



## ULTRACAB (INDIA) LIMITED

Our Company was originally incorporated in the name and style of "Ultracab (India) Private Limited" as a Private Limited Company under the Companies Act, 1956 pursuant to a Certificate of Incorporation granted by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on December 19, 2007. Our Company was converted into a public limited company vide a new Certificate of Incorporation dated July 31, 2014 issued by the Registrar of Companies Ahmedabad, Gujarat. The name of our Company was subsequently changed to Ultra Cab (India) Limited. For details of changes in Name of our Company and the Registered Office of our Company, please see "General Information" on page 36 of this Draft Letter of Offer.

**Registered Office:** Survey No: 262, B/h Galaxy Bearings Limited, Shapar (Veraval) – 360 024, Rajkot District, Gujarat  
**Corporate Office:** 3<sup>rd</sup> Tower - C of Imperial Heights, 150 Feet Ring Road, Opposite Iscon Prozone Mall, Kalawad Road, Rajkot - 360 005, India.  
**Tel. No.:** +91 2827 253122 /23; **Fax:** +91 2827 252725  
**Contact Person:** Ms Brinda Paras Mehta Company Secretary & Compliance Officer  
**Email:** info@ultracab.in; **Website:** www.ultracabwires.com  
**Corporate Identity Number:** L31300GJ2007PLC052394

**OUR PROMOTERS: NITESH PARSHOTTAMBHAI VAGHASIYA; PANKAJ VASANTBHAI SHINGALA; SANGEETABEN NITESHBHAI VAGHASIYA; NITESH P VAGHASIYA (HUF) AND ARTIBEN PANKAJKUMAR SHINGALA**

**FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF ULTRACAB (INDIA) LIMITED (OUR "COMPANY") ONLY**

**ISSUE OF UP TO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹2/- EACH OF OUR COMPANY (THE "RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹[●] PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●] PER RIGHTS EQUITY SHARE) AGGREGATING UP TO ₹ 4990 LAKHS\* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●], 2024 (THE "ISSUE"). FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 139 OF THIS DRAFT LETTER OF OFFER.**

\*Assuming full subscription

### PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE*	Face Value (₹)	Premium (₹)	Total (₹)
On Application	[●]	[●]	[●]
<b>Total (₹)</b>	2.00	[●]	[●]

\* For further details on Payment Schedule, see "Terms of the Issue" on page 139 of this Draft Letter of Offer.

### WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company nor our Promoters or any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.

### GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the 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 the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (the "SEBI") nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Specific attention of investors is invited to the statement of "Risk Factors" on page 19 of this Draft Letter of Offer.

### OUR COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer 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 Letter of Offer 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 Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The existing Equity Shares are listed on BSE Limited ("BSE") (the "Stock Exchange"). Our Company has received the "in-principle" approval from BSE for listing the Rights Equity Shares to be allotted pursuant to the Issue through its letter dated [●], 2024. Our Company will also make applications to the Stock Exchange to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purposes of this Issue, the Designated Stock Exchange is BSE.

### REGISTRAR TO THE ISSUE



**Bigshare Services Private Limited**  
Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,  
Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra, India.  
Tel No: +91 22 6263 8200; Fax No: +91 22 6263 8299;  
Email: [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com); Investors Grievance Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
Contact Person: Mr. Suraj Gupta  
SEBI Registration Number: INR000001385

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSURES ON**
[●], 2024	[●], 2024	[●], 2024

\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat accounts of the Renounees on or prior to the Issue Closing Date.

\*\*Our Board or the Securities Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification will be deemed to include all amendments, supplements, re-enactments and modifications thereto from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder. The words and expressions used but not defined in this Draft Letter of Offer will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.*

*The following list of capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.*

*Terms used in “Summary of Draft Letter of Offer”, “Financial Information”, “Statement of Special Tax Benefits”, “Outstanding Litigations and Defaults” and “Terms of the Issue” on pages 16, 71, 51, 128 and 139, respectively of this Draft Letter of Offer, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections.*

#### General Terms

Term	Description
“Company”, “Our Company”, “the Company”, or “Ultracab”	Ultracab (India) Limited incorporated under the Companies Act, 1956 and having its registered office at Survey No: 262, B/h Galaxy Bearing Limited, Shapar (Veraval) – 360 024, Rajkot District, Gujarat
“We”, “Our”, “Us”, or “our Group”	Unless the context otherwise requires, indicates or implies or unless otherwise specified, our Company as at and during the relevant Fiscal

#### Company Related Terms

Term	Description
“Articles of Association” or “Articles”	Articles of Association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board
Audited Financial Statements	The audited financial statements as at and for the financial year ended March 31, 2024 of our Company prepared in accordance with Ind AS and the Companies Act and which comprises the balance sheet as at March 31, 2024, and the statement of profit and loss, including other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, along with notes to the standalone financial statements, a summary of significant accounting policies and other explanatory information
“Auditors” or “Statutory Auditors”	The statutory auditors of our Company, namely Bhavin Associates, Chartered Accountants
“Board of Directors”, or “Board” or “our Board”	The board of directors of our Company or any duly constituted committee thereof.
Chief Financial Officer	The chief financial officer of our Company, Pravin Pansuriya
Director(s)	The director(s) on our Board, as disclosed in “Our Management” on page 68 of this Draft Letter of Offer.
Executive Director(s)	Executive Director(s) of our Company being Nitesh P Vaghasiya and Pankaj V Shingala
Equity Shares	Equity shares of face value of ₹2 each of our Company
Group Companies	Group companies of our Company as determined in terms of Regulation 2(1)(t) of SEBI ICDR Regulations

<b>Term</b>	<b>Description</b>
Independent Directors	An independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” on page 68 of this Draft Letter of Offer.
“Key Managerial Personnel” or “KMP”	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Management</i> ” on page 68 of this Draft Letter of Offer
Managing Director	Managing Director of our Company, being Mr Nitesh P Vaghasiya
Memorandum of Association	Memorandum of Association of our Company, as amended from time to time
Non-Executive Director(s)	A Director, not being an Executive Director of our Company.
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, see “ <i>Capital Structure</i> ” on page 41 of this Draft Letter of Offer.
Promoters	The Promoters of our Company, being Nitesh Parshottambhai Vaghasiya; Pankaj Vasantbhai Shingala; Sangeetaben Niteshbhai Vaghasiya; Nitesh P Vaghasiya (HUF) and Artiben Pankajkumar Shingala.
Registered Office	Registered office of our Company situated at Survey No: 262, B/h Galaxy Bearing Limited, Shapar (Veraval) – 360 024, Rajkot District, Gujarat. For details of changes in registered office of our Company, see “ <i>General Information</i> ” on page 36 of this Draft Letter of Offer.
“Shareholders” or “Equity Shareholders”	The holders of the Equity Shares from time to time
Subsidiaries	We do not have any subsidiary

#### **Issue Related Terms**

<b>Term</b>	<b>Description</b>
“Abridged Letter of Offer” or “ALOF”	The abridged letter of offer to be sent to the Eligible Equity Shareholders of our Company with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
“Allotment” or “Allot” or “Allotted”	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Accounts	The accounts opened with the Banker(s) to the Issue, into which the Application Money lying credit to the escrow account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act
Allotment Account Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●]
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue
Allotment Date	Date on which the Allotment is made pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
“Applicant(s)” or “Investor(s)”	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer

<b>Term</b>	<b>Description</b>
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue
Application Money	Aggregate amount payable at the time of Application, <i>i.e.</i> , ₹ [●] per Rights Equity Share in respect of the Rights Equity Shares applied for in this Issue
“Application Supported by Blocked Amount” or “ASBA”	Application (whether physical or electronic) used by Applicant(s) to make an application authorising the SCSB to block the Application Money in a specified bank account maintained with the SCSB
ASBA Account	An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
Banker(s) to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, being [●]
Banker(s) to the Issue Agreement	Agreement dated [●], 2024 entered into by and among our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange in this Issue, as described in “ <i>Terms of the Issue</i> ” on page 139 of this Draft Letter of Offer.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on SEBI updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor’s address, PAN, DP ID, Client ID, bank account details and occupation, where applicable.
Designated Branch(es)	Such branches of the SCSBs which shall collect the Applications, as the case may be, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time
Designated Stock Exchange	BSE Limited
Eligible Equity Shareholder(s)	Existing Equity Shareholders as at the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, please see “ <i>Notice to Investors</i> ” on page 10 of this Draft Letter of Offer
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the escrow account will be opened, in this case being [●]
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower(s) as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations

Term	Description
“Issue” or “Rights Issue”	<p>This issue of up to [●] fully paid-up Equity Shares of face value of ₹2/- each of our Company for cash at a price of ₹[●] (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹ 4990 Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date.</p> <p>On Application, Investors will have to pay ₹[●] per Rights Equity Share which constitutes 100% of the Issue</p> <p><i>*Assuming full subscription with respect to Rights Equity Shares</i></p>
Issue Closing Date	[●], 2024
Issue Materials	Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	[●], 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Application, in accordance with the SEBI ICDR Regulations.
Issue Price	<p>₹[●] per Equity Share</p> <p>On Application, investors will have to pay ₹[●] per Rights Equity Share which constitutes 100% of the Issue Price</p>
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	<p>The issue of up to [●] Rights Equity Shares aggregating to ₹ 4990 Lakhs*</p> <p><i>*Assuming full subscription with respect to Rights Equity Shares</i></p>
Letter of Offer	The Letter of Offer dated [●] to be filed with the Stock Exchange and SEBI
Listing Agreement	The uniform listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application.
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please see “ <i>Objects of the Issue</i> ” on page 46 of this Draft Letter of Offer
Non-ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process
Non-Institutional Investors	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations
Payment Schedule	Payment schedule under which 100% of the Issue Price is payable on Application, i.e. ₹[●] per Rights Equity Share
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares in the Issue, being [●], 2024
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar Agreement	Agreement dated April 04, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Registrar to the Company	Bigshare Services Private Limited
Registrar to the Issue / Registrar	Bigshare Services Private Limited

Term	Description
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●], 2024 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder
Rights Equity Shares	Equity Shares to be Allotted pursuant to this Issue
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible on the website of our Company
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpis=yes&amp;intmid=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpis=yes&amp;intmid=34</a>
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being, BSE Limited
Transfer Date	The date on which the Application Money held in the escrow account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalisation of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	Company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI

#### Industry Related Terms

Term/Abbreviation	Description/ Full Form
CPRI	Central Power Research Institute
EHV	Extra High Voltage
EPC	Engineering, Procurement and Construction
ERDA	Electrical Research and Development Association
ESDM	Electronic System Design and Manufacturing
GW	Giga Watts
HV	High Voltage
HT	High Tension



Term/Abbreviation	Description/ Full Form
ICT	Information, Communications and Technology
JFTC	Jelly Filled Telephone Cables
kV	Kilo-Volt
LT	Low Tension
LV	Low Voltage
PVC	Polyvinyl Chloride
SEBs	State Electricity Boards
XLPE	Cross Linked Polyethylene

### Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CGU	Cash Generating Unit
CIN	Corporate Identity Number
Civil Code	Code of Civil Procedure, 1908
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
Companies Act or Companies Act, 2013	The Companies Act, 2013, read with the rules, regulations, clarifications and modifications notified thereunder
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP ID	Depository Participant Identity
“DP” or “Depository Participant”	Depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
ECB	External Commercial Borrowings

<b>Term/Abbreviation</b>	<b>Description/ Full Form</b>
ECB Guidelines	The FEMA, the FEMA Borrowing and Lending Regulations, the ECB Master Directions and the FEMA Reporting Master Directions, taken together
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI, as amended from time to time
EGM	Extraordinary general meeting
EPS	Earnings Per Share
EUR	Euro
FCCB Scheme	The Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended and the clarifications issued thereunder by the Government of India from time to time, including a notification dated November 27, 2008 issued by the Government of India
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign direct investment
FDI Circular 2020	Consolidated FDI Policy Circular of 2020
FDI Policy	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999
FEMA Borrowing and Lending Regulations	The Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, as amended from time to time
FEMA Reporting Master Directions	The Master Direction on Reporting under the FEMA dated January 1, 2016, as amended from time to time
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended from time to time
“Financial Year” or “Fiscal Year” or “Fiscal” or “FY”	Period of 12 months ending March 31 of that particular year
FIR	First information report
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors registered under the SEBI FVCI Regulations
GAAP	Generally Accepted Accounting Principles in India
Gazette	Official Gazette of India
GDP	Gross domestic product
GIR	General Index Register
GOI	Government of India
Government	Central Government and/ or the State Government, as applicable
GST	Goods and services tax
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
Income-tax Act	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015
Ind AS 34	Indian Accounting Standard 34 “Interim Financial Reporting” prescribed under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015
India	Republic of India
ISIN	International Securities Identification Number
IST	Indian Standard Time

<b>Term/Abbreviation</b>	<b>Description/ Full Form</b>
IT	Information Technology
KYC	Know Your Customer
LOC	Letter of comfort
MCA	Ministry of Corporate Affairs, Government of India
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
NEFT	National Electronic Fund Transfer
Net Retail NPA	Represents closing balance of the Net NPA of our Retail AUM as at the last day of the relevant year or period.
Net Worth	Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NOF	Net owned funds
NPCI	National Payments Corporation of India
NR	Non-resident or person(s) resident outside India, as defined under the FEMA
NRE	Non- Residential External
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- Resident Ordinary
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCBs or 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
OCI	Overseas Citizen of India
ODI	Off-shore Derivate Instruments
p.a.	Per annum
P/E Ratio	Price to Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PMLA	Prevention of Money Laundering Act, 2002
PSU	Public Sector Undertaking
RBI	Reserve Bank of India
RBI Stressed Asset Resolution Circular	The Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 issued by the RBI through its circular dated June 7, 2019 which sets out a framework for early recognition, reporting, and time bound resolution of stressed assets
Regulation S	Regulation S under the Securities Act
RoC	Registrar of Companies, Gujarat at Ahmedabad

<b>Term/Abbreviation</b>	<b>Description/ Full Form</b>
RoCE	Return on capital employed
ROE	Return on equity
RoNW	Return on Net Worth
RoW	Rest of the World
“Rs.” “₹” or “Rupees” or “INR”	Indian Rupee
RTGS	Real Time Gross Settlement
SBI	State Bank of India
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 as amended
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended
SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed and replaced by the SEBI AIF Regulations
Securities Act	U.S. Securities Act of 1933
SRE 2410	Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by ICAI
State Government	Government of a State of India
STT	Securities Transaction Tax
TAN	Tax deduction account number
TDS	Tax deductible at source
Trademarks Act	Trade Marks Act, 1999
“US” or “U.S.” or “USA” or “United States”	The United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia
“USD” or “U.S.\$” or “US\$” or “\$”	United States Dollar, the official currency of the United States
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
WDV	Written down value method of valuation

## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. For details, see “*Restrictions on Purchases and Resales*” on page 170 of this Draft Letter of Offer.

The Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue (collectively, the “**Issue Materials**”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to us, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

Investors can also access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar, and the Stock Exchange.

Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials (including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form) in the event the Issue Materials have been sent on the registered e-mail addresses of such Eligible Equity Shareholders or if there are electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with the Stock Exchange and submitted to SEBI for information and dissemination. Accordingly, the Rights Entitlements and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter and any other Issue Materials or advertisements in connection with this Issue may not be distributed, in whole or in part, in or into any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form. Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information.

Neither the delivery of the Issue Material nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Issue Material or the date of such information.

**THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY**

**OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

**NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("**United States**"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, the Issue Material should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Issue Material will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**

## PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

### Certain Conventions

All references to “India” contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer have been derived from our Audited Financial Statements. For details, please see “*Financial Information*” on page 71 of this Draft Letter of Offer. Our Company’s financial year commences on April 1 and ends on March 31 of the following calendar year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ending on March 31 of the following calendar year.

The GoI has adopted the Ind AS, which are converged with the IFRS and notified under Section 133 of the Companies Act, 2013 read with the Ind AS Rules. The Financial Statements of our Company for the Financial Years ended March 2024 and March 2023 have been prepared in accordance with Ind AS read with the Ind AS Rules and other the relevant provisions of the Companies Act, 2013. Our Company publishes its financial statements in Indian Rupees.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in the Financial Statements in whole numbers and in this Draft Letter of Offer in “Lakh” units or in whole numbers where the numbers have been too small to represent in Lakh. One Lakh represents 1,00,000 and one million represents 10,00,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see “*Financial Information*” on page 71 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounding off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective

sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

### Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” or “Re.” are to Indian Rupee, the official currency of the Republic of India;
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America; and
- “Euro” or “€” are to Euro, the official currency of the European Union.

Our Company has presented certain numerical information in this Draft Letter of Offer in “lakh” or “Lac” units or in whole numbers. One Lakh represents 1,00,000 and one million represents 10,00,000. All the numbers in the document have been presented in Lakh or in whole numbers where the numbers have been too small to present in Lakh. Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operation*” and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Audited Financial Statement for the year ended March 31, 2024.

### Exchange Rates

This Draft Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all. The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	March 28, 2024*	March 31, 2023	March 31, 2022
1 USD	83.37	82.22	75.81
1 Euro	90.22	89.61	84.66

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in))

\* March 29, 30 and 31 being holidays exchange rate was not available.

### Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 19 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Letter of Offer 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.



## FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, result of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- adverse effect of competition on our market share and profits;
- Volatility in the price of raw materials;
- our ability to:
  - manage our growth effectively;
  - manage our credit risk;
  - manage our quality of services;
  - hire and retain senior management personnel and other skilled manpower;
  - manage cost of compliance with labour laws or other regulatory developments;
  - successfully implement our business strategies and expansion plans;
  - maintain effective internal controls;
  - read and understand the changing customer preferences
- failure in product development results
- changes in general, political, social and economic conditions in India and elsewhere;
- change in government policies; and
- general levels of GDP growth, and growth in employment and personal disposable income.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" beginning on pages 19, 59 and 120 respectively of this Draft Letter of Offer. 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 gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, nor our Directors, our Promoters, or any of their respective affiliates or advisors 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 the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

*(The remainder of this page has intentionally been left blank)*

## SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures and terms of the Issue included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including “Risk Factors”, “Objects of the Issue”, “Our Business” and “Outstanding Litigation and Defaults” on pages 19, 46, 59 and 128, respectively of this Draft Letter of Offer.

### SUMMARY OF INDUSTRY OVERVIEW

Wires and cables, which are used everywhere, are regarded as the arteries of electrical systems. They are used for a wide range of purposes such as electricity, telecommunication, transmission & distribution networks, powering electronic devices, in addition to other industrial applications. Today, a wide variety of industries including the defence, medical, telecom, networking, and power, are able to apply and use industry-specific wires and cables for their specific purposes. Perhaps, the previous two to three decades have been the fastest-growing years in terms of infrastructure, which defines the growth in the wire & cable industry. Notably, the advancement in transmission & distribution and the demand from data centres and the telecom sector are some of the predominant factors which are expected to drive the further growth of the wire & cable sector.

For further details, please refer to the chapter titled “Industry Overview” at page 54 of this Draft Letter of Offer.

### PRIMARY BUSINESS OF OUR COMPANY

We are engaged in the manufacture and export of wires and cables in India. We use advanced technology and machineries for manufacturing our products. We started our business with PVC cables and wires in India and our products are now sold in India and in countries like UK, UAE, Africa, Singapore etc. Our manufacturing facility is situated at Shapar (Rajkot, Gujarat) India. We have a well-equipped Research and Development (R&D) unit that helps us immensely to offer innovative products to our clients.

For further details, please refer to the chapter titled “Our Business” at page 59 of this Draft Letter of Offer.

### OBJECTS OF THE ISSUE

Our Company intends to utilise the Net Proceeds from the Issue towards funding of the following objects:

Particulars	Estimated amount (up to) (₹ Lakhs)
To repay unsecured loans	2,232.15
To augment our working capital requirements	2,207.85
General corporate purposes*	[•]
<b>Total Net Proceeds**</b>	<b>4,940.00</b>

\* Subject to the finalisation of the Basis of Allotment and the Allotment, the amount utilised for general corporate purpose shall not exceed 25% of the gross Proceeds

\*\* Assuming full subscription with respect to the Rights Equity Shares and subject to finalisation of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio rounded off to second decimal.

For further details, please see “Objects of the Issue” on page 46 of this Draft Letter of Offer.

## INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTER AND PROMOTER GROUP

Pursuant to letter dated June 07, 2024 our Promoters Mr Nitish Vaghasiya and Mr Pankaj Shingala have confirmed they intend to (i) subscribe, to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce the Rights Entitlements; (ii) subscribe to the Rights Equity Shares for the Rights Entitlements, if any, which are renounced in their favour by any other Promoters or any other member(s) of our Promoter Group, each as may be applicable; and (iii) their intention to apply for and subscribe to additional Rights Equity Shares and to any unsubscribed portion in this Issue, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations, at the time of Allotment. They have also requested that their subscription be adjusted towards the repayment of the unsecured loans advanced by them to the Company. The other promoters and members of the promoter group have agreed to renounce their entitlement in favour of Mr Nitish Vaghasiya and Mr Pankaj Shingala.

Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10 (4) (b) of the SEBI Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

## SUMMARY OF OUTSTANDING LITIGATIONS

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoter, our Directors and our Group Companies is provided below:

### Litigations involving our Company

Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	NA	NA
Tax Proceedings	NA	NA
Proceedings involving material violations of statutory regulations by our Company	NA	NA
Labour Matters	NA	NA
Economic offences	NA	NA
Material civil litigations above the materiality threshold	NA	NA
Other civil litigation considered to be material by our Company's Board of Directors	NA	NA

*\*To the extent quantifiable*

i) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	14	117.61
Direct Tax Matters	NA	NA
Indirect Tax Matters	NA	NA
Other civil litigation considered to be material by our Company's Board of Directors	NA	NA

*\*To the extent quantifiable*

### Litigations involving our Promoter / Directors

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in Lakhs)
Criminal matters	NA	NA
Direct tax matters	NA	NA
Indirect tax matters	NA	NA
Other civil litigation considered to be material by our Company's Board of Directors	NA	NA

\*To the extent quantifiable

### Litigations involving our group companies

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in Lakhs)
Criminal matters	NA	NA
Direct tax matters	NA	NA
Indirect tax matters	NA	NA
Other civil litigation considered to be material by our Company's Board of Directors	NA	NA

\*To the extent quantifiable

For further details, please see "Outstanding Litigation and Defaults" on page 128 of this Draft Letter of Offer.

### RISK FACTORS

For details, please see "Risk Factors" on page 19 of this Draft Letter of Offer. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

### CONTINGENT LIABILITIES

For details regarding our contingent liabilities as per Ind AS 37 for the Fiscal 2024, please see "Audited Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Contingent Liabilities" on pages 71 and 125 respectively of this Draft Letter of Offer.

### RELATED PARTY TRANSACTIONS

For details regarding our related party transactions as per Ind AS 24 entered into by our Company in Fiscal 2024, please see "Audited Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Related party transactions" on pages 71 and 125 respectively of this Draft Letter of Offer.

### ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued Equity Shares for consideration other than cash during the period of one year preceding the date of this Draft Letter of Offer.

## SECTION II – RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. 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, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.*

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 54, 59 and 120 respectively of this Draft Letter of Offer. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue have independently verified the information in the industry report or other publicly available information cited in this section.*

*This Draft Letter of Offer also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 14 of this Draft Letter of Offer.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Financial Information, prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations.*

### *Materiality:*

*The Risk Factors have been determined on the basis of their materiality. 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; and*
- *Some events may not be material at present but may have a 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. 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 over another. In this Draft Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

## INTERNAL RISK FACTORS

- 1. Any shortages, delay or disruption in the supply of the raw materials we use in our manufacturing process may have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We usually keep 35-45 days of inventory of raw materials and work-in-progress goods at our facilities. However, if we face a shortage in raw materials in the future, there can be no assurance that we may be able to acquire the raw materials from the market in a timely manner, or at all, and if we are not able to procure raw materials in sufficient quantities, we may not be able to manufacture our products according to our pre-determined timeframes or as contracted with our customers, at our previously estimated product costs, or at all. Therefore, any shortage, delay or disruption in supply of any of our raw materials could have an adverse effect on our business, results of operations, cash flows and reputation.

- 2. The costs of the raw materials that we use in our manufacturing process are subject to volatility. Increases or fluctuations in raw material prices may have a material adverse effect on our business, financial condition, results of operations and cash flows.***

The prices of international commodities e.g., copper, aluminium and polymers, which are the key raw material components, are subject to considerable price volatility. Since the market prices of cables are generally on firm price basis, the seesawing prices of these commodities can severely impact the cost of the product where the consequential risk must be borne by Company. If we are unable to pass on cost increases to our customers or are unsuccessful in managing the effects of raw material price fluctuations, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

- 3. If we are unable to anticipate product trends and consumer preferences and develop successful new products, we may not be able to maintain or increase our revenues and profits.***

To keep abreast of the most updated technology and respond effectively to changing customer preferences and requirements, we must be able to develop and produce new products to meet our customers' demand in a timely manner. Our Company customizes the products with the requirements and demands of our customers, and we have actively diversified our portfolio of products. As on March 31, 2024, we have 13 different types of cables. For further details in relation to total number of products launched by us, please see "Our Business" on page 59 of this Draft Letter of Offer.

Our new products may not receive customer acceptance as customer preferences could shift rapidly, and our future success depends in part on our ability to anticipate and respond to these changes. If we fail to anticipate accurately and respond to trends and shifts in customer preferences by adjusting the mix of existing product offerings, developing new products, or fail to install and commission new equipment needed to manufacture products for customers, we could experience lower sales, excess inventories and lower profit margins, any of which could have an adverse effect on our results of operations and financial condition. In addition, market acceptance of new products that we may introduce is subject to uncertainty and achieving market acceptance may require substantial marketing efforts and expenditures. We also cannot assure that our new products will have the same or better margins than our current products. The failure of the new product lines to gain market acceptance or our inability to maintain our current product margins with the new products could adversely affect our business, financial performance and/or results of operations.

- 4. We run the risk of failure of our products at the product development stage, which could have an impact on our profits.***

We are consistently developing new and higher range products. These products have to be validated by type testing and long-term accelerated ageing test from a recognized independent testing laboratory. As these tests have significant cost involvement, any failure in the product development results in financial and opportunity loss. Although, the R&D and in-house testing laboratories of our Company are equipped with comprehensive testing facilities which can verify and assess the quality of the product during the process and final stage prior to conducting the certification tests at an independent laboratory,

we cannot assure that all the products will pass the test at the independent testing laboratory and any failure could have an impact on the profits of our Company.

**5. We face significant competitive pressures in our business. Our inability to compete effectively would be detrimental to our business and prospects for future growth.**

We face significant competition in our business from other manufacturers and suppliers of wires and cables. For details, see “Our Business - Competition” on page 59 of this Draft Letter of Offer. The industry and markets for our products are characterized by factors such as the shift towards branded play, new technological innovations and increasing demand for energy efficient and premium products. The wires and cable industry is highly competitive with the presence of many national and regional players (manufacturers, traders, suppliers and importers etc.), competing on the basis of factors such as products, price, and quality. Due to the fragmented nature of the industry and price advantage that the unbranded players generally enjoy, there can be no assurance that we will maintain our competitiveness with respect to any of our products. In addition, as a result of the intense competition and accelerated innovation in the wires industry, our ability to achieve and maintain profitability depends on a number of factors, including expanding manufacturing capacities at necessary levels, the customer perception of our products and the pricing levels of our competitors, some of which is beyond our control.

While we work consistently to offset pricing pressures, produce new products, advance our technological capability, improve our services or enhance our production efficiency to reduce costs, such efforts may not be successful. Also, as we plan to expand our offerings to launch new products, we may face strong competition from other players in the same markets. Many of our existing and potential competitors may seek to equal or exceed us in terms of their financial, production, sales, marketing and other resources. If we fail to compete effectively in the future, our business and prospects could be materially and adversely affected.

**6. We are highly dependent on our skilled personnel for our day-to-day operations. The loss of or our inability to attract or retain such persons have a material adverse effect on our business performance.**

Our success in expanding our business will also depend, in part, on our ability to attract, retain and motivate skilled personnel. Competition for skilled personnel in our industry is intense. Our competitors may offer compensation and remuneration packages beyond what we are offering to our employees. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of key personnel to competition is a risk where our Company’s technical information would be acquired by the competitors. We may be required to appoint new employees who may or may not have prior experience within the industry and need to be trained. Apart from this, employees may also leave the organization due to other reasons and may need to be replaced. These factors lead to increased manpower cost.

The details of attrition rate of employees for the last three (3) financial years are as follows:

Particulars	For the Financial year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Average number of employees	82	79	80
Number of employees retired / left	33	27	34
Attrition Rate (%)	40.24	34.18	42.5

Although, during the past three (3) financial years we have added more employees than those who have left, we cannot assure you that there will be no attrition of employees in future. If we are unable to retain talent required for our business, or hire employees with similar talents and experience in the same cost, we may incur additional costs or we may face difficulties in our operations and performance due to lack of skilled and experienced workforce which could have a material adverse effect on our profitability, financial condition and results of operations.



**7. We are required to renew, maintain or obtain statutory and regulatory permits, licenses and approvals for our operations from time to time. Any delay or inability to obtain such approvals may have an adverse impact on our business.**

We require certain statutory and regulatory permits, licenses and approvals to operate our business. We have made renewal applications for certain approvals or licenses that have expired. If we fail to obtain necessary approvals we require to operate, or if there is any delay in obtaining these approvals, our business and financial condition may be adversely affected. Further, these permits, licenses and approvals are subject to several conditions, and there is no assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits, licenses or approvals. Any interruption of our operations caused by our statutory and regulatory permits, licenses and approvals could adversely affect our business, prospects, financial condition and results of operations.

**8. Our business is working capital intensive involving relatively long implementation periods. We require substantial financing for our business operations. Our indebtedness and the conditions and restrictions imposed on by our financing arrangements could adversely affect our ability to conduct our business.**

Our operations are typically working capital intensive in nature and involve long implementation periods. This requires us to obtain financing through various means. As on March 31, 2024, our total current borrowings stood at ₹ 1937.60 lakhs we may incur additional indebtedness in the future. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company and could adversely impact our Equity Share price.

Our working capital requirements may be affected due to factors beyond our control including force majeure conditions, delay or default of payment by our clients, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

In the last three (3) financial years our Company has been able to raise additional working capital funding from bank as and when the need has arisen and has never delayed and defaulted its financial commitments. However, any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, results of operations and financial condition.

**9. We have entered, and will continue to enter into, related party transactions.**

We have in the course of our business entered into transactions with related parties. While we believe that all such transactions have been conducted on an arms-length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have adversely affect our business, prospects, financial condition and results of operations.

For details regarding our related party transactions as per Ind AS 24 entered into by our Company in Fiscal 2024, please see “Audited Financial Statements”—Related party transactions” on page 115 of this Draft Letter of Offer

9. ***We have not been paying dividends in the past and our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. We have not paid dividends in the past and there can be no assurance that our Company will declare dividends in the future also.

10. ***Our promoter will continue to retain significant shareholding in our Company after the issue, which will enable them to exercise significant control over us.***

After the completion of the Issue, our Promoter, will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and affect the outcome of shareholder voting. As a result, our Promoter may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders.

11. ***There are certain legal proceedings involving our Company, Directors and Promoter, an adverse outcome in which may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.***

Our Company, its Directors and Promoter are involved in certain legal proceedings, which if determined, against us could have adverse impact on the business and financial results of our Company. A brief detail of such outstanding litigations as on the date of this Draft Letter of Offer are as follows:

#### **Litigations involving our Company**

Cases filed against our Company:

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved* (₹ in lakhs)</b>
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	NA	NA
Tax Proceedings	NA	NA
Proceedings involving material violations of statutory regulations by our Company	NA	NA
Labour Matters	NA	NA
Economic offences	NA	NA
Material civil litigations above the materiality threshold	NA	NA
Other civil litigation considered to be material by our Company's Board of Directors	NA	NA

*\*To the extent quantifiable*

Cases filed by our Company:

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved* (₹ in lakhs)</b>
Criminal matters	14	117.61
Direct Tax Matters	NA	NA
Indirect Tax Matters	NA	NA
Other civil litigation considered to be material by our Company's Board of Directors	NA	NA

*\*To the extent quantifiable*

## Litigations involving our Promoters / Directors

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in Lakhs)
Criminal matters	NA	NA
Direct tax matters	NA	NA
Indirect tax matters	NA	NA
Other civil litigation considered to be material by our Company's Board of Directors	NA	NA

\*To the extent quantifiable

We cannot provide any assurance that these matters will be decided in our favour. Further, there is no assurance that legal proceedings will not be initiated against our Company, its Directors or Promoter in future. For further details on the outstanding litigation proceedings, see "Outstanding Litigation and Defaults" on Page 128 of this Draft Letter of Offer.

### 12. There are dues to SMEs as at the end of March 31, 2024 and March 31, 2023.

The following amounts were due to MSMEs as at the end of March 31, 2024 and March 31, 2023.

Particulars	(₹ in lakhs)	
	Mach 31, 2024	March 31, 2023
Trade Payables – MSME Dues	442.12	529.65

### 13. There are trade receivables which are pending for more than 6 months.

We have the following trade receivables which are pending for more than 6 months. Although we consider the amounts receivable as good, in the unforeseen event of not realising these amounts, our revenues and profitability could be adversely affected.

Particulars	(₹ in lakhs)			
	Audited March 31, 2024		Audited March 31, 2023	
	Less than 6 months	More than 6 months	Less than 6 months	More than 6 months
Undisputed Trade Receivables	1992.26	160.81	943.90	145.87
Disputed Trade Receivables	0.48	138.59	0.59	142.96
Doubtful Trade Receivables	-	-	-	-

### 14. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

Our Company has experienced negative net cash flow in operating activities in the recent past, the details of which are provided below:

Particulars	Audited	
	March 31, 2024	March 31, 2023
Net Cash Flow from / (used in) Operating Activities	(2,390.90)	611.14
Net Cash Flow from / (used in) Investment Activities	(200.43)	(113.03)
Net Cash Flow from / (used in) Financing Activities	2648.85	(497.39)

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

### 15. There have been certain observations in the secretarial audit report issued by our secretarial auditor in the recent past.

During the financial years 2022-23 our secretarial auditor has made certain observations in the audit report by stating that there have been certain non-compliances of the LODR Regulations

- The Company has not filed IEPF-2 within due date after completion of Annual General Meeting which was held on 29th September 2022.
- The Company has not filed Form MGT-14 for approval of Director report and Change in Key Managerial Personnel.
- Two meeting dated 15th November 2022 & 25th November 2022 are missing in the corporate Governance Report filed for the quarter ended on 31st December 2022.
- The Comment on remarks of Secretarial Audit for the year ended on 31st March 2022 was not found in the Director Report.

While no show cause notices have been received. the occurrence of such non-compliances or continued qualifications in the audit reports in future may result in fines / imposition of penalties and this in turn may impact our results of operations and financial position.

**16. *We may not be able to adequately protect our intellectual property, which could harm the value of our brand and services.***

Our business is dependent upon successfully protecting our intellectual property, including but not limited to our trademarks and copyrights. As part of our efforts towards ensuring their protection, we have successfully applied for and registered several trademarks including our logo



and variations and formatives. As on the date of this Draft Letter of Offer, we have over 43 (Forty-Three) registered trademarks including word marks, logos, device marks and slogans in various classes in India, in addition to several trademark applications pending registrations. We do not have any control over the registration of a trademark and a pending mark may not be granted registration for various reasons including being descriptive, non-distinctive, identical or similar to other mark. Furthermore, a trademark may also be opposed by third parties that claim to have prior or superior rights after receipt of certain objections from third parties. Such actions are not within our control and can severely impact business and may result in requirement to undertake rebranding exercises, all of which result in additional costs for us and could also impact our reputation. A party could also proceed against a registered trademark and request for its cancellation on various grounds which include bad faith use and non-use for a continuous period of five years and three months from the date of entry into the register of trademarks.

Generating and maintaining recognition for our brand is critical to our business. The success of our business depends on our ability to use our trademarks in order to compete effectively in existing markets and increase penetration and awareness for our brand and further promote our business in newer markets. If we are unable to maintain or enhance viewer and subscriber awareness of our brand and generate demand in a cost-effective manner, it would adversely affect our ability to compete in the industry and would have an adverse effect on our business and results of operations.

While we have endeavored to register most of the trademarks that we use or have used in the past, even if these trademarks are not registered, those that have garnered a reputation over the years and are associated with us are protected under common law allowing us to prevent a third party from using a deceptively similar or identical mark and from any unauthorized use of the mark. This, however, is subject to us taking action against such a third-party trademark and proving that the rights in our mark are superior. The use of a deceptively similar or identical third-party mark may result in a loss/injury to us. Such an action may also become a lengthy and costly exercise for us and may not always be in our favour. While for registered trademarks, we have greater protection because of the statutory protection afforded against similar marks being used /registered for similar goods and services, we may not be able to adequately protect unregistered marks that are not as well recognized.

**17. *We may infringe on the intellectual property rights of others.***

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we or our technology providers are infringing upon any existing third-party intellectual property rights which may force us to alter our technologies, obtain additional licenses or significantly cease some portions of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. Regardless of whether such claims that we or our technology providers are infringing patents or other intellectual property rights have any merit, those

claims could adversely affect our relationships with current or future clients, result in costly litigation, divert management's attention and resources, subject us to significant liabilities, require us to enter into additional royalty or licensing agreements or require us to cease certain activities.

An adverse ruling arising out of any intellectual property dispute could subject us to significant liability for damages, prevent us from using technologies or developing products, or require us to negotiate licenses to disputed rights from third parties. Although patent and intellectual property disputes in the technology area are often settled through licensing or similar arrangements, costs associated with these arrangements may be substantial and could include license fees and ongoing royalties, which could be prohibitively expensive. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. Any of the foregoing could materially and adversely affect our business, results of operations and financial condition.

**18. *The management of our Company is dependent upon our senior management, directors and key personnel.***

We operate in an industry where the quality of our people is a critical asset. We benefit significantly from the vision, strategic guidance, experience and skills of several key members of our management team, which includes our Promoter, supported by the skills, efforts, expertise, continued performance and motivation of our Key Management Personnel, and other personnel. If any of our Promoter, Key Management Personnel cease to be associated with our Company and we fail to recruit suitable replacements in a timely manner, our ability to manage our growth and our business, results of operations and prospects may be adversely affected.

**19. *Insurance coverage has not taken by our company, as a result of which the loss or destruction of our assets could have a material adverse effect on our financial condition and results of operations.***

While we believe that the insurance policies taken by us are adequate, they may not be sufficient to cover all the risk involved. Such insurance policies are taken on the basis of estimated period of completion of the project and estimated costs and other projections. However, we cannot assure you that our company recover all our losses in case of any damage or adverse event. We may face uninsured risks to the extent of remaining assets of the company. Further, if we may suffer any losses, damages and liabilities in the course of our operations and in our project development. Any such uninsured losses or liabilities could result in a material adverse effect on our business operations, financial conditions and results of operations. Further, we may not carry insurance coverage for all our projects. We may have to bear the costs associated with any damage suffered by us in respect of these uninsured projects or uninsured events.

**20. *Conflict of interest may arise out of common business / similar business activities shared by our Company and our Promoter Group.***

Some of our Group Entities and other entities in the Group are in the Wires and Cables Business. As a result, there may be conflict of interests in allocating business opportunities between us and our Group Entities / other entities in the Group. We have also note entered into any non-compete agreements with any of our group entities. This could lead to a loss of business opportunity to our company and in turn could have an adverse effect on our revenues and results of our operations.

**21. *We face foreign exchange risks that could adversely affect our results of operations and cash flows.***

A portion of our total revenue from operations is denominated in currencies other than Indian Rupees. For the Financial Years 2023 and 2024 exports to regions outside India accounted for ₹ 633.60 Lakhs and ₹ 785.25 Lakhs respectively, which represented 5.90% and 6.33% of our total revenue from operations. We monitor our exposure to foreign currencies and selectively enter into hedging transactions in an attempt to reduce the risks of currency fluctuations. However, these activities may not always be sufficient to protect us against incurring potential losses if currencies fluctuate significantly. Although we did not experience losses due to any failure to hedge foreign exchange risks in the past two financial years, we cannot assure you that this will not occur in the future. In addition, the policies

of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows.

**22. *Our Company has availed unsecured loans from related parties, which are callable in nature.***

As on the date of this Draft Letter of Offer, our Company has outstanding unsecured loans aggregating to ₹ 2,232.15 lakhs, which have been extended by our Directors / promoters which are callable in nature and can be recalled at any time by them. In the event, the lenders seek a repayment of any these unsecured loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to carry out the operations or complete our ongoing operations. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see “*Financial Indebtedness*” on page 119 of this Draft Letter of Offer.

**23. *We are a listed company and are required to comply with rules and regulations imposed by the Stock Exchange and SEBI with respect to continuous listing and the Companies Act. Any failure to comply with such rules and regulations or any wrong disclosure made to the Stock Exchange or any statutory authority could result in penalties being imposed on us, which may adversely affect our business and operations.***

As a listed company, we are required to comply with certain conditions for continuous listing under the SEBI Listing Regulations and other rules and regulations imposed by SEBI, which require us to make certain periodic disclosures, including disclosures about any material events or occurrences with respect to our Company, disclosure of our financial statements and disclosure of our updated shareholding pattern. Any failure to comply with these continuous disclosure requirements or any wrongful disclosure made by us to the Stock Exchange or any other statutory authority may lead to penalties being imposed on us.

We believe that We are in compliance with rules and regulations imposed by the BSE and SEBI with respect to continuous listing, any failure to comply with such rules and regulations or any wrong disclosure/ Non filing to the BSE or any statutory authority could result in penalties being imposed on us, which may adversely affect our business and operations.

**24. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a public financial institution or a scheduled commercial bank and our management will have broad discretion over utilization of the Net Proceeds.***

Our Company proposes to utilize the Net Proceeds for repayment of unsecured loan and general corporate purposes. Our proposed deployment of Net Proceeds has not been appraised by a public financial institution or a scheduled commercial bank and is based on management estimates. Our management will have broad discretion to use the Net Proceeds. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. We cannot assure you that use of the Net Proceeds to meet our future capital requirements, fund our growth and for other purposes identified by our management would result in actual growth of our business, increased profitability or an increase in the value of our business.

**25. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”.***

As the Issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilization of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting

shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same.

**26. *We are subject to cyber security risks and security breaches and may incur increasing costs in an effort to minimize those risks and to respond to cyber incidents.***

A number of other companies have disclosed cyber-attacks and security breaches, some of which have involved intentional attacks. Attacks may be targeted at us, our customers, or both. Although we devote significant resources to maintain and regularly upgrade our systems and processes that are designed to protect the security of our computer systems, software, networks and other technology assets and the confidentiality, integrity and availability of information belonging to us and our customers, our security measures may not provide absolute security. Despite our efforts to ensure the integrity of our systems, it is possible that we may not be able to anticipate or to implement effective preventive measures against all security breaches of these types, especially because the techniques used change frequently or are not recognized until launched, and because cyber-attacks can originate from a wide variety of sources, including third parties outside the Company such as persons who are involved with organized crime or associated with external service providers or who may be linked to terrorist organizations or hostile foreign governments. A successful penetration or circumvention of the security of our systems could cause serious negative consequences, including significant disruption of our operations, misappropriation of our confidential information or that of our customers, or damage to our computers or systems or those of our customers and counterparties, and could result in violations of applicable privacy and other laws, financial loss to us or to our customers, loss of confidence in our security measures, customer dissatisfaction, significant litigation exposure, and affect to our reputation, all of which could have a material adverse effect on us.

Our servers are also vulnerable to computer viruses, physical or electronic break-ins, and similar disruptions. We may need to expend significant resources to protect against security breaches or to address problems caused by breaches. Security breaches, including any breach of our systems or by persons with whom we have commercial relationships that result in the unauthorized release of customers' or businesses' personal information, could damage our reputation and expose us to a risk of loss or litigation and possible liability.

**27. *Failure to stay up to date with technological changes, as well as the uses and regulation of the internet, might be detrimental to our Company.***

The industry is very dynamic and fresh. We must keep up with changing technical breakthroughs, customer and small company usage habits, internet security threats, system failure or inadequacy hazards, and governmental regulation and taxation, all of which could have a negative influence on our entity.

If we are unable to adequately react to such developments, decreased demand for our products could result in a loss of revenues or a fall in profitability. The demand for our products could fall as a result of a variety of factors, including regulatory restrictions that limit customer access to specific products, the availability of competing or alternative products, or changes in customers' financial circumstances, such as increases in income or savings. Our revenues could be severely reduced if we fail to adjust to a significant change in our clients' desire for, or access to, our products. Customers may refuse or reject products whose changes make them less appealing or less available, even if we make adjustments or launch new products to meet customer demand.

**28. *The COVID-19 pandemic has had, and may in the future continue to have, and any similar pandemic situations that may arise in the future, may have a material adverse impact on our business, results of operations, financial condition and cash flows.***

The global spread and unprecedented impact of the ongoing COVID-19 pandemic continues to create significant volatility, uncertainty and economic disruption. The pandemic has led governments and other authorities around the world to implement significant measures intended to control the spread of the virus, including lockdowns, shelter-in-place orders, social distancing measures, business closures or restrictions on operations, quarantines, travel bans and restrictions and multi-step policies with the goal of re-opening these markets. These responsive measures have severely disrupted economic and

commercial activity tied to the production and sale of goods, which have impacted supply chains and routes, and, as a result, supply chain companies such as ours have experienced uncertainty and volatility. The scope, duration, and frequency of the measures implemented and the adverse effects of COVID-19 remain uncertain and could be severe. If COVID-19 infection rates resurge and the pandemic intensifies and expands geographically, its negative impacts on our business, operating expenses, gross profit and gross margin could be more prolonged and may become more severe.

**29. *We have not commissioned an industry report for the disclosures made in the chapter titled "Industry Overview" and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.***

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled "Industry Overview" on page 54 of this Draft Letter of Offer. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

## **EXTERNAL RISK FACTORS**

**30. *Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and IFRS, which investors may be more familiar with and consider material to their assessment of our financial condition.***

Our audited summary statements of assets and liabilities as at March 31, 2024 and audited summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Financial Year 2024 have been prepared in accordance with the Ind AS, read with the Ind AS Rules and in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

**31. *Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.***

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.



Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

**32. A slowdown in economic growth in India could cause our business to suffer.**

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

**33. Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.**

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-

term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

**34. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

**35. *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.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, 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.

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

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

**37. *The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and

military actions including wars amongst nations like the current Russia Ukraine conflict could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

## **ISSUE SPECIFIC RISKS**

### **38. *Our Company will not distribute the Draft Letter of Offer and Application Form to certain overseas Shareholders who have not provided an address in India for service of documents.***

Our Company will dispatch the Letter of Offer, the Abridged Draft Letter of Offer, Rights Entitlement Letter and Application Form (the “**Offering Materials**”) to such Shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e- mail. Presently, there is a lack of clarity under the Companies Act and the rules thereunder, with respect to the distribution of Offering Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

### **39. *SEBI has by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021 and October 01, 2021, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021 and October 01, 2021 and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “*Terms of the Issue*” on page 139 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

### **40. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully

compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if STT was paid on the sale transaction and, additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on long-term capital gains arising from sale of equity shares. However, where specified conditions are met, such long-term capital gains are only taxed to the extent they exceed Rs. 100,000.00 and unrealized capital gains earned up to January 31, 2018, continue to be exempt. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. 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 in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity Shares.

**42. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.***

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

**43. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchange until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

**44.  *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, 2013, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares

voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

**45. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

**46. *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.

**47. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

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## SECTION III: INTRODUCTION

### THE ISSUE

The Issue has been authorised by way of resolution passed by our Board on February 20, 2024, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been approved by the Board of Directors at their meeting held on [●], 2024.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 139 of this Draft Letter of Offer.

<b>Rights Equity Shares being offered by our Company</b>	[●] Rights Equity Shares
<b>Rights Entitlement for the Rights Equity Shares</b>	[●] Rights Equity Share for every [●] Equity Shares held on the Record Date
<b>Record Date</b>	[●]
<b>Face Value per Equity Share</b>	₹2/- each
<b>Issue Price</b>	₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share). On Application, Investors will have to pay ₹ [●] per Rights Equity Share, which constitutes 100% of the Issue price including premium.
<b>Issue Size</b>	[●] Equity Shares of face value of ₹ 2/- each for cash at a price of ₹ [●] per Rights Equity Share up to an amount of ₹ 4990 Lakhs * * <i>Assuming full subscription</i>
<b>Voting Rights and Dividend</b>	The Equity Shares issued pursuant to this Issue shall rank <i>pari-passu</i> in all respects with the Equity Shares of our Company.
<b>Fractional Entitlement</b>	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares or is not in multiples of [●] ([●]), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
<b>Equity Shares issued, subscribed and paid up and outstanding prior to the Issue</b>	9,54,22,500 Equity Shares issued subscribed and paid-up. For details, please see “Capital Structure” on page 41 of this Draft Letter of Offer.
<b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Equity Shares)</b>	[●] Equity Shares* * <i>assuming full subscription</i>
<b>Security Codes for the Equity Shares</b>	ISIN: INE010R01023 BSE Code: 538706
<b>ISIN for Rights Entitlements</b>	[●]
<b>Terms of the Issue</b>	For details, please see “ <i>Terms of the Issue</i> ” on page 139 of this Draft Letter of Offer.
<b>Use of Issue Proceeds</b>	For details, please see “ <i>Objects of the Issue</i> ” on page 46 of this Draft Letter of Offer

## GENERAL INFORMATION

Our Company was originally incorporated in the name and style of “Ultracab (India) Private Limited“ as a Private Limited Company under the Companies Act, 1956 pursuant to a Certificate of Incorporation granted by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on December 19, 2007. Our Company was converted into a public limited company vide a new Certificate of Incorporation dated July 31, 2014 issued by the Registrar of Companies Ahmedabad, Gujarat. The name of our Company was subsequently changed to Ultracab (India) Limited. The Corporate Identity Number of our Company is L31300GJ2007PLC052394.

### Changes in the registered office of our Company

Except as disclosed below, there has been no change in the address of the registered office of our Company since the date of incorporation:

Date of change	Details of change in the registered office
May 22, 2008	Change of the registered office address from Plot No: 164/15, GIDC -2, Jamwadi, Gondal, Rajkot to the current address at Survey No: 262, Behind Galaxy Bearing Limited, Shapar (Veraval), Rajkot – 320024, Gujarat, India.

### Registered Office of our Company

#### Ultracab (India) limited

Survey No:262, Behind Galaxy Bearing Limited  
Shapar (Veraval) Rajkot – 320024, Gujarat

**Tel. No.:** +91 2827 253122 /23

**Fax:** +91 2827 2527725

**Website:** www.ultracabwires.com

**CIN:** L31300GJ2007PLC052394.

### Registrar of Companies

Our Company is registered with the Registrar of Companies, Gujarat at Ahmedabad at the following address:

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)

### Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Draft Letter of Offer:

Name	Age	Designation	Address	DIN
Nitesh Vaghasiya	50	Chairman cum Managing Director	”Matru Ashish” Saanjay Society, Jetpur Road, Gondal – 360311, Gujarat, India	01899455
Pankaj Shingala	36	Whole Time Director	”Shree Ram” Silver Stone Society -3, Street No:9, Jalaram Bungalows, Mota Mava, Rajkot 360 005, Gujarat	03500393
Aartiben Pankaj Shingala	35	Non-Executive Non-Independent Director	”Shree Ram” Silver Stone Society -3, Street No:9, Jalaram Bungalows, Mota Mava, Rajkot 360 005, Gujarat	09113214

Name	Age	Designation	Address	DIN
Bipinchandra Sangani	69	Non - Executive Independent Director	"RAJ" 3- Silver Stone Street, Opposite Oscar Tower, 150 Feet Road, Rajkot 360 005, Gujarat	06945854
Kanjibhai Patel	69	Non - Executive Independent Director	"Prem Chand' Silver Stone -3, 1/9 Street, Opposite Big Bazaar, 150 Feet Ring Road, Rajkot 360 005, Gujarat	06945882
Prashant Sawant	56	Non - Executive Independent Director	Flat No 301, Krishna Building, Plot No 138, Sector 12, Navi Mumbai, Thane - 400703 Maharashtra, India	08503935

For detailed profile of our directors, please refer to the chapter titled "Our Management" on page 68 of this Draft Letter of Offer.

#### Chief Financial Officer

Mr. Pravin Pansuriya is the CFO of our Company. His contact details are:

Survey No:262, Behind Galaxy Bearing Limited

Shapar (Veraval) Rajkot – 320024, Gujarat

**Tel. No.:** +91 2827 253122 /23

**Fax:** +91 2827 2527725

Email: <mailto:rampanjri@gmail.com> / [account@ultracab.in](mailto:account@ultracab.in)

#### Company Secretary and Compliance Officer

Ms Brinda Paras Mehta is the Company Secretary and Compliance Officer of our Company. Her contact details are:

Survey No: 262, Behind Galaxy Bearing Limited

Shapar (Veraval), Rajkot – 320024, Gujarat

**Tel. No.:** +91 2827 253122 /23

**Fax:** +91 2827 2527725

Email: <mailto:cs@ultracab.in>

#### Details of Key Intermediaries pertaining to this Issue:

##### Registrar to the Company / Issue

##### Bigshare Services Private Limited

S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra.

**Tel No.:** +91 22 6263 8200; **Fax No:** +91 22 6263 8299

**Email:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**Contact Person:** Mr. Suraj Gupta

**SEBI Registration Number:** INR000001385

##### Statutory and Peer Review Auditor of our Company

##### Bhavin Associates

Chartered Accountants

Everest Complex, Office No. 709,

7<sup>th</sup> Floor, Limda Chowk, Subhash Road, Opp Shastri Ground

Rajkot 360 001, Gujarat, India.

**Email:** [bhansali\\_ca@hotmail.com](mailto:bhansali_ca@hotmail.com)

**Tel:** +91 281-2220123 /2223153

**Contact Person:** Mr. Bhavin P. Bhansali

**Firm Registration Number:** 101383W

**Peer Review Certificate Number:** 015618



## **Bankers to the Issue/ Refund Bank**

[•]

## **Designated Intermediaries**

### *Self-Certified Syndicate Banks*

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

## **Inter-se Allocation of Responsibilities**

Since there are no lead managers, a statement of inter se allocation of responsibilities is not required.

## **Expert Opinion**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated April 15, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its , in their capacity as the Statutory Auditors and in respect of their: (i) audit report dated May 17, 2024 relating to the audited Ind AS financial statements as at and for the year ended March 31, 2024 and (ii) Statement of Special Tax Benefits dated April 18, 2024 in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term “Expert” shall not be construed to mean an “Expert” as defined under the Securities Act, 1933.

## **Investor grievances**

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment/ share certificates/ demat credit/ Refund Orders, etc.

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre- Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment, Split Application Forms, Share Certificate(s) 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 SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

## **Credit Rating**

As this is a Rights Issue of Equity Shares, credit rating is not required.

## **Debenture Trustees**

As this is a Rights Issue of Equity Shares, the appointment of Debenture trustees is not required.

## Monitoring Agency

Since the size of the issue is less than Rs.10,000 lacs, under Regulation 82 of the SEBI ICDR Regulations, a monitoring agency is not required to be appointed by our Company.

## Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Letter of Offer with SEBI for rights issues has been increased to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

## Changes in Auditors during the last three years

There has been no change in the Statutory Auditor of our Company in last three years immediately preceding the date of this Draft Letter of Offer.

## Underwriting Agreement

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

## Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights	[●]
Issue Closing Date*	[●]

\* *The Board of Directors or the Rights Issue Committee will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

The above schedule is indicative and does not constitute any obligation on our Company.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., [●] [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, being [●], [●] 2024.

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Neither our Company nor the Registrar to the Issue will be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Application Forms, see “*Terms of the Issue*” on page 139 of this Draft Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue

### **Minimum Subscription**

The objects of this Issue is (i) for meeting working requirements of the Company; (ii) to repay / prepay certain unsecured loans that have been taken by the Company and (iii) general corporate purposes. Further, our Promoters have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other members of our Promoter Group) subject to the aggregate shareholding of our Promoters and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI Listing Regulations. Accordingly, in terms of Regulation 86 of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to this Issue. Any participation by our Promoters and Promoter Group, over and above their Rights Entitlements, shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law.

*(The remainder of this page has intentionally been left blank)*

## CAPITAL STRUCTURE

The equity share capital of our Company as at the date of this Draft Letter of Offer, and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue, are set forth below.

(₹ Lakhs except share data)

		Aggregate Value at Face Value	Aggregate Value at Issue Price
<b>A</b>	<b>AUTHORISED SHARE CAPITAL*</b>		
	15,00,00,000 Equity Shares of ₹2 each	3000.00	
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE</b>		
	9,54,22,500 Equity Shares of ₹2 each	1908.45	
<b>C</b>	<b>PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER<sup>(1)</sup></b>		
	Up to [●] Rights Equity Shares, at a premium of ₹[●] per Rights Equity Share, <i>i.e.</i> , at a price of ₹[●] per Rights Equity Share <sup>(2)</sup>	[●]	4990.00
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE<sup>(3)(4)</sup></b>		
	Up to [●] Equity Shares	[●]	
<b>E</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		Nil
	After the Issue		[●] <sup>(3)</sup>

<sup>(1) & (2)</sup> The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors dated February 20, 2024.

<sup>(2)</sup> On Application, Investors will have to pay [●] per Rights Equity Share which constitutes 100% of the Issue Price.

<sup>(3)</sup> Assuming full subscription for and Allotment of the Rights Equity Shares.

<sup>(4)</sup> Subject to finalisation of Basis of Allotment.

### NOTES TO CPITAL STRUCTURE

#### 1. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Pursuant to letter dated June 07, 2024 our Promoters Mr Nitish Vaghasiya and Mr Pankaj Shingala have confirmed that they shall subscribe, to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce the Rights Entitlements; (ii) subscribe to the Rights Equity Shares for the Rights Entitlements, if any, which are renounced in their favour by any other Promoters or any other member(s) of our Promoter Group, each as may be applicable; and (iii) their intention to apply for and subscribe to additional Rights Equity Shares and to any unsubscribed portion in this Issue, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations at the time of Allotment. Other Promoters will renounce their entitlement in favour Mr Nitish Vaghasiya and Mr Pankaj Shingala.

2. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ [●] per equity share.
3. At any given time, there shall be only one denomination of the Equity Shares of our Company.
4. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. For details on the terms of this Issue, see "Terms of the Issue" on page 139 of this Draft Letter of Offer.

5. Shareholding Pattern of our Company as per the last filing with the Stock Exchange:

(i) The summary statement of the shareholding pattern of our Company as on March 31, 2024, is as follows

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	12	26619121	0	0	26619121	27.90	26619121	26619121	27.90	0	0	0	0	0	0	26619121
(B)	Public	45,614	68803379	0	0	68803379	72.10	68803379	68803379	72.10	0	0	0	0	0	0	68803379
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>45,626</b>	<b>95422500</b>	<b>0</b>	<b>0</b>	<b>95422500</b>	<b>100.00</b>	<b>95422500</b>	<b>95422500</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>95422500</b>

ii. The statement of the shareholding pattern of our Company as on March 31, 2024 is as follows:

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	12	2,66,19,121	2,66,19,121	27.90	2,66,19,121	27.90	2,66,19,121
(B) Public	45,614	6,88,03,379	6,88,03,379	72.10	6,88,03,379	72.10	6,88,03,379
<b>Grand Total</b>	<b>45,626</b>	<b>9,54,22,500</b>	<b>9,54,22,500</b>	<b>100.00</b>	<b>9,54,22,500</b>	<b>100.00</b>	<b>9,54,22,500</b>

iii. Statement showing holding securities of persons belonging to the category Promoters and Promoter Group" as at March 31, 2024:

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
<b>A1) Indian</b>							
<b>a. Individuals/ Hindu Undivided Family</b>	<b>11</b>	<b>2,48,70,659</b>	<b>2,48,70,659</b>	<b>26.06</b>	<b>2,48,70,659</b>	<b>26.06</b>	<b>2,48,70,659</b>
Nitesh Parshottambhai Vagasiya		1,40,77,177	1,40,77,177	14.75	1,40,77,177	14.75	1,40,77,177
Parshottambhai Laljibhai Vaghasiya		60,000	60,000	0.06	60,000	0.06	60,000
Yogeshbhai Govindbhai Ramani		3,54,000	3,54,000	0.37	3,54,000	0.37	3,54,000
Govindbhai Karsanbhai Ramani		9,00,000	9,00,000	0.94	9,00,000	0.94	9,00,000
Arvindhbhai Parshotambhai Vaghasiya		14,04,206	14,04,206	1.47	14,04,206	1.47	14,04,206
Ramnik Parsotambhai Vaghasiya		14,57,681	14,57,681	1.53	14,57,681	1.53	14,57,681
Jayaben Parshotambhai Vaghasiya		11,42,100	11,42,100	1.20	11,42,100	1.20	11,42,100
Muktaben Govindbhai Ramani		6,88,500	6,88,500	0.72	6,88,500	0.72	6,88,500

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
Vasantbhai Hardasbhai Shingala		5,11,639	5,11,639	0.54	5,11,639	0.54	5,11,639
Pankaj Vasantbhai Shingala		31,94,184	31,94,184	3.35	31,94,184	3.35	31,94,184
Pravinkumar Hardasbhai Shingala		10,81,172	10,81,172	1.13	10,81,172	1.13	10,81,172
<b>b. Body Corporates</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sub- total of A1</b>	<b>11</b>	<b>2,48,70,659</b>	<b>2,48,70,659</b>	<b>26.06</b>	<b>2,48,70,659</b>	<b>26.06</b>	<b>2,48,70,659</b>
<b>A2) Foreign</b>	<b>1</b>	<b>17,48,462</b>	<b>17,48,462</b>	<b>1.83</b>	<b>17,48,462</b>	<b>1.83</b>	<b>17,48,462</b>
Niteen Bhikhubhai Khatra		17,48,462	17,48,462	1.83	17,48,462	1.83	17,48,462
<b>Sub-total of A2</b>	<b>1</b>	<b>17,48,462</b>	<b>17,48,462</b>	<b>1.83</b>	<b>17,48,462</b>	<b>1.83</b>	<b>17,48,462</b>
<b>A= A1+ A2</b>	<b>12</b>	<b>2,66,19,121</b>	<b>2,66,19,121</b>	<b>27.90</b>	<b>2,66,19,121</b>	<b>27.90</b>	<b>2,66,19,121</b>

iv. Statement showing holding of securities of persons belonging to the "public" category as on March 31, 2024:

Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (Calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
<b>B1) Institutions</b>	-	-	-	-	-	-	-
Banks (Domestic)	-	-	-	-	-	-	-
Foreign Portfolio Investors	-	-	-	-	-	-	-
<b>Sub Total B1</b>							
<b>B2) Central Government/ State Government(s) / President of India</b>	-	-	-	-	-	-	-
<b>Sub Total B2</b>	-	-	-	-	-	-	-
<b>B3) Non-Institutions</b>							
KMPs, Directors and their relatives	3	4,26,250	4,26,250	0.44	4,26,250	0.44	4,26,250

Individual share capital up to ₹ 2 Lakhs	44,518	4,88,87,481	4,88,87,481	51.23	4,88,87,481	51.23	4,88,87,481
Individual share capital in excess of ₹. 2 Lakhs	43	1,30,49,894	1,30,49,894	13.68	1,30,49,894	13.68	1,30,49,894
<b>Any Other</b>							
IEPF	-	-	-	-	-	-	-
Non-Resident Indian (NRI)	379	18,66,596	18,66,596	1.96	18,66,596	1.96	18,66,596
Clearing Members	5	40,564	40,564	0.04	40,564	0.04	40,564
Bodies Corporate	87	19,89,964	19,89,964	2.09	19,89,964	2.09	19,89,964
HUF	578	25,38,630	25,38,630	2.66	25,38,630	2.66	25,38,630
Trust	1	4,000	4,000	0.00	4,000	0.00	4,000
<b>Sub-total B3</b>	<b>45,614</b>	<b>6,88,03,379</b>	<b>6,88,03,379</b>	<b>72.10</b>	<b>6,88,03,379</b>	<b>72.10</b>	<b>6,88,03,379</b>
<b>B= B1+B2+B3</b>	<b>45,614</b>	<b>6,88,03,379</b>	<b>6,88,03,379</b>	<b>72.10</b>	<b>6,88,03,379</b>	<b>72.10</b>	<b>6,88,03,379</b>

- v. *Details of shareholders of our Company holding 1% or more of the paid-up capital of the issuer as last disclosed to the stock exchanges: i.e. March 31, 2024*

S. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Nitesh Parshottambhai Vagasiya	1,40,77,177	14.75
2.	Pankaj Vasantbhai Shinghala	31,94,184	3.35
3.	Niteen Bhikhubhai Khatra	17,48,462	1.83
4.	Ramnik Parsotambhai Vaghasiya	14,57,681	1.53
5.	Arvindbhai Parshotambhai Vaghasiya	14,04,206	1.47
6.	Bharatbhai Naranbhai Vaghasia	13,43,207	1.41
7.	Chandulal Raghavjibhai Patel	12,60,256	1.32
8.	Jayaben Parshotambhai Vaghasiya	11,42,100	1.20
9.	Champaben Karshanbhai Shingala	11,47,500	1.20
10.	Mamta Hiteshkumar Padariya	11,37,500	1.19
11.	Pravinkumar Hardasbhai Shingala	10,81,172	1.13

- vi. *Details of shares locked-in, pledged, encumbrance by the Promoters and the Promoter Group:*

As on date of this Draft Letter of Offer, none of the shares held by the promoters are locked-in, pledged or encumbered.

- vii. *Details of shares acquired by Promoters in the last one year immediately preceding the date of filing of this Draft Letter of Offer:*

S. No.	Name of the Promoter and Promoter Group	Number of shares acquired	Mode of Acquisition	Date
NIL				

6. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of filing of this Draft Letter of Offer. The Company has taken necessary approvals from the shareholders for granting stock options to the employees. Although necessary in-principle approvals have been taken from the Stock Exchange, the scheme is yet to be implemented.



## OBJECTS OF THE ISSUE

### The objects of the Issue are:

1. For the pre-payment / repayment of Loan
2. For augmenting the working capital requirements of the Company
3. For General corporate purposes.

(Collectively, referred to hereinafter as the “**Objects**”)

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the abovementioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue.

### Details of Gross Proceeds of the Issue

The details of the gross proceeds of the Issue are set forth in the following table:

Particulars	Amount
Gross Proceeds from the Issue	4,990.00
Less: Issue related expenses	[•]
<b>Net Proceeds from the Issue</b>	<b>[•]</b>

### Utilisation of Net Proceeds

The details of the Net Proceeds are set forth in the following table:

Particulars	Amount
For the pre-payment / Repayment of loan	2,232.15
Augmenting Working Capital Requirements	2,207.85
General Corporate Purposes	[•]
<b>Net proceeds from the Issue</b>	<b>4,940.00</b>

### Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds of the Issue. Accordingly, our Company confirms that there is no requirement 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 Issue

### Schedule of Implementation and Deployment of Funds

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2024-25.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

## Details of the Objects of the Issue

### 1. Repayment in full or part, of certain identified unsecured loans availed by our Company from promoter and members of the Promoter Group

Our Company proposes to utilize an estimated amount of ₹2,232.15 lakhs from the Net Proceeds of the Issue towards part repayment/prepayment, in full or in part, of certain identified unsecured loans availed by our Company from members of the Promoter Group. The loans have been advanced by the Promoters / Directors to meet the working capital needs of the Company.

The following table provides details of the relevant terms of the unsecured loans that have been availed by our Company from the members of the Promoter Group, out of which we may repay/prepay, in full or in part, any or all of its respective loans/facilities, without any obligation to pay/repay any particular lender in priority to the other:

							(₹ in lakhs)
Sr. No.	Name of the Lenders	the Principal availed and outstanding as on June 09, 2024	Amount and	Repayment Terms	Purpose of the Loan*	of Amount proposed to be repaid	
1.	Pankajkumar Shingala	V	385.82	On Demand	Working Capital	385.82	
2.	Nitेशkumar Vaghasiya	P	1,846.33	On Demand	Working Capital	1,846.33	
<b>Total</b>			<b>2,232.15</b>			<b>2,232.15</b>	

\* Our Statutory auditors have provided a certificate dated June 13, 2024 confirming the outstanding Unsecured Loan as on 05<sup>th</sup> June 2024 as ₹ 2,232.15 Lakhs

Our Company intends to partly or fully repay or pre-pay ₹ 2,232.15 lakhs to the Promoters / Promoter Group through this Issue, as per the details mentioned in the above table, and the said amount is proposed to be adjusted against the application money to be received by our Company, for the subscription to the Rights Equity Shares, from the members of Promoter Group, to the extent of their entitlement. Consequently, no fresh Issue proceeds would be received by our Company to such an extent from the promoters.

### 2. To meet the working capital requirements of the Company

We fund a majority of our working capital requirements in the ordinary course of business from internal accruals and bank loans. We propose to utilise ₹ 2,207.85 lakhs from the Net Proceeds of the Issue to fund the margin money towards working capital requirements of our Company in Fiscal Years 2024-25 and 2025-26 as stated in the below table.

#### Basis of estimation of long-term working capital requirement

The details of Company's working capital as at March 31, 2023 and as at March 31, 2024 and the source of funding, on the basis of audited financial statements, as certified by our Statutory and Peer Reviewed Auditor, M/s Bhavin Associates, Chartered Accountants, vide their report dated 17<sup>th</sup> May 2024 are provided in the table below. Further, in light of the incremental business requirements, our Company requires additional working capital for funding its working capital requirements in the Fiscal 2025. The proposed funding of such working capital requirements are as set out in the table below:

					(Rs. in Lakhs)
Sr. No.	Particulars	Audited FY 2022-23	Audited FY 2023-24	Estimate FY 2024-25	
I	<b>Current Assets</b>				
	Inventories	6,578.22	6,848.72	8,518.72	
	Trade Receivables	1,233.32	2,292.14	3,000.00	
	Cash and Cash Equivalents	210.18	267.70	365.00	
	Short-term Loans and Advances	132.56	78.57	45.00	
	Other Current Assets	-	-	32.65	
	<b>Total (A)</b>	<b>8,154.28</b>	<b>9,487.13</b>	<b>11,961.37</b>	

Sr. No.	Particulars	Audited FY 2022-23	Audited FY 2023-24	Estimate FY 2024-25
<b>II</b>	<b>Current Liabilities</b>			
	Short-Term Borrowings	2,866.06	1,937.60	3,850.00
	Current maturity of Long term Borrowings	159.61	165.48	216.00
	Trade Payables	1,628.80	748.01	1,575.00
	Short-Term Provisions	205.06	238.78	430.14
	Other Current Liabilities	252.71	228.83	98.73
	<b>Total (B)</b>	<b>5,112.24</b>	<b>3,318.70</b>	<b>6,169.87</b>
<b>III</b>	<b>Net Working Capital (A)-(B)</b>	<b>2,831.86</b>	<b>6,168.43</b>	<b>5,426.50</b>
	<b>Sources of Working Capital</b>			
	Working Capital Funding through Rights Issue			2,207.85
	Internal accrual / Share Capital / Borrowings			3,218.65

\*Excluding Cash and Cash Equivalent

### Basis of Estimation – Holding Period

Particulars	Basis	Actuals	Actuals	Estimated
		FY 2022-23	FY 2023-24	FY 2024-25
<b>Current Assets</b>				
Inventories	Days	252.48	221.15	196.60
Trade Receivables	Days	46.37	49.37	55.76
<b>Current Liabilities</b>				
Trade Payables	Days	65.07	49.46	37.71

Justification for “Holding Period” levels:

The justifications for the holding levels mentioned in the table above are provided below:

<b>Current Assets</b>	
Inventories	Our Company’s inventories primarily consist of cable wire, raw materials. Our company has assumed the holding level for inventories as 253 days of cost of goods sold and has reduced to 197 days for FY 2023-24 and FY 2024-25 respectively. Inventory levels have been estimated in line with projected financial for the FY 2023-24 and FY 2024-25.
Trade Receivables	Our Company has assumed the holding levels for trade receivables as 49 to 56 days of revenue during operations for FY 2023-24 and FY 2024-25.
<b>Current Liabilities</b>	
Trade Payables	Our trade payables have a direct correlation to our business growth. Holding level for trade payables as 52 days and 54 days from operation for FY 2023-24 and FY 2024-25 respectively. Trade payables levels have been estimated in line with projected operations for FY 2023-24 and FY 2024-25.

Our Board pursuant to its resolution dated May 17, 2024 has approved the estimated working capital requirements for Fiscal year 2024 and projected working capital for the Fiscal Year 2025 and the proposed funding of such working capital requirements

### 3. General Corporate Purposes

In terms of Regulation 62 (2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes shall not exceeding 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, including repayment of outstanding loans, meeting our working capital requirements, capital

expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

### Undertaking by our Promoter and Promoter Group

Our Promoters have undertaken not to subscribe to the full extent of their Rights Entitlement. Further, Our Promoters Mr Nitesh Vaghasiya and Mr Pankaj Shingala have requested that their entitlement be adjusted against the prepayment / repayment of the unsecured loan advanced by them to the Company. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●].

### Interest of Promoters and Directors in the objects of the Issue

Our Promoter and none of our Directors have any interest in the objects of the Issue, except to the extent of repayment of unsecured loan to Mr Nitesh Vaghasiya, Promoter and Managing Director and Mr Pankaj Kumar Shingala, our Promoter and Whole Time Director. No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Members of the Promoter Group, Directors and Key Managerial Personnel of our Company.

### Deployment of funds

Our Company proposes to deploy the entire Net Proceeds towards the objects as described herein during Fiscal 2025. However, if the Net Proceeds raised are not completely utilised for the objects stated above by Fiscal 2025 due to various factors beyond our control, such as market conditions, competitive environment, interest rate fluctuations and other commercial considerations, the same would be utilised (in part or full) in Fiscal 2026.

### Issue Related Expenses

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Particulars	Amount (₹ in Lakhs)	As a percentage of total issue expenses	As a percentage of Issue size*#
Fees of the Bankers to the Issue, Registrar to the Issue, Auditor's fees, including out of pocket expenses etc.	[●]	[●]	[●]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[●]	[●]	[●]
<b>Total estimated Issue expenses<sup>^</sup></b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards General Corporate Purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Issue.

<sup>^</sup>Excluding taxes

#Assuming full subscription

### **Bridge Financing Facilities**

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

### **Interim use of Net Proceeds**

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds towards the stated Objects of the Issue, our Company shall not use/deploy the Net Proceeds for any investment in the equity markets.

### **Monitoring of utilization of funds**

Since the Issue is for an amount less than ₹ 10,000 lacs, in terms of Regulation 82 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18(3) read with Part C of Schedule II of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses / application of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Statutory Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Letter of Offer. Further, this information shall be furnished to the Stock Exchange along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

### **Appraising entity**

None of the objects of this Issue, for which the Net Proceeds will be utilized, have been appraised.

### **Strategic or financial partners**

There are no strategic or financial partners to the Objects of the Issue.

### **Other Confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter and Promoter Group, Directors, Key Managerial Personnel of our Company, except for the part of the Net Proceeds that will be utilized towards the repayment/prepayment of certain unsecured loans availed by our Company from the Promoter Group members and payments made in the ordinary course of business, there are no material existing or anticipated transaction.

## STATEMENT OF TAX BENEFITS

To,  
**The Board of Directors**  
Ultracab (India) Limited  
Survey No. 262, Behind Galaxy Bearing Limited,  
Shapar (Varaval), Rajkot – 360024,  
Gujarat, India.

Dear Sir,

**Sub: Statement of possible special tax benefits (“the Statement”) available to Ultracab (India) Limited (“the Company”) and its Shareholders prepared in accordance with the requirements in Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”).**

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') as amended by the Finance Act, 2023, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special 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 choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. 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 everchanging tax laws in India.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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 revenue authority/courts will concur with the views expressed herein

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.

This certificate may be relied on by the Company and the legal counsel to the Issue and for the purpose of any defence, the Company may wish to advance in any claim or actual/ potential proceeding before any statutory/ regulatory authority/ stock exchange in connection with the contents of the Draft Letter of Offer or actual/potential dispute relating to or connected with the Draft Letter of Offer and Letter of Offer.

We shall not be liable to Company 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.

We hereby consent to (a) this certificate, or its parts being used in the Draft Letter of Offer of the Company or any other material in connection with the Issue; and/ or (b) submission of this certificate as may be necessary, to the Stock Exchange, Securities and Exchange Board of India or to any regulatory

authority; and/or (c) this certificate being used for the records maintained by the Company in connection with the Issue and in accordance with applicable law.

The enclosed annexure is intended for your information and for inclusion in the Draft Letter of Offer and Letter of Offer or any other issue related material in connection with the proposed right issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

Yours faithfully,

**For Bhavin Associates  
Chartered Accountants,  
Firm Reg. No. 0101383W**

**Sd/-**

**Bhavin P. Bhansali  
Partner  
Membership No. 043796**

Place: Rajkot  
Date: April 18, 2024

UDIN: 24043796BKAKBW4712

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

**A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

The Company is not entitled to any special tax benefits under the Act.

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

**Note:**

1. 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.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

We do not assume responsibility to update the views consequent to such changes. We shall not be liable to 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 or intentional misconduct. We will not be liable to any other person in respect of this statement.

Yours faithfully,

**For Bhavin Associates  
Chartered Accountants,  
Firm Reg. No. 0101383W**

**Sd/-**

**Bhavin P. Bhansali  
Partner  
Membership No. 043796**

Place: Rajkot  
Date: April 18, 2024

UDIN: 24043796BKAKBW4712



## SECTION IV: ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

#### Indian Economy

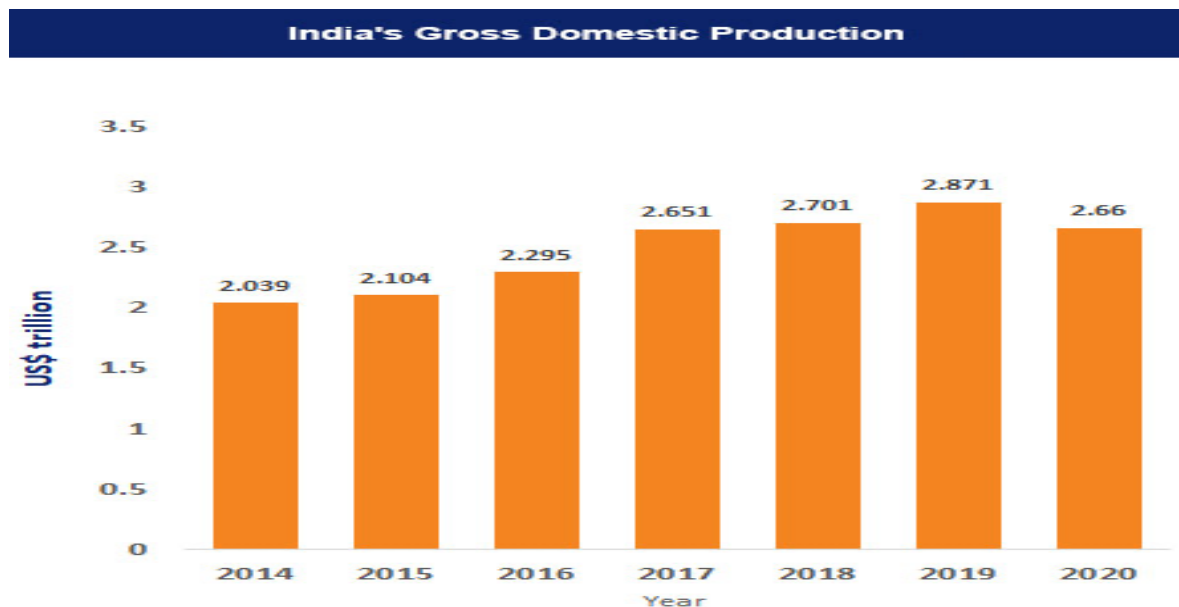
Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices (2011-12) in the first quarter of 2023–24 is estimated at Rs. 40.37 trillion (US\$ 484.94 billion), showing a growth of 7.8% as compared to the first quarter of 2022-23 estimated at Rs. 37.44 trillion (US\$ 449.74 billion). Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. In 2023-24 (April-September), India's service exports stood at US\$ 164.89 billion. Furthermore, India's overall exports (services and merchandise) in 2023-24 (April-September) were estimated at US\$ 376.29 billion. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-December 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

#### Market Size



India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 301.75 trillion (US\$ 3.62 trillion) in 2023-24. Additionally, the Nominal GDP at current prices in Q1 of 2023-24 was Rs.

70.67 trillion (US\$ 848.92 billion), as against Rs. 65.42 trillion (US\$ 785.85 billion) in 2022-23, estimating a growth of 8%. With 115 unicorns valued at more than US\$ 350 billion, as of February 2023, India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) decreases to US\$ 9.2 billion in Q1 of 2023-24 from US\$ 17.9 billion in Q1 of 2022-2023.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

### **The Road Ahead**

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Source: <https://www.ibef.org/economy/indian-economy-overview> - updated as on November 2023)

### **The Wire and Cable Industry**

Wire is a piece of metal that is used to carry electric current on the other hand, cable contain a number of wires inside a plastic or rubber which is used to carry electric signals. Copper, aluminium, plastics and alloys are the materials which are used to make these wires and cables. They are widely used in industries like defence and gas, oil, automotive etc. These days, due to increasing residences and houses in developing countries, there is an increase in the use of the wires and cables.

Wires and cables, which are used everywhere, are regarded as the arteries of electrical systems. They are used for a wide range of purposes such as electricity, telecommunication, transmission & distribution networks, powering electronic devices, in addition to other industrial applications. Today, a

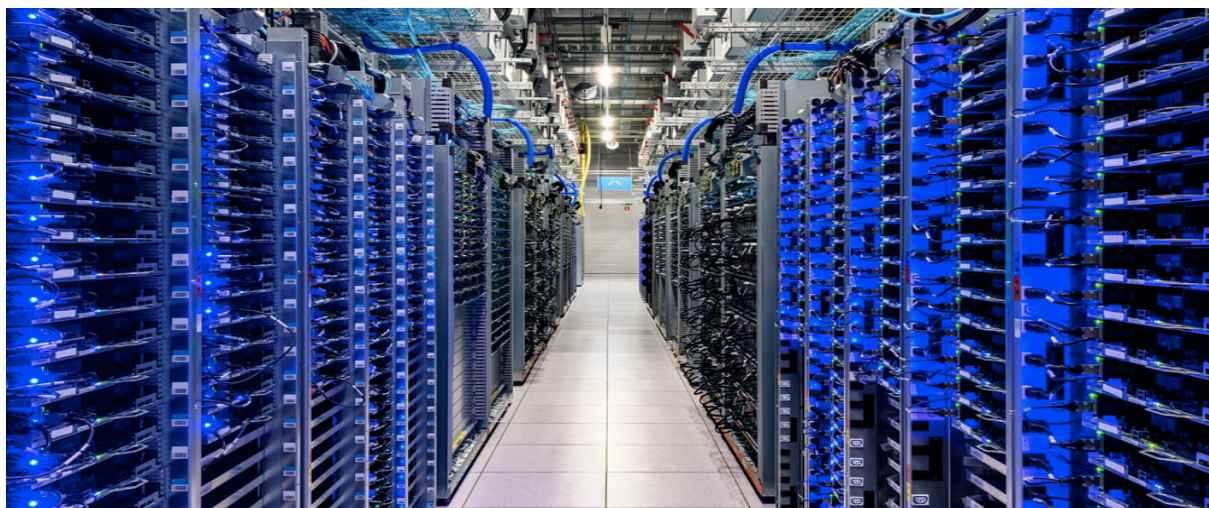
wide variety of industries including the defence, medical, telecom, networking, and power, are able to apply and use industry-specific wires and cables for their specific purposes.

The domestic cables and wires industry has registered robust growth over the last five years led by the government's focus on providing power to all and gradual pickup from the housing market. The wire and cables market in India has the potential to grow by USD 1.65 billion during 2021-2025, and the market's growth momentum will accelerate at a CAGR of 3.80%. The development of infrastructural projects by the government and investment is driving the growth of the wire and cable market in India.

The market is expected to be driven by factors such as the growth in renewable power generation in India, the expansion and revamping of Transmission & Distribution infrastructure in India, and increasing investments in metro railways. Increased investments in smart grid projects and up-gradation of power transmission and distribution systems are also estimated to propel the demand for wires & cables globally. Significant investments in smart grid technology have resulted in an increasing need for grid interconnections. Additionally, rising investments in underground cables and the growth of renewable energy are set to escalate the adoption of wires and cables. Wire and cables demand is directly dependent on the growth of the manufacturing industry and infrastructure in the power, telecommunications, residential and commercial sectors. Thus the government's initiatives on various fronts like – power, housing, infrastructure and digitization are sure to generate a lot of business for the wire and cable industry in the foreseeable future. Likewise, with the government's emphasis on pushing renewable energy to the forefront, the industry is now looking forward to supplying cables for solar and wind power applications in addition to oil and gas, railways and other specialized segments. Wires and cables are deployed across an extensive range of applications which include consumer electronics, utilities, material handling, automotive, and entertainment/leisure amongst others. Growing inclination toward the expansion of prevailing grid networks coupled with lack of efficient electric infrastructure will propel the industry outlook over the forecast timeline.

Increasing awareness about the potential of renewable power has led to the significant adoption of renewable energy. In addition to this, supportive government initiatives for the development of renewable power are also a prominent factor responsible for the growth of renewable power generation, which, in turn, would further drive the demand for wires and cables. According to EIA's International Energy Outlook 2019 report, 28% of the global power came from renewable energy in 2018, with the majority contributions from wind, solar, and hydropower. The EIA forecasts that renewables will account for almost half—49%—of the global electricity output by 2050.

### **Growing Demand from Data Centers and IT Facilities is a Current Trend**



The increasing number of data centers and IT facilities for higher levels of availability, security, and affordable connectivity of IT infrastructure would increase the applications of wires & cables. Hyperscale deployments and liquid cooling are anticipated to be trending in 2020 and in the coming years, which is likely to fuel the demand for data centers and IT facilities. AC/DC power, ground, copper, and fiber optic are the prominent network cables used in data centers for Ethernet applications. According to Cisco,

the global cloud data center traffic is projected to reach 20.6 zettabytes (ZB) per year by 2021, up from 6ZB per year in 2016. It depicts an increase of 628 hyperscale data centers globally in 2021 compared to 338 in 2016.

### **Demand for Cables in Railways**

Transportation sector is growing very fast, the world population will witness significant growth in this sector in the coming years. The railways industry is playing a vital role in this growth, railways is the important sector that consumes wires and cables on a large scale. Hence railways cables are very important in order to meet the current challenges the railway industry is faced with. It doesn't matter if it is the current supply on board or in the base of the rail, various control tasks, data transmission or if a complete cable network is required – in all fields cables for highest performance requirements are needed.

### **5G Infrastructure will create the Demand for Cables**

The 5G revolution promises astonishing gigabit-per-second data rates and near-instantaneous connectivity. It is projected to have a mass impact across many industries and change the lives of billions of both consumers and suppliers worldwide. When telecom carriers need to connect a microwave antenna to the indoor unit, they have one of three cable options to choose from: these include coaxial cable, a fiber-optic cable or a twisted-pair high frequency cable, all of which come with benefits and drawbacks.

Twisted high frequency cables have seen a rise in popularity in line with the rollout of 5G trials. The benefit of using twisted high frequency cables to connect the microwave antenna to the indoor unit is that you can combine both the data and power in one cable. This means that, for the carriers, there is a big cost and materials saving — you effectively cut the cost by half as you only require the installation of one cable, whereas with other cable types, you will need separate power and data cables. Connecting the increased number of antennas for 5G with fiber-optic cables could be extremely expensive. Therefore, high frequency cables have seen an increase in popularity over the past few years, and we predict that this will only increase as they are not just cost-efficient but also much easier to install than other cable types. Twisted high frequency cables are much more robust, resistant to the environment and they can be easily terminated on site by the installer.

Fiber-optic cables, on the other hand, are more sensitive to conditions such as humidity and dust levels. Most of the time the fiber-optic cable is pre-terminated, meaning that the installer just has to plug in both ends. However, the fiber-optic cable only carries data. Power must be provided by a separate cable, which generally has to be cut to length, stripped and terminated.

However, twisted high frequency cables are not the answer for every installation. Their performance tends to drop off over long distances. This means that the carrier will be obliged to use another type of cable if the antenna is too far from the indoor unit or the antenna will need to be placed in a closer, possibly less convenient, position. To help mobile carriers tackle the many challenges of 5G, companies like Nexans have developed a 5G ultra-dense infrastructure network with innovative fiber-optic cables and components and a new high frequency twisted pair especially designed for the needs of new microwave networks.

### **Industry Challenges**

The wire and cable industry has vast potential in growth in coming years but it has some challenges also, the increasing price rise and competition from Chinese imports. The wire and cable industry is experiencing volatility in raw material prices, as the price of copper continues to increase, profit margins are squeezed and they become uncompetitive in the international market. County is experiencing an all time high price of fuel it's direct impact on domestic transportation, in result wire and cable transportation has increased. Also, a large section of the industry is still unorganised; there is a lack of quality product offerings from these players due to non-compliance with the product guidelines.

(Source : <https://industrialoutlook.in/e-p/wires-cables-conductors/wire-and-cables-industry/>)

## **Cable Fable: Growth Story of the Indian Market**

We are entering into a new era of growing transport infrastructure with the PM GatiShakti National Master Plan (PMGS-NMP), which was launched in October 2021, and is aimed at strengthening the multimodal connectivity infrastructure to various economic zones. The PM GatiShakti is a transformative approach, being driven by 7 engines, namely, railways, roads, ports, waterways, airports, mass transport, and logistics infrastructure. This vision will further scale up the growth in infrastructure and will further push the growth rate exponentially in the wire and cable sector in a big way.

Since the government is infusing significant investments in the expansion of power grid infrastructure, including smart grids and T&D network expansion, modernisation of the grid further augurs well for the sector. Also, there have been a growing number of underground cabling projects all around the country due to the sheer dearth of open spaces as well as the expansion of the metro railway which creates the demand for EHV & HV underground cables.

Going ahead, in our journey of becoming globally competent, it is imperative that we start talking about sustainable operations, and integrate newer technologies into our manufacturing systems. The future growth story in the sector would be foregrounded by new product launches, strong demand for optic fibre networks, and the ongoing expansion of the power grid & distribution network.

### **Capitalising Growth Opportunities**

All these interesting developments present huge opportunities for the wire and cable sector in India. The cable companies are increasingly aligning themselves to the international quality and technology benchmark to produce wires and cables satisfying both domestic and global customers. Besides developing new technologies and bringing out product innovations, the companies are also planning expansion either organically or inorganically.

Driven by the ongoing telecom and 5G expansions, the telecom cable manufacturers are well positioned with their 5G-centric products and its optical fibre cables business. As per a report by Ventura Research, 5G rollout & continuing 4G expansion in remote areas, FTTH penetration, and BharatNet are expected to bring a growth opportunity worth INR 3 lakh crore in the OFC space. Owing to such developments, Birla Cable launched various types of Fibre-To-The Home (FTTH) cables and micro-optical fibre cables.

The country aims to achieve 175GW of renewable energy capacity by 2022, comprising 100GW of solar, 60GW of wind, 10GW of biomass power, and 5GW of small hydropower and this ambitious target can never be completed without the contribution of the wire & cable industry. Finolex Cables commenced construction of a plant for the manufacture of solar cables in Pune which will serve the renewable energy sector as well as the construction and automobile sectors.

The wire & cable industry sees tremendous opportunities and making all the right moves. KEI Industries is in the process of expanding the capacity for LT, HT, and EHV cables with an investment of around INR 800 crore, which will be made in Greenfield projects over four to five years. Besides catering to the domestic market, cable companies are also eyeing global expansion. In the recent past, STL acquired two companies in Italy namely Metallurgica Bresciana to expand the OFC manufacturing footprint in Europe and Optotec to widen their optical interconnect portfolio globally. An ambitious joint venture of Ram Ratna Group and Imperial Group, RR-Imperial Electricals Ltd. is engaged in the manufacturing of enamelled copper wire and PVC insulated wire etc. and aims to be a leader on the horizon of Bangladesh's hugely potential electrical industry.

(Source : <https://www.wirecable.in/2022/11/top-cable-companies-in-india-2022>).

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 19 of this Draft Letter of Offer, for a discussion of the risks and uncertainties related to those statements, as well as “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 71 and 120, respectively, of this Draft Letter of Offer for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

Our Company was originally incorporated in the name and style of “Ultracab (India) Private Limited” as a Private Limited Company under the Companies Act, 1956 pursuant to a Certificate of Incorporation granted by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on December 19, 2007. Our Company was converted into a public limited company vide a new Certificate of Incorporation dated July 31, 2014 issued by the Registrar of Companies Ahmedabad, Gujarat. The name of our Company was subsequently changed to Ultra Cab (India) Limited. The Corporate Identity Number of our Company is L31300GJ2007PLC052394.

We made an Initial Public Offering of Equity Shares in the year 2014 on the SME Exchange of BSE. We migrated to the main board of the BSE on 20/01/2017

### Business Overview

We are engaged in the business of Manufacturing Wires & Cables in India. Our Company was incorporated in the year 2007 and is engaged in the manufacture and export of wires and cables in India. 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. Our products are sold not only in India but also in countries like UK, UAE, Africa, Singapore etc. Our manufacturing facility is situated at Shapar (Rajkot, Gujarat) India. Our facility has modern technology, tools, high-tech machines which spin out the quality standard of cables.

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 of finished products. Our Company has purchased additional Machinery to enhance the production capacities of power and control cables in the past few years.

Our financial performance during the last year is as under:

(Amount in ₹ Lakhs)

Particulars	Audited	
	Fiscal 2024	Fiscal 2023
Total Revenue from operations	12,439.18	10,767.19
EBITDA	1,307.67	1,244.00
Profit after Tax	597.83	581.70
Equity Share Capital	1,908.45	1,908.45
Net worth	3,796.20	3,198.46
Net Asset Value	3.98	3.35
Total Borrowings	5,080.07	3,359.67

We supply our products across all industries. The industry wise break-up of supply of our wires for the year ended March 31, 2023 and March 31, 2024 is as under:



Industry	% age of Sales	
	March 31, 2024	March 31, 2023
Corporate/Institutional/Projects	39.30%	34.41%
Distribution Network	22.58%	25.55%
Exports Including Deemed Exports	5.82%	7.31%
GOVT/PSUs/Railways	10.96%	16.16%
Sigma / Raw Material / Other Products	21.34%	16.58%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

The geographical break-up of the total sales in the domestic and the export segment for the year ended 31<sup>ST</sup> March 2023 and 31<sup>st</sup> March 2024 is as under:

Name of the Country	Amount of Sales (Rs in Lakhs)	
	March 31, 2023	March 31, 2024
Australia	2.03	2.66
Dar es Salaam	-	4.20
ERITH(UK)	6.11	6.45
Mauritius	334.22	413.86
LIBYA	-	33.15
OMAN	-	38.17
QATAR	-	0.89
UAE	291.14	285.88
<b>Total</b>	<b>633.50</b>	<b>785.25</b>
Name of the State		
Andhra Pradesh	5.14	22.59
Assam	-	0.03
Bihar	7.64	25.04
Chhattisgarh	366.87	383.12
Daman & Dadra Nagar	0.54	160.30
Delhi	21.89	36.43
Gujarat	4,376.22	5,922.88
Haryana	407.08	327.38
Himachal Pradesh	-	12.06
Jammu & Kashmir	-	2.59
Jharkhand	-	11.71
Karnataka	132.42	95.63
Kerala	124.03	52.55
Madhya Pradesh	94.9	209.47
Maharashtra	1,630.87	2,332.54
Manipur	-	0.02
Nagaland	2.75	-
Odisha	18.73	86.16
Punjab	230.62	141.57
Rajasthan	1,154.83	1,354.12
Tamil nadu	521.85	95.35
Telangana	336.48	38.70
Uttar Pradesh	27.52	240.83
Uttarakhand	0.13	69.25
West Bengal	8.47	-
<b>Total</b>	<b>10,735.98</b>	<b>11,620.31</b>

## Our Competitive Strengths

- Quality Control Management and High Standard of 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 foreign countries. 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 continuously met.

2. **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.
3. **Experienced Promoters:** Our Promoters have more than 10 years of 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.
4. **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.
5. **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.
6. **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.

#### **Our Business Strategies**

1. **Continue to build our Brand Image:** 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. **Apply for Government Tenders:** We shall continue to apply for the government tenders and which will help to enhance our sales.
3. **Improve our 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. **Continue to increase our exports:** We currently export our products to countries like United Kingdom, United States of America, Dubai etc. We intend to continue our focus on developing business in international markets.
5. **Enhancing exiting 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.



## Subsidiaries

We currently do not have any subsidiary

## Our Products

With over 2 decades of experience, our Company possess the expertise needed to offer a range of products to cater the need of domestic as well as international market. We have the requisite infrastructure and this helps to manufacture the varied types of cables. The various cables manufactured by us are:

1. House Wires
2. Flat Cables
3. Industrial Cables
4. Aerial Bunched Cables
5. Solar Cables
6. Elevator Cables
7. Instrumentation Cables
8. Telecommunication Cables
9. UI & cUL Approved Cables
10. Auto Cables
11. Welding Cables
12. Winding Cables
13. Binding Cables

We use the latest technologies and advanced machineries for the manufacture of technically sound and quality products. We have been able to make a strong market presence worldwide due to our manufacturing skills and technical expertise.



*Figure 1 - Braided Cables*



Figure 2 - Flat Wire - PVC Insulated / XLPE insulated

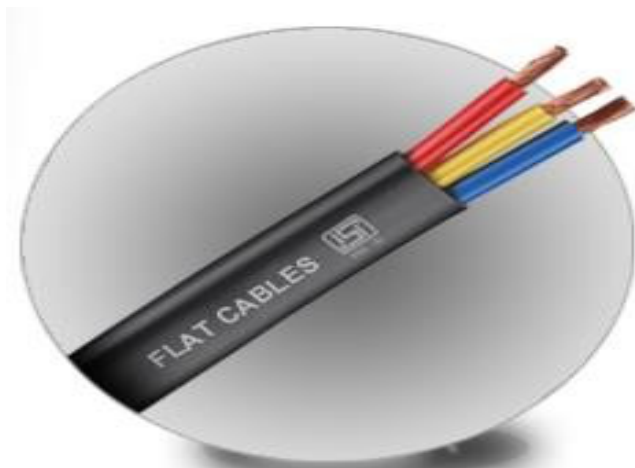


Figure 3 - Flat Cables 1



Flat 4 - Welding Cables 1

### Raw Materials

Cables are raw material intensive products and the basic raw materials for manufacturing cables are copper, aluminium, PVC granule, XLPE etc. We do have any firm commitment with any supplier, but we have an established supplier base with whom we have been dealing for several 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.

## PLANT AND MACHINERY

The following are the assets owned by the Company at our Factory at Shapar (Veraval), Rajkot

Name of the Machinery	Number of Machines
Extrusion line (for Pvc/XLPE/PE etc)	6
Double Twisted High Speed Bunching Machine	4
Stranding Machine	3
Power/control Cable Laying Machine	2
Foil Tapping M/C/ braiding machine	2
Tapping M/C	1
Amouring M/C	2
Wire Drawing M/C	16
Rewinder Machine	5
Test Instruments For PVC/XLPE Cables	102

## OUR MAJOR CUSTOMERS

Our Company is primarily engaged in the production of wires and cables. Our major customers include Adani Power, Tata Power, Jindal Aluminum Limited, Reliance Industries Limited, Aditya Birla Group and Waree Energies Limited. The percentage of income derived from our top customers for March 31, 2023 and March 31, 2024 is given below:

Sr. No	Particulars	Financial Year 2023-24		Financial Year 2023-24	
		In Rupees Lakhs	Percentage	In Rupees Lakhs	Percentage
1	Income from top 5 customers	3,955.37	33.93%	3,839.54	30.86%
2	Income from top 10 Customers	5,360.31	45.98%	5,370.30	43.17%

## UTILITIES

### Power and Fuel

Our Company meets its Power requirements by purchasing electricity from Paschim Gujarat Vij Company Limited which is around 400 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

### Waste Management

We generate various types of waste, including scrap metal, plastic insulation, packaging materials, and chemical residues. We implement waste management practices which not only reduces environmental impact but also enhances operational efficiency and cost-effectiveness.

### Sales and Marketing

The Company is an established player in its business segment over the last few years. Ensuring customer satisfaction is one of the major strategies of the company which results into flow of many projects to the company. Our marketing team is ready to take up challenges so as to scale new heights in India as well as in the global market. Our marketing strategies have established a new scope for us. Our commitment and competitive prices have ensured the loyalty of our customers. We have expanded our distribution network across the country through the network of dealers and regular marketing and promotional activities.

## Collaborations

As on the date of this Draft Letter of Offer, we have not entered into any technical or other collaboration arrangements.

## Human Resources

We believe our employees are one of our most important assets and critical to maintaining our competitive position in our industry. As on March 31, 2024, we had 88 full time employees. The following table sets forth a bifurcation of the number of our employees as of March 31, 2024.

Sr. No.	Description	No. of Employees
1	Top Management	2
2	Corporate support staff (Accounts, Secretarial, office staff)	16
3	Marketing staff	12
4	Others	58
	<b>Total</b>	<b>88</b>

## Competition

The wires and cable industry is highly competitive with the presence of many national and regional players (manufacturers, traders, suppliers and importers etc.), competing on the basis of factors such as products, price, and quality. Due to the fragmented nature of the industry and price advantage that the unbranded players generally enjoy, there can be no assurance that we will maintain our competitiveness with respect to any of our products. In addition, as a result of the intense competition and accelerated innovation in the wires industry, our ability to achieve and maintain profitability depends on a number of factors, including expanding manufacturing capacities at necessary levels, the customer perception of our products and the pricing levels of our competitors, some of which is beyond our control. We work consistently to offset pricing pressures by producing new products, advancing our technological capability, improve our services and reduce costs,

## Exports and Export Obligation

We do not have any export or export obligation

## Corporate Social Responsibility

We as a responsible corporate citizen are committed to take up different developmental projects, towards improving the quality of lives of the underprivileged sections of the society and other stakeholders. We are required to constitute a Corporate Social Responsibility Committee as our Company falls within purview of Section 135(1) of the Companies Act, 2013. We have also formulated a corporate social responsibility policy which is available on our Company website i.e. [www.ultracabwires.com](http://www.ultracabwires.com).

## Insurance

We generally maintain insurance covering our assets at such levels that we believe to be appropriate. We have obtained certain policies such as employee policy, marine open inland declaration policy for the transportation of our finished product, standard fire and special perils policy, which insure our stock, plant, building, furniture, fittings, electrical installation, office equipment, stationery, godowns, meeting rooms, building superstructure and any other office contents. Although, we have taken appropriate insurance cover, there can be no assurance that our insurance policies will be adequate to cover the losses which we may incur due to the occurrence of an accident or a mishap.

## Capacity and Capacity Utilization

Our product wise capacity utilisation as on March 31, 2023 is as under:






Name of the Product	Installed Capacity		Actual Capacity	
	Meters /	%age	Meters	%age
Aerial Bunched Cables -AS PER IS 14255	36,00,000	100%	13,66,047	37.95
PVC INSULATED CABLES - AS PER IS 694- 2010	1,00,00,000	100%	81,80,813	81.80%
PVC INSULATED HEAVY DUTY ELECTRIC CABLE AS PER IS 1554 PART1	36,00,000	100%	6,28,382	17.45%
CROSS LINKED POLYETHYL ENE INSULATED THERMOPLA STIC SHEATHED CABLE AS PER IS 7098- PART1	36,00,000	100%	15,42,358	42.84%


Our product wise capacity utilisation as on March 31, 2024 is as under:

Name of the Product	Installed Capacity		Actual Capacity	
	Meters /	%age	Meters	%age
Aerial Bunched Cables -AS PER IS 14255	36,00,000	100%	15,34,924	42.64%
PVC INSULATED CABLES - AS PER IS 694- 2010	1,00,00,000	100%	80,94,573	80.95%
PVC INSULATED HEAVY DUTY ELECTRIC CABLE AS PER IS 1554 PART1	36,00,000	100%	18,96,714	52.69%
CROSS LINKED POLYETHYL ENE INSULATED THERMOPLA STIC SHEATHED CABLE AS PER IS 7098- PART1	36,00,000	100%	20,06,423	42.64%

## Intellectual Property

The following trademarks are registered in our name. We have also made applications for the registration of certain trademarks, the details of which are given below:

S. No	Trade Mark	Type	Application Number	Class	Status
1		LOGO	2697735	1	Registered
2		LOGO	2697736	2	Under Process
3		LOGO	2697737 TO 2697752	3-18	Registered
4		LOGO	2697753	19	Rectification Filed
5		LOGO	2697754 TO 2697765	20-31	Registered
6		LOGO	2697766	32	Under Process

S. No	Trade Mark	Type	Application Number	Class	Status
7		LOGO	2697767 TO 2697771	33-36	Registered
8	Ultra wires & Cables	Device	2697772 TO 2697780	37-45	Registered

### Freehold Property

We own the following properties:

Sr. No.	Particulars of the Property	Usage
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	Factory, common area and dwelling house
2	Non Agricultural– Plot no. 40-B admeasuring 465- 38 sq. meters; Plot no. 41-A admeasuring 486- 63 sq. meters; and Plot no. 40-A admeasuring 439-78 sq. meters; from among Revenue Survey No. 257 of Village Shapar of Taluka Kotda, Sangani, District Rajkot, Gujarat.	Factory, common area and dwelling house
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	Registered Office
4	Flat No. 102 on the first floor 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 of Ishwari, Village, Sub-district Paddhari, District-Rajkot.	Guest House
5	Office No: C303, 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	Corporate Office

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## OUR MANAGEMENT

### Board of Directors

The composition of the Board is governed by the provisions of the Companies Act, 2013, the SEBI Listing Regulations and the Articles of Association. In accordance with the Articles, unless otherwise determined by our Company in general meeting, our Company shall not have less than 3 Directors and not more than 15 Directors. As at the date of this Draft Letter of Offer, our Board comprises of 6 Directors, including two (2) executive Directors and one (1) non-executive non-independent Woman Director and three (3) independent directors.

The following table provides details regarding the Board of Directors of our Company as at the date of filing this Draft Letter of Offer:

Name, address, designation, occupation, term, period of directorship, DIN and date of birth	Age (in years)	Other directorships
<b>Mr. Nitesh Vaghasiya</b> <b>DIN:</b> 01899455 <b>Date of Birth:</b> 26/11/1973 <b>Designation:</b> Chairman and Managing Director <b>Address:</b> "Matru Ashish" Saanjay Society, Jetpur Road, Gondal – 360311, Gujarat, India <b>Occupation:</b> Business <b>Term:</b> For 3 years from April 01, 2022 to March 31, 2025 <b>Original Date of Appointment:</b> December 19, 2007 <b>Nationality:</b> Indian	50	Nil
<b>Mr. Pankaj V Shingala</b> <b>DIN:</b> 03500393 <b>Date of Birth:</b> 05/08/1987 <b>Designation:</b> Executive Whole Time Director <b>Address:</b> "Shree Ram" Silver Stone Society -3, Street No:9, Jalaram Bungalows, Mota Mava, Rajkot 360 005, Gujarat <b>Occupation:</b> Business <b>Term:</b> Liable to retire by rotation <b>Original Date of Appointment:</b> March 25, 2011 <b>Nationality:</b> Indian	36	Nil
<b>Ms. Aartiben Pankajben Shingala</b> <b>DIN:</b> 09113214 <b>Date of Birth:</b> 25/10/1988 <b>Designation:</b> Non-Executive Director <b>Address:</b> Shree Ram" Silver Stone Society -3, Street No:9, Jalaram Bungalows, Mota Mava, Rajkot 360 005, Gujarat <b>Occupation:</b> Professional <b>Term:</b> Liable to retire by rotation <b>Original Date of Appointment:</b> March 22, 2021 <b>Nationality:</b> Indian	35	Nil

Name, address, designation, occupation, term, period of directorship, DIN and date of birth	Age (in years)	Other directorships
<b>Mr. Bipinchandra Sangani</b> <b>DIN:</b> 06945854 <b>Date of Birth:</b> 28/10/1954 <b>Designation:</b> Non- Executive Independent Director <b>Address:</b> "RAJ" 3- Silver Stone Street, Opposite Oscar Tower, 150 Feet Road, Rajkot 360 005, Gujarat <b>Occupation:</b> Business <b>Term:</b> 5 years from August 09, 2019 <b>Original Date of Appointment:</b> August 09, 2014 <b>Nationality:</b> Indian	69	Nil
<b>Mr. Kanjibhai G Patel</b> <b>DIN:</b> 06945882 <b>Date of Birth:</b> 06/05/1994 <b>Designation:</b> Non-Executive Non-Independent Director <b>Address:</b> "Prem Chand' Silver Stone -3, 1/9 Street, Opposite Big Bazaar, 150 Feet Ring Road, Rajkot 360 005, Gujarat <b>Occupation: Business</b> <b>Term:</b> 5 years from August 09, 2019 <b>Original Date of Appointment: August 09, 2014</b> <b>Nationality:</b> Indian	69	Nil
<b>Mr. Prashant Sawant</b> <b>DIN:</b> 08503935 <b>Date of Birth:</b> 12/09/1967 <b>Designation:</b> Non-Executive Independent Director <b>Address:</b> Flat No 301 Krishna Building, Plot No. 138, Sector – 12, Navi Mumbai, Thane – 400703, Maharashtra, India. <b>Occupation:</b> Business <b>Term:</b> 5 years from September 28, 2019 <b>Original Date of Appointment:</b> September 28, 2019 <b>Nationality:</b> Indian	56	1. Gratex Industries Limited 2. Green Chillies Consulting Private Limited 3. Satsang Management Consulting Private Limited

### Confirmations

None of our Directors is or was a director of any listed company during the five years preceding the date of filing of this Draft Letter of Offer, whose equity shares have been or were suspended from being traded on any stock exchange, during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during the term of their directorship in such company, in the last ten years immediately preceding the date of filing of this Draft Letter of Offer.

### Details of key management personnel and senior management personnel

S. No.	Name of Key Management Personnel / Senior Management Personnel	Designation
<b>Key Management Personnel</b>		
1.	Nitesh Vaghasiya	Managing Director
2.	Pravin Pansuriya	Chief Financial Officer
3.	Brinda Paras Mehta	Company Secretary

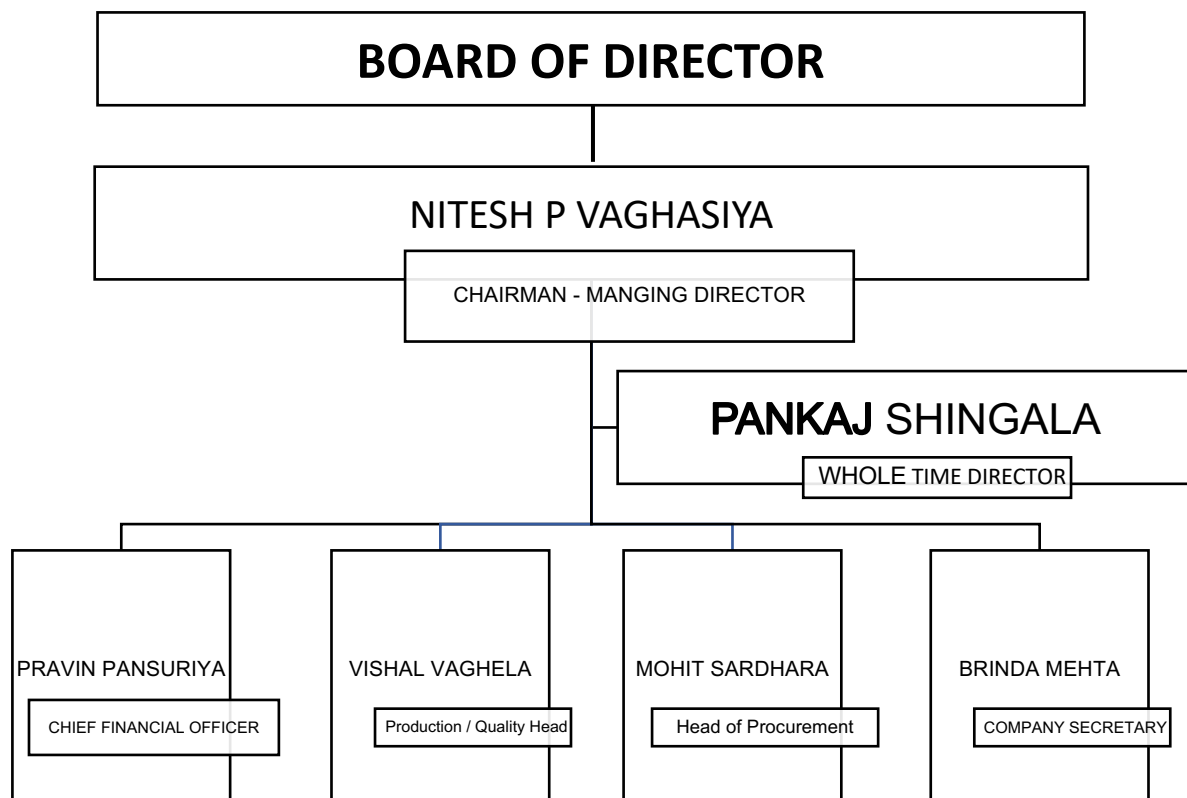


**Mr. Pravin Pansuriya**, aged 42 years, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from 2003 He has been associated with our Company since 2008 and is responsible for handling the accounts and finance related matter of our Company. He has more than 15 years of experience in accounts, Finance and Taxation.

**Ms. Brinda Paras Mehta**, aged 32 years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree in commerce and is an associate member of the Institute of Company Secretaries of India. She has been associated with our Company since 2023 and is responsible for handling secretarial matters of our Company.

### Management Organisation Chart

The Organisation Chart is as given below:



**SECTION V: FINANCIAL INFORMATION**

**AUDITED FINANCIAL STATEMENTS**

<b>S. No.</b>	<b>Particulars</b>	<b>Page numbers</b>
1.	Audited Financial Statements for the year ended March 31, 2024	73
2.	Statement of Accounting Ratios	117
3.	Statement of Capitalization	118

***Audited Financial Statements for the year ended March 31, 2024***

## INDEPENDENT AUDITOR'S REPORT

Financial Year: 2023-24

To,  
The Members,  
ULTRACAB (INDIA) LIMITED

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **ULTRACAB (INDIA) LIMITED**, which comprise the Balance Sheet as at **31st March 2024**, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, Statement of changes in equity for the year ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013** ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, Profit, its Cash Flows and Statement of Changes in Equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In our opinion there are no Key Audit Matters to communicate in audit report.

#### Information Other than the Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report including Annexures to Annual Report, Business Responsibility Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is

materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors as on **31st March, 2024**, taken on record by the Board of Directors, none of the directors is disqualified as on **31st March, 2024**, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure - B**".
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - ii. There are no amounts, required to be transferred, to the Investor Education and protection Fund by the Company during the year ended on **31st March, 2024**.
  - iii. (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(ii) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no fund have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(iii) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations referred in sub-para (a) and (b) above contain any material mis-statement.
  - iv. No dividend has been declared or paid during the year hence compliance with section 123 of the Companies Act, 2013 is not applicable.
  - v. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

- h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

*for, Bhavin Associates*  
*Chartered Accountants*  
FRN: 0101383W

**Place:** Rajkot  
**Date:** 17/05/2024  
**UDIN:** 24043796BKAKCA6668

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**Bhavin P. Bhansali**  
Partner  
Membership No.: 043796



## **ANNEXURE “A” TO THE AUDITOR’S REPORT**

referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date of **ULTRACAB (INDIA) LIMITED**

In our opinion and to the best of our knowledge and as per the information and explanations given to us, the books and the records examined by us in the normal course of audit, we report that:

- i. a) (A) The Company has maintained electronic records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets
- b) All property, plant and equipment have been physically verified by the management annually which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The title deeds of immovable properties are held in the name of the company.
- d) The company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2024.
- e) No proceedings have been initiated during the year or are pending against the company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.
- ii. a) The inventories were physically verified by the management during the year at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the company and the nature of its operations. No discrepancies of 10% or more in aggregate of each class of inventories were noticed on such physical verification of inventories when compared with the books of accounts.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. (a) During the year, the company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties hence clause 3(iii)(a) to 3(iii) (f) is not applicable to the company.
- iv. The provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantee or securities provided, are not applicable as the Company has not granted loan, made investment and provided guarantee or securities.
- v. The company has not accepted any deposit or amount which is deemed to be deposit from the public. Hence, reporting under clause 3(v) of the Order is not applicable.

- vi. The maintenance of the cost records has not been specified for the activities of the company by the Central Government u/s 148(1) of the Companies Act, 2013. Hence reporting under clause 3(vi) of the Order is not applicable.
- vii. a) The company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, duty of customs cess and any other statutory dues applicable to the company with the appropriate authorities. The provisions relating to sales-tax, service tax, duty of excise, value added tax are not applicable to the company. According to the information and explanations given to us, no undisputed amounts payable in respect of these statutory dues were pending at the end of the year for a period of more than six months from the date they became payable.  
  
b) There is no statutory dues referred in foregoing paragraph vii) a), which have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Hence clause 3(viii) of the Order is not applicable to the company.
- ix. a) The company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any lender during the year.  
  
b) The company is not a declared wilful defaulter by any bank or financial institution or government or government authority.  
  
c) In our opinion and according to the information and explanations given to us, the company has utilised the money obtained by way of term loans during the year for the purposes for which they were obtained  
  
d) According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.  
  
e) The Company does have any subsidiary, associates or joint venture (as defined under the Companies Act 2013). Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.  
  
f) The Company does have any subsidiary, associates or joint venture (as defined under the Companies Act 2013). Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- x. a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year hence the clause 3(x)(a) of the Order is not applicable.  
  
b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year hence the clause 3(x)(b) of the Order is not applicable.
- xi. a) No fraud by the company or no fraud on the Company has been noticed or reported during the year.  
  
b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3 (xvi)(b) of the Order is not applicable to the Company.
- c) The Company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3 (xvi)(c) of the Order is not applicable to the Company.
- d) There is no group company /Core Investment Company. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in notes to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying Financial Statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. Since the provisions of Section 135 of the Companies Act, 2013 with regard to corporate social responsibility are not applicable to the company hence clause 3(xx) of the Order is not applicable.

*for, Bhavin Associates*  
*Chartered Accountants*  
FRN: 0101383W

**Place:** Rajkot  
**Date:** 17/05/2024  
**UDIN:** 24043796BKAKCA6668

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**Bhavin P. Bhansali**  
Partner  
Membership No.: 043796

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date of **ULTRACAB (INDIA) LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **ULTRACAB (INDIA) LIMITED** (“the Company”) as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence /we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

*for, Bhavin Associates*  
*Chartered Accountants*  
FRN: 0101383W

**Place:** Rajkot  
**Date:** 17/05/2024  
**UDIN:** 24043796BKAKCA6668

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**Bhavin P. Bhansali**  
Partner  
Membership No.: 043796

ULTRACAB (INDIA) LIMITED

BALANCE SHEET FOR THE YEAR ENDED ON 31ST MARCH, 2024

(Rs. in Lakhs)

PARTICULARS	Note No.	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] ASSETS</b>			
<b>[ 1 ] NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	4	748.60	661.14
(b) Capital Work-in-Progress		-	-
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible Assets	4	0.04	0.07
(f) Intangible Assets under Development		-	-
(g) Biological Assets other than Bearer Plants		-	-
(h) Financial Asset			
i) Investments		-	-
ii) Trade Receivables		-	-
iii) Loans	5	69.14	27.37
iv) Others		-	-
(i) Deferred Tax Assets (Net)		-	-
(j) Other Non-Current Assets		-	-
<b>Total Non-Current Assets</b>		<b>817.78</b>	<b>688.58</b>
<b>[ 2 ] CURRENT ASSETS</b>			
(a) Inventories	6	6,848.72	6,578.22
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	7	2,292.14	1,233.32
(iii) Cash and Cash Equivalents	8	267.70	210.18
(iv) Bank Balances other than Cash and Cash Equivalents		-	-
(v) Loans	5	78.57	132.56
(vi) Other Financial Assets		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other Current Assets	9	-	-
<b>Total Current Assets</b>		<b>9,487.13</b>	<b>8,154.28</b>
<b>TOTAL ASSETS [ (1) + (2) ]</b>		<b>10,304.91</b>	<b>8,842.86</b>
<b>[ B ] EQUITY AND LIABILITIES</b>			
<b>[ 1 ] EQUITY</b>			
(a) Equity Share Capital	22	1,908.45	1,908.45
(b) Other Equity		1,887.75	1,289.91
<b>Total Equity</b>		<b>3,796.20</b>	<b>3,198.36</b>

**ULTRACAB (INDIA) LIMITED**

**BALANCE SHEET FOR THE YEAR ENDED ON 31ST MARCH, 2024**

(Rs. in Lakhs)

<b>PARTICULARS</b>	<b>Note No.</b>	<b>As At 31st March, 2024</b>	<b>As At 31st March, 2023</b>
<b>[ 2 ] LIABILITIES</b>			
<b>[ I ] NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
i) Borrowings	10	3,142.48	493.62
ii) Lease Liabilities		-	-
iii) Trade Payables		-	-
(a) total outstanding dues of micro enterprises and small enterprises; and		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
iv) Other Financial Liabilities		-	-
(b) Provisions	11	46.15	37.36
(c) Deferred Tax Liabilities (Net)	5A	1.14	1.03
(d) Other Non-Current Liabilities	12	0.25	0.25
<b>Total Non-Current Liabilities</b>		<b>3,190.01</b>	<b>532.26</b>
<b>[ II ] CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	10	1,937.60	2,866.05
(ii) Lease Liabilities		-	-
(iii) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises; and		442.12	529.65
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	13	305.89	1,099.15
(iv) Other Financial Liabilities		-	-
(b) Other Current Liabilities	12	394.31	412.32
(c) Provisions	11	238.78	205.07
(d) Current Tax Liabilities (Net)		-	-
<b>Total Current Liabilities</b>		<b>3,318.70</b>	<b>5,112.24</b>
<b>Total Liabilities [ (I) + (II) ]</b>		<b>6,508.72</b>	<b>5,644.49</b>
<b>TOTAL EQUITY AND LIABILITIES [ (1) + (2) ]</b>		<b>10,304.91</b>	<b>8,842.86</b>

See accompanying Notes to the Financial Statements and it forms an integral part of the Financial Statements

As per our Report of even date  
**FOR BHAVIN ASSOCIATES**  
Chartered Accountants

**Bhavin P. Bhansali**  
Partner  
Mem.No.: 043796  
FRN: 0101383W  
  
Place : Rajkot  
Date : 17/05/2024  
UDIN: 24043796BKAKCA6668

**FOR AND ON BEHALF OF BOARD,  
ULTRACAB (INDIA) LIMITED**

<b>Nitesh P. Vaghasiya</b> Managing Director DIN: 01899455 Place : Rajkot Date :	<b>Pankaj V. Shingala</b> Whole Time Director DIN: 03500393 Place : Rajkot Date :
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<b>Pravin S. Pansuriya</b> Chief Financial Officer PAN: BUHPP8079C Place : Rajkot Date :	<b>Brinda Paras Mehta</b> Company Secretary ACS No.: 66883 Place : Rajkot Date :
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ULTRACAB (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2024

(Rs. in Lakhs)

PARTICULARS	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
[ I ] Revenue From Operations	14	12,405.56	10,735.98
[ II ] Other Income	15	33.62	31.21
<b>[ III ] Total Income [ (I) + (II) ]</b>		<b>12,439.18</b>	<b>10,767.19</b>
<b>[ IV ] EXPENSES</b>			
(a) Cost of Material Consumed	16	9,688.08	9,087.62
(b) Purchases of Stock-in-Trade			
(c) Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	17	148.12	(686.04)
(d) Employee Benefits Expenses	18	308.23	263.85
(e) Finance Costs	19	401.52	389.16
(f) Depreciation and Amortization Expenses	4	86.51	77.71
(g) Other Expenses	20	953.46	853.91
<b>Total Expenses</b>		<b>11,585.92</b>	<b>9,986.21</b>
<b>[ V ] Profit/(Loss) before Exceptional Items and Tax [ (III) - (IV) ]</b>		<b>853.26</b>	<b>780.98</b>
[ VI ] Exceptional Items	21	9.81	3.85
<b>[ VII ] Profit/(Loss) before Tax [ (V) - (VI) ]</b>		<b>843.45</b>	<b>777.13</b>
<b>[ VIII ] Tax Expenses :</b> (1) Current Tax		245.51	194.18
(2) Deferred Tax		0.11	1.25
<b>[ IX ] Profit/(Loss) for the Period from Continuing Operations [ (VII)-(VIII) ]</b>		<b>597.83</b>	<b>581.70</b>
[ X ] Profit/(Loss) from Discontinued Operations		-	-
[ XI ] Tax Expenses of Discontinued Operations		-	-
<b>[ XII ] Profit/(Loss) from Discontinued Operations (after tax) [ (X) - (XI) ]</b>		<b>-</b>	<b>-</b>
<b>[ XIII ] Profit/(Loss) for the Period [ (IX) + (XII) ]</b>		<b>597.83</b>	<b>581.70</b>
<b>[ XIV ] Other Comprehensive Income (OCI)</b>			
(1) Items that will not be reclassified to Profit or Loss		-	-
(2) Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
(3) Items that will be reclassified to Profit or Loss		-	-
(4) Income Tax relating to items that will be reclassified to Profit or Loss		-	-
<b>Total Other Comprehensive Income/(Loss) Net of Tax</b>		<b>-</b>	<b>-</b>
<b>[ XV ] Total Comprehensive Income for the Period [ (XIII) + (XIV) ]</b>		<b>597.83</b>	<b>581.70</b>
<b>[ XVI ] Earnings per Equity Share (for Continuing Operation):</b>			
(1) Basic ( In Rs. )		0.63	0.61
(2) Diluted ( In Rs. )		0.63	0.61

See accompanying Notes to the Financial Statements and it forms an integral part of the Financial Statements

As per our Report of even date

FOR BHAVIN ASSOCIATES

Chartered Accountants

FOR AND ON BEHALF OF BOARD,

ULTRACAB (INDIA) LIMITED

**Bhavin P. Bhansali**  
Partner  
Mem.No.: 043796  
FRN: 0101383W  
Place : Rajkot  
Date : 17/05/2024  
UDIN: 24043796BKAKCA6668

**Nitesh P. Vaghasiya**  
Managing Director  
DIN: 01899455  
Place : Rajkot  
Date :

**Pankaj V. Shingala**  
Whole Time Director  
DIN: 03500393  
Place : Rajkot  
Date :

**Pravin S. Pansuriya**  
Chief Financial Officer  
PAN: BUHPP8079C  
Place : Rajkot  
Date :

**Brinda Paras Mehta**  
Company Secretary  
ACS No.:  
Place : Rajkot  
Date :

ULTRACAB (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2024

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(A) Cash flow from Operating Activities</b>		
a. Net Profit before tax	843.45	777.13
Adjustment for:	-	-
Depreciation and amortisation	86.51	77.71
Provisions	8.90	0.51
Profit/Loss on sale of fixed asset	(0.79)	2.53
Interest Income	(14.49)	(9.60)
b. Operating profit before working capital changes	<b>923.58</b>	<b>848.27</b>
Adjustment for:	-	-
<u>Changes in Current Assets</u>	-	-
Trade and other receivables	(1,058.83)	269.29
Inventory	(270.50)	(583.10)
Other Current Assets	53.99	(70.61)
<u>Changes in Current Liabilities</u>	-	-
Banks working capital	(928.45)	18.71
Other Current Liabilities	15.71	307.10
Trade payables	(880.79)	16.90
c. Cash generated from operations	<b>(2,145.28)</b>	<b>806.56</b>
Direct taxes paid/provided (net of Refund of Tax)	(245.62)	(195.43)
Fringe Benefit Tax Paid	-	-
<b>Net Cash flow/(used) from Operating Activities</b>	<b>(2,390.90)</b>	<b>611.14</b>
<b>(B) Cash flow from Investing Activities</b>		
Purchase of fixed assets and capital advance given	(176.16)	(123.96)
Sale of fixed assets (Sale of Machinery & Laptop)	3.00	3.60
Interest Income	14.49	9.60
Long term Deposit/advances	(41.77)	(2.27)
<b>Net Cash flow from Investing Activities</b>	<b>(200.43)</b>	<b>(113.03)</b>
<b>(C) Net Cash flow from Financing Activities</b>		
Share application money	-	-
Proceeds from issue of Share Capital	-	-
Share Premium	-	-
Repayment/Proceeds of long term borrowings (Unsecured)	2,828.64	-
Proceeds/(Repayment) of long term borrowings (Secured)	(179.79)	(497.39)
Interest Income	-	-
Interim Dividend paid	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>2,648.85</b>	<b>(497.39)</b>
<b>(D) Net increase in Cash &amp; Cash equivalents</b>	<b>57.52</b>	<b>0.71</b>
<u>Cash &amp; Cash equivalents at beginning of the year</u>		
Cash balance	22.48	29.57
Bank balance in current account	0.95	0.71
Bank balance in Fixed Deposit account	186.75	179.18
	<b>210.18</b>	<b>209.47</b>
<u>Cash &amp; Cash equivalents at end of the year</u>		
Cash Balance	5.54	22.48
Bank balance in current account	14.59	0.95
Bank balance in Fixed Deposit account	247.57	186.75
	<b>267.70</b>	<b>210.18</b>
<b>Net Increase in Cash &amp; Cash equivalents</b>	<b>57.52</b>	<b>0.71</b>

See accompanying Notes to the Financial Statements and it forms an integral part of the Financial Statements

As per our Report of even date

**FOR BHAVIN ASSOCIATES**

Chartered Accountants

**FOR AND ON BEHALF OF BOARD,**

**ULTRACAB (INDIA) LIMITED**

**Bhavin P. Bhansali**

Partner

Mem.No.: 043796

FRN: 0101383W

Place : Rajkot

Date : 17/05/2024

UDIN: 24043796BKAKCA6668

**Nitesh P. Vaghasiya**

Managing Director

DIN: 01899455

Place : Rajkot

Date : 25/05/2023

**Pankaj V. Shingala**

Whole Time Director

DIN: 03500393

Place : Rajkot

Date : 25/05/2023

**Pravin S. Pansuriya**  
Chief Financial Officer

PAN: BUHPP8079C

Place : Rajkot

Date : 25/05/2023

**Khushbu Shah**  
Company Secretary

ACS No.: 41073

Place : Rajkot

Date : 25/05/2023

ULTRACAB (INDIA) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2024

(Rs. in Lakhs)

A. Equity Share Capital (Refer Note No. 22)

Particulars	No. of Shares	Amount
Balance as at 31st March, 2023	954.23	1,908.45
Balance as at 31st March, 2024	954.23	1,908.45

B. Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus			Total
		Capital Total Reserve	Securities Premium	Retained Earnings	
<b>Balance as at 1st April, 2022</b>	-	-	-	708.21	708
Changes in accounting policy or prior period errors	-	-	-	-	-
<b>Restated balance as at 1st April, 2022</b>	-	-	-	708.21	708.21
Total Comprehensive Income for the year	-	-	-	581.70	581.70
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Less: Appropriations for issue of Bonus Shares	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	-	-	-	1,289.91	1,289.91
<b>Balance as at 1st April, 2023</b>	-	-	-	1,289.91	1,289.91
Changes in accounting policy or prior period errors	-	-	-	-	-
<b>Restated balance as at 1st April, 2023</b>	-	-	-	1,289.91	1,289.91
Total Comprehensive Income for the year	-	-	-	597.83	597.83
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
<b>Balance as at 31st March, 2024</b>	-	-	-	1,887.75	1,887.75

See accompanying Notes to the Financial Statements and it forms an integral part of the Financial Statements

As per our Report of even date  
**FOR BHAVIN ASSOCIATES**  
 Chartered Accountants

**FOR AND ON BEHALF OF BOARD,**  
**ULTRACAB (INDIA) LIMITED**

**Bhavin P. Bhansali**  
 Partner  
 Mem.No.: 043796  
 FRN: 0101383W

**Nitesh P. Vaghasiya**  
 Managing Director  
 DIN: 01899455  
 Place : Rajkot  
 Date :

**Pankaj V. Shingala**  
 Whole Time Director  
 DIN: 03500393  
 Place : Rajkot  
 Date :

Place : Rajkot  
 Date : 17/05/2024  
 UDIN: 24043796BKAKCA6668

**Pravin S. Pansuriya**  
 Chief Financial Officer  
 PAN: BUHPP8079C  
 Place : Rajkot  
 Date :

**Brinda Paras Mehta**  
 Company Secretary  
 ACS No.:  
 Place : Rajkot  
 Date :

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### Accounting Policy

#### 1. Corporate information

Ultracab (India) Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on the Bombay Stock Exchange ('BSE'). The Company is mainly engaged in the business of manufacturing and exporting of electric wires and cables.

#### 2. Summary of basis of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and significant accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under companies (Indian accounting standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the company.

##### 2.2 Basis of preparation and presentation

The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties.

The Standalone Financial Statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

##### 2.3 Critical accounting estimates, assumptions and judgements

The preparation of the Standalone Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Standalone Financial Statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

**2.3.1 Deferred income tax assets and liabilities** Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### **Accounting Policy (cont.)**

The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

#### **2.3.2 Useful lives of property, plant and equipment ('PPE') and intangible assets**

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product lifecycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.

#### **2.3.3 Employee benefit obligations**

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### **2.3.4 Provisions and contingencies**

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Standalone Financial Statements. Contingent assets are not disclosed in the Standalone Financial Statements unless an inflow of economic benefits is probable.

### **2.4 Foreign currency translation**

The functional currency of the Company (i.e. the currency of the primary economic environment in which the Company operates) is the Indian Rupee in (Rs.). The financial statements have been rounded off to the nearest Rs. Lakh.

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the balance sheet date and the resultant exchange gains or losses are recognised in the Standalone Statement of Profit and Loss.

### **2.5 Property, plant and equipment**

An item of property, plant and equipment ('PPE') is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. These recognition principles are applied to the costs incurred initially to acquire an item of PPE, to the pre-operative and trial run costs incurred (net of sales), if any and

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### **Accounting Policy (cont.)**

also to the costs incurred subsequently to add to, replace part of, or service it and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE includes interest on borrowings directly attributable to the acquisition, construction or production of a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to be made ready for its intended use or sale. Borrowing costs and other directly attributable cost are added to the cost of those assets until such time as the assets are substantially ready for their intended use, which generally coincides with the commissioning date of those assets

Machinery spares that meet the definition of PPE are capitalised and depreciated over the useful life of the principal item of an asset.

"All other repair and maintenance costs, including regular servicing, are recognised in the Standalone Statement of Profit and Loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items."

PPE acquired and put to use for projects are capitalised and depreciation thereon is included in the project cost till the project is ready for commissioning.

### **Depreciation methods, estimated useful lives and residual value**

Depreciation on PPE (except leasehold improvements) is calculated using the written-down value method to allocate their cost, over their estimated useful lives. Freehold land is not depreciated.

Schedule II to the Act prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that the useful lives adopted by it reflect the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of PPE are as given below:

<b>Assets</b>	<b>Useful life</b>
Buildings	30-60 Years
Plant and Equipment	5-25 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	3 Years

Useful lives of assets are reviewed at the end of each reporting period

Losses arising from the retirement of, and gains or losses arising from disposal/adjustments of PPE are recognised in the Standalone Statement of Profit and Loss.

### **2.6 Intangible assets**

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### **Accounting Policy (cont.)**

Intangible assets comprise software licenses, product registration fees and rights to use railway wagon.

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The intangible assets with a finite useful life are amortised using straight line method over their estimated useful lives. The management's estimates of the useful lives for various class of Intangibles are as given below:

<b>Assets</b>	<b>Useful life</b>
Trademark	7 Years

The estimated useful life is reviewed annually by the management.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Standalone Statement of Profit and Loss.

### **2.7 Capital work-in-progress ('CWIP') and intangible assets under development**

Projects under commissioning and other CWIP/ intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Company and the cost of the item can be measured reliably.

Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

#### **Investment property**

Investment properties are land and buildings that are held for long term lease rental yields and/ or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising buildings are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on buildings is provided over the estimated useful lives as specified in note 2.5 above. The estimated useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each reporting date. The effects of any revision are included in the Standalone Statement of Profit and Loss when the changes arise.

An investment property is de-recognised when either the investment property has been disposed of or do not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Standalone Statement of Profit and Loss in the period of de-recognition.

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### Accounting Policy (cont.)

#### 2.8 Research and development expenses

Research expenses are charged to the Standalone Statement of Profit and Loss as expenses in the year in which they are incurred. Development costs are capitalised as an intangible asset under development when the following criteria are met:

- the project is clearly defined, and the costs are separately identified and reliably measured;
- the technical feasibility of the project is demonstrated;
- the ability to use or sell the products created during the project is demonstrated;
- the intention to complete the project exists and use or sale of output manufactured during the project;  
"a potential market for the products created during the project exists or their usefulness, in case of internal use, is demonstrated, such that the project will generate probable future economic benefits; and"
- adequate resources are available to complete the project.
- These development costs are amortised over the estimated useful life of the projects or the products they are incorporated within. The amortisation of capitalised development costs begins as soon as the related product is released to production.

#### 2.9 Non-current assets held for sale and discontinued operations

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and: represents a separate major line of business or geographical area of operations and; is part of a single co-ordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the Standalone Statement of Profit and Loss.

#### 2.10 Financial instruments

##### 2.11.1 Investments and other financial assets:

- **Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortised cost.
- The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows. For



# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### Accounting Policy (cont.)

assets measured at fair value, gains and losses will be recorded in profit or loss

- **Debt instruments**

#### **Measurement**

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Standalone Statement of Profit and Loss.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

#### **Amortised cost**

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. A gain or loss on a debt investment (unhedged) that is subsequently measured at amortised cost is recognised in the Standalone Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate ('EIR') method.

#### **Fair value through Other Comprehensive Income ('FVTOCI')**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are recorded through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Standalone Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Standalone Statement of Profit and Loss. Interest income from these financial assets is included in other income using the EIR method

#### **Fair value through profit or loss ('FVTPL')**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment (including current investments) that is subsequently measured at FVTPL (unhedged) is recognised net in the Standalone Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

- **Equity instruments**

The Company subsequently measures all equity investments at fair value, except investment in subsidiaries and joint ventures which are measured at cost. Where the Company's management has elected to present fair value gains and losses on equity

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### **Accounting Policy (cont.)**

investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Standalone Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to equity. Dividends from such investments are recognised in the Standalone Statement of Profit and Loss within other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

- **Cash and cash equivalents**

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value with a maturity within three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

- **Trade Receivables**

Trade receivables that do not contain a significant financing component are measured at transaction price.

- **Impairment of financial assets**

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the need to provide for the same in the Statement of Profit and Loss.

- **Derecognition of financial assets**

A financial asset is derecognised only when the Company

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company transfers an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has transferred substantially all risks and rewards of ownership, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

- **Effective interest method**

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### **Accounting Policy (cont.)**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### **2.11.2 Debt and equity instruments**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### **2.11.3 Financial liabilities**

- **Classification as debt or Equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

- **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, trade payables and other financial liabilities.

- **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

- a) **Trade and other payable**

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These payable are classified as 'current liabilities' if payments are due within one year or less otherwise they are presented as 'non-current liabilities'. Trade payables are subsequently measured at amortised cost using the effective interest method.

- b) **Derecognition**

Liability is removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ (losses).

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### **Accounting Policy (cont.)**

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **2.11.4 Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value.

#### **2.11 Inventories**

Inventories are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary on an item-by-item basis. Cost includes all charges in bringing the goods to their present location and condition, including other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, taxes and duties. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### **2.12 Revenue recognition**

##### **2.13.1 Sale of goods**

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers.

Revenue towards satisfaction of performance obligation is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

##### **2.13.2 Interest income**

For all debt instruments measured either at amortised cost or at FVTPL, interest income is recorded using the EIR method.

##### **2.13.3 Dividend income**

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### **Accounting Policy (cont.)**

Dividend income is accounted for when Company's right to receive the income is established.

#### **2.13.4 Insurance claims**

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims

#### **2.13 Leases**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a defined period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option;

The lease liability is measured at amortised cost using the effective interest method.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

#### **2.14 Employee benefits plans**

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### **Accounting Policy (cont.)**

#### **2.15.1 Defined Contribution Plan**

The company's contribution to provident fund is considered as a defined contribution scheme and are charged as expense based on the amount of contribution required to be made and when the services are rendered by the employees.

#### **2.15.2 Defined Benefit Plan**

The company operates a defined benefit plan for its employees, viz., gratuity liability. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for the plan using the projected unit credit method. Remeasurements comprising of actuarial gains and losses, the effect of changes to the return on plan assets (excluding net interest) is reflected immediately in the balance sheet with a charge or credit recognised in OCI in the period in which they occur. Remeasurements recognised in OCI are reflected immediately in retained earnings and is not reclassified to in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

#### **2.15.3 Short-term employee benefits**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

#### **2.15.4 Long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the estimated future cash outflows expected to be made by the Company in respect of services.

### **2.15 Borrowing costs**

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. Capitalisation of borrowing costs is suspended and charged to the Standalone Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Standalone Statement of Profit and Loss in the period in which they are incurred.

### **2.16 Government grants**

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants and subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire noncurrent assets are recognised as deferred revenue in the Standalone Balance Sheet and transferred to the Standalone Statement of Profit and Loss on systematic and rational basis over the useful lives of the related asset.

# ULTRACAB (INDIA) LIMITED

## Notes to Financial Statements

### **Accounting Policy (cont.)**

#### **2.17 Income tax**

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Standalone Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to realise the asset or to settle the liability on a net basis.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Standalone Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the Standalone Statement of Profit and Loss, except when they relate to items credited or debited either in Other Comprehensive Income or directly in equity, in which case the tax is also recognised in OCI or directly in equity.

#### **2.18 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is

# **ULTRACAB (INDIA) LIMITED**

## **Notes to Financial Statements**

### **Accounting Policy (cont.)**

the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are not disclosed in the Standalone Financial Statements unless an inflow of economic benefits is probable.



ULTRACAB (INDIA) LIMITED

Notes to Financial Statements

(Rs. in Lakhs)

Note 4: Property, Plant and Equipment and Intangible Assets

YEAR: 2023-2024

PARTICULARS	Property, Plant and Equipment						Other Intangible Assets		
	Land (Freehold)	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total	Trademark	Total
<b>Gross Block</b>									
<b>As at April 01, 2022</b>	45.40	232.97	838.60	79.78	52.01	13.55	1,262.32	1.29	1.29
Additions	-	-	102.72	0.31	18.56	2.37	123.96	-	-
Disposals/Transfers	-	-	13.50	-	7.62	-	21.12	-	-
<b>As at March 31, 2023</b>	45.40	232.97	927.81	80.10	62.96	15.92	1,365.16	1.29	1.29
Additions	-	31.05	104.43	3.54	35.25	1.88	176.16	-	-
Disposals/Transfers	-	-	-	-	40.00	-	40.00	-	-
<b>As at March 31, 2024</b>	45.40	264.02	1,032.24	83.64	58.21	17.81	1,501.31	1.29	1.29
<b>Accumulated Depreciation</b>									
<b>As at April 01, 2022</b>	-	81.26	455.44	46.05	47.09	11.50	641.33	1.19	1.19
Additions	-	13.58	47.34	8.75	5.83	2.17	77.67	0.04	0.04
Disposals/Transfers	-	-	7.55	-	7.44	-	14.98	-	-
<b>As at March 31, 2023</b>	-	94.84	495.23	54.80	45.49	13.67	704.02	1.23	1.23
Additions	-	13.35	52.61	6.67	11.93	1.92	86.49	0.02	0.02
Disposals/Transfers	-	-	-	-	37.80	-	37.80	-	-
<b>As at March 31, 2024</b>	-	108.20	547.84	61.46	19.62	15.59	752.71	1.25	1.25
<b>Net Block</b>									
<b>As at March 31, 2023</b>	45.40	138.13	432.59	25.30	17.47	2.26	661.14	0.07	0.07
<b>As at March 31, 2024</b>	45.40	155.83	484.41	22.17	38.58	2.22	748.60	0.04	0.04
	-	-	-	-	-	-	-	-	-

Note 5: Loans - Financial Assets

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Non-Current</b>		
<b>Other Receivables Considered Good - Unsecured</b>		
1) Other Loans		-
- Advances to Staff	9.96	8.02
- Security Deposits	59.18	19.34
<b>Total Loans - Financial Assets - Non-Current</b>	<b>69.14</b>	<b>27.37</b>
<b>[ B ] Current</b>		
<b>Other Receivables Considered Good - Unsecured</b>		
1) Other Loans		-
- Security Deposits	-	24.36
- Duties and Taxes	-	27.90
- Advances to Suppliers	78.57	80.31
<b>Total Loans - Financial Assets - Current</b>	<b>78.57</b>	<b>132.56</b>

DEFERRED TAX NOTE - 5-A

Deferred tax (Assets) / Liability as on 31/03/2023	Add / (Less) Current Year	Deferred tax (Assets) / Liability as on 31/03/2024
1.03	0.11	1.14

Note 6: Inventories

Particulars	As At 31st March, 2024	As At 31st March, 2023
1) Raw Materials	652.81	234.19
2) Finished Stocks	6,195.91	6,344.03
3) Work-in-Progress	-	-
4) Stock-in-Progress	-	-
<b>For mode of valuation refer Note 2.12</b>		
<b>Total Inventories</b>	<b>6,848.72</b>	<b>6,578.22</b>

Note 7: Trade Receivables

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Current</b>		
<b>Unsecured, Considered Good</b>		
i) Undisputed Trade Receivables	2,153.07	1,089.77
- <u>Less</u> : Allowance for bad and doubtful debts	-	-
ii) Disputed Trade Receivables	139.08	143.55
- <u>Less</u> : Allowance for bad and doubtful debts	-	-
<b>Unsecured, Considered Doubtful</b>		
i) Undisputed Trade Receivables	-	-
- <u>Less</u> : Allowance for bad and doubtful debts	-	-
ii) Disputed Trade Receivables	-	-
- <u>Less</u> : Allowance for bad and doubtful debts	-	-
<b>Refer Note 7.1 for Ageing Schedule</b>		
<b>Total Trade Receivables - Current</b>	<b>2,292.14</b>	<b>1,233.32</b>

**Note 8: Cash and Cash Equivalents**

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Balances with Banks</b>		
- in Current Accounts	14.59	0.95
- in Fixed Deposits	247.57	186.75
<b>[ B ] Cash on Hand</b>	5.54	22.48
<b>Total Cash and Cash Equivalents</b>	<b>267.70</b>	<b>210.18</b>

**Note 9: Other Current Assets**

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Current Assets</b>		
1) Other Current Assets	-	-
<b>Total Other Current Assets</b>	<b>-</b>	<b>-</b>

**Note 10: Borrowings**

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Non-Current</b>		
<b>Secured - Rupee Borrowing</b>		
1) Term Loan from Bank	130.04	329.88
2) Vehicle Loan		
- Car Loan from HDFC Bank Limited	8.74	12.01
- Car Loan from Axis Bank Limited	23.31	-
<b>Unsecured</b>		
1) Loan from Related Parties		
- Director	2,980.38	151.74
- Other Related Parties	-	-
2) Inter Corporate Deposits (Security Deposit)	-	-
<b>Total Borrowings - Non-Current</b>	<b>3,142.48</b>	<b>493.62</b>
<b>[ B ] Current</b>		
<b>Secured - Rupee Borrowing</b>		
1) Working Capital Loan from Bank	1,937.60	2,866.05
<b>Total Borrowings - Current</b>	<b>1,937.60</b>	<b>2,866.05</b>

Foot Note : Refer Note 10.1 for Nature of Security and Terms of Repayment

**Note 11: Provisions**

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Non-Current</b>		
<b>Provision for Employee Benefits</b>		
1) Provision for Gratuity	46.15	37.36
<b>Total Provisions - Non-Current</b>	<b>46.15</b>	<b>37.36</b>
<b>[ B ] Current</b>		
<b>Provision for Employee Benefits</b>		
1) Salaries & Wages Payable	25.46	22.03
<b>Other Provisions</b>		
1) Income Tax Provision	211.30	183.03
2) Audit Fees Payable	2.03	-
<b>Total Provisions - Current</b>	<b>238.78</b>	<b>205.07</b>

ULTRACAB (INDIA) LIMITED

Notes on Financial Statements

(Rs. in Lakhs)

Note 12: Other Liabilities

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Non-Current</b>		
<b>Others</b>		
1) Deposits from Dealers	0.25	0.25
<b>Total Other Liabilities - Non-Current</b>	<b>0.25</b>	<b>0.25</b>
<b>[ B ] Current</b>		
<b>Advances</b>		
1) Revenue received in Advance (Advance from Customers)	101.67	209.27
<b>Others</b>		
1) Duties & Taxes	127.11	43.44
2) Current Maturities of Term Loans	165.49	159.61
3) Other Current Liabilities	0.05	
<b>Total Other Liabilities - Current</b>	<b>394.31</b>	<b>412.32</b>

Note 13: Trade Payables

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Current</b>		
(a) MSME	442.12	529.65
(b) Other than MSME	305.89	1,099.15
Refer Note 13.1 for Ageing Schedule		
<b>Total Trade Payables - Current</b>	<b>748.01</b>	<b>1,628.80</b>

Note 14: Revenue From Operations

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Domestic</b>		
<b>Sales of Goods</b>		
- Sales (GST - Local)	6,155.28	5,270.34
- Sales (GST - Inter State)	7,338.17	4,688.70
- Sales (GST - Merchant Export)	110.59	85.12
<b>Sales of Services</b>		
- Sales (GST - Job Wok Income)	-	-
<b>Other Operating Revenues</b>		
- Sales (Interest Income)	-	-
- Trade Commission	13.62	17.61
- Interest Income on Delayed Payments	20.60	11.06
- Other Miscellaneous Financial Charges	(0.23)	0.95
- Rate Difference on Sales	(0.39)	(1.65)
- Freight on Sales	43.56	30.25
- Packing & Forwarding Charges	0.38	
<b>[ B ] Export</b>		
<b>Sales of Goods</b>		
- Sales (Export)	785.25	633.60
<b>[ C ] Less:</b>		
- GST Recovered	(2,061.28)	-
<b>Total Revenue From Operations</b>	<b>12,405.56</b>	<b>10,735.98</b>

## Note 15: Other Income

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Interest Income</b>		
- Interest Income	14.49	9.60
<b>[ B ] Other Non-Operating Income</b>		
- Duty Draw Back	13.25	12.23
- Freight Subsidy	0.11	0.38
- Round Off	-	0.03
- Discount	-	0.55
- Foreign Exchange Fluctuation	5.27	7.17
- Provision for Gratuity	-	0.74
- Interest Received From PGVCL	-	0.51
- Registration fees Subsidy	0.50	-
- Hording Rent Income	-	-
<b>Total Other Income</b>	<b>33.62</b>	<b>31.21</b>

## Note 16: Cost of Material Consumed

Particulars	As At 31st March, 2024	As At 31st March, 2023
1 Opening Stock	234.19	337.14
2 Add : Purchase	10,106.70	8,984.67
3 Less: Closing Stock	(652.81)	(234.19)
<b>Total Cost of Material Consumed</b>	<b>9,688.08</b>	<b>9,087.62</b>

## Note 17: Changes in Inventories

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Finished Goods (FG)</b>		
1 Opening Stock	6,344.03	5,657.99
3 Less: Closing Stock	(6,195.91)	(6,344.03)
<b>Net (Increase) / Decrease in FG</b>	<b>148.12</b>	<b>(686.04)</b>
<b>Total Changes in Inventories</b>	<b>148.12</b>	<b>(686.04)</b>

## Note 18: Employee Benefits Expenses

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Salaries and Wages</b>		
- Wages Labour Staff	133.32	111.85
- Salary to Marketing Staff	73.35	64.72
- Salary to Office Staff	39.91	39.81
- Bonus Expenses	5.36	6.90
- Stipund to Apprentice	1.46	-
<b>[ B ] Contribution to Provident and Other Funds</b>		
- Provident Fund Expenses	3.29	3.57
- Gratuity Expenses	8.79	-
<b>[ C ] Staff Welfare Expenses</b>		
- Welfare Expenses	42.76	37.01
<b>Total Employee Benefits Expenses</b>	<b>308.23</b>	<b>263.85</b>

ULTRACAB (INDIA) LIMITED

Notes on Financial Statements

(Rs. in Lakhs)

Note 19: Finance Costs

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Interest Expenses</b>		
- Interest on CC	132.53	184.83
- Interest on TL	38.65	50.88
- Other Interest	193.32	95.70
<b>[ B ] Other Borrowing Costs</b>		
- Bank Charges	37.02	57.76
<b>Total Finance Costs</b>	<b>401.52</b>	<b>389.16</b>

Note 20: Other Expenses

Particulars	As At 31st March, 2024	As At 31st March, 2023
(a) Power and Fuel	139.32	111.44
(b) Rent	-	5.81
(c) Repairs to Machinery	57.44	56.00
(d) Repairs to Buildings	-	-
(e) Insurance	10.19	9.24
(f) Rates and Taxes excldings Taxes on Income	-	0.16
(g) Transportation Expenses	233.87	189.15
(h) Packing & Forwarding Expenses	216.49	172.91
(i) Remuneration to Directors	33.00	24.00
(j) Miscellaneous Expenses	253.04	285.20
<b>Total Other Expenses</b>	<b>943.35</b>	<b>853.91</b>

Note 21: Exceptional Items

Particulars	As At 31st March, 2024	As At 31st March, 2023
(a) Donation	10.60	1.32
(b) (Profit)/Loss on Sale of Fixed Assets	(0.79)	2.53
<b>Total Exceptional Items</b>	<b>9.81</b>	<b>3.85</b>

Note 20.1: Miscellaneous Expenses

Particulars	As At 31st March, 2024	As At 31st March, 2023
<b>[ A ] Direct Expenses</b>		
- Loading Unloading & Material Handling Charges	-	4.70
- Quantity Discount/ Allowances	-	-
- Quality Allowance	-	0.93
- Consumable Expense	60.47	64.44
- Factory Expenses	20.69	12.69
- Water Charges	-	6.42
- Testing & Analysis Expenses	-	1.04
<b>Sub-Total</b>	<b>81.17</b>	<b>90.22</b>

ULTRACAB (INDIA) LIMITED

Notes on Financial Statements

(Rs. in Lakhs)

[ B ] Indirect Expenses			
- Legal, Professional & Consultancy Charges		45.30	38.11
- Director Sitting Fees		0.60	0.75
- Sales Promotion & Marketing Expenses		-	-
a) Cash Discount & other Discounts		-	15.70
b) Commission Expenses		-	32.61
c) Turnover Discount		-	5.15
d) Marketing Activities Expenses		-	22.21
e) Advertisement Expenses		-	2.16
- Commission and Discounts (credit notes)		-	-
- Business Promotion Exp		25.00	10.17
- Non Deductible Exp under Income Tax		-	-
- Inspection Fee		-	0.46
- Delay Delivery Expenses		-	4.14
- Demarage Charges		-	-
- Kasar		-	0.15
- Vehicle Expenses		1.38	4.15
- Stationary & Printing Expenses		-	3.95
- Software, Internet & Web Charges		-	4.89
- Telephone Expenses		-	3.12
- Postage & Courier Expenses		1.73	2.07
- Travelling Expenses		29.67	5.03
- Auditor's Remuneration		2.25	2.25
- Clearing & Forwarding Expenses		-	15.57
- Calibration Charges		-	0.80
- Office Expenses		18.01	1.61
- Security Service Expenses		4.48	4.49
- Short Material		-	-
- Professional Tax		-	0.13
- ROC & Government Fees		-	10.69
- Registration Fees Subscription		-	0.55
- Electronic data processing Expense		5.24	-
- Bad Debts		-	1.68
- Annual Maintainance Charges		0.81	2.41
- Miscellaneous Expense		0.15	-
- Govt./ License/ Approval Fees		31.52	-
- Statutory Expense		5.73	-
- Round Off		0.00	-
<b>Sub-Total</b>		<b>171.87</b>	<b>194.98</b>
<b>Total Miscellaneous Expenses</b>		<b>253.04</b>	<b>285.20</b>

ULTRACAB (INDIA) LIMITED

Notes to Financial Statements

(Amount in Rs.)

Note 22: Share Capital

22.1 - Authorised and Issued and Subscribed and Fully Paid

Particulars	AS AT 31ST MARCH 2024		AS AT 31ST MARCH 2023	
	Number	Amount	Number	Amount
<b>EQUITY SHARE CAPITAL</b>				
<b>[ A ] Authorised Capital</b>				
Equity Share of Rs. 2/- each	15,00,00,000	30,00,00,000	10,00,00,000	20,00,00,000
<b>[ B ] Issued, Subscribed and Fully Paid</b>				
Equity Share of Rs. 2/- each	9,54,22,500	19,08,45,000	9,54,22,500	19,08,45,000

22.2 - Reconciliation of Equity Shares Capital

Particulars	AS AT 31ST MARCH 2024		AS AT 31ST MARCH 2023	
	Number	Amount	Number	Amount
<b>Equity Share of Rs. 2/- each</b> <b>(For Previous Year, Equity Share of Rs. 10/- each)</b>				
1) No. of Shares at the beginning of the year	9,54,22,500	19,08,45,000	9,54,22,500	19,08,45,000
<b>Equity Share of Rs. 2/- each</b>				
2) <u>Add/(Reduction)</u> :				
- Bonus Shares Issued	-	-		
3) <u>Other Adjustment</u>				
- Face Value of Shares Subdivided into Rs. 2 From Rs.10 Each. (Split)				
3) No. of Shares at the end of the year	9,54,22,500	19,08,45,000	9,54,22,500	19,08,45,000

22.3 - The rights, preferences and restrictions attaching to Equity Shares

The Company has a single class of equity share. Each holder of the equity shares is entitled to one vote per share and carries a right to dividends as and when declared by the Company.

22.4 No shares in the company is held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company.

22.5 Company has not reserved equity shares for issue under options and contracts or commitments for the sale of shares or disinvestment.

22.6 The Company has not issued any securities convertible into equity shares as on the date.

22.7 - Details of Shareholders Holding more than 5% Equity Shares in the Company

Particulars	AS AT 31ST MARCH 2024		AS AT 31ST MARCH 2023	
	Number	Holding Percentage	Number	Holding Percentage
<b>Equity Share of Rs. 2/- each</b>				
1 Niteshbhai P. Vaghasiya	1,40,77,177	14.75	1,72,09,789	18.04
2 Pankajbhai V. Shingala	31,94,184	3.35	98,83,275	10.36
3 Ramnikbhai P. Vaghasiya	14,57,681	1.53	63,82,485	6.69
4 Arvindbhai P. Vaghasiya	14,04,206	1.47	53,17,845	5.57
5 Vasantbhai H. Shingala	5,11,639	0.54	47,87,250	5.02



ULTRACAB (INDIA) LIMITED

Notes to Financial Statements

(Amount in Rs.)

22.8 - Details of Equity Shares held by Promoters

Particulars	AS AT 31ST MARCH 2024		
	No. of Shares	%of total shares	% Change During the Financial Year
<b>Equity Share of Rs. 2/- each</b>			
1 Niteshbhai P. Vaghasiya	1,40,77,177	14.75	(0.18)
2 Pankajbhai V. Shingala	31,94,184	3.35	(0.68)
3 Ramnikbhai P. Vaghasiya	14,57,681	1.53	(0.77)
4 Arvindbhai P. Vaghasiya	14,04,206	1.47	(0.74)
5 Vasantbhai H. Shingala	5,11,639	0.54	(0.89)
6 Nitesh P Vaghasiya (HUF)	0	-	(1.00)
7 Niteen Bhikhubhai Khatra	17,48,462	1.83	(0.25)
8 Sangeetaben Niteshbhai Vaghasiya	0	-	(1.00)
9 Pravinkumar Hardasbhai Shingala	10,81,172	1.13	(0.30)
10 Parshottambhai Laljibhai Vaghasiya	0	-	(1.00)
11 Nitaben Pravinbhai Shingala	0	-	(1.00)
12 Jayaben Parshotambhai Vaghasiya	11,42,100	1.20	-
13 Yogeshbhai Govindbhai Ramani	3,54,000	0.37	(0.63)
14 Govindbhai Karsanbhai Ramani	9,00,000	0.94	-
15 Muktaben Govindbhai Ramani	6,88,500	0.72	-
16 Artiben Pankajkumar Shingala	0	-	(1.00)
<b>Total</b>	<b>2,65,59,121</b>	<b>27.83</b>	<b>(55.10)</b>

Particulars	AS AT 31ST MARCH 2023		
	No. of Shares	%of total shares	% Change During the Financial Year
<b>Equity Share of Rs. 2/- each</b>			
1 Niteshbhai P. Vaghasiya	1,72,09,789	18.04	-
2 Pankajbhai V. Shingala	98,83,275	10.36	-
3 Ramnikbhai P. Vaghasiya	63,82,485	6.69	-
4 Arvindbhai P. Vaghasiya	53,17,845	5.57	-
5 Vasantbhai H. Shingala	47,87,250	5.02	-
6 Nitesh P Vaghasiya (HUF)	28,91,250	3.03	-
7 Niteen Bhikhubhai Khatra	23,38,462	2.45	-
8 Sangeetaben Niteshbhai Vaghasiya	20,31,690	2.13	-
9 Pravinkumar Hardasbhai Shingala	15,51,172	1.63	-
10 Parshottambhai Laljibhai Vaghasiya	13,20,000	1.38	-
11 Nitaben Pravinbhai Shingala	12,07,477	1.27	-
12 Jayaben Parshotambhai Vaghasiya	11,42,100	1.20	-
13 Yogeshbhai Govindbhai Ramani	9,54,000	1.00	-
14 Govindbhai Karsanbhai Ramani	9,00,000	0.94	-
15 Muktaben Govindbhai Ramani	6,88,500	0.72	-
16 Artiben Pankajkumar Shingala	5,50,125	0.58	-
17 Pravinkumar Hardasbhai Shingala	1,24,327	0.13	-
18 Gopalbhai Hardasbhai Shingala	-	-	-
19 Kanchanben Vasantbhai Shingala	-	-	-
20 Vasantbhai H Shingala (HUF)	-	-	-
<b>Total</b>	<b>5,92,79,747</b>	<b>62.12</b>	<b>-</b>

**ULTRACAB (INDIA) LIMITED**

**Notes to Financial Statements**

(Amount in Rs.)

**22.9 - Details of shares issued, allotted or bought back for period of five immediately preceding financial years**

Particulars	No of Equity Shares				
	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
1) Equity shares allotted as fully paid up pursuant to contract without payment being received in cash	N.A.	N.A.	N.A.	N.A.	N.A.
2) Equity shares allotted as fully paid up by way of bonus shares	N.A.	N.A.	3,18,07,500 Bonus shares	N.A.	N.A.
3) Equity shares bought back	N.A.	N.A.	N.A.	N.A.	N.A.

**22.10 - Earning per Share as per IND. AS -33**

Particulars	31-03-2024	31-03-2023
Computation of both basic and diluted Earning per share of ₹ 10/-		
Profit as per Statement of Profit and Loss available for equity	5,97,83,250	5,81,69,959
Number of Weighted Average equity shares for basic and diluted	9,54,22,500	9,54,22,500
Basic and diluted Earning per share	0.63	0.61
Face Value per Equity Share	0.63	0.61

**ULTRACAB (INDIA) LIMITED**

**Notes to Financial Statements**

(Rs. in Lakhs)

**Note 7.1: Ageing Schedule for Trade Receivables**

Particulars	Outstanding for following periods from due date of payment as at 31ST MARCH 2024					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Secured - Considered Good						
i. Undisputed Trade Receivables	-	-	-	-	-	-
ii. Disputed Trade Receivables	-	-	-	-	-	-
Secured - Considered Doubtful						
i. Undisputed Trade Receivables	-	-	-	-	-	-
ii. Disputed Trade Receivables	-	-	-	-	-	-
Unsecured - Considered Good						
i. Undisputed Trade Receivables	1,992.26	52.39	60.99	14.46	32.97	2,153.07
ii. Disputed Trade Receivables	0.48	3.21	4.76	3.17	127.45	139.08
Unsecured - Considered Doubtful						
i. Undisputed Trade Receivables	-	-	-	-	-	-
ii. Disputed Trade Receivables	-	-	-	-	-	-
<b>Total</b>	<b>1,992.74</b>	<b>55.61</b>	<b>65.74</b>	<b>17.63</b>	<b>160.42</b>	<b>2,292.14</b>

Particulars	Outstanding for following periods from due date of payment as at 31ST MARCH 2023					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Secured - Considered Good						
i. Undisputed Trade Receivables	-	-	-	-	-	-
ii. Disputed Trade Receivables	-	-	-	-	-	-
Secured - Considered Doubtful						
i. Undisputed Trade Receivables	-	-	-	-	-	-
ii. Disputed Trade Receivables	-	-	-	-	-	-
Unsecured - Considered Good						
i. Undisputed Trade Receivables	943.90	84.38	27.29	10.42	23.79	1,089.77
ii. Disputed Trade Receivables	0.59	5.32	3.42	12.89	121.33	143.55
Unsecured - Considered Doubtful						
i. Undisputed Trade Receivables	-	-	-	-	-	-
ii. Disputed Trade Receivables	-	-	-	-	-	-
<b>Total</b>	<b>944.49</b>	<b>89.70</b>	<b>30.71</b>	<b>23.30</b>	<b>145.11</b>	<b>1,233.32</b>

\* Above Data has been classified based on the declaration provided by the Board of Directors of the Company

**Note 13.1: Ageing Schedule for Trade Payables**

Sr. No.	Particulars	Outstanding for following periods from due date of payment as at 31ST MARCH 2024				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i.	MSME	442.12	-	-	-	442.12
ii.	Others	304.60	0.10	1.19	-	305.89
iii.	Disputed dues - MSME	-	-	-	-	-
iv.	Disputed dues - Others	-	-	-	-	-
	<b>Total</b>	<b>746.72</b>	<b>0.10</b>	<b>1.19</b>	<b>-</b>	<b>748.01</b>

Sr. No.	Particulars	Outstanding for following periods from due date of payment as at 31ST MARCH 2023				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i.	MSME	529.61	0.04	-	-	529.65
ii.	Others	1,076.96	11.18	6.89	4.11	1,099.15
iii.	Disputed dues - MSME	-	-	-	-	-
iv.	Disputed dues - Others	-	-	-	-	-
	<b>Total</b>	<b>1,606.57</b>	<b>11.23</b>	<b>6.89</b>	<b>4.11</b>	<b>1,628.80</b>

\* Above Data has been classified based on the declaration provided by the Board of Directors of the Company

**Note 10.1: Nature of Security and Terms of Repayment of Borrowings****[ A ] Non-Current****i) Nature of Security**

Indian Rupee Term Loans from Banks are secured by:

**I. Primary Security:**

- a) Term Loans: First charge on entire current assets of the company (both present & future).

**II. Collateral Security:**

- a) Office at C-303, The Imperial Heights, 150 Feet Ring Road, Rajkot in the name of the company.  
 b) Factory Land & Building, at Plot no.1, 40A, 40B & 41A R S no. 257 (p) and Plot at Survey no. 262 (p), B/h Galaxy Bearing Ltd. Shapar (Veraval), Rajkot in the name of the company.  
 d) Residential Flat situated at Siddhi-6, At.Ishwariya, R.S.No.20p, Siddhi-6, Wing C, Flat No.102, Dist.Rajkot, in the name of the company.  
 e) No Additional Security is Provided for Term Loan ECLGS

**ii) Terms of Repayments of Indian Rupee Term Loans**

Name of Bank	Axis Bank Ltd				HDFC BANK LTD	
Type of Loan	Term Loan	Term Loan	Term Loan - ECLGS	Term Loan - ECLGS	CAR LOAN	CAR LOAN
Loan Account No.	920060042171183	920060050843706	920060049641319	921060057334499	8709529545	131312791
Amount of Loan	Rs.66,58,068/-	Rs.73,68,841/-	Rs.3,70,00,000/-	Rs. 2,25,00,000/-	Rs. 32,00,000/-	Rs. 16,88,979/-
No. of balance instalments to be paid	28.00	29	12	57	53	40
Amount of instalment	Rs.1,80,000/-	Rs.2,50,000/-	Rs.2,50,000/-	Rs.6,25,000/-	Rs.65,884/-	Rs.34,408/-
Repayment type	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Interest payment type	Monthly	Monthly	Monthly	Monthly	INTEREST INCLUDED IN EMI	

**[ B ] Current****i) Nature of Security****I. Primary Security:**

- a) Cash Credit / Export Limits / LC/ LER: First hypothecation charge on entire current assets of the company (both present & future).

**II. Collateral Security:**

- a) Office at C-303, The Imperial Heights, 150 Feet Ring Road, Rajkot in the name of the company.  
 b) Factory Land & Building, at Plot no.1, 40A, 40B & 41A R S no. 257 (p) and Plot at Survey no. 262 (p), B/h Galaxy Bearing Ltd. Shapar (Veraval), Rajkot in the name of the company.  
 d) Residential Flat situated at Siddhi-6, At.Ishwariya, R.S.No.20p, Siddhi-6, Wing C, Flat No.102, Dist.Rajkot, in the name of the company.  
 e) No Additional Security is Provided for Term Loan ECLGS

**ii) Terms of Repayments of Indian Rupee Term Loans**

It is repayable on demand

**Note 23: Contingent Liabilities and Commitments**

Particulars	AS AT 31ST MARCH, 2024	AS AT 31ST MARCH, 2023
<b>(I) Contingent Liabilities</b>		
(A) Claims against the company not acknowledged as debt	NIL	NIL
(B) Guarantees	NIL	NIL
(C) Other money for which the company is contingently liable	NIL	NIL
<b>(II) Commitments</b>		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL
(B) Uncalled liability on shares and other investments partly paid	NIL	NIL
(C) Other Commitments	NIL	NIL

**Note 24: Details of Income and/or Expense in Foreign Currency**

Particulars	AS AT 31ST MARCH, 2024	AS AT 31ST MARCH, 2023
<b>(A) Expense in Foreign Exchange</b>		
I. Value of imports calculated on C.I.F basis of		
(a) Raw Materials	NIL	NIL
(b) Components and Spare Parts	NIL	NIL
(c) Capital Goods	NIL	NIL
II. Expenditure for royalty, know-how, professional and consultation fees, interest, and other matters;	NIL	NIL
<b>(B) Earnings in Foreign Exchange</b>		
I. Export of goods calculated on F.O.B. basis	785.25	633.60
II. Royalty, know-how, professional and consultation fees	NIL	NIL
III. Interest and dividend	NIL	NIL
IV. Other Income	NIL	NIL

**Note 25: Payments to Auditors**

Particulars	AS AT 31ST MARCH, 2024	AS AT 31ST MARCH, 2023
Payment for		
- Statutory Audit and Taxation Matters	2.25	2.25
- Company Law Matters	-	-
- Management Service	-	-
- Other Service	-	-
- Reimbursement of Expense	-	-
<b>Total</b>	<b>2,25,000.00</b>	<b>2,25,000.00</b>

**Note 26: MSME Disclosure**

Particulars	AS AT 31ST MARCH, 2024	AS AT 31ST MARCH, 2023
a) the principal amount and the interest due thereon remaining unpaid to any supplier	442.12	529.65
b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	NIL	NIL
d) the amount of interest accrued and remaining unpaid at the end of each accountang year; and	NIL	NIL
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

**Note 27: Details of Related Party Transactions (As per AS-18)**

**27.1 Name of Related Parties and Description of Relationship**

Sr. No.	Name	Relationship
1	Nitesh Parshottambhai Vaghasiya	Managing Director
2	Pankaj Vasantbhai Shingala	Wholetime Director
3	Bipinchandra Mohanbhai Sangani	Director
4	Kanjibhai Gandubhai Hirpara	Director
5	Prashant Shiram Sawant	Director
6	Artiben Pankajkumar Shingala	Director
7	Pravin Shambhubhai Pansuriya	CFO(KMP)
8	Khushbu Kalpit Shah	Company Secretary
9	Mayur Gangani	Company Secretary
10	Jigar Cables Limited	Controlled by the Relatives of the Director
11	Jigar Polymers Limited	
12	Suprime Enterprise	
13	Ultracab Tradelink	

**27.2 Transactions with Related Parties**

Company has not entered into any transactions with Related Parties during the Financial Year.

Nature of Transactions	AS AT 31ST MARCH, 2024	AS AT 31ST MARCH, 2023
<b>I) Salary/Remuneration/Interest</b>		
<b>Nature:</b>		
1 Nitesh Parshottambhai Vaghasiya	24.00	18.00
2 Pankaj Vasantbhai Shingala	9.00	6.00
3 Pravin Shambhubhai Pansuriya	5.34	4.86
4 Khushbu Kalpit Shah	0.17	0.33
5 Brinda Paras Mehta	1.12	-
6 Nitesh Parshottambhai Vaghasiya	38.57	-
7 Pankaj Vasantbhai Shingala	33.79	-
<b>Sub-Total</b>	<b>111.99</b>	<b>29.19</b>
<b>II) Purchase of Goods</b>		
1 Jigar Cables Limited	1,912.00	1,938.73
2 Jigar Polymers Limited	92.99	157.37
<b>Sub-Total</b>	<b>2,004.98</b>	<b>2,096.10</b>
<b>III) Sale of Goods</b>		
1 Jigar Cables Limited	1,577.28	1,714.63
2 Jigar Polymers Limited	6.92	19.79
3 Ultracab Tradelink	-	144.99
<b>Sub-Total</b>	<b>1,584.20</b>	<b>1,879.40</b>
<b>IV) Unsecured Loan from Related Party</b>		
1 Nitesh Parshottambhai Vaghasiya	1,830.00	-
2 Pankaj Vasantbhai Shingala	1,147.81	80.00
<b>Sub-Total</b>	<b>2,977.81</b>	<b>80.00</b>
<b>Total [ I + II + III + IV ]</b>	<b>6,678.99</b>	<b>4,084.69</b>
<b>IV) Balance due to Related Party</b>		
1 Jigar Cables Limited	141.51	442.48
2 Jigar Polymers Limited	-	21.75
3 Suprime Enterprise	-	0.43
4 Nitesh Parshottambhai Vaghasiya	1,864.71	-
5 Pankaj Vasantbhai Shingala	1,115.66	151.74
<b>Sub-Total</b>	<b>3,121.89</b>	<b>616.40</b>
<b>V) Balance due from Related Party</b>		
1 Jigar Polymers Limited	2.06	24.34
2 Ultracab Tradelink	-	25.27
<b>Sub-Total</b>	<b>2.06</b>	<b>49.61</b>

**ULTRACAB (INDIA) LIMITED**

**Notes to Financial Statements**

**Note 29: Additional Regulatory Information**

- 29.1 All title deeds of Immovable Property are held in name of the Company
- 29.2 The Company has not revalued its Property, Plant and Equipment during the financial year
- 29.3 The Company does not have any Capital-Work-in Progress and Intangible assets under development
- 29.4 No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.
- 29.5 The Company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- 29.6 The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 29.7 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- 29.8 No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the financial year.
- 29.9 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- 29.10 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 29.11 The Company does not have transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 29.12 The Company does not covered under section 135 of the Companies Act, 2013 during financial year.
- 29.13 The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- 29.14 There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- 29.15 Quarterly Returns or Statements of Current Assets filed by the Company with Banks or Financial institutions are in agreement with the books of accounts.
- 29.16 There are No Loans or Advances granted to Promoters, Directors, KMPs and the Related Parties.

As per our Report of even date  
**FOR BHAVIN ASSOCIATES**  
*Chartered Accountants*

SIGNATURE TO ALL THE SCHEDULES  
**FOR AND ON BEHALF OF BOARD,**  
**ULTRACAB (INDIA) LIMITED**

**Bhavin P. Bhansali**  
Partner  
Mem.No.: 043796  
FRN: 0101383W  
  
**Place : Rajkot**  
**Date : 17/05/2024**  
**UDIN: 24043796BKAKCA6668**

**Nitesh P. Vaghasiya**  
**Managing Director**  
DIN: 01899455  
Place : Rajkot  
Date : 17/05/2024

**Pankaj V. Shingala**  
**Whole Time Director**  
DIN: 03500393  
Place : Rajkot  
Date : 17/05/2024

**Pravin S. Pansuriya**  
**Chief Financial Officer**  
PAN: BUHPP8079C  
Place : Rajkot  
Date : 17/05/2024

**Brinda Paras Mehta**  
**Company Secretary**  
ACS No.: 66883  
Place : Rajkot  
Date : 17/05/2024

## ACCOUNTING RATIOS AND STATEMENT OF CAPITALIZATION

### ACCOUNTING RATIOS

The following tables present certain accounting and other ratios computed on the basis of amounts derived from the Audited Financial Statements included in "Audited Financial Statements" on page 71 of this Draft Letter of Offer:

Particulars	As at and for the year ended March 31, 2024
<b>Basic EPS (₹)</b>	0.63
<b>Diluted EPS (₹)</b>	0.63
<b>Return on Net Worth (%)</b>	15.75
<b>Net Asset Value per Equity Share (₹)</b>	3.98
<b>EBITDA (₹ Lakhs)</b>	1,307.67

The formulae used in the computation of the above ratios are as follows:

<b>Basic EPS</b>	Profit and loss attributable to Equity shareholders of Company / Weighted average number of Equity shares outstanding at the end of the period
<b>Diluted EPS</b>	Profit and loss attributable to Equity shareholders of Company / Weighted average number of Equity shares outstanding at the end of the period as adjusted for treasury shares and for the effects of all dilutive potential equity shares
<b>Return on Net Worth</b>	Profit/(loss) after tax for the period as presented in the consolidated statement of profit and loss in the Financial Statements / Net Worth
<b>Net Worth</b>	Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
<b>Net Asset Value per Equity Share</b>	Net Worth / Number of Equity Shares subscribed and fully paid outstanding as at the end of March 31, 2024
<b>EBITDA</b>	Profit/(loss) after tax for the period adjusted for income tax expense, finance costs, depreciation and amortisation expense, exceptional items, other income as presented in the Audited Financial Statements



## STATEMENT OF CAPITALIZATION

(In ₹ Lakhs)

Particulars		Pre-Issue as at March 31, 2024	As adjusted for the issue (Post Issue) *
<b>Borrowings:</b>			
Current borrowings	<b>A</b>	1,937.60	[●]
Non-current borrowings	<b>B</b>	3,307.96	[●]
<b>Total borrowings</b>	<b>C=A+B</b>	<b>5,245.56</b>	[●]
<b>Shareholder's fund (Net worth)</b>			[●]
Share Capital	<b>D</b>	1,908.45	[●]
Other Equity <sup>^</sup>	<b>E</b>	1,887.65	[●]
<b>Total shareholder's fund (Net worth)</b>	<b>F=D+E</b>	<b>3,796.10</b>	[●]
<b>Non-current borrowing's/shareholder's fund (Net worth) ratio</b>	<b>B/F</b>	<b>0.87</b>	[●]
<b>Total borrowings /shareholders' funds (Net worth) ratio</b>	<b>C/F</b>	<b>1.38</b>	[●]

*\*To be updated in the Letter of Offer*

*<sup>^</sup>excludes non-controlling interest*

### Notes:

1. Non-current borrowings are considered as borrowings other than short term borrowings and include current maturities of long-term borrowings.

*(The remainder of this page has intentionally been left blank)*

## FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of all the borrowings of our Company together with a brief description of certain significant terms of such financing arrangements. As on March 31, 2024, our total secured borrowings was ₹ 2,265.18 lakhs and our total unsecured borrowings as on June 10, 2024 is ₹ 2,232.15 Lakhs.

### SECURED BORROWINGS BY OUR COMPANY

(₹ in Lakhs)

Sr. No.	Category of borrowing	Outstanding amount as on March 31, 2024
	<b>Term Loan</b>	
a.	Term Loans from Axis Bank	286.64
	<b>Vehicles Loan</b>	
b.	Car Loan from HDFC Bank Limited	12.01
c.	Car Loan from Axis Bank Limited	28.94
	<b>Working Capital</b>	
d.	Working Capital Loan from SBI	397.50
e.	Working Capital Loan from Axis Bank Limited	1,540.09
	<b>Total (a+b+c+d+e)</b>	<b>2,265.18</b>

### UNSECURED BORROWINGS BY OUR COMPANY

(₹ in Lakhs)

Sr. No.	Category of borrowing	Outstanding amount as on June 10, 2024
a.	Nitesh Parshottambhai Vaghasiya;	1,846.33
b.	Pankaj Vasantbhai Shingala	385.82
	<b>Total</b>	<b>2,232.15</b>

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*The following is intended to convey our management's perspective of our financial condition and operating performance as at and for the financial years ended March 31, 2024 and March 31, 2023 and should be read in conjunction with our Audited Financial Statements and our September Financial Results, including the respective notes thereto, and the related auditors' reports thereon, included in "Financial Statements" on page 71 of this Draft Letter of Offer]. Unless otherwise stated, the financial information used in this section has been derived from our Audited Financial Statements and our September Financial Results.*

*Our Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. In this Draft Letter of Offer, unless specified otherwise, any reference to the "the Company" or "our Company" or to "us" refers to Ultracab India Limited,*

*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. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in "Risk Factors" and "Our Business" on pages 19 and 59 respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations. Also see "Forward Looking Statements" on page 14 of this Draft Letter of Offer.*

### **BUSINESS OVERVIEW**

We are engaged in the business of Manufacturing Wires & Cables in India. Our Company was incorporated in the year 2007 and is engaged in the manufacture and export of wires and cables in India. 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. Our products are sold not only in India but also in countries like UK, UAE, Africa, Singapore etc. Our manufacturing facility is situated at Shapar (Rajkot, Gujarat) India. Our facility has modern technology, tools, high-tech machines which spin out the quality standard of cables.

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 of finished products. Our Company has purchased additional Machinery to enhance the production capacities of power and control cables in the past few years.

### **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled 'Risk Factors' on page 19 of this Draft Letter of Offer.

The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- adverse effect of competition on our market share and profits;
- Volatility in the price of raw materials;
- our ability to:
  - manage our growth effectively;
  - manage our credit risk;
  - manage our quality of services;
  - hire and retain senior management personnel and other skilled manpower;
  - manage cost of compliance with labour laws or other regulatory developments;
  - successfully implement our business strategies and expansion plans;
  - maintain effective internal controls;

- read and understand the changing customer preferences
- failure in product development results
- changes in general, political, social and economic conditions in India and elsewhere;
- change in government policies; and
- general levels of GDP growth, and growth in employment and personal disposable income.

## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled “*Financial Information*” on page 71 of this Draft Letter of Offer.

## CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in the Notes to the Accounts in the chapter “*Financial Information*” on page 71 of this Draft Letter of Offer there has been no change in accounting policies in last 3 years.

## RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The Audit Report issued by our Statutory Auditors for the year ended March 31, 2024 does not have any reservations, qualifications and adverse remarks.

## RESULTS OF OPERATIONS

The following table sets out selected data from the Audited Financial Statements for Financial Year 2023 and Financial Year 2022, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	FY 2024		FY 2023	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
<b>Income</b>				
Revenue from operations	12405.56	99.73	10735.98	99.71
Other Income	33.62	0.27	31.21	0.29
<b>Total Income from Operations</b>	<b>12439.18</b>	100.00	<b>10767.19</b>	100.00
<b>Expenses</b>				
Cost of Materials Consumed	9688.08	77.88	9087.62	84.40
Changes in Inventories	148.12	1.19	(686.04)	(6.37)
Employee Benefit Expenses	308.23	2.48	263.85	2.45
Depreciation and amortization expenses	86.51	0.70	77.71	0.72
Finance cost	401.52	3.23	389.16	3.61
Other Expenses	953.46	7.66	853.91	7.93
<b>Total Expenses</b>	<b>11585.92</b>	93.14	<b>9986.21</b>	92.75
Profit / (Loss) before exceptional items and Tax	<b>853.26</b>	6.86	<b>780.98</b>	7.25
Exceptional Items	9.81	0.08	3.85	0.04
Profit / (Loss) before tax	843.45	6.78	777.13	7.22
<b>Tax Expense</b>				
Current Tax	245.51	1.97	194.18	1.80
Deferred Tax	0.11	0.00	1.25	0.01

Particulars	FY 2024		FY 2023	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Profit / (Loss) After Tax	597.83	4.81	581.70	5.40
Other Comprehensive Income/(Loss)	-	-	-	-
<b>Total Comprehensive Income /(Loss)for the Year</b>	<b>597.83</b>	<b>4.81</b>	<b>581.70</b>	<b>5.40</b>
Earnings per Share (Basic) (in Rs.)	0.63		0.61	
Earnings per Share (Diluted) (in Rs)	0.83		0.61	

### **Total income**

#### **Revenue from operations**

Our revenue from operations comprises of sale of goods and services both in the domestic market and export market and other operating revenue.

#### **Other Income**

Other income comprises of interest income and other non-operating income

#### **Expenses**

Our expenses consist of cost of materials consumed, change in inventories employee benefit expense, depreciation on fixed assets, finance costs and other expenses.

#### **Cost of Materials Consumed**

Cost of materials consumed includes the purchases of the raw material during the year.

#### **Employee benefit expenses**

Employee benefit expense consists of salaries, wages, bonus, contribution to provident Fund and other funds and other staff welfare expenses.

#### **Depreciation expenses**

Depreciation consists of depreciation on tangible and intangible assets owned by our company.

#### **Finance Costs**

Finance costs consist of interest expenses and other borrowing costs

#### **Other expenses**

Other expenses include loading & unloading expenses, factory expenses, water charges, testing & Analysis expenses, power and fuel, rates and taxes, insurance, filing fees, rent expense, repairs and maintenance, transportation expenses, packing & Forwarding Expenses, remuneration to directors and miscellaneous expenditure.

## ***Tax expenses***

Tax expense comprises of current tax, deferred tax and prior period adjustments. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

## **Comparison of Historical Results of Operations**

### **Financial Year 2024 compared to Financial Year 2023**

#### ***Total Revenue***

The total revenue for financial year ended March 31, 2024 increased to ₹12,439.18 lakhs from ₹10,767.19 lakhs during the financial year ended March 31, 2023 an increase of ₹1,671.99 lakhs or 15.53%. This increase was due to an increase in exports and other income.

#### ***Revenue from operations***

Our revenue from operations for the financial year ended March 31, 2024 increased to ₹12,405.56 lakhs from ₹ 10,735.98 lakhs during the financial year ended March 31, 2023 an increase of ₹1,669.58 lakhs or 15.55%. This increase was due to an increase in exports.

#### ***Other income***

Other income increased from ₹ 31.21 lakhs for the year ended March 31, 2023 to ₹33.62 lakhs, an increase of ₹2.41 lakhs or 7.72%, This increase was mainly due to a marginal increase in duty draw back and interest income.

#### ***Expenses***

Our total expenses increased from ₹ 9,986.21 lakhs for the financial year ended March 31, 2023 to ₹11,585.92 lakhs which was an increase of ₹ 1,599.71 lakhs or 16.02% This was due to an increase in cost of materials consumed employee benefit expenses, finance cost and other expenses.

#### ***Cost of Materials Consumed***

Our cost of materials consumed increased from ₹ 9,087.62 lakhs for the year ended March 31, 2023 to ₹ 9,688.08, an increase of ₹ 600.46 lakhs or 6.61%. This is due to an increase in the consumption of raw materials, resulting from the increase in sales.

#### ***Employee benefit expenses***

Employee benefits expense for the financial year ended March 31, 2024 was ₹ 308.23 lakhs as compared to ₹ 263.85 lakhs for the financial year ended March 31, 2023. This was an increase of ₹ 44.38 lakhs or 16.82% over the previous year. This was due to increase in the number of employees and the corresponding increase in salaries and other employee benefits.

#### ***Depreciation Expense***

Depreciation for the financial year ended March 31, 2024 was ₹86.51 lakhs as compared to ₹ 77.71 lakhs for the financial year ended March 31, 2023, an increase of ₹ 8.80 lakhs or 11.32% since there was some addition to machinery.

### **Finance Expenses**

Finance Expenses for the financial year ended March 31, 2024 was ₹401.52 lakhs as compared to ₹ 389.16 lakhs for the financial year ended March 31, 2023, an increase of ₹ 12.36 lakhs or 3.18% as there was an increase in current and non-current borrowings during the financial year.

### **Other expenses**

Other expenses for the financial year ended March 31, 2024 was ₹953.46 lakhs as compared to ₹853.91 lakhs for the financial year ended March 31, 2023, an increase of ₹ 99.55 lakhs or 11.66% over the previous year. This was due to an increase in power and fuel, transportation, remuneration to directors and packing and forwarding expenses.

### **Profit/(Loss) before Tax before exceptional items**

The profit before tax before exception item for the financial year ended March 31, 2024 was ₹ 853.26 lakhs as compared to ₹ 780.98 for the financial year ended March 31, 2023, an increase of ₹ 72.28 lakhs or 9.26%. This was due to an increase in sales and a reduction in total expenses.

### **Profit/(Loss) before Tax after exceptional items**

For the reasons stated above, the profit before tax after exception item for the financial year ended March 31, 2024 was ₹843.45 lakhs as compared to ₹ 777.13 lakhs for the financial year ended March 31, 2023, an increase of ₹ 66.32 lakhs or 8.53%.

### **Taxation**

Total tax expense for the financial year ended March 31, 2024 was ₹ 245.62 lakhs as compared to ₹185.43 lakhs for the financial year ended March 31, 2023

### **Profit/Loss after Tax**

As a result of the aforesaid, Our Company earned a profit for the financial year ended March 31, 2024 of ₹597.83 lakhs as compared to ₹ 581.70 lakhs for the financial year ended March 31, 2023, an increase of ₹ 16.13 lakhs or 2.77%.

### **CASH FLOWS**

The following table sets forth certain information relating to our cash flows:

	(₹ in Lakhs)	
<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Net Cash Flow from/ (used in) Operating Activities (A)	(2,390.90)	611.14
Net Cash Flow from / (used) in Investing Activities (B)	(200.43)	(113.03)
Net Cash Flow from / (used) in Financing Activities (C)	2,648.85	(497.39)
<b>Net increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>57.52</b>	<b>0.71</b>
Cash and cash equivalents at the beginning of the year/period	210.18	209.47
<b>Cash and cash equivalents at year/ period end</b>	<b>267.70</b>	<b>210.18</b>

### **Cash generated from Operating Activities**

Net cash generated from operating activities for the year ended March 31, 2024 was ₹ (2,390.90) lakhs as compared to the profit before tax of ₹ 843.45 lakhs for the same period. This difference is primarily on account of adjustment for depreciation, profit / loss on sale of asset, interest income and provisions / other adjustments. There has been a Increase in trade receivables and an increase in inventory and Decrease in other current assets, while there has been a reduction in banks working capital and trade payables and increase in Other Current Liabilities.

Net cash generated from operating activities for the year ended March 31, 2023 was ₹ 611.14 lakhs as compared to the profit before tax of ₹ 777.13 for the same period. This difference is primarily on account of adjustment for depreciation, profit / loss on sale of asset, interest income and provisions / other adjustments. There has been a decrease in trade receivables and an increase in inventory and other current assets, while there has been a reduction in banks working capital, other current liabilities and trade payables.

#### **Net Cash used in Investing Activities**

Net cash generated in investing activities for the year ended March 31, 2024 was ₹ (200.43) lakhs. This was on account of purchase and sale of fixed assets and a major increase in long term deposit / advances.

Net cash used in investing activities for the year ended March 31, 2023 was ₹ (113.03) lakhs. This was on account of addition of fixed assets.

#### **Net Cash flow used in Financing Activities**

Net cash flows used in financing activities for the year ended March 31, 2024 was ₹ 2,648.85 lakhs. This was on account of receipt of unsecured long term loans.

Net cash flows used in financing activities for the year ended March 31, 2023 was ₹ (497.39) lakhs. This was on account of repayment of secured loans

#### **Contingent Liabilities**

Our contingent liabilities was Nil as on March 31, 2024 and as on March 31, 2023.

#### **Off-Balance Sheet Arrangements**

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

### **QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

**Credit Risk:** Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The Company has adopted the policy of only dealing with credit worthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represent the Company's maximum exposure to credit risk. Cash and cash equivalents are held with creditworthy financial institutions.

**Liquidity Risk:** Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt from lenders at an optimised cost

**Commodity Risk:** Commodity risk is the risk of change in market price of commodities dealt by the company. The Company's exposure to commodity risk mainly comprises of revenue generating and operating activities. Raw material and finished good prices vary depending upon its availability and demand. Company generally processes raw material in a day or two of its purchase. Prices for finished goods are quoted base on raw material prices.

### **RELATED PARTY TRANSACTIONS**

For details of our related party transactions, see "Note No: 27 "Related Party Transactions" on page 115 of this Draft Letter of Offer.



## **Qualitative Disclosure about Market Risk**

### **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 described in the section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page 19 and page 120 respectively of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

### **Unusual or Infrequent Events or Transactions**

Except as described elsewhere in this Draft Letter of Offer, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

### **Significant economic/regulatory changes**

Government policies governing the Wire and cable sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Except as disclosed in this Draft Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

### **Major changes in these factors can significantly impact income from continuing operations.**

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income except as mentioned in the section titled “*Risk Factors*” on page 19 of this Draft Letter of Offer.

### **Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**

Other than as described in the section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page 19 and 120 respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company’s future costs and revenues will be determined by demand/supply situation and government policies.

### **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 sales prices**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

### **Competitive Conditions**

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths we will be able to stay competitive. For further details, kindly refer the chapter titled “*Our Business*” on page 59 of this Draft Letter of Offer.

### **Total Turnover of Each Major Business Segment**

We operate in one segment only.

**New Product or Business Segment**

Except as disclosed in “*Our Business*” on page 59 of this Draft Letter of Offer, we have not announced and do not expect to announce in the near future any new products or business segments.

**Seasonality of Business**

Our Company’s business is not seasonal in nature.

**Significant dependence on a Single or Few Suppliers or Customers**

Other than as described in this Draft Letter of Offer, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

**Significant Developments since last balance sheet date**

To our knowledge no circumstances have arisen since March 31, 2024, the date of the last financial information disclosed in this Draft Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND DEFAULTS

Except as disclosed below, there are no outstanding litigations with respect to the (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; and (iv) any pending matters including civil litigation and tax proceedings, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position. In relation to point (iv) above, our board in its meeting held on May 17, 2024 has considered and adopted a 'Policy on Disclosure of Material Events / Information', framed in accordance with Regulation 30 of the SEBI Listing Regulations ("**Materiality Policy**").

In terms of the Materiality Policy, any outstanding litigations, involving our Company, whose total monetary impact is equivalent to or exceeds the lower of the following:

- a. 2% of turnover, as per the last audited financial statements of our Company; i.e. ₹248.11 lakhs
- b. 2% of net worth, as per the last audited financial statements of our Company, except in case the arithmetic value of the net worth is negative; and i.e. ₹ 75.92 lakhs
- c. 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of our Company i.e. ₹ 498.08lakhs

All the outstanding litigation civil proceedings involving our Company whose monetary impact is equivalent to or in excess of ₹75.92 Lakhs have been disclosed in this section.

#### A. LITIGATION INVOLVING OUR COMPANY

##### I. Litigation against our Company:

- a. Litigation Involving Criminal Laws: Nil
- b. Litigation Involving Civil Laws: Nil
- c. Litigation Involving Actions by Statutory/Regulatory Authorities: Nil
- d. Litigation Involving Tax Liabilities:
  - i. Direct Tax Liabilities: Nil
  - ii. Indirect Tax Liabilities: Nil
- e. Other Pending Material Litigations: Nil

##### II. Litigation filed by our Company

- a. Litigation Involving Criminal Laws:
  1. Case No: 6911/2018 dated May 31, 2018: Our Company has filed a writ petition under Section 138 of the Negotiable Instruments Act, 1881 against Universal Marketing Company and its proprietor Mr Kanubhai Parekh for the recovery of an amount of ₹10,42,513 due to bouncing of the cheque issued by them at Civil and Small Causes Court Rajkot. The matter is under process.
  2. Case No: 10410/2018 dated August 28, 2018: Our Company has filed a writ petition under Section 138 of the Negotiable Instruments Act, 1881 against Hemadri Enterprises and its Proprietor Ms Rekha Kumar and Mr Jitendra Tripathi for the recovery of an amount of ₹36,15,383 due to bouncing of the cheque issued by them at Civil and Small Causes Court Rajkot The matter is under process.
  3. Case No: 10411/2018 dated August 28, 2018: Our Company has filed a writ petition under Section 138 of the Negotiable Instruments Act, 1881 against Ess Ess Sales Corporation and its proprietor Mr Surbhi Bedi and Mr Vineet Bedi for the recovery of an amount of ₹25,07,528 due to bouncing of the cheque issued by them at Civil and Small Causes Court Rajkot The matter is under process.

4. Case No: 15392/2018 dated December 17, 2018: Our Company has filed a writ petition under Section 138 of the Negotiable Instruments Act, 1881 against Casdeal and its proprietor Ms Nisha Singh for the recovery of an amount of ₹10,42,513 due to bouncing of the cheque issued by them at Civil and Small Causes Court Rajkot. Bailable Arrest Warrant has been issued.
  5. Case No: 15393 / 2018 dated December 17, 2018: Our Company has filed a writ petition under Section 138 of the Negotiable Instruments Act, 1881 against Shiva Electricals and Distributors and its proprietor Mr Gagan Kumar for the recovery of an amount of ₹1,48,482 due to bouncing of the cheque issued by them at Civil and Small Causes Court Rajkot. Bailable arrest warrant has been issued
  6. Case No: 15396 /2018 Dated December 17, 2018: Our Company has filed a writ petition under Section 138 of the Negotiable Instruments Act, 1881 against Gadgets Arena and its proprietor Mr Ravindrajit Singh Kohli for the recovery of an amount of ₹2,99,724 due to bouncing of the cheque issued by them at Civil and Small Causes Court Rajkot. Bailable arrest warrant has been issued.
  7. Case No: 61736 / 2021 Dated December 13, 2021: Our Company has filed a writ petition under Section 138 of the Negotiable Instruments Act, 1881 against Milan Marketing for the recovery of an amount of ₹16,50,729 due to bouncing of the cheque issued by them at Civil and Small Causes Court Rajkot. The matter is under process.
  8. Case No: 14876/2022 Dated April 16, 2022: Our Company has filed a writ petition under Section 138 of the Negotiable Instruments Act, 1881 against Mahasagar Pump for the recovery of an amount of ₹1,46,247 due to bouncing of the cheque issued by them at Civil and Small Causes Court Rajkot. The matter is under process.
  9. Case No: 28375/2022 dated November 9, 2022: Our Company has filed a writ petition under Section 138 of the Negotiable Instruments Act, 1881 against Pancham Electric for the recovery of an amount of ₹2,23,113 due to bouncing of the cheque issued by them at Civil and Small Causes Court Rajkot. The matter is under process.
  10. Case No: 3659/2023 Dated February 21, 2023: Our Company has filed a writ petition under Section 138 of the Negotiable Instruments Act, 1881 against Asian Traders and Steel for the recovery of an amount of ₹ 2,76,848 due to bouncing of the cheque issued by them at Civil and Small Causes Court Rajkot. The matter is under process
- b. Litigation Involving Civil Laws: Nil
  - c. Litigation Involving Actions by Statutory/Regulatory Authorities: Nil
  - d. Litigation Involving Tax Liabilities:
    - i. Direct Tax Liabilities: Nil
    - ii. Indirect Tax Liabilities: Nil
  - e. Other Pending Material Litigations: Nil

## **B. LITIGATION INVOLVING DIRECTORS OF OUR COMPANY**

### **I. Litigation against the Directors of our Company**

- a. Litigation Involving Criminal Laws: Nil
- b. Litigation Involving Civil Laws: Nil
- c. Litigation Involving Actions by Statutory/Regulatory Authorities: Nil
- d. Litigation Involving Tax Liabilities: Nil

- e. Direct Tax Liabilities: Nil
- f. Indirect Tax Liabilities: Nil
- g. Other Material Pending Litigation: Nil

**II. Litigation by the Directors of our Company**

- a. Litigation Involving Criminal Laws: Nil
- b. Litigation Involving Civil Laws: Nil
- c. Litigation Involving Actions by Statutory/Regulatory Authorities: Nil
- d. Litigation Involving Tax Liabilities: Nil
  - i. Direct Tax Liabilities: Nil
  - ii. Indirect Tax Liabilities: Nil
- e. Other Material Pending Litigation: Nil

**C. LITIGATION INVOLVING PROMOTER OF OUR COMPANY**

**I. Litigation against the Promoter of our Company**

- a. Litigation Involving Criminal Laws: Nil
- b. Litigation Involving Civil Laws: Nil
- c. Litigation Involving Actions by Statutory/Regulatory Authorities: Nil
- d. Litigation Involving Tax Liabilities: Nil
  - i. Direct Tax Liabilities: Nil
  - ii. Indirect Tax Liabilities: Nil
- e. Other Material Pending Litigation: Nil

**II. Litigation by the Promoter of our Company**

- a. Litigation Involving Criminal Laws: Nil
- b. Litigation Involving Civil Laws: Nil
- c. Litigation Involving Actions by Statutory/Regulatory Authorities: Nil
- d. Litigation Involving Tax Liabilities: Nil
  - i. Direct Tax Liabilities: Nil
  - ii. Indirect Tax Liabilities: Nil
- e. Other Material Pending Litigation: Nil

**D. LITIGATION INVOLVING GROUP COMPANIES OF OUR COMPANY**

**I. Litigation against Group Companies of our Company**

- a. Litigation Involving Criminal Laws: Nil
- b. Litigation Involving Civil Laws: Nil
- c. Litigation Involving Actions by Statutory/Regulatory Authorities: Nil
- d. Litigation Involving Tax Liabilities: Nil
  - i. Direct Tax Liabilities: Nil
  - ii. Indirect Tax Liabilities: Nil
- e. Other Material Pending Litigation: Nil

**II. Litigation by Group Companies of our Company**

- a. Litigation Involving Criminal Laws: Nil
- b. Litigation Involving Civil Laws: Nil
- c. Litigation Involving Actions by Statutory/Regulatory Authorities: Nil
- d. Litigation Involving Tax Liabilities: Nil
  - i. Direct Tax Liabilities: Nil
  - ii. Indirect Tax Liabilities: Nil
- e. Other Material Pending Litigation: Nil

**E. OUTSTANDING DUES TO SMALL SCALE UNDERTAKING OR ANY OTHER CREDITORS**

As of March 31, 2024 our Company has **102** creditors to whom a total amounting of ₹ 748.01 lakhs is outstanding. Out of those details of the dues to small scale undertaking and to other creditors are as follows:

*(In ₹ Lakhs)*

<b>S. No.</b>	<b>Particulars</b>	<b>Number</b>	<b>Amount</b>
1.	Dues to SMEs	39	442.11
2.	Dues to Other Creditors	63	305.89
	<b>TOTAL</b>	<b>102</b>	<b>748.01</b>

## **MATERIAL DEVELOPMENTS**

To the best of our knowledge, no circumstances have arisen since March 31, 2024, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities.

*(The remainder of this page has intentionally been left blank)*

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Board of Directors at its meeting held on February 20, 2024, have authorised this Issue pursuant to Section 62(1)(c) of the Companies Act, 2013.

Our Board of Directors / Rights Issue Committee has, at its meeting held on [●], determined the Issue Price as ₹ [●] per Rights Equity Share and the Rights Entitlement as [●] Rights Equity Share for every [●] Equity Share held on the Record Date.

The Draft Letter of Offer was approved by the Rights Issue Committee duly constituted by the Board in their meeting on February 20, 2024.

Our Company has received 'in-principle' approval letter from BSE vide letter dated [●] for listing of the Rights Equity Shares to be allotted pursuant to Regulation 28(1) of SEBI Listing Regulations. Our Company will also make applications to BSE Limited to obtain their trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective Demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" on page 139 of this Draft Letter of Offer.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors and persons in control of the Promoter and the Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoters and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors or Promoters are associated with the securities market in any manner. There is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

### Prohibition by RBI

Neither our Company, nor our Promoter and Directors have been categorized or identified as willful defaulters or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

### Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company and our Promoters are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.



## **Eligibility for the Issue**

Our Company is a listed company, incorporated under the Companies Act, 1956. The Equity Shares of our Company are presently listed on the BSE. We are eligible to undertake the Issue in terms of Chapter III of SEBI ICDR Regulations. Pursuant to Clauses (1) and (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B of Schedule VI to the SEBI ICDR Regulations.

## **Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations**

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

- (1) Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI Listing Regulations, as applicable for the last one years immediately preceding the date of filing of this Draft Letter of Offer with the stock exchange.
- (2) The reports, statements and information referred to above are available on the website of BSE.
- (3) Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at least once every year and as and when required, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and is not covered under the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI ICDR Regulations.

## **Disclaimer Clause of SEBI**

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of the issue is less than ₹5000 lakhs.

## **Disclaimer from our Company and our Directors**

Our Company and our Directors accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.ultracabwires.com](http://www.ultracabwires.com).

All information shall be made available by our Company 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, at bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company, and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company 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 the Equity Shares.

No information which is extraneous to the information disclosed in this Draft Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centre.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

#### **Disclaimer in respect of Jurisdiction**

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Ahmedabad, Gujarat only.

#### **Disclaimer Clause of BSE**

As required, a copy of the Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Letter of Offer, will be included in the Letter of Offer prior to the filing with the Stock Exchange.

#### **Designated Stock Exchange**

BSE being the only stock exchange where the Company's shares are listed, the Designated Stock Exchange for the purposes of the Issue is BSE.

#### **Selling Restrictions**

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer / Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel

prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

### **Listing**

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

### **NO OFFER IN THE UNITED STATES**

**THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.**

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer / Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company, in consultation with the Registrar to the Issue, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only

outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

#### **NO OFFER IN ANY JURISDICTION OUTSIDE INDIA**

**NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.**

#### **Filing**

This Draft Letter of Offer is being filed with the BSE as per the provisions of the SEBI ICDR Regulations. SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, this Draft Letter of Offer has been filed with Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted to SEBI for information and dissemination and will be filed with the Stock Exchange.

#### **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Bigshare Services Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

#### **Investor Grievances arising out of this Issue**

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "*Terms of the*

*Issue*” at page 139 of this Draft Letter of Offer. The contact details of our Registrar to the Issue and our Company Secretary are as follows:

### **Registrar to the Issue**

#### **Bigshare Services Private Limited.**

Office No. S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road, Andheri (East),  
Mumbai – 400093, Maharashtra.

**Tel No:** +91 22 6263 8200; **Fax No:** +91 22 6263 8299;

**Email:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)

**Investors Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com):

**Contact Person:** Mr. Suraj Gupta

**SEBI Registration Number:** INR000001385

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/post-Issue related matters such as non-receipt of Letters of Allotment / share certificates / demat credit /Refund Orders etc.

Brinda Paras Mehta is the Company Secretary and Compliance Officer of our Company. Her contact details are:

Survey No. 262, Behind Galaxy Bearing Limited,  
Shapar (Varaval) Rajkot - 360024  
Gujarat, India.

**Tel:** +91 2827 - 253122 / 23

**Email:** [cs@ultracab.in](mailto:cs@ultracab.in)

### ***Consents and Expert Opinion***

Consents in writing of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, legal advisor to the Issue and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

Our Company has received written consent April 15, 2024 from our Statutory and Peer Review Auditor, namely Bhavin Associates, Chartered Accountants for inclusion of their Audit Report dated May 17, 2024 on our Financial Information for the financial years ended March 31, 2024 and to include their name in this Draft Letter of Offer and as an ‘Expert’ as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated April 18, 2024 in the form and context in which it appears in this Draft Letter of Offer. Such consent has not been withdrawn up to the date of this Draft Letter of Offer.

## SECTION VII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Circulars SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renouncees) shall make an application for a rights issue only through ASBA facility.*

### OVERVIEW

The Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association of our Company, the provisions of Companies Act, the terms and conditions as may be incorporated in the FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the SEBI, the RBI or other regulatory authorities, the terms of Listing Agreements entered into by our Company with the Stock Exchange and terms and conditions as stipulated in the Allotment Advice.

#### Important:

#### I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS:

In accordance with the SEBI (ICDR) Regulations, and the ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material (**Issue Materials**) only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard.

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at [www.ultracabwires.com](http://www.ultracabwires.com) ;
- b) the Registrar to the Issue at [www.bigshareonline.com](http://www.bigshareonline.com); and
- c) the Stock Exchange at [www.bseindia.com](http://www.bseindia.com);

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.bigshareonline.com](http://www.bigshareonline.com) by entering their DP ID and Client ID or Folio

Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.ultracabwires.com](http://www.ultracabwires.com)).

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

**Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit. Resident Eligible Equity Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number.**

The distribution of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

**Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer, Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid e-mail address and an Indian address to our Company.**

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

## II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

***In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.***

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense account, as applicable. For further details on the Rights Entitlements and demat suspense account, please see “*Terms of Issue—Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” on page 152 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense account in case of resident Eligible Equity Shareholders holding shares in physical form as at Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or
- ii) the requisite internet banking.

**Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see “*Terms of Issue—Grounds for Technical Rejection*” on page 148 of this Draft Letter of Offer. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, - please see “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 143 of this Draft Letter of Offer.



### ***Options available to the Eligible Equity Shareholders***

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- v) renounce its Rights Entitlements in full.

### ***Making of an Application through the ASBA process***

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, their directors, their employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

*Do's for Investors applying through ASBA:*

- a. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- b. Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialised form only.
- c. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- e. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- f. Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- g. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- h. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- i. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

*Don'ts for Investors applying through ASBA:*

- a. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- b. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- c. Do not send your physical Application to the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- d. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- e. Do not submit Application Form using third party ASBA account.

***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the

Application Form that is available on the website of the Registrar or the Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilise the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Ultracab (India) Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
5. Number of Equity Shares held as at Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of ₹ [●] per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;

14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
16. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar at [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com); and

All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in “*Restrictions on Purchases and Resales*” on page 170 of this Draft Letter of Offer and shall include the following:

*“I/ We hereby make representations, warranties and agreements set forth in “Restrictions on Purchases and Resales” on page 170 of this Draft Letter of Offer.*

*I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein.”*

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.bigshareonline.com](http://www.bigshareonline.com).

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

***Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form***

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;

- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 143 of this Draft Letter of Offer.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as at the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialised Rights Entitlements are transferred from the suspense demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

### **Application for Additional Rights Equity Shares**

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Terms of Issue—Basis of Allotment*” on page 161 of this Draft Letter of Offer.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.**

### *Additional general instructions for Investors in relation to making of an Application*

- a) Please read the Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regards to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 143 of this Draft Letter of Offer.
- d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- e) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the

Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.

- g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- j) Investors should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. The investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in

physical form.

- m) Investors are required to ensure that the number of Rights Equity Shares applied by them do not exceed the prescribed limits under the applicable law.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit multiple Applications.
- s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.
- t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

#### ***Grounds for Technical Rejection***

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c) Sending an Application to our Company, Registrar, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f) Account holder not signing the Application or declaration mentioned therein.
- g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- k) Applications by SCSB on own account, other than through an ASBA Account in its own name

with any other SCSB.

- l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p) Applications which: (i) appear to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Investors that are residing in U.S. address as per the depository records.

### ***Multiple Applications***

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialised form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see “*Terms of Issue—Procedure for Applications by Mutual Funds*” on page 151 of this Draft Letter of Offer.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure*” on page 41 of this Draft Letter of Offer.

### ***Procedure for Applications by certain categories of Investors***

#### ***Procedure for Applications by FPIs***

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total



paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100% under automatic route).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to, inter alia, the following conditions:

- a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

#### ***Procedure for Applications by AIFs, FVCIs, VCFs and FDI route***

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of our Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any Allotments made by relying on such approvals.

### ***Procedure for Applications by NRIs***

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Circular 2020 has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

### ***Procedure for Applications by Mutual Funds***

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

### ***Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)***

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

### ***Last date for Application***

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “*Terms of Issue—Basis of Allotment*” on page 161 of this Draft Letter of Offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

### ***Withdrawal of Application***

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

### ***Disposal of Application and Application Money***

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 working days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

## **III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

### ***Rights Entitlements***

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as at the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar ([www.bigshareonline.com](http://www.bigshareonline.com)) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.ultracabwires.com](http://www.ultracabwires.com)).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialised form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible

Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar [www.bigshareonline.com](http://www.bigshareonline.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense account (namely, "[●] RE Suspense Account") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

#### **IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT**

##### ***Renouncees***

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

##### ***Renunciation of Rights Entitlements***

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

##### ***Procedure for Renunciation of Rights Entitlements***

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

##### **Payment Schedule of Rights Equity Shares**

₹[●] per Rights Equity Share (including premium of ₹[●] per Rights Equity Share) shall be payable on Application.

Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

**a) On Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialised form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] band indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

**b) Off Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

## **V. MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorising the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalisation of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### ***Mode of payment for Resident Investors***

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

### ***Mode of payment for Non-Resident Investors***

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad

for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.

5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

## **VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE**

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, please see “*The Issue*” on page 35 of this Draft Letter of Offer.

### ***Fractional Entitlements***

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Equity Share for every [●] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●] the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

### ***Ranking***

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue shall, upon being fully paid-up rank *pari passu* with the existing Equity Shares, in all respects including dividends.

### ***Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue***

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through



letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 538706) under the ISIN: INE010R01023. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/locked within fifteen days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within fifteen days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fifteenth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

#### ***Subscription to this Issue by our Promoters***

Our Promoters intend to subscribe to their entire entitlement.

#### ***Rights of Holders of Rights Equity Shares***

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- a) The right to receive dividend, if declared;
- b) The right to receive surplus on liquidation;
- c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d) The right to free transferability of Rights Equity Shares;
- e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

### **VII. GENERAL TERMS OF THE ISSUE**

#### ***Market Lot***

The Rights Equity Shares shall be tradable only in dematerialised form. The market lot for the Rights Equity Shares in dematerialised mode is one Equity Share.

### ***Joint Holders***

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of the Rights Equity Shares offered in this Issue.

### ***Nomination***

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

### ***Arrangements for Disposal of Odd Lots***

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

### ***Notices***

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Gujarati language local newspaper with wide circulation (Gujarati being the regional language of Gujarat, where our Registered Office is located).

This Draft Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

### ***Offer to Non-Resident Eligible Equity Shareholders/Investors***

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out therein (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment

of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at ([www.bigshareonline.com](http://www.bigshareonline.com)). It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. Further, Application Forms will be made available at Registered Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, OCBs have been derecognised as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and to obtain prior approval from RBI for applying in this Issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com).

#### **ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 162 OF THIS DRAFT LETTER OF OFFER.**

#### **VIII. ISSUE SCHEDULE**

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[•]
ISSUE OPENING DATE	[•]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS #	[•]
ISSUE CLOSING DATE*	[•]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[•]
DATE OF ALLOTMENT (ON OR ABOUT)	[•]
DATE OF CREDIT (ON OR ABOUT)	[•]
DATE OF LISTING (ON OR ABOUT)	[•]

# *Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

\* *Our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., [www.bigshareonline.com](http://www.bigshareonline.com)). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., [www.bigshareonline.com](http://www.bigshareonline.com)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

## **IX. BASIS OF ALLOTMENT**

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board or its Rights Issue Committee in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after

making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

- e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

#### **X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 (fifteen) days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 (Fifteen) days' period.

The Rights Entitlements will be credited in the dematerialised form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds

beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## **XI. PAYMENT OF REFUND**

### ***Mode of making refunds***

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- a) Unblocking amounts blocked using ASBA facility.
- b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“**MICR**”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as at a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar, to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

### ***Refund payment to non-residents***

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

## **XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES**

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

### ***Receipt of the Rights Equity Shares in Dematerialised Form***

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALISED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS AT THE RECORD DATE.**

Investors shall be Allotted the Rights Equity Shares in dematerialised (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialised form, instead of holding the Equity Shares in the form of physical certificates:

- a) Tripartite agreement dated July 24, 2014 amongst our Company, NSDL and the Registrar to the Issue; and
- b) Tripartite agreement dated July 09, 2014 amongst our Company, CDSL and the Registrar to the Issue.

### **INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALISED FORM**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialised form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository

account.

6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

### **XIII. IMPERSONATION**

Attention of the Investors 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.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹0.1 crore or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹0.5 crore or with both.

### **XIV. UTILISATION OF ISSUE PROCEEDS**

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilised out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed until 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 utilised; and
- C. Details of all unutilised monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

### **XV. UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at



all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within the period prescribed by SEBI.

3. The funds required for unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. In case of unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
6. Adequate arrangements shall be made to collect all ASBA Applications.
7. As of the date of this Draft Letter of Offer, our Company had not issued any outstanding compulsorily convertible debt instruments. Further, except as disclosed in this Draft Letter of Offer, our Company has not issued any outstanding convertible debt instruments.
8. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

#### **XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS**

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed "**Ultracab (India) Limited– Rights Issue**" on the envelope and postmarked in India) to the Registrar at the following address:

**Bigshare Services Private Limited.**

Office No. S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road, Andheri (East),  
Mumbai – 400093, Maharashtra.

**Tel No:** +91 22 6263 8200; **Fax No:** +91 22 6263 8299;

**Email:** [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)

**Investors Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com):

**Contact Person:** Mr. Suraj Gupta

**SEBI Registration Number:** INR000001385

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([www.bigshareonline.com](http://www.bigshareonline.com)). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 22 6263 8200
4. The Investors can visit following links for the below-mentioned purposes:
  - a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors:

[www.bigshareonline.com](http://www.bigshareonline.com)

- b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: [www.bigshareonline.com](http://www.bigshareonline.com)
- c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [www.bigshareonline.com](http://www.bigshareonline.com)
- d) Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders: <https://www.bigshareonline.com>

This Issue will remain open for a minimum 7 (Seven) days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

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## 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, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the 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. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will not be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs through the FDI Circular 2020 (defined below).

The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Circular 2020**”), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as at October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under the FEMA Rules will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognised as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under

applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

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## RESTRICTIONS ON PURCHASES AND REALES

### Eligibility and Restrictions

#### *General*

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that the Letter of Offer will be filed with the Stock Exchange and submitted to the SEBI for information and dissemination.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into: (i) the United States, or (ii) any jurisdiction other than India except in accordance with the legal requirements applicable in such jurisdiction.

Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone: (i) in the United States or (ii) any jurisdiction in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer and any other Issue Materials should not distribute or send the Letter of Offer or any such documents in or into any jurisdiction where to do so would or might contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer or any other Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares. Rights Entitlements may not be transferred or sold to any person outside India except in accordance with applicable law.

The Letter of Offer is, and the other Issue Materials will be, supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

#### *Australia*

The Letter of Offer does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and does not purport to include the information required of a disclosure document under the Australian Corporations Act. The Letter of Offer is not a disclosure document under Chapter 6D of the Corporations Act of Australia and it has not been lodged with the Australian Securities and Investments Commission ("**ASIC**") and no steps have been taken to lodge it as such with ASIC. It is not required to, and does not, contain all the information which would be required in a disclosure document.

Any offer in Australia of the Rights Entitlements and Equity Shares under the Letter of Offer may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), to "professional investors" (within the meaning of section 708(11) of the

Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Rights Entitlements and Equity Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

If you are acting on behalf of, or acting as agent or nominee for, an Australian resident and you are a recipient of the Letter of Offer, and any offers made under the Letter of Offer, you represent to the Issuer that you will not provide the Letter of Offer or communicate any offers made under the Letter of Offer to, or make any applications or receive any offers for Rights Entitlements or the Equity Shares for, any Australian residents unless they are a “sophisticated investor” or a “professional investor” as defined by section 708 of the Australian Corporations Act.

Any offer of the Rights Entitlements or the Equity Shares for on-sale that is received in Australia within 12 months after their issue by our Company, or within 12 months after their sale by a selling security holder under the Issue, as applicable, is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian Corporations Act or otherwise. Any persons acquiring the Rights Entitlements and the Equity Shares should observe such Australian on-sale restrictions.

### ***Bahrain***

The Letter of Offer and the Rights Entitlements and the Rights Equity Shares that are offered pursuant to the Letter of Offer have not been registered, filed, approved or licensed by the Central Bank of Bahrain (“CBB”), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism (“MOICT”) or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in the Letter of Offer, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. The Letter of Offer is only intended for Accredited Investors as defined by the CBB. We have not made and will not make any invitation to the public in the Kingdom of Bahrain to subscribe to the Rights Equity Shares and the Letter of Offer will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. All marketing and offering of the Rights Equity Shares shall be made outside the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved the Letter of Offer and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of Rights Equity Shares.

### ***British Virgin Islands***

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares has been or will be made to the public in the British Virgin Islands.

### ***China***

No action has been taken by our Company which would permit an offering of Rights Entitlements or the Rights Equity Shares or the distribution of the Letter of Offer in the People's Republic of China (“PRC”). The Letter of Offer may not be circulated or distributed in the PRC and the Rights Entitlements and the Rights Equity Shares may not be offered or sold, and will not be offered or sold to any person for re-offering or resale directly or indirectly to, or for the benefit of, legal or natural persons of the PRC except pursuant to applicable laws and regulations of the PRC. Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the Rights Entitlements and the Equity Shares or any beneficial interest therein without obtaining all prior PRC’s governmental approvals that are required, whether statutorily or otherwise. Persons who come into possession of the Letter of Offer are required to observe these restrictions. For the purpose of this paragraph, PRC does not include Taiwan and the special administrative regions of Hong Kong and Macau.

### ***Cayman Islands***

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares may be made to the public in the Cayman Islands.

### ***European Economic Area***

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), an offer to the public of any Rights Entitlement or Rights Equity Shares may not be made in that Relevant State, except if the Rights Entitlement or Rights Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the “**Prospectus Regulation**”):

- a) to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or
- c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement of a prospectus pursuant to Article 23 of the Prospectus Regulation. The Letter of Offer is not a prospectus for the purposes of the Prospectus Regulation.

For the purposes of this subsection, the expression an “offer to the public” in relation to any Rights Entitlement or Rights Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares.

### ***Hong Kong***

The Rights Entitlements and the Equity Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Rights Entitlements and the Equity Shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Rights Entitlements and the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

### ***Japan***

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the “**FIEA**”) and disclosure under the FIEA has not been and will not be made with respect to the Rights Entitlements and the Rights Equity Shares. No Rights Entitlements or Rights Equity Shares are, directly or indirectly, being offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the

Foreign Exchange and Foreign Trade Contract Act of Japan (Law No. 228 of 1949, as amended) (“**Japanese Resident**”) or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a “qualified institutional investor” (tekikaku kikan toshika), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (Ordinance of the Ministry of Finance No. 14 of 1993, as amended) (the “Qualified Institutional Investor”), the Rights Entitlements and Equity Shares will be offered in Japan by a private placement to a small number of investors (shoninzu muke kanyu), as provided under Article 23-13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree is a Qualified Institutional Investor, the Rights Entitlements and the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investor (tekikaku kikan toshikamuke kanyu), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Any Qualified Institutional Investor purchasing Rights Equity Share agree that it will not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Rights Equity Shares to any Japanese Resident other than to another Qualified Institutional Investor.

### ***Kuwait***

The Letter of Offer and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Rights Entitlements or the Equity Shares in the State of Kuwait. The Rights Entitlements and the Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Rights Entitlements and the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Rights Entitlements or the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Rights Entitlements or the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Rights Entitlements or the Equity Shares in the State of Kuwait.

### ***Mauritius***

The Rights Entitlements and the Rights Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither the Letter of Offer nor any offering material or information contained herein relating to the offer of the Rights Entitlements and the Rights Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. The Letter of Offer does not constitute an offer to sell the Rights Entitlements and the Rights Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

### ***Singapore***

The Letter of Offer has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289) of Singapore (“**SFA**”). The offer of Rights Entitlements and Rights Equity Shares pursuant to the Rights Entitlements to Eligible Equity Shareholders in Singapore is made in reliance on the offering exemption under Section 273(1)(cd) of the SFA.



Eligible Equity Shareholders in Singapore may apply for additional Rights Equity Shares over and above their Rights Entitlements only (i) if they are an “institutional investor” within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) if they are a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where any additional Rights Equity Shares over and above their Rights Entitlements are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired such Rights Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than SGP\$ 200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Rights Entitlements and the Rights Equity Shares are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### ***United Kingdom***

No Rights Entitlement or Rights Equity Shares may be offered in the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Rights Entitlement and Rights Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that our Company may make an offer to the public in the United Kingdom of Rights Entitlement and Rights Equity Shares at any time:

- a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
- c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company of a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to any Rights Entitlement or Rights Equity Shares in means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or

subscribe for the Rights Entitlement or Rights Equity Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Except for each person who is not a qualified investor as defined in the UK Prospectus Regulation and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a qualified investor as defined in the UK Prospectus Regulation.

In addition, the Letter of Offer may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (each such person being referred to as a “**Relevant Person**”). If you are not a Relevant Person, you should not take any action on the basis of the Letter of Offer and you should not act or rely on it or any of its contents. Except for each person who is not a Relevant Person and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a Relevant Person.

#### ***United Arab Emirates (excluding the Dubai International Financial Centre)***

The Letter of Offer has not been, and is not intended to be, approved by the UAE Central Bank, the UAE Ministry of Economy, the Emirates Securities and Commodities Authority or any other authority in the United Arab Emirates (the “UAE”) or any other authority in any of the free zones established and operating in the UAE. The Rights Entitlements and the Rights Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the UAE in a manner which constitutes a public offering in the UAE in compliance with any laws applicable in the UAE governing the issue, offering and sale of such securities. The Letter of Offer is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any other person other than the original recipient and may not be used or reproduced for any other purpose.

#### ***Dubai International Financial Centre***

The Rights Entitlement and the Rights Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an “Exempt Offer” in accordance with the Markets Rules (MKT) (the “**Markets Rules**”) adopted by the Dubai Financial Services Authority (the “**DFSA**”); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. The Letter of Offer must not be delivered to, or relied on by, any other person. The DFSA has not approved the Letter of Offer nor taken steps to verify the information set out in it and has no responsibility for it. Capitalised terms not otherwise defined in this subsection have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Rights Equity Shares offered in the Offer should conduct their own due diligence on the Equity Shares. If you do not understand the contents of the Letter of Offer, you should consult an authorised financial adviser.

#### ***United States***

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the

registration requirements of the Securities Act and any applicable state securities laws. The Rights Entitlements and the Rights Equity Shares are only being offered and sold outside the United States in offshore transactions, as defined in and in compliance with Regulation S. Neither the receipt of the Letter of Offer nor any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholders who has received the Letter of Offer and its accompanying documents directly from our Company.

### **Representations, Warranties and Agreements by Purchasers**

In addition to the applicable representations, warranties and agreements set forth above, each purchaser, by accepting the delivery of the Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted, acknowledged and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
2. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
3. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
4. The purchaser acquiring the Rights Equity Shares for one or more managed accounts, represents and warrants that the purchaser has been authorized in writing, by each such managed account to acquire the Rights Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference herein to ‘the purchaser’ to include such accounts.
5. The purchaser is eligible to invest in India under applicable law, including the FEMA Rules and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India. Further, the purchaser is eligible to invest in and hold the Rights Equity Shares in accordance with the FDI Policy, read along with the press note 3 of 2020 dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules.
6. The purchaser is investing in the Rights Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in the Issue, the purchaser is not in violation of any applicable law, including but not limited to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Securities and Exchange Board of India

(Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the Companies Act, 2013, each as amended and/or substituted from time to time.

7. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of the Letter of Offer with the Stock Exchange and its submission with the SEBI for information and dissemination); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements (except in India) or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
8. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in the Issue.
9. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
10. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to us and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and the Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in the Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
11. Without limiting the generality of the foregoing, the purchaser acknowledges that the Equity Shares are listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent financial results, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes the "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
12. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with the Issue, and the Rights Entitlements or the Rights Equity Shares, including the Letter of Offer and the Exchange Information, has been prepared solely by our Company.
13. The purchaser acknowledges that no written or oral information relating to the Issue, and the Rights Entitlements or the Rights Equity Shares has been or will be provided by our Company.

14. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, undertakings and agreements and other information contained in the Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of us have reason to believe is in the United States or is ineligible to participate in the Issue under applicable securities laws.
15. The purchaser is aware that the Rights Entitlements and the Equity Shares have not been and will not be registered under the Securities Act or the securities law of any state of the United States and that the offer of the Rights Entitlements and the offer and sale of the Rights Equity Shares to the purchaser was made in accordance with Regulation S.
16. The purchaser was outside the United States at the time the offer of the Rights Entitlements and Rights Equity Shares was made to it and the purchaser was outside the United States when the purchaser's buy order for the Rights Equity Shares was originated.
17. The purchaser did not accept the Rights Entitlements or subscribe to the Rights Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S).
18. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If, in the future, the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares: (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
19. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for, and authorized to consummate the purchase of, the Rights Equity Shares in compliance with all applicable laws and regulations. If the purchaser is outside India:
  - a. the purchaser, and each account for which it is acting, satisfies: (i) all suitability standards for investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe, and is subscribing, for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence; and
  - b. the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
20. Except for the sale of Rights Equity Shares on the Stock Exchange, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
21. The purchaser is a highly sophisticated investor and has such knowledge and experience in financial, business and international investment matters and is capable of independently evaluating the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of an investment in the Rights Entitlements and the Rights Equity Shares. It, or any account for which it is acting, has the financial ability to bear the economic risk of investment in the Rights Entitlements and the Rights Equity Shares, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to any investment it (or such account for which it is acting) may make in the Rights Entitlements and the Rights Equity Shares,

and is able to sustain a complete loss in connection therewith and it will not look to our Company for all or part of any such loss or losses it may suffer.

22. Each of the aforementioned representations, warranties, acknowledgements and agreements shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Rights Equity Shares. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties, acknowledgements and agreements set forth above and elsewhere in the Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements which are given to our Company, and are irrevocable.
24. The purchaser agrees that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Bhopal, Madhya Pradesh, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Letter of Offer and other Issue Materials.

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## SECTION VIII: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available for inspection at the registered office of the Company till the issue closing date on working days and working hours between 11:00 A.M. to 5:00 P.M. and also shall be available on the website of the Company at [www.ultracabwires.com](http://www.ultracabwires.com) from the date of this Draft Letter of Offer until the Issue Closing Date.*

Additionally, any person intending to inspect the abovementioned contracts and documents electronically, may do so, by writing an email to [cs@ultracab.in](mailto:cs@ultracab.in).

#### 1. Material Contracts for the Issue

- (i) Registrar Agreement dated April 04, 2024 entered into amongst our Company and the Registrar to the Issue.
- (ii) Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

#### 2. Material Documents

- (i) Certified true copies of the Certificate of Incorporation, the Memorandum of Association and the Articles of Association of our Company as amended from time to time.
- (ii) Resolution of the Board of Directors dated February 20, 2024 in relation to the approval of this Issue.
- (iii) Resolution passed by our Rights Issue Committee dated [●] finalizing the terms of the Issue including Record Date and the Rights Entitlement ratio
- (iv) Resolution of the Rights Issue Committee dated June 14, 2024 approving and adopting the Draft Letter of Offer.
- (v) Resolution of the Board of Directors dated [●] approving and adopting the Letter of Offer.
- (vi) Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory and Peer Reviewed Auditor, Legal Advisor, the Registrar to the Issue, Banker to the Issue/ Refund Bank for inclusion of their names in the Draft Letter of Offer in their respective capacities.
- (vii) Copies of Annual Reports of our Company for Financial years 2023, 2022 and 2021.
- (viii) Audit reports dated May 17, 2024 of the Statutory Auditor, on our Company's Audited Financial Statements, included in this Draft Letter of Offer.
- (ix) Statement of Tax Benefits dated April 18, 2024 from M/s. Bhavin & Associates, Chartered Accountants included in this Draft Letter of Offer.
- (x) Tripartite Agreement dated July 24, 2014 between our Company, NSDL and the Registrar to the Issue.
- (xi) Tripartite Agreement dated July 09, 2014 between our Company, CDSL and the Registrar to the Issue.

(xii) In principle listing approval dated [●] issued by BSE Limited.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Sd/-

**NITESH PARSOTTAMBHAI VAGHASIYA**  
(Chairman & Managing Director)

Sd/-

**PANKAJ VASANTBHAI SHINGALA**  
(Executive Director)

Sd/-

**ARTIBEN PANKAJKUMAR SHINGALA**  
(Non-Executive Non-Independent Director)

Sd/-

**BIPINCHANDRA MOHANBHAI SANGANI**  
(Independent Director)

Sd/-

**KANJIBHAI GANDUBHAI PATEL**  
(Independent Director)

Sd/-

**PRASHANT SHRIRAM SAWANT**  
(Independent Director)

Sd/-

**PRAVIN SHAMBHUBHAI PANSURIYA**  
(Chief Financial Officer)

Sd/-

**BRINDA PARAS MEHTA**  
(Company Secretary and Compliance Officer)

Place: Rajkot, Gujarat

Date: June 14, 2024