In words _____ No. of Equity Shares _____ Amount Paid (Rs.) _____ Cheque / DD/ ASBA Bank A/c No. : _____ Bank & Branch : _____	<b>Stamp &amp; Signature of SCSS</b> _____ <b>Name of Sole / First Applicant</b> _____ <b>Acknowledgment Slip for Applicant</b> Application Form No. _____

#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Applications:** In the case of Joint
- (c) t Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favor of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:  

‘Any person who:

  - makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or
  - makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
  - otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of the said Act.’
- (e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications

by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/ DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

#### **4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

#### **4.1.4 FIELD NUMBER 4: APPLICATION DETAILS**

- (a) The Issuer may mention Price in the draft Prospectus. However a prospectus registered with RoC contains one price.
- (b) Minimum And Maximum Application Size
  - i. For Retail Individual Applicants  
The Application must be for a minimum of 2,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 2,000 Equity Shares.
  - ii. For Other Applicants (Non Institutional Applicants and QIBs):  
The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 2,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are

individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
  - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
  - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
  - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
  - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
  - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD 7: PAYMENT DETAILS**

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RIIs and/or Reserved Categories applying in their respective reservation portion can apply, either through the ASBA mechanism or by paying the application amount through a cheque or a demand draft (“Non-ASBA Mechanism”).
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

##### **4.1.7.1 Instructions for non-ASBA Applicants:**

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the application amount in favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).
- (c) If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by CTS 2010 compliant cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Application Form is submitted. Non CTS 2010 cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

##### **4.1.7.2 Payment instructions for ASBA Applicants**

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;



- (d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Application Forms can be submitted.
- (f) ASBA Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### **4.1.7.3 Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to

the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

**4.1.7.4 Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

**4.1.7.5 Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

**4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

**4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.
- (b) All communications in connection with Applications made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Issue.
  - ii. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
  - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (c) The following details (as applicable) should be quoted while making any queries -
  - i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
  - ii. In case of Non-ASBA applications cheque or draft number and the name of the issuing bank thereof
  - iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise their applications till closure of the Issue period or withdraw their applications until finalization of allotment.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

Revision For – R

COMMON REVISION FORM FOR ASBA / NON-ASBA		<b>ULTRACAB (INDIA) LIMITED - PUBLIC ISSUE - R</b>		FOR RESIDENT INDIANS & GIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS																																																																																			
 <b>To,</b> <b>The Board of Directors</b> <b>ULTRACAB (INDIA) LIMITED</b>		<b>FIXED PRICE SME ISSUE</b> <b>INE010R01015</b>		Date : _____ <b>Application Form No.</b>																																																																																			
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Revision Form - NR

COMMON REVISION FORM FOR ASBA / NON-ASBA		<b>ULTRACAB (INDIA) LIMITED - PUBLIC ISSUE - NR</b>		FOR NRIs, FPIs, FVRI ETC. APPLYING ON A REPATRIATION BASIS	
<b>To,</b> <b>The Board of Directors</b> <b>ULTRACAB (INDIA) LIMITED</b>		<b>FIXED PRICE SME ISSUE</b> <b>INE010R01015</b>		Date : _____ <b>Application Form No.</b>	
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**4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

**4.2.2 FIELD 4 & 5: APPLICATION REVISION 'FROM' AND 'TO'**

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

**4.2.3 FIELD 6: PAYMENT DETAILS**

- (a) With respect to the applications, other than applications submitted by ASBA Applicants, any revision of the application should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the application.
- (b) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (c) In case of applications submitted by ASBA Applicant, Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

**4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

**4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM****4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-**

Mode of Application	Submission of Application Form
Non-ASBA Application	Collection Centres of Escrow Banks
ASBA Application	To the Designated branches of the SCSBs where the ASBA Account is maintained

Applicants should submit the application forms/ Revision Form directly to the escrow collection banks/ASBA Bankers, as applicable.

**SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE****5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE**

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through SCSB and/or Bankers to the Issue.

ASBA Applicants may submit an Application Form either in physical form to the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of

the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

## **5.2 GROUNDS OF REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 2,000;
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stockinvest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;

- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date, unless the extended time is permitted by BSE

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

## **SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

This being Fixed Price Issue, this section is not applicable for this Issue.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

### **7.1 BASIS OF ALLOTMENT**

Allotment will be made in consultation with the SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For applications where the proportionate allotment works out to less than 2,000 equity shares the allotment will be made as follows:
  - i. Each successful Applicant shall be allotted 2,000 equity shares; and
  - ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- (d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 2,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 2,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.



- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
- i. As the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - ii. The balance net offer of shares to the public shall be made available for allotment to
    - individual applicants other than retails individual investors and
    - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
  - iii. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

## 7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Applicants Depository Account will be completed within 12 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the

beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Issue Closing Date.

## **8.2 GROUNDS FOR REFUND**

### **8.2.1 NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

### **8.2.2 MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

### **8.2.3 MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

## **8.3 MODE OF REFUND**

- (a) **In case of ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.
- (b) **In case of Non-ASBA Applications:** Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Applicants and also for any excess amount paid on Application, after adjusting for allocation/allotment to Applicants.
- (c) In case of non-ASBA Applicants, the Registrar to the Issue may obtain from the depositories the Applicants’ bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Applicants in their Application Forms for refunds. Accordingly, Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Applicants’ sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay.
- (d) In the case of applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such

payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

### **8.3.1 Mode of making refunds for Applicants other than ASBA Applicants**

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Applicant as obtained from the Depository;
- (b) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (c) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) **RTGS** - Applicants having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and
- (e) For all the other Applicants, including Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where applications are received.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants are requested to contact their respective Banks.

### **8.3.2 Mode of making refunds for ASBA Applicants**

In case of ASBA Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

## **8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Issue Closing Date, if Allotment is not made.

## **SECTION 9: GLOSSARY AND ABBREVIATIONS**

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this*

document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

<b>Term</b>	<b>Description</b>
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the , to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/(ASBA)/A SBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
ASBA Applicant	Prospective /Applicants in the Issue who apply through ASBA
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and

<b>Term</b>	<b>Description</b>
	modifications thereto.
Issue Closing Date	The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the Prospectus for the Issue Opening Date
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants( can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to an Applicant should be construed to mean an Bidder/ Applicant
Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Bid Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account

<b>Term</b>	<b>Description</b>
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified)
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on- <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a>
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Applicants (excluding the ASBA /Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Lead Manager(s), the Escrow Collection Bank(s) and the Refund

<b>Term</b>	<b>Description</b>
	Bank(s) for collection of the A applicant Amounts and where applicable, remitting refunds of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FPI(s)	Foreign Portfolio Investor
Fixed Price Issue/ Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer

<b>Term</b>	<b>Description</b>
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 32 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009



<b>Term</b>	<b>Description</b>
RTGS	Real Time Gross Settlement
Refund Account(s) Refund Bank(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/ Applicants), if any, of the whole or part of the Application Amount may be made Refund bank(s) as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the

<b>Term</b>	<b>Description</b>
	Equity Shares Allotted pursuant to the Issue are proposed to be listed
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our Company

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular 1 of 2014, with effect from April 17, 2014 ("Circular 1 of 2014"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Circular 1 of 2014 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

**The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. However the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

## SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, *inter alia*, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Applicable.</b>
	<b>Interpretation Clause</b>	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) *"The Company" shall mean Ultracab (India) Limited	
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>
	(j) The marginal notes hereto shall not affect the	<b>Marginal notes</b>

Sr. No	Particulars	
	construction thereof.	
	(k) "Meeting" or "General Meeting" means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	<b>Special Resolution</b>
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	
<b>3.</b>	a) The Authorized Share Capital of the Company shall be	<b>Authorized Capital.</b>

Sr. No	Particulars	
	such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	<b>Increase of capital by the Company how carried into effect</b>
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	<b>Non Voting Shares</b>
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;	<b>Provisions to apply on issue of Redeemable Preference Shares</b>

Sr. No	Particulars	
	<p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	
<b>10.</b>	<p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	<b>Reduction of capital</b>
<b>11.</b>	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>	<b>Debentures</b>
<b>12.</b>	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	<b>Issue of Sweat Equity Shares</b>

Sr. No	Particulars	
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	<b>ESOP</b>
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	<b>Buy Back of shares</b>
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	<b>Consolidation, Sub-Division And Cancellation</b>
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
	<b>MODIFICATION OF CLASS RIGHTS</b>	
18.	If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	<b>Modification of rights</b>
19.	The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with	<b>New Issue of Shares not to affect rights attached to</b>



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	preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	<b>existing shares of that class.</b>
<b>20.</b>	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	<b>Shares at the disposal of the Directors.</b>
<b>21.</b>	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	<b>Power to issue shares on preferential basis.</b>
<b>22.</b>	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
<b>23.</b>	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	<b>Acceptance of Shares.</b>
<b>24.</b>	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid-up</b>
<b>25.</b>	The money (if any) which the Board shall on the allotment	<b>Deposit and call etc.to be a</b>

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	of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	<b>debt payable immediately.</b>
26.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members.</b>
27.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>
	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
28.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	<b>CERTIFICATES</b>	
29.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney	<b>Share Certificates.</b>

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	<p>and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
30.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<p><b>Issue of new certificates in place of those defaced, lost or destroyed.</b></p>
31.	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard</p>	<p><b>The first named joint holder deemed Sole holder.</b></p>

Sr. No	Particulars	
	receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>Maximum number of joint holders.</b>
32.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	<b>Company not bound to recognise any interest in share other than that of registered holders.</b>
33.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	<b>Installment on shares to be duly paid.</b>
	<b>UNDERWRITING AND BROKERAGE</b>	
34.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	<b>Commission</b>
35.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
	<b>CALLS</b>	
36.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board.	<b>Directors may make calls</b>

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	(3) A call may be made payable by installments.	
37.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>
38.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution.</b>
39.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
40.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
41.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	<b>Calls to carry interest.</b>
42.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
43.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the	<b>Proof on trial of suit for money due on shares.</b>

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	Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
44.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
45.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	<b>Payments in Anticipation of calls may carry interest</b>
	<b>LIEN</b>	
46.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the	<b>Company to have Lien on shares.</b>



Sr. No	Particulars	
	Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	
47.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	<b>As to enforcing lien by sale.</b>
48.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	<b>Application of proceeds of sale.</b>
	<b>FORFEITURE AND SURRENDER OF SHARES</b>	
49.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	<b>If call or installment not paid, notice may be given.</b>
50.	The notice shall name a day (not being less than fourteen	<b>Terms of notice.</b>

Sr. No	Particulars	
	<p>days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>	
<b>51.</b>	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	<b>On default of payment, shares to be forfeited.</b>
<b>52.</b>	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	<b>Notice of forfeiture to a Member</b>
<b>53.</b>	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
<b>54.</b>	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
<b>55.</b>	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	<b>Effect of forfeiture.</b>
<b>56.</b>	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<b>Evidence of Forfeiture.</b>
<b>57.</b>	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the	<b>Title of purchaser and allottee of Forfeited shares.</b>



Sr. No	Particulars	
	share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	
58.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	<b>Cancellation of share certificate in respect of forfeited shares.</b>
59.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	<b>Forfeiture may be remitted.</b>
60.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>
61.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares.</b>
	<b>TRANSFER AND TRANSMISSION OF SHARES</b>	
62.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares.</b>
63.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.	<b>Transfer Form.</b>

Sr. No	Particulars	
	The instrument of transfer shall be in a common form approved by the Exchange;	
64.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	<b>Transfer not to be registered except on production of instrument of transfer.</b>
65.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien.	<b>Directors may refuse to register transfer.</b>
66.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	<b>Notice of refusal to be given to transferor and transferee.</b>
67.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	<b>No fee on transfer.</b>
68.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debenture holder or other security holders..</b>
69.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All	<b>Custody of transfer Deeds.</b>

Sr. No	Particulars	
	instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	
<b>70.</b>	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	<b>Application for transfer of partly paid shares.</b>
<b>71.</b>	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
<b>72.</b>	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<b>Recognition of legal representative.</b>
<b>73.</b>	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion	<b>Titles of Shares of deceased Member</b>

Sr. No	Particulars	
	thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	
74.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	<b>Notice of application when to be given</b>
75.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	<b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b>
76.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register nominee.</b>
77.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	<b>Board may require evidence of transmission.</b>
78.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>

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	regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	
79.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	<b>Form of transfer Outside India.</b>
80.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
	<b>NOMINATION</b>	
81.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	<b>Nomination</b>
82.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except</p>	<b>Transmission of Securities by nominee</b>

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	<p>that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	
	<b>DEMATERIALISATION OF SHARES</b>	
<b>83.</b>	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	<b>Dematerialisation of Securities</b>
	<b>JOINT HOLDER</b>	
<b>84.</b>	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>
<b>85.</b>	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	<b>Title of survivors.</b>
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders.</b>
	<b>SHARE WARRANTS</b>	
<b>86.</b>	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue	<b>Power to issue share warrants</b>



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	a share warrant.	
<b>87.</b>	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	<b>Deposit of share warrants</b>
<b>88.</b>	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	<b>Privileges and disabilities of the holders of share warrant</b>
<b>89.</b>	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
	<b>CONVERSION OF SHARES INTO STOCK</b>	
<b>90.</b>	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	<b>Conversion of shares into stock or reconversion.</b>
<b>91.</b>	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	<b>Transfer of stock.</b>
<b>92.</b>	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stock holders.</b>

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93.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.	<b>Regulations.</b>
	<b>BORROWING POWERS</b>	
94.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	<b>Power to borrow.</b>
95.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	<b>Issue of discount etc. or with special privileges.</b>
96.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	<b>Securing payment or repayment of Moneys borrowed.</b>
97.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the	<b>Bonds, Debentures etc. to be under the control of the</b>



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	control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Directors.</b>
<b>98.</b>	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
<b>99.</b>	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	<b>Indemnity may be given.</b>
	<b>MEETINGS OF MEMBERS</b>	
<b>100.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
<b>101.</b>	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
<b>102.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>
<b>103.</b>	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the	<b>Chairman of General Meeting</b>

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	Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	
<b>104.</b>	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
<b>105.</b>	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	<b>Chairman with consent may adjourn meeting.</b>
<b>106.</b>	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
<b>107.</b>	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
<b>108.</b>	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	<b>Demand for poll not to prevent transaction of other business.</b>
	<b>VOTES OF MEMBERS</b>	
<b>109.</b>	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote.</b>
<b>110.</b>	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the	<b>Number of votes each member entitled.</b>

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	Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	
111.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
112.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	<b>Vote of member of unsound mind and of minor</b>
113.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
114.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
115.	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<b>Votes of joint members.</b>
116.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
117.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member,	<b>Representation of a body corporate.</b>

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	creditor or holder of debentures of the Company.	
<b>118.</b>	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	<b>Members not prohibited if share not held for any specified period.</b>
<b>119.</b>	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	<b>Votes in respect of shares of deceased or insolvent members.</b>
<b>120.</b>	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	<b>No votes by proxy on show of hands.</b>
<b>121.</b>	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Appointment of a Proxy.</b>
<b>122.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
<b>123.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which	<b>Validity of votes given by proxy notwithstanding death of a member.</b>

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	the proxy is used.	
124.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>Time for objections to votes.</b>
125.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
	<b>DIRECTORS</b>	
126.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	<b>Number of Directors</b>
127.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
128.	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	<b>Nominee Directors.</b>
129.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the	<b>Appointment of alternate Director.</b>



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	Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	<b>Additional Director</b>
131.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	<b>Directors power to fill casual vacancies.</b>
132.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	<b>Sitting Fees.</b>
133.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses Incurred by Director on Company's business.</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
134.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors.</b>
135.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	<b>Chairperson</b>
136.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an	<b>Questions at Board meeting how decided.</b>

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	equality of votes, the Chairman will have a second or casting vote.	
137.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
138.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint committee.</b>
139.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meetings how to be governed.</b>
140.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	<b>Chairperson of Committee Meetings</b>
141.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	<b>Meetings of the Committee</b>
142.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>
	<b>RETIREMENT AND ROTATION OF DIRECTORS</b>	
143.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General	<b>Power to fill casual vacancy</b>

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	Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	
	<b>POWERS OF THE BOARD</b>	
<b>144.</b>	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	<b>Powers of the Board</b>
<b>145.</b>	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	<b>Certain powers of the Board</b>
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	<b>To acquire any property , rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	<b>To erect &amp; construct.</b>
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the	<b>To pay for property.</b>



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	Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	
(5)	To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	<b>To insure properties of the Company.</b>
(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
(7)	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	<b>To secure contracts by way of mortgage.</b>
(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>
(10)	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
(11)	To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
(12)	To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>

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	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	<b>To give Security by way of indemnity.</b>
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers.</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	<b>Bonus etc. to employees.</b>
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and	<b>Transfer to Reserve Funds.</b>

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	<p>vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.</p>	
	<p>(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.</p>	<p><b>To appoint and remove officers and other employees.</b></p>
	<p>(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by</p>	<p><b>To appoint Attorneys.</b></p>

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	the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	<b>To enter into contracts.</b>
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	<b>To make rules.</b>
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	<b>To effect contracts etc.</b>
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	<b>To apply &amp; obtain concessions licenses etc.</b>
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and	

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	<p>their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p>	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either</p>	

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	<p>absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	
<b>146.</b>	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<b>Powers to appoint Managing/ Wholetime Directors.</b>
<b>147.</b>	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	<b>Remuneration of Managing or Wholetime Director.</b>
<b>148.</b>	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time</p>	<b>Powers and duties of Managing Director or Whole-time Director.</b>



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	<p>Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>	
149.	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager,</p>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>

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	company secretary or chief financial officer.	
	<b>THE SEAL</b>	
<b>150.</b>	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<b>The seal, its custody and use.</b>
<b>151.</b>	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	<b>Deeds how executed.</b>
	<b>Dividend and Reserves</b>	
<b>152.</b>	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	<b>Division of profits.</b>
<b>153.</b>	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	<b>The company in General Meeting may declare Dividends.</b>
<b>154.</b>	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly	<b>Transfer to reserves</b>



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	<p>applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	
<b>155.</b>	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend.</b>
<b>156.</b>	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
<b>157.</b>	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>
<b>158.</b>	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>
<b>159.</b>	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles .</b>
<b>160.</b>	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
<b>161.</b>	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
<b>162.</b>	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
<b>163.</b>	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such	<b>Dividends how remitted.</b>

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	<p>person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	
<b>164.</b>	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
<b>165.</b>	No unclaimed dividend shall be forfeited and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>
	<b>CAPITALIZATION</b>	
<b>166.</b>	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	<b>Capitalization.</b>
<b>167.</b>	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in</p>	<b>Fractional Certificates.</b>

Sr. No	Particulars	
	<p>fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	
168.	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<b>Inspection of Minutes Books of General Meetings.</b>
169.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	<b>Inspection of Accounts</b>
	<b>FOREIGN REGISTER</b>	
170.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	<b>Foreign Register.</b>
	<b>DOCUMENTS AND SERVICE OF NOTICES</b>	
171.	Any document or notice to be served or given by the	<b>Signing of documents &amp;</b>

Sr. No	Particulars	
	Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	<b>notices to be served or given.</b>
<b>172.</b>	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	<b>Authentication of documents and proceedings.</b>
	<b>WINDING UP</b>	
<b>173.</b>	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
	<b>INDEMNITY</b>	
<b>174.</b>	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	<b>Directors' and others right to indemnity.</b>
<b>175.</b>	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for	<b>Not responsible for acts of others</b>

Sr. No	Particulars	
	conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	
	<b>SECRECY</b>	
176.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	<b>Secrecy</b>
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	<b>Access to property information etc.</b>

## **SECTION IX-OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Survey No. 262, Behind Galaxy Bearing Limited, Shapar (Varaval), Rajkot-360024, Gujarat, India, from date of filing this Draft Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### **Material Contracts**

1. Issue Agreement dated August 14, 2014 between our Company and the Lead Manager.
2. Agreement dated August 14, 2014 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated August 14, 2014 between our Company, the Lead Manager and Underwriter.
4. Market Making Agreement dated August 14, 2014 between our Company, Market Maker, the Lead Manager.
5. Escrow Agreement dated August 14, 2014 amongst our Company, the Lead Manager, Escrow Collection Bank and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated July 24, 2014.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated July 9, 2014.

#### **Material Documents**

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated June 27, 2014 authorizing the Issue
3. Special Resolution of the shareholders passed at the EGM dated June 28, 2014 authorizing the Issue.
4. Statement of Tax Benefits dated August 16, 2014 issued by our Peer Review Auditor, R.T. Jain & Co., Chartered Accountants.
5. Report of the Peer Review Auditor, M/s. R.T. Jain & Co., Chartered Accountants dated August 16, 2014 on the Restated Financial Statements for the Financial Year ended as on March 31, 2010, 2011, 2012, 2013 and 2014 of our Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Statutory Auditors, Peer Review Auditors, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue/Escrow Collection Banks, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from [●] *vide* letter dated [●], to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE Limited.
8. Due Diligence Certificate dated August 21, 2014 from Lead Manager to BSE Limited.
9. Due Diligence Certificate dated [●] from Lead Manager to SEBI.

10. Copy of the agreement dated August 9, 2014 for appointing Nitesh Vaghasiya as Managing Director of our Company.
11. Copy of the agreement dated August 9, 2014 for appointing Pankaj Shingala as Whole-time Director of our Company.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

**DECLARATION**

All relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Draft Prospectus are true and correct.

Signed by all the Directors of our Company

<b>Name and Designation</b>	<b>Signature</b>
<b>Nitesh Parshottambhai Vaghasiya</b> <i>Chairman cum Managing Director</i>	<b>Sd/-</b>
<b>Pankaj Shingala</b> <i>Whole time Director</i>	<b>Sd/-</b>
<b>Sangeetaben Vaghasiya</b> <i>Non-Executive Director</i>	<b>Sd/-</b>
<b>Bipinchandra Mohanbhai Sangani</b> <i>Independent Director</i>	<b>Sd/-</b>
<b>Jayshanker Bhagvanji Dave</b> <i>Independent Director</i>	<b>Sd/-</b>
<b>Kanjibhai Gandubhai Patel</b> <i>Independent Director</i>	<b>Sd/-</b>

Signed by the Chief Financial Officer and the Company Secretary and Compliance Officer of the Company

**Sd/-**

**Diljeet Bhatti**  
*Chief Financial Officer*

**Sd/-**

**Mayur Gangani**  
*Company Secretary and  
Compliance Officer*

Place: Rajkot

Date: August 21, 2014



**Annexure A****DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**

<b>Sr. No</b>	<b>Issue Name</b>	<b>Issue Size (Cr)</b>	<b>Issue Price (Rs.)</b>	<b>Listing date</b>	<b>Opening price on listing date</b>	<b>Closing price on listing date</b>	<b>% change in price on listing date (closing ) vs issue price</b>	<b>Benchmark index on listing date (closing )</b>	<b>Closing price as on 10<sup>th</sup> calender day from listing day</b>	<b>Benchmark index as on 10<sup>th</sup> calender day from listing day (closing )</b>	<b>Closing price as on 20<sup>th</sup> calender day from listing day (closing )</b>	<b>Benchmark index as on 20<sup>th</sup> calender day from listing day (closing )</b>	<b>Closing price as on 30<sup>th</sup> calender day from listing day</b>	<b>Benchmark index as on 30<sup>th</sup> calender day from listing day (closing )</b>
1	Si. Vi. Shipping Corporation Limited	6.855	25.00	March 06, 2014	26.10	26.10	4.40	21,513.87	30.15	21,832.61	35.00	22,095.30	35.00 *	22,359.50
	Women's Next Loungeries Limited	6.50	65.00	April 21, 2014	67.00	67.50	3.85	22,764.83	70.00	22,403.89	70.00	23,551.00	71.00	24,298.02

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com)

\* The script of M/s. Si. Vi. Shipping Corporation Limited was listed on March 06, 2014. Hence prices on 10<sup>th</sup>, 20<sup>th</sup> or 30<sup>th</sup> calendar day are not available.

\*\* The script of M/s. Women's Next Loungeries Limited was listed on April 21, 2014. Hence prices on 20<sup>th</sup> calendar day are not available.

**Note:-**

1. The BSE Sensex is considered as the Benchmark Index
2. Price on BSE is considered for all of the above calculations
3. In case 10<sup>th</sup>/20<sup>th</sup>/30<sup>th</sup> day is not a trading day, closing price on BSE of the next trading day has been considered

**SUMMARY STATEMENT OF DISCLOSURE**

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on listing date			Nos of IPOs trading at Premium on listing date			Nos of IPOs trading at discount on 30 <sup>th</sup> Calender day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calender day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
13-14	1	6.855	-	-	-	-	-	1*	-	-	-	-	1*	-
14-15	1	6.500	-	-	-	-	-	1**	-	-	-	-	-	1**

\*The script of M/s. Si. Vi. Shipping Corporation Limited was listed on March 06, 2014.

\*\*The script of M/s. Women's Next Loungeries Limited was listed on April 21, 2014.

