



## JIGAR CABLES LIMITED

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 in the name of "Jigar Industries" pursuant to a deed of partnership dated August 01, 1997. The name of the partnership firm was changed to "Jigar Cables" pursuant to supplementary agreement modifying the partnership deed dated January 01, 2017. Jigar Cables was thereafter converted from a partnership firm to a public limited company Under Part I, Schedule XXI of the Companies Act, 2013 with the name of "Jigar Cables Limited" and received a fresh certificate of incorporation from the Registrar of Companies, Manesar, Gujarat on February 07, 2017 and Corporate Identification Number U28999GJ2017PLC095651. The partners of M/s Jigar Cables were initial subscribers to Memorandum of Association of our Company. For further details of Incorporation, Change of Name and Registered Office of our company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 55 and page 128 of this Draft Prospectus.

**Registered Office:** Plot No.164/14 & 15 Jamwadi, G.I.D.C Gondal, Rajkot-360311, Gujarat, India.

**Tel. No.:** +2825-221422; **Fax No.:** Not Available

**Contact Person:** Chandni Chhabariya, Company Secretary and Compliance Officer

**Email:** cs@sigmacab.com; **Website:** [www.sigmacab.com](http://www.sigmacab.com)

**PROMOTERS OF OUR COMPANY:** PARSHOTTAM VAGHASIYA AND VIJAY SHINGALA

THE ISSUE	
INITIAL PUBLIC ISSUE OF 18,64,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF JIGAR CABLES LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 30 /- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 20 /- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS. 559.20 LAKHS ("THE ISSUE"), OF WHICH 96,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 30/- PER EQUITY SHARE, AGGREGATING RS. 28.8 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 17,68,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 30/- PER EQUITY SHARE, AGGREGATING RS.530.40 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.51 % AND 25.15 % RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.	
THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE OF RS. 30 IS 3 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.	
In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 240 of this Draft Prospectus. A copy has been delivered for registration to the Registrar as required under Section 26 of the Companies Act, 2013.	
THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI (ICDR) REGULATIONS"). For Further Details Please Refer The Section Titled 'Issue Information' Beginning On Page 233 Of This Draft Prospectus.	
RISKS IN RELATION TO FIRST ISSUE	
This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs. 10 and the Issue price of Rs. 30/- per Equity Share is 3 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in the chapter titled 'Basis for issue Price' beginning on page 88 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and / or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.	
GENERAL RISKS	
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the Company and this issue, including the risks involved. The Equity Shares issued in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. <b>Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 17 of this Draft Prospectus.</b>	
COMPANY'S ABSOLUTE RESPONSIBILITY	
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this issue, which is material in the context of this Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission or inclusion of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect.	
LISTING	
The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the SME platform of BSE Limited ("BSE"). In terms of the Chapter XB of the SEBI (ICDR) Regulations 2009, as amended from time to time. Our Company has received an approval letter dated [●] from BSE Limited for using its name in this issue document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this issue, SME Platform of the BSE Limited shall be the Designated Stock Exchange.	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p><b>PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED</b>  406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India  <b>Tel:</b> +91-22 61946725  <b>Fax:</b> +91-22 2659 8690  <b>Website:</b> <a href="http://www.pantomathgroup.com">www.pantomathgroup.com</a>  <b>Email:</b> <a href="mailto:ipo@pantomathgroup.com">ipo@pantomathgroup.com</a>  <b>Investor Grievance Id:</b> ipo@pantomathgroup.com  <b>Contact Person:</b> Saahil Kinkhabwala  <b>SEBI Registration No:</b> INM000012110</p>	 <p><b>BIGSHARE SERVICES PRIVATE LIMITED</b>  E/2, Ansa Industrial Estate, Sakinaka, Andheri (East) Mumbai – 400 072  <b>Tel:</b> +91 22 40430200  <b>Fax:</b> +91 22 28475207  <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a>  <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>  <b>Investor Grievance Id:</b> ipo@bigshareonline.com  <b>Contact Person:</b> Mr. Babu Raphael  <b>SEBI Registration Number:</b> INR000001385</p>
ISSUE PROGRAMME	
ISSUE OPENS ON [●]	ISSUE CLOSES ON [●]

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## SECTION I – GENERAL

### DEFINITION AND ABBREVIATION

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

#### Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of Jigar Cables Limited, as amended from time to time
Auditor or Statutory Auditor	The Statutory Auditor of our Company, being M/s. M N Manwar & Co.
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013.
Banker to our Company	Such banks which are disclosed as Bankers to the Company in the chapter titled " <i>General Information</i> " on page 55 of this Draft Prospectus.
"Board" or "Board of Directors" or "our Board"	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Chandni Chhabariya
Director(s)	The Director(s) of our Company, unless otherwise specified
DIN	Director Identification Number
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each fully paid up unless otherwise specified in the context thereof
Equity Shareholders	Persons / Entities holding Equity Shares of our Company
Group Companies	Such Companies as are included in the chapter titled " <i>Our Group Companies</i> " beginning on page no. 147 of this Draft Prospectus
ISIN	International Securities Identification Number. In the case being [●]
"Jigar Cables Limited", or "the Company", or "our Company" or "we", "us", "our", or "Issuer" or the "Issuer Company"	"Jigar Cables Limited", a Public Limited company incorporated under the provisions of the Companies Act, 2013
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company
Peer Reviewed Auditor	The Peer Reviewed Auditor of our Company, being M/s. Maharishi & Co.
"Promoter", "Promoters" or "our Promoters"	Promoters of our Company being Parshottambhai Vaghasiya and Vijay Shingala
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (zb) of the SEBI Regulations and as disclosed in the chapter titled " <i>Our Promoters and Promoter Group</i> " on page no. 143 of this Draft Prospectus
Registered Office	Plot No.164/14 & 15 Jamwadi, G.I.D.C, Gondal, Rajkot 360311, Gujarat, India
RoC / Registrar of Companies	Registrar of Companies, Gujarat, Ahmedabad, located at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013 Gujarat, India

Term	Description
Shareholders	Shareholders of our Company
“you”, “your” or “yours”	Prospective investors in this Issue

### Issue Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicant(s) to whom Equity Shares of our Company have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Draft Prospectus.(All the applicants should make application through ASBA only)
Application	An indication to make an offer during the Issue Period by an Applicant pursuant to submission of an Application Form, to subscribe for or purchase our Equity Shares at Issue Price, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus
Application Collecting Intermediaries	<ol style="list-style-type: none"> <li>1. a SCSB with whom the bank account to be blocked, is maintained</li> <li>2. a syndicate member (or sub-syndicate member) If any</li> <li>3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)(‘broker’) if any</li> <li>4. a depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> <li>5. a registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> </ol>
Application Form	The form, whether physical or electronic, in terms of which the Applicant shall make an application to subscribe to the Equity Shares of our Company
ASBA / Application Supported by Blocked Amount	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained by an ASBA applicant with SCSBs which will be blocked by such SCSBs to the extent of the appropriate Application Amount and as defined in the Application Form.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Investor/ASBA applicant	Any prospective investor(s) / applicants(s) in this Issue who apply(ies) through the ASBA process

Term	Description
Banker/Refund Banker to the Issue/ Public Issue Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being HDFC Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page 240 of this Draft Prospectus
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the BSE Limited.
CAN Confirmation or Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated CDP Locations	Such centres of the CDPs where Applicant can submit the Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchanges ( <a href="http://www.nseindia.com">www.nseindia.com</a> and <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time
Designated Date	The date on which the amount blocked by the SCSBs is transferred from the ASBA Accounts to the Public Issue Account or the amount is unblocked in the ASBA Account, as appropriate, after the issue is closed, following which the equity shares shall be allotted to the successful applicants in terms of this Draft Prospectus.
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the website of the Stock Exchanges ( <a href="http://www.nseindia.com">www.nseindia.com</a> and <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on

Term	Description
	<a href="http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility">http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility</a>
Designated Stock Exchange	SME Platform of BSE Limited
Draft Prospectus	The Draft Prospectus dated June 7, 2017 issued in accordance with section 26 of the Companies Act, 2013 and filed with the SME platform of BSE Limited under SEBI (ICDR) Regulations
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI.
Issue Agreement	The agreement dated June 3, 2017 between our Company and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing date	The date on which Issue Closes for Subscription
Issue Opening Date	The date on which Issue Opens for Subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs.30/- per Equity Share of face value of Rs. 10 each fully paid
Issue Proceeds	Proceeds to be raised by our Company through this Issue being Rs.559.20 lakhs, for further details please refer chapter title “ <i>Objects of the Issue</i> ” beginning on page 81 of this Draft Prospectus.
Issue Proceeds/Gross Proceeds	Proceeds from the Issue that will be available to our Company, being Rs. 559.20 Lakhs
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 18,96,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs.30 per Equity Share (including a premium of Rs. 20 per Equity Share) aggregating Rs. 559.20 lakhs.
Lead Managers / LM	Lead Managers to the Issue in this case being Pantomath Capital Advisors Private Limited (PCAPL).
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 96,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs.30 per Equity Share aggregating Rs.28.8 lakhs for the Market Maker in this Issue
Market Making Agreement	Market Making Agreement dated June 03, 2017 between our Company, Lead Managers and Market Maker.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996,



Term	Description
	as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 17,68,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs.30 per Equity Share aggregating Rs. 530.4 lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs 2,00,000
Other Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body / OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. 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. OCBs are not allowed to invest in this Issue.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus, to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013 containing , <i>inter-alia</i> , the issue size, the issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue i.e. HDFC Bank under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on June 03, 2017 amongst our Company, Lead Managers, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Application Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zed) of the SEBI (ICDR) Regulations 2009
Refund Account	Account to which Application monies to be refunded to the Applicants
Refund through electronic transfer of funds	Refund through ASBA process
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.bseindia.com/members/MembershipDirectory.aspx">http://www.bseindia.com/members/MembershipDirectory.aspx</a> &

Term	Description
	<a href="http://www.nseindia.com/membership/dynaContent/find_a_broker.htm">http://www.nseindia.com/membership/dynaContent/find_a_broker.htm</a>
Registrar /Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited having registered office at E/2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400072, Maharashtra, India
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i> ), who apply for an amount less than or equal to Rs 2,00,000
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised%20Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries</a> or at such other website as may be prescribed by SEBI from time to time
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SME Exchange	SME Platform of BSE Limited
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated June 3, 2017 entered into between the Underwriter and our Company
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

#### Technical and Industry Related Terms

Term	Description
BIS	Bureau of Indian Standards
CCCT	China Chamber of Commerce for Import and Export of Textiles
CEFIC	European Chemical Industry Council
CMAI	Clothing Manufacturers' Association of India
CMI	Cable Manufacturing Industry
CoE	Centers of Excellence
CPI	Consumer Price Index



Term	Description
CSO	Central Statistics Office
DCPC	Department of Chemicals and Petro Chemicals
DPP	Defence Procurement Policy
EPFO	Employees' Provident Fund Organisation
ESI	Employee State Insurance
EU	European Union
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FDI	Foreign Direct Investment
FOB	Freight on Board
FY	Financial Year
GDP	Gross Domestic Product
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Addition
GVA	Gross Value Added
IBEF	India Brand Equity Foundation
ICC	Indian Chemical Council
IIP	Index of Industrial Production
IMF	International Monetary Fund
INR	Indian Rupees
JV	Joint Venture
MAI	Market Access Initiative
MDA	Market Development Assistance
MFA	Multi-Fibre Arrangement
MoU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
MYEA	Mid-Year Economic Analysis
NER	North East Region
NHDP	National Highways Building Project
NITI Aayog	National Institution for Transforming India
NITRA	Northern India Textile Research Association
NMP	National Manufacturing Policy
NTP	National Textile Policy
OECD	Organisation for Economic Co-operation and Development
PCPIR	Petroleum, Chemicals and Petrochemicals Investment Regions
PMGKY	Pradhan Mantri Garib Kalyan Yojana
PMMY	Pradhan Mantri MUDRA Yojana
PPP	Public-Private Partnership
PVC	Polyvinyl chloride
R&D	Research & Development
RBI	Reserve Bank of India
RIL	Reliance Industries Ltd
RRTUFS	Revised Restructured Technology Up gradation Fund Scheme
SASMIRA	The Synthetic & Art Silk Mills' Research Association
SED	Strategic Engineering Division
SEZ	Special Economic Zone
SITP	Scheme for Integrated Textile Parks

Term	Description
SITRA	The South India Textile Research Association
TADF	Technology Acquisition and Development Fund
TASL	Tata Advanced Systems Ltd
TCIDS	Tennessee Career Information Delivery System
TMC	Technology Mission on Cotton
TNPCB	Tamil Nadu Pollution Control Board
TUFS	Technology Up-gradation Fund Scheme
UDAY	Ujwal DISCOM Assurance Yojana Scheme
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
US	United States
US/ U.S./ USA	United States of America
USD/ US\$	United States Dollar, the official currency of United States of America
WIL	Welspun India Ltd
WPI	Wholesale Price Index

#### Conventional and General Terms / Abbreviations

Term	Description
A.Y./AY	Assessment Year
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AoA	Articles of Association
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as - Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as - Category III foreign portfolio investors under the SEBI FPI Regulations
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Cm	Centimetre
CMD	Chairman and Managing Director
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of

Term	Description
	the notified sections
CS	Company Secretary
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
F.Y./FY	Financial Year
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FIs	Financial Institutions
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
Ft	Foot
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family

Term	Description
I. T. Act	The Income Tax Act, 1961, as amended.
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR	Indian National Rupee
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 131 of this Draft Prospectus
KVA	Kilovolt-ampere
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
LM	Lead Manager
Ltd.	Limited
MD	Managing Director
MICR	Magnetic Ink Character Recognition
Mn	Million
MoA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non Banking Finance Company
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax

Term	Description
PBT	Profit Before Tax
Pvt.	Private
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC	Registrar of Companies
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Sec	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of National Stock Exchange of India Limited
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UOI	Union of India
US/ U.S. / USA/United States	United States of America

Term	Description
USD or US\$ or \$	United States Dollar, the official currency of the United States of America
UV	Ultraviolet
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
YoY	Year over year

*Notwithstanding the following: -*

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 285 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 154 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factors*” beginning on page 17 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 91 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 195 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter.



## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

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

### **FINANCIAL DATA**

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘Financial Statements as Restated’ beginning on page 154 this Draft Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘Financial Statements as Restated’ beginning on page 154 of this Draft Prospectus.

### **CURRENCY OF PRESENTATION**

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

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

### **INDUSTRY & MARKET DATA**

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Draft Prospectus have been obtained from publically available Information, Industry Sources and Government Publications.

Industry Sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Draft Prospectus is reliable, it has not been independently verified by the Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those

discussed in the section “Risk Factors” on page17 of this Draft Prospectus. Accordingly, investment decisions should not be based solely on such information.

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

## FORWARD LOOKING STATEMENT

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

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

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

For a further discussion of factors that could cause our actual results to differ, refer to section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 17 and 195 respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

## SECTION II – RISK FACTORS

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

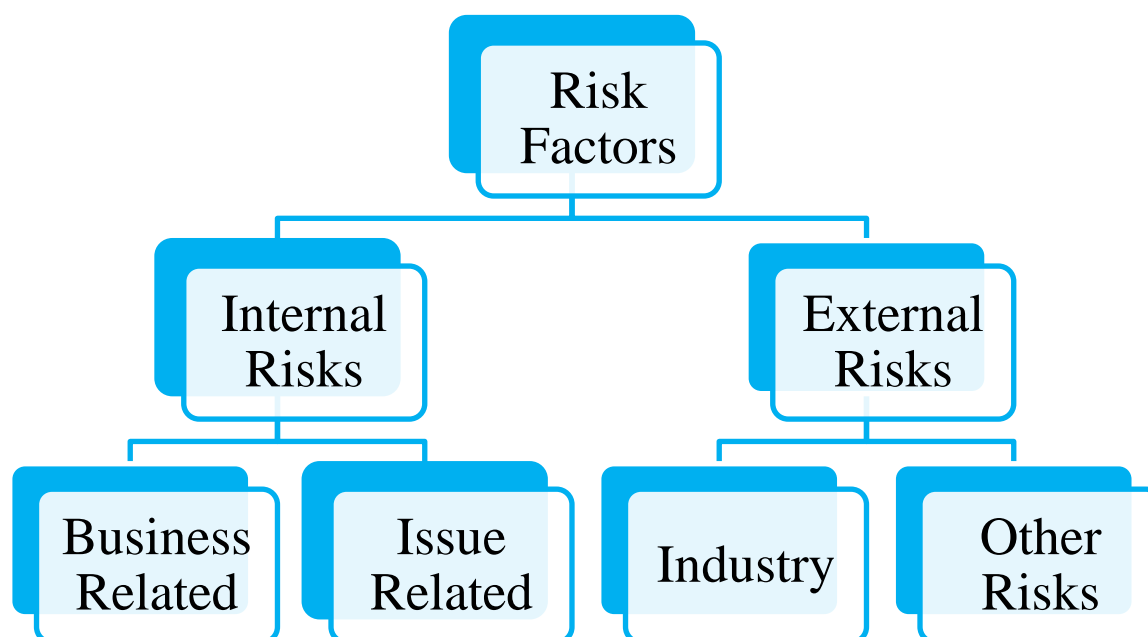
*To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 108, “Our Industry” beginning on page 93 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 195 of this Draft Prospectus as well as other financial information contained herein.*

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

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

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 2 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

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



## INTERNAL RISKS

### A. Business Related

1. *Our Company, Promoter, Director and Group Company are currently involved in certain litigation which is currently pending at various stages. Currently our Company is also involved in Income tax related proceedings; any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.*

*Our Promoter has filed an FIR in his individual capacity for an accident; our Group Company Ultracab (India) Private Limited (now Ultracab (India) Limited) has filed certain criminal cases under Negotiable Instrument Act, 1881 against various parties. The Independent Director of our Company has a demand outstanding with the Income Tax Department any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.*

There are no legal proceedings by or against our Subsidiaries. A classification of legal proceedings is mentioned below:

Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company and Subsidiaries see the chapter titled “Outstanding Litigation and Material Developments” on page 204 of this Draft Prospectus.

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)

<b>Company</b>							
<b>By the Company</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Against the Company</b>	Nil	Nil	2	Nil	Nil	Nil	0.02
<b>Promoters</b>							
<b>By the Promoter</b>	1	Nil	Nil	Nil	Nil	Nil	Not Ascertainable
<b>Against the Promoter</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Group Companies</b>							
<b>By Group Companies</b>	8	Nil	Nil	Nil	Nil	Nil	26.52
<b>Against Group Companies</b>	Nil	Nil	2	Nil	Nil	Nil	23.02*
<b>Directors other than promoters</b>							
<b>By the Directors</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Against the Directors</b>	Nil	Nil	1	Nil	Nil	Nil	0.01
<b>Subsidiaries</b>							
<b>By the Subsidiaries</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Against the Subsidiaries</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

2. *The availability, quality and timely delivery of raw material is an important factor for our business, any fluctuation, delay or increase in cost in same may affect our business and prices. We have not entered into any agreement in respect of long term supply for raw materials required by us and as such we are susceptible to fluctuations in the cost of raw materials.*

We are dependent on our suppliers, majorly Ultracab (India) Limited for uninterrupted supply of raw-materials i.e. copper and aluminum coil. Other raw materials like PVC and XLPE is majorly procured domestically. While we believe that we could find additional suppliers to supply these raw materials, any failure of our suppliers to deliver these raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose a customer or incur contractual penalties or liabilities for failure to perform contracts, which could have a material adverse effect on our business, financial condition and results of operations. Further, our profitability is partly dependent on our ability to anticipate and adapt to changes in the cost of raw materials. The prices of these raw materials are subject to price fluctuation due to various factors beyond our control, including but not limited to governmental regulations, which may reduce supply and lead to increase in supply costs. In the event that we are unable to anticipate and adapt to changing supply costs by adjusting our purchasing practices or we are unable to negotiate favourable pricing terms with our suppliers for such raw materials, then our business, profitability and financial performance may be materially and adversely affected. Further, any disruption in the adequate



and timely supply of raw materials or unavailability of raw materials may adversely affect our business and results of operations.

**3. *Our Company has manufacturing facility located in Gondal, Rajkot, Gujarat. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.***

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

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

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

**5. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

Our industry being labour intensive is highly dependent on labour force for carrying out its manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum

wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

6. ***Our business is dependent on our continuing relationships with our customers, with whom we have not entered into long term arrangements. Further, we have been procuring business from government entities, which are undertaken through a bidding process and failure to procure such tenders on a continuous basis could adversely impact our revenues and profitability.***

We do not have any long term arrangements with any of our customers for purchase of our products in the future, at the current prices or at all. We generate sales by subscribing and fulfilling of tenders invited by Electricity Companies operated by Gujarat state government and selling to private institutions. In case of sales to government companies, our Company bids in the prospective tenders where bidders are scrutinised for technical and financial qualifications. Quality and reliability of the products, competitive bids at which the tenders are subscribed, ability to perform the tenders within time, etc. are some of the major criteria upon which the government companies awards the tender. There is no assurance that we will be able to obtain continuous business, get awarded with tenders every time or at all. Also we do not have long term contracts with our customers from private sector. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure tender contracts on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

7. ***We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. All approvals except PAN are required to be transferred in the name of “Jigar Cables Limited” from “Jigar Industries” pursuant to conversion and name change of our company. The Company has not applied for Certificate of Registration under Bombay Shops and Establishment Act, 1948, Professional Tax Enrollment Certificate (PTEC) under Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976 and Registration for Employees State Insurance under Employees State Insurance Act, 1948; any failure or delay in obtaining the same in a timely manner may adversely affect our operations.***

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. Also, we were a partnership firm in the name of “Jigar Industries” and the name of the partnership firm was changed to “Jigar Cables.” The said partnership firm was converted to private limited company in the name of “Jigar Cables Private Limited” which was carrying business of manufacturing manufacturing of cables and wires for industrial and domestic use. After complying with the relevant procedure of Companies Act, 2013, the said partnership firm was converted into a public limited company in the year 2017. After conversion there was change of name of the company from “Jigar Cables” to “Jigar Cables Limited”. We shall be taking necessary steps for transferring the approvals in name of our company. In case we fail to transfer/obtain the same in name of the company same may adversely affect our business or we may not be able to carry our business

The company has also not applied for change of name of any of the approvals. In case of delay or failure to obtain the same, it could affect our business operations. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. Additionally, our company has not applied for change of name of the approval/s mentioned in pending approvals section of

Government and Other Statutory Approvals Chapter. For more information, see chapter “Government and Other Statutory Approvals” on page 215 of this Draft Prospectus.

We have a logo which is used for our business purpose. Further the said logo is registered with the registrar of trademarks, trademark registry, Ahmedabad.

In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects. We cannot assure you that the approvals, licences, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action.

The material approvals, licences or permits required for our business include trade licence, excise and tax laws and shops and establishment licences, as applicable. See “Government and other Statutory Approvals” on page 215 of this Draft Prospectus for further details on the required material approvals for the operation of our business.

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

Our Company purchases copper and aluminum coil from Ultracab (India) Limited, our Group Company and thus have enters into certain related party transactions with it. Further, we also have certain transactions with our Promoter, the Promoter Group, our Group Companies, our Directors and their relatives. While we believe that all such transactions have been conducted on the arm’s length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to Annexure “Related Party Transactions” in Section “Financial Statements as Restated” beginning on page154 of this Draft Prospectus.

**9. *Our success depends largely upon the services of our Directors, Promoter and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.***

Our success is substantially dependent on the expertise and services of our Directors, Promoter and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

**10. *We generate our major portion of sales from our operations in certain geographical regions especially Gujarat and Maharashtra and any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

We generate our major sales from subscribing and fulfilling of tenders invited by Paschim Gujarat Vij Company Limited and selling it dealers in Gujarat and Maharashtra. To adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in Gujarat and Maharashtra region to expand our operations in other parts of India and overseas markets, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in Gujarat and

Maharashtra, and our experience in Gujarat and Maharashtra may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside Gujarat and Maharashtra market may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we face and should not rely on our results of operations for any prior periods as an indication of our future performance.

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

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

*Amount (Rs. in Lakhs)*

Particulars	31st March 2017	06th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Cash Flow from / (used in) Operating Activities	-66.00	-115.22	198.34	29.00	-86.91	10.53
Cash Flow from / (used in) Investing Activities	-9.59	-27.91	-21.37	13.46	-37.85	-31.22
Cash Flow from / (used in) Financing Activities	32.20	231.15	-156.70	-33.94	136.65	18.54

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

**12. We have significant power requirements and any disruption of power facilities may affect our manufacturing processes adversely; impacting our results of operations and financial condition.**

Our manufacturing facilities require substantial amount of power and our energy cost represents a significant portion of the production cost for our operations. The quantum and nature of power requirements of the industry in which our Company operates is such that it cannot be supplemented / augmented by alternative / independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high in view of fluctuation in oil prices and other constraints.

We source most of our electricity requirements for our manufacturing facilities from state electricity boards. We are dependent on State Government for meeting our electricity requirements and we have sanctioned load from Paschim Gujarat Vij Company Limited for power supply.. Any defaults or non compliance of the conditions of the sanction letter may render us liable for termination or any future changes in the terms of the sanction may lead to increased costs, thereby affecting the profitability.

Further, since we are majorly dependent on third party power supply; there may be factors beyond our control affecting the supply of power.

If supply is not available for any reason, we will need to rely on captive generators, which may not be able to consistently meet our higher electricity requirements.

Any disruption / non availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company. To deal with electricity failures, our Company has also installed a UPS Inverter and Diesel Generator as a standby arrangement, but this may increase the cost of production and which in turn shall have an impact on profitability and turnover of our Company.

**13. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favorable terms at a future date, may have an adverse effect on our operations, profitability and growth prospects.**

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, at a future date, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

Summary of our working capital position is as given below:

Particulars	As at					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Current Assets;</b>						
(a) Inventories	531.05	437.47	505.77	524.39	453.30	333.19
(b) Trade Receivables	201.89	264.13	79.05	109.28	138.90	240.97
(c) Cash and Bank Balances	102.30	145.68	57.65	37.38	28.87	16.98
(d) Loans and Advances	92.71	91.34	43.63	70.69	72.89	20.95
(e) Other Current Assets	2.35	3.31	1.65	0.77	0.10	0.20
<b>Sub Total (A)</b>	<b>930.30</b>	<b>941.93</b>	<b>687.76</b>	<b>742.50</b>	<b>694.06</b>	<b>612.30</b>
<b>Current Liabilities:</b>						
(a) Short Term Borrowings	489.54	498.88	519.94	605.93	498.67	280.47
(b) Trade Payables	21.74	53.94	108.68	86.28	111.25	216.99
(c) Other Current Liabilities	8.47	27.04	19.65	12.59	22.79	26.31
(d) Short Term Provisions	10.43	7.27	9.49	-0.20	1.86	1.17
<b>Sub Total (B)</b>	<b>530.18</b>	<b>587.12</b>	<b>657.75</b>	<b>704.60</b>	<b>634.57</b>	<b>524.94</b>
<b>Working Capital (A-B)</b>	<b>400.12</b>	<b>354.81</b>	<b>30.01</b>	<b>37.9</b>	<b>59.49</b>	<b>400.12</b>

Our Working capital requirements are in line with the industry standards. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and

result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “*Objects of the Issue*” beginning on page 81 of this Prospectus.

**14. *We do not own the land on which our manufacturing facility and registered office is located.***

We do not own the land on which our manufacturing facility and registered office are located. The registered office and manufacturing facility situated at Plot No.164/14 & 15 Jamwadi G.I.D.C Gondal Rajkot 360311, Gujarat, India, is taken on lease from GIDC for a period of 99 years from April 29, 1993. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our registered office/manufacturing facilities/corporate office to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.

***A portion of the Net Proceeds will be utilized for repayment/pre-payment in part or full of certain borrowings availed by our company.***

Our Company intends to deploy Rs 150.00 lakhs towards repayment/pre-payment in part or full of certain borrowings availed by our Company, as indicated in the section titled “*Objects of the Issue*” on page 81. The scheduled repayment/pre-payment of the loans is subject to various factors including (i) any conditions attached to the loans restricting our ability to pre-pay the loans and time taken to fulfil such requirements; (ii) levy of any pre-payment charges or penalties and the quantum thereof; (iii) provisions of any law, rules, regulations and contracts governing such borrowings; and (iv) other commercial considerations, including, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan.

**15. *Our Group Companies are authorised to engage in a similar line of business as us, which could create conflicts of interest which may have an adverse effect on our business.***

Our Group Company is authorised under their constitutional documents to engage in a similar line of business as we do. One of our group company, Ultracab (India) Limited, deals in the similar business activities as that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and Group Company, in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour our group Company over our Company. Accordingly, there can be no assurance that these Group Companies will not in future engage in any competing business activity or acquire interests in competing ventures. If so, conflict of interest may arise in the future and in the absence of a non-compete arrangement, we may not be able to suitably resolve any such conflict without an adverse effect on our business or operations. In a situation where a conflict of interest may occur between our business and the business activities of these entities, it could have an adverse effect on our business, prospects, results of operations and financial condition. For further details of business activities of Ultracab (India) Limited, please refer to the chapters titled —Our Group companies beginning on page 147 of this Draft Prospectus.

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

As at March 31, 2017 our Company has unsecured loans amounting to Rs. 5.34 lakhs that are repayable on demand to the relevant lenders. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of



unsecured loans of our Company, please refer Chapter titled —Financial Statements as Restated beginning on page 154 of the Draft Prospectus.

**17. Our top 5 customers constitute around 100% our revenue from operations.**

As per our current business model, our Company has a limited customer base as we generate our sales from limited number of clients. For the year ended March 31, 2017 our top 5 customers contributed around 100.00% of our sales. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. Although, we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, we cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business.

**18. We have certain contingent liabilities that have not been provided for in our Company's financials which if materialised, could adversely affect our financial condition.**

Our contingent liabilities as on March 31, 2017 is as under:

(Rs in lakhs)

Particulars	March 31 <sup>st</sup> , 2017
In respect of Central Excise Appeal, CESTAT (Period of dispute : 2009 to 2011)	85.65
Bank Guarantee	89.28
Total	<b>174.93</b>

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled “Financial Statements as Restated” on page 154 of this Draft Prospectus.

**19. Any inability on our part to comply with prescribed specifications and standards of quality in connection with our products and/or manufacturing facilities could adversely impact our business and operations.**

Quality of our product is very important for our customers and their brands equity. All our products go through various quality checks at various stages. We supply wires and cables, covering a variety of applications for the domestic, industrial and other sectors each of which have different product specifications. Our Company is committed to providing quality products to our customers and in this relation has also received various quality accreditations including BIS for its products. Our Company ensures that its products are tested for various application tests such as sample test, performance, durability, product safety etc., in line with applicable standards. Failure of our products to meet prescribed quality standards may results in rejection and reworking and replacement of product. Any failure on our part to successfully maintain quality standards for our products may affect our business and operations.

**20. Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations**

Due to the nature of the our business, we expect to be or continue to be subjected to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974
- Hazardous Waste Management & Handling Rules, 2008
- other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Gujarat

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, which could adversely affect our business, prospects, financial condition and results of operations.

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

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. Our borrowings are subject to interest rates which may be fixed from time to time at the discretion of our lenders. As of March 31, 2017, we had secured borrowings in form of cash credit of Rs. 484.20 lakhs and term loan of Rs. 14.38 lakhs. Further, all of our secured debt has been incurred at floating rates of interest. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations.

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

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

Product Name	Installed (in KMs)
PVC Insulated / Armoured/ Unarmoured Cables	6,25,000
Aerial Bunched Cables	

**23. Our lenders have charge over our movable and immovable properties in respect of finance availed by us**

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts

outstanding and payable by us as secured loans of Rs.[ as on March 31, 2017. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse affect on business, financial condition or results of operations. For further information on the Financial Indebtedness please refer to page no. 202 of this Draft Prospectus.

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

Our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding us, our products could adversely affect our reputation and our results of operations. Challenges to the “conflict-free” status of wires sold by us may result in a negative change in consumer attitudes and could result in negative publicity, having a material adverse effect on our business, financial condition and results of operations.

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

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

**26. *Within the parameters as mentioned in the chapter titled “Objects of this Issue” beginning on page 81 of this Draft Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution***

We intend to use fresh Issue Proceeds towards, working capital needs and general corporate purposes. We intend to deploy the Net Issue Proceeds in financial year 2016-17 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” beginning on page 81 of this Draft Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “Objects of the Issue” beginning on page 81 of this Draft Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. However, the company shall comply with Section 27 of the Companies Act, 2013 before varying the Objects of the Issue. The Audit Committee will monitor the utilization of the proceeds of this Issue.

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

After completion of the Issue, our Promoters and Promoter Group will collectively own 34,27,000 Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company

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

**28. *Our insurance coverage may be inadequate to satisfy future claims against us.***

We maintain insurance which we believe is typical in our industry in India and in amounts which we believe to be commercially appropriate for risks, including group insurance and personal accident insurance. However, such insurance may not be adequate to cover all our losses or liabilities that may arise from our operations. Our insurance policies contain exclusions and or all limitations on coverage, as a result of which, we may not be able to successfully assert our claims for any liability or loss under the said insurance policies. Additionally, there may be various other risks and losses, specially arising out of our business agreements, for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that in the future we will be able maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable.

The occurrence of an event for which we are not insured, where the loss is in excess of insured limits or where we are unable to successfully assert insurance claims from losses, could result in uninsured liabilities. Further, despite such uninsured losses we may remain obligated for any future financial indebtedness or other obligations related to our business. Any such uninsured losses or liabilities could result in an adverse effect on our business operations, financial conditions and results of operations.

**29. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the “Objects of the Issue”. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, debts, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page 81 of this Draft Prospectus.

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

There can be no assurance that we will be able to comply with financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “*Financial Indebtedness*” on page 202 of this Draft Prospectus.

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

Our Promoter and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Companies, and benefits deriving from their directorship in our Company. Our Promoter is interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entity. For further details, please refer to the chapters titled “*Our Business*” and “*Our Promoter and Promoter Group*”, beginning on page 108 and 143, respectively and “*Related Party Transactions*” beginning on page 152 of this Draft Prospectus.

**32. *Our funding requirements and deployment of the proceeds of the Issue are based on management estimates and have not been independently appraised, and are not subject to monitoring by any independent agency***

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates, current quotations from suppliers and our current business plan. The fund requirements and intended use of proceeds have not been appraised by any bank or financial institution. In view of the competitive and dynamic nature of the infrastructure development and construction industry, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates, changes in quotations, exchange rate fluctuations and external factors, which may not be within the control of our management. In the event of an increase in expenditure and increased fund requirements, we will seek to meet these increased requirements by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If such surplus funds are unavailable, we will seek to meet these increased requirements through our internal accruals and additional debt. This may entail rescheduling or revising the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our Board. In addition, current quotations from suppliers are only valid for limited periods and there can be no assurance that we will be able to obtain new quotations from these or other suppliers on the same terms. In case of decline in fund requirements at a later stage, such excess Issue proceeds will be deployed as approved by the board of directors of the Company at that point in time.

**33. *Our financial results may fluctuate significantly, which could have a material negative effect on the price of the Equity Shares***

Our financial operating results may fluctuate significantly because of a number of factors, including:

- Fluctuations in the spending patterns of our commercial clients;
- The number and significance of projects executed during a quarter;
- Unanticipated changes in contract performance, particularly with contracts that have funding limits;

- The timing of resolving change orders, requests for equitable adjustments and other contract adjustments;
- Delays incurred in connection with a project;
- Weather conditions that delay work at project sites;
- The timing of expenses incurred in connection with acquisitions or other corporate initiatives;
- Natural disasters or other crises;
- Staff levels and utilization rates;
- Changes in price of services offered by our competitors; and
- General economic and political conditions.

These fluctuations could have a material negative effect on the price of our Equity Shares

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

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

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

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

***35. If we are unable to pursue our growth strategy and expand our operations, our business prospects, financial condition and results of operations may be materially and adversely affected***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions

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

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our



interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders

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

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

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

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

**B. Issue Related**

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

The Issue Price of our Equity Shares has been determined by fixed price method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 88 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

**40. *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.

**EXTERNAL RISK FACTORS**

**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 and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of shares on a stock

exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which 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, if securities transaction tax has been paid on the transaction. Any gain realized on the sale of shares held for more than 36 months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of equity shares held for a period of 36 months or less which are sold other than on a recognized stock exchange and on which no STT has been paid, may be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

**42. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.***

As stated in the reports of the Auditor included in this Draft Prospectus under chapter "*Financial Statements as restated*" beginning on page 154, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

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

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

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

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

**44. *The nationalized goods and services tax (GST) regimes proposed by the Government of India may have material impact on our operations.***

The Government of India has proposed a comprehensive national goods and service tax (GST) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Given the limited liability of information in the public domain covering the GST we are unable to provide / measure the impact this tax regime may have on our operations.

***45. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

***46. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry contained in this Draft Prospectus.***

While facts and other statistics in this Draft Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “Our Industry” beginning on page 93 of this Draft Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

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

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

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

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

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

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

**51. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.**

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**52. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.**

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

## **PROMINENT NOTES**

1. Public Issue of 18,64,000 Equity Shares of face value of Rs. 10/- each of our Company for cash at a price of Rs. 30/- per Equity Share ("Issue Price") aggregating up to Rs. 559.20 Lakhs, of which 96,000 Equity Shares of face value of Rs. 10/- each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of 17,68,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 26.51% and 25.14%, respectively of the post Issue paid up equity share capital of the Company.
2. Investors may contact the Lead Manager or the Company Secretary & Compliance Officer for any complaint / clarification / information pertaining to the Issue. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "General Information" beginning on page 55 of this Draft Prospectus.
3. The pre-issue net worth of our Company was Rs. 530.13 Lakhs as of March 31, 2017 and the book value of each Equity Share was Rs 11.78 as on March 31, 2017 as per the restated financial statements of our

Company. For more information, please refer to section titled “Financial Statements as Restated” beginning on page 154 of this Draft Prospectus.

4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Purshottam Vagashiya	11,60,000	13.45
Vijay Shingala	11,60,000	13.45

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled “*Capital Structure*” beginning on page number 63 of this Draft Prospectus.

5. Our Company has entered into related party transactions during the previous years. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer “*Related Party Transactions*” under chapter titled “*Financial Statements as restated*” beginning on page 154 of this Draft Prospectus.
6. Investors may note that in case of over-subscription in the Offer, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “*Issue Structure*” beginning on page 238 of this Draft Prospectus.
7. Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoter and Promoter Group*”, “*Our Management*” and “*Related Party Transaction*” beginning on pages 63, 143, 131 and 152 respectively, of this Draft Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.
8. Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 63 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than cash.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
10. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 88 of this Draft Prospectus.
11. There are no financing arrangements whereby the Promoter Group, the Directors of our Corporate Promoter, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Draft Prospectus with the Stock exchange.
12. Our Company was incorporated as “Jigar Cables Limited” at Gondal, Rajkot Gujarat. For further details of change of name and registered office of our Company, please refer to chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 128 of this Draft Prospectus.
13. Except as stated in the chapter titled “*Risk Factors*” beginning on page 17, chapter titled “*Our Group Companies*” beginning on page 147 and chapter titled “*Related Party Transactions*” beginning on page 152 of this Draft Prospectus, our Group Companies have no business interest or other interest in our Company.

## SECTION III- INTRODUCTION

### SUMMARY OF OUR INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements as Restated” and related notes beginning on pages 17 and 154 respectively of this Draft Prospectus before deciding to invest in our Equity Shares.*

### INDUSTRY OVERVIEW

In India, the size of the cable manufacturing industry is approx. Rs. 40,000 crores. The specialised cable industry in which CMI operates currently is roughly of the size of Rs. 10,000 crores. The government has announced ambitious plans for infrastructure development. One of the primary focus areas of the development plan is railways, with over Rs. 800,000 Cr as promised investment over the period of 2015-2020. In addition, the government has earmarked Rs 50,000 crore (US\$ 7.53 billion) to develop 100 smart cities across the country. Highway projects worth US\$ 93 billion, which include govt. flagship National Highways Building Project (NHDP) with total investment of US\$ 45 billion over next three years, have also been announced. The Digital India campaign will require an investment of Rs. 4,50,000 Crore. Ministry of Power is also looking at an investment of 15,000 lakh Crore over the next 5 years

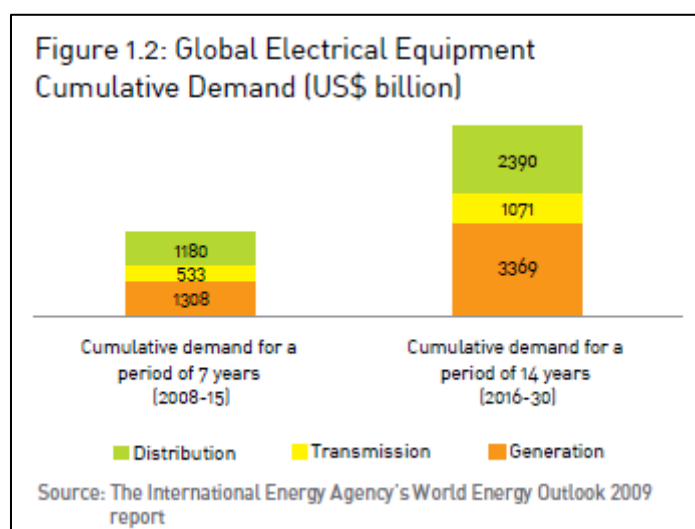
*(Source: Wires & Cables : An Analysis on India's Industry Performance :Electrical Mirror An Outlook of the Electrical & Power Industry <http://www.electricalmirror.net>)*

### APPROACH TO INDUSTRY ANALYSIS

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

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

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



The global EE industry consists of the following two segments:

- The global heavy electrical equipment market, including boilers, turbines, generators, wind turbines, solar power systems, etc.
- The global T&D equipment market, including electric power cables, transformers, electrical switchgear, transmission line towers, conductors, control equipment, meters, etc.

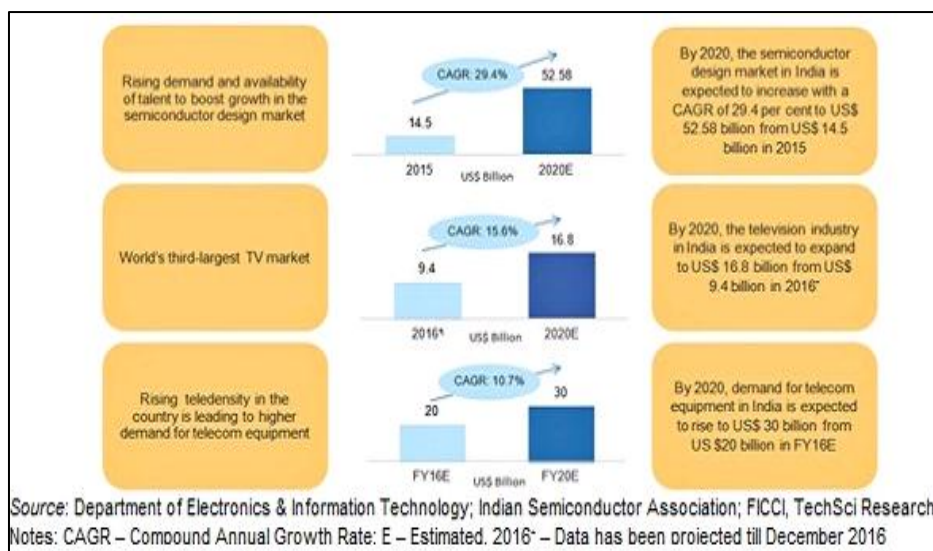
The global EE market is expected to increase from a cumulative size of more than US\$ 3 trillion (2008-15) to US\$ 6.8 trillion (2016-30). This translates into around 2% CAGR over the long term.

Asia-Pacific and Europe together account for more than 70% of the global market, with the Asia-Pacific region's share being 45%. This region is expected to see the strongest demand in future due to the region's strong expected economic growth rates.

In spite of less-than-impressive growth rates in recent years in the electrical equipment market, there is substantial scope for expansion in certain areas, such as the emerging markets in the Asia-Pacific and Africa region. Robust economic growth in emerging countries such as China and India, combined with rapid urbanization and strong growth in investment in these countries, is expected to boost the demand for electrical equipment in these countries in the future

(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022 [www. http://ieema.org](http://ieema.org))





(Source :Indian Electronics Industry Analysis India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

The electronics market of India is one of the largest in the world and is anticipated to reach US\$ 400 billion in 2022 from US\$ 69.6 billion in 2012. The market is projected to grow at a compound annual growth rate (CAGR) of 24.4 per cent during 2012-2020.

Total production of electronics hardware goods in India is estimated to reach US\$ 104 billion by 2020. The communication and broadcasting equipment segment constituted 31 per cent, which is the highest share of total production of electronic goods in India in FY13, followed by consumer electronics at 23 per cent.

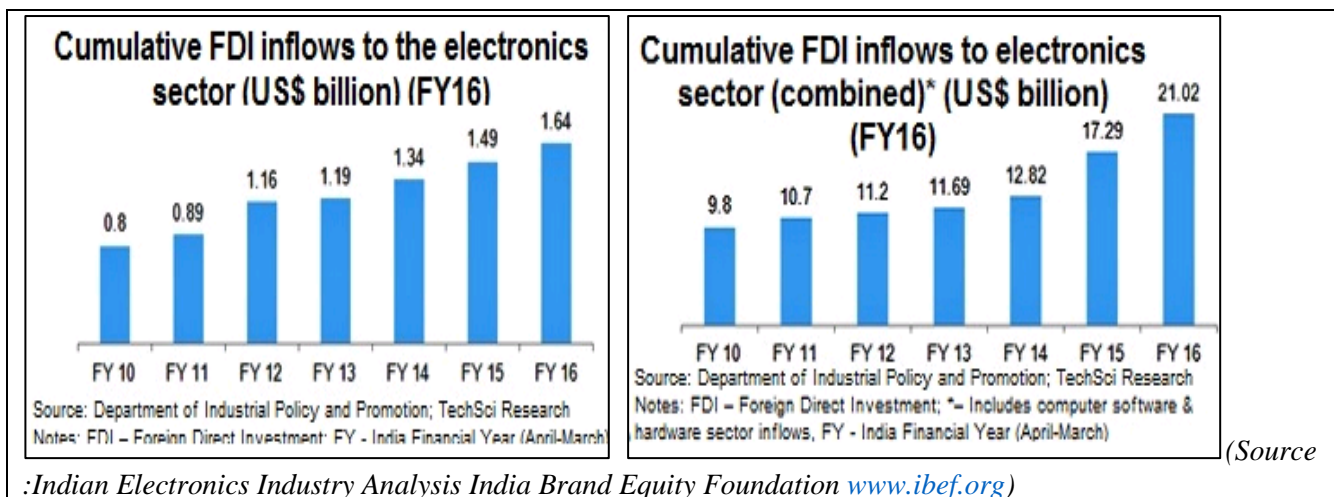
Electronic exports from India was expected to reach US\$ 8.3 billion in FY13, a CAGR of 27.9 per cent during FY07–12. Technological improvements and competitively cost effectiveness are main drivers for demand of Indian electronics products abroad.

The Government of India has set up Electronic Hardware Technology Parks (EHTPs), Special Economic Zones (SEZs) and brought about a favourable climate for foreign direct investment (FDI). It has also increased liberalisation and relaxed tariffs to promote growth in the sector. In addition, the government gave its green signal to the Modified Special Incentive Package Scheme (MSIPS) under which the central government will be offering up to US\$ 1.7 billion in benefits to the electronics sector in next five years.

The growing customer base and the increased penetration in consumer durables segment has provided enough scope for the growth of the Indian electronics sector. Also, digitisation of cable could lead to increased broadband penetration in the country and open up new avenues for companies in the electronics industry.

#### **Electronics exports have outpaced total production**

- Cumulative FDI inflows into the electronics sector, including computer hardware and software, increased at a CAGR of 13.56 per cent, with the value increasing from US\$ 9.8 billion in FY10 to US\$ 21.02 billion in FY16
- Demand growth, supply advantages, and policy support have been instrumental in attracting FDI



(Source :Indian Electronics Industry Analysis India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

### Wires and Cable Industry : Analysis on Industry performance

The wire & cable industry in India has transformed from being a small to a large industry over the last decade. Today, power sector is the biggest driver in the mainstay of cable demand, accounting for more than three quarters of the market. Innovation related to increasing efficiency, reliability and safety are driving the industry to a newer height. As per a recent survey by Net scribes, the wires and cable industry in India is poised to cross the Rs. 57,000 crore benchmark by 2018. The wires and cables industry in India comprise about a quarter of the total transmission and distribution segment.

The industry has graduated from being dominated by unorganised sector players to the branded and quality manufacturers with national reputation. The government's emphasis on the power sector reforms and infrastructure will further drive growth. The annual turnover of the wire & cable industry is around Rs. 33,000 crore, with a CAGR of 10% over the past 5 years. Over the last few years huge investments were anticipated by the power sector which resulted in expanded capacities. Now the industry is faced with over capacity as the perceived demand did not translate into actual. No doubt there have been phases when the industry has seen good demand from utilities and infrastructure. Talking of capacity utilisation across the industry, the figure would be around 5560 %, with certain segments like house wiring on the lower side, primarily due to the slump in the housing industry. Wire & cable industry in India is largely volume driven, quality and technical parameters with reputed brands play a dynamic role in determining brands for various products. PVC, XLPE and PE constitute the majority of the total universe of materials used for wires and cables. XLPE is gaining large growths in volumes as all power expansion projects are using XLPE cables for EHV and MV applications. On the other hand, PVC has remained the mainstay of unorganised players both suppliers and customers, and as a consequence, around 50 % of the wire & cable available currently in the market continues to be sourced from unorganised sector players with lacklustre focus on technical and quality support.

Cable sector grew by 32 % with domestic production of power cable achieving a growth 24 per cent in FY15. Cable accessories industry witnessed a sharp resultant growth in sales and order booking on year on year basis in first quarter of FY 16. Going further from third quarter onwards, expected a momentary slowdown on account of delays in implementation of various industrial projects and conscientious buying by various discoms. Further anticipated that the present govt. will very soon take necessary steps to restructure discoms and lift up the financial condition of the entire power sector.

### Latest Trends & Innovations

The demand for wires and cables is on a rise as various specialised applications. The investment made by various private companies in the power sector has stimulated the industry growth further. The wire and cable industry in India is slowly moving towards global standards. The latest trend which can be seen is the rise in demand for FRLS PVC Compound. PVC is inherently flame retardant due to presence of chlorine. Hence it finds high acceptability in application where self extinguishing properties are required. As the safety regulations

become more stringent, demand for FRLS compounds has increased. Another trend that can be widely seen is RoHS compliance. As more and more players are manufacturing products for global market, they require PVC compounds which can pass stringent environmental regulations. Apart from this, UL certification of grades is also a trend which can be seen throughout the industry. As more and more customers are manufacturing for serving global markets, UL certification goes a long way ensuring that the quality standards are met.

As the manufacturers are investing heavily on the R&D, innovative products, this has driven the market high with increasing needs of customers. Mr Sharma, on explaining the trend and innovation in the wire and cable segment, he says, “We have already seen some new designs coming in the market for example a 3core 66kv cable being purchased by many utilities.” Cable industry is primarily price driven market and has reached a stage where it’s time that innovation takes a lead now. Manufacturers are looking to invest into innovative products and position them differently. We can expect lot of differentiators coming in the form of advanced polymer insulation compositions addressing various needs of the customers and merging of data communication with power transmission to address smart connectivity. India’s manufacturing sector could touch \$ 1 trillion by 2025, according to a report by Mckinsey and Company. There is potential for the sector to account for 2530 % of the country’s GDP and create up to 90 million domestic jobs by 2025. There is demand for fibreoptic lines in tier 3, 4, 5 and 6 Indian cities, as tier 1 cities have been wired up and tier 2 were almost being completed. Also, with the initiative by the govt. like the smart city & digital India the demand for these wires looks positive. With the increased concern & awareness to fire safety, the Industry is witnessing an increasing trend of customer preference for cables offering better fire resistant and resilient properties. Requirement of fire survival cables, for critical and high passenger traffic areas is now a regular feature of enquiries from metro rails, airports etc. Even in the housing sector, especially among the industry leaders, an increased awareness and insistence for quality products and manufacturers is a welcome change and bodes well for the wire and cable industry

### Developments in the Market

With lot of R&D, investment over the product and to meet the customers requirement companies like Anchor, Ravin Cables, Raychem RPG, Shriram Axiall, and Shilpi Cables have introduced latest innovative products and solutions for wires and cable. Ravin has been the exporter of power cables from India, and they export to almost 50 countries. They not just manufacture cables but they also install high voltage cables and systems. They also sell and install high end accessories for high voltage cables, and are complete power solutions corporate especially for high voltage and extra high voltage, solar and windmill cables and complete solar systems. Anchor newly launched range of advance EFR is tested and certified by ASTM and JIS standards. The company endeavours to develop RoHS compliant lead free wires. Focus remains on the underlying capabilities of the products or services that differentiate products from the competition in the market. Raychem RPG Pvt Ltd has recently launched new designs like Rayfit in cable accessories which reduce human errors substantially.

PVC is not very suitable for high heat applications, recent technological developments have made it possible for PVC to be designed for high performance applications. To showcase this technology Shriram Axiall supplies PVC compounds that can withstand temperatures ranging from (-) 40 degree to (+) 125 degree and find applications in automobiles where high performance under high temperature is required. Shriram Axiall has also developed UV resistant grades which are suitable for outdoor applications.

These grades find usage in electrical applications like modular switch plates and master batches for wires which are exposed to outdoors conditions. These UV stabilised grades ensure no deterioration of mechanical properties and colour fastness due to prolonged exposure to sunlight. Today, in India there is demand for fibreoptic lines in tier 3, 4, 5 and 6 Indian cities, as tier 1 cities have been wired up and tier 2 were almost being completed. Also, with the initiative by the govt. like the smart city & digital India the demand for these wires looks positive.

### Competitive Landscape

Indian consumers have become very price sensitive due to pressure from Indian competitors as well as from global competitors. But still respectable margins can be generated by creating differentiation for the customers

in terms of product quality, reducing demand supply variation by supplying in just in time, innovating the packaging, reducing inventory levels and scrap generation. Around 35 % of wires & cables available currently in the market continue to be sourced from unorganised sector players with lacklustre focus on quality and technical support. Thus, they supply substandard products at low prices and follow unethical practices. This kind of parallel market is a concern for India. In certain segments, small local producers may be encouraged by legitimate tactics like price preferences, but in most segments there is violation of even basic standards which in turn increase chances of fire hazards due to the poor quality of wires and cables. Small manufacturers bypass standard regulations followed by medium sized and large scale manufacturers. In India, where perceptions of quality are important, unscrupulous small producers may try to sell counterfeit cables, usurping the brandnames of the more reputable Indian cable makers

For unprecedented growth of the industry, it is inevitable to develop an uncompromising attitude with regard to quality. On this note, it can be said that manufacturers & contractors should be made to adhere to stringent BIS guidelines to ensure quality adherence and facilitate wires and cables industry to see a significant rise in efficiency. Wire & cable industry would have to leverage its growth on the basis of infrastructure growth. At the same time, there is a need to upgrade manufacturing techniques and technologies and make it an extremely attractive and viable proposition for the customers to buy locally. Global competitiveness cannot come through any manufacturing policies of the govt. but can only come through a partnership approach where the government and industry work hand in hand for a better tomorrow. Bigger population of Indian wire and cable manufacturers (small and medium scale) fall under generic and commoditised product category. This predominantly drives wire and cable manufacturers towards selfcompounding or buying from low cost manufacturers. As long as the market requirement is generic and commoditised, preference is to selfcompound since there is no technology barrier. The reversal of situation is foreseen as soon as new regulations, compliances and advanced quality requirements come in. This would take the market to the levels of quality awareness with regard to enhanced performance.

Many manufacturers have plans to upgrade themselves to higher voltages. Overall market offers a fantastic landscape for growth and sustainability. Today customers have amazing choices in both organised and unorganised sector. But at the same time dearth of technological advancement has led to a price war. Customer has to upgrade to higher quality levels and so will the manufacturer and the first mover will always win contributing to a healthy growth in the entire sector.

*(Source: Wires & Cables : An Analysis on India's Industry Performance :Electrical Mirror An Outlook of the Electrical & Power Industry <http://www.electricalmirror.net>)*

## SUMMARY OF OUR BUSINESS

*The information in this section is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company” and “Financial Statements as Restated” beginning on page 17, 195 and 154 respectively.*

### OVERVIEW

Our Company was incorporated by conversion of partnership firm M/s. Jigar Industries on February 7, 2017. We are engaged in manufacturing of wires and cables wires in India. Our promoters are in business of wires and cable wire since 1997.

The registered office and manufacturing plant of our Company is situated at Gondal, Rajkot, Gujarat. We manufacture Power and Control Cables, House Wires/ Building Wires, Flat Cables for Submersible pumps and Aerial Bunched cables under the brand name “**SIGMA**”.

We strive to achieve quality by maintaining consistency in our products. Our Company procures major raw material i.e. Copper and Aluminium Coil from Ultracab (India) Limited. Our Group Company Other raw materials like PVC and XLPE are procured domestically.

Our manufacturing facilities are equipped with in-house testing laboratory to ensure that the finished products match the quality standards and certifications as specified. Before commencement of the manufacturing process, the raw materials procured by also undergoes a quality check conducted by our in house testing laboratory to ensure that the same matches the quality standards required in our finished products. Testing of products takes place during different levels of our manufacturing process to ensure that any errors or quality defects in the products can be rectified on a real time basis and the final output is again checked by our testing laboratory before it is finally packed and dispatched.

We are an ISO 9001:2015 complied Company and follow strict quality standards during manufacturing process. Once the product is ready, it is checked for safety and quality assurance. Our facilities involve technology, tools, machines which spin out the quality standard of cables.

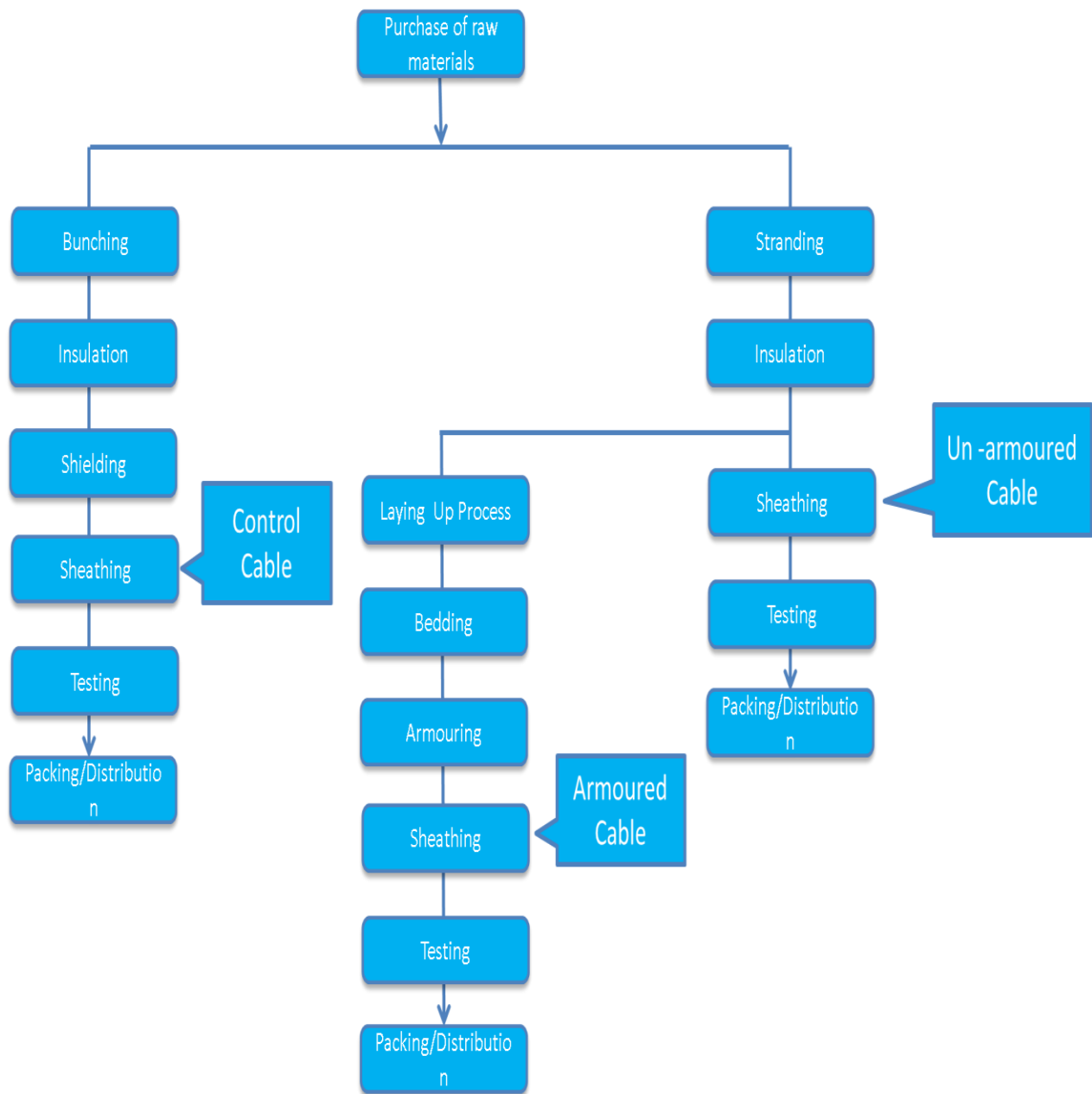
We believe in making strong bond with our customers for continuing long – lasting relationship with them. We also offer customized solution to our clients at competitive prices.

We have recently incorporated a new Company under the name of Jigar Polymers Limited, for manufacturing of PVC and XLPE. Thus we strive to achieve operational efficiency by backward integration. Post commencement of business of Jigar Polymers Limited, all major raw materials required in manufacturing of our products would be in house which would allow us to provide utmost quality and consistency to our customers.

### OUR MANUFACTURING FACILITY AND BUSINESS PROCESS

We have successfully met the needs of our diverse client base by implementing technology and machineries in our set up. We emphasize to offer the quality products from the available resources at hand. Our Manufacturing Facility is spreaded over 3,000 square meters.

**Manufacturing process**

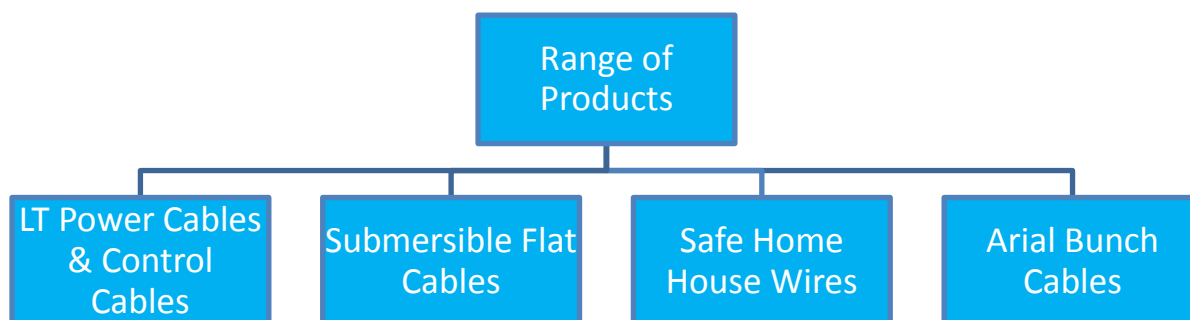




## OUR SPECTRUM OF PRODUCTS

With years of experience, Jigar Cables Limited possesses the expertise needed to offer a range of products to cater the need of not just domestic and government undertakings. Our cables are made using quality raw materials to ensure a durability and quality. We are committed in our endeavor and have the efficiency to meet bulk orders or to effectively deal with an unforeseen eventuality.

Classes of product manufactured at our Company:



## OUR STRENGTHS

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

### ***Leveraging the experience of our Promoters***

Our promoters have experience of more than two decades in wire and cable industry. Our promoters initially formed a partnership firm under the name of Jigar Industries in the year 1997 and since then, they are in same business segment. Their expertise lies in business development, business strategy, product marketing, business planning, key account management, team management, sales management, entrepreneurship, strategic planning, channel expertise and competitive analysis.

### ***Customer Satisfaction***

We believe in making strong bond with our customers for continuing long lasting relationship with them. We endeavour to deliver electrical products before committed time frame. We offer customized business solution at competitive prices.

### ***Customized Product Development***

Our customers prefer to have tailor-made product as per their particular requirement. Our manufacturing team focuses on the precise desires of customers and with the help of individual support, customized products are developed.



## BUSINESS STRATEGY

Our Company targets to satisfy the changing and evolving cable and wire industry. Our vision is to strive for growth in existing and new markets by providing cost-effective and quality solutions for electrical connectivity requirements for various businesses as well as domestic users by offering high quality customized cables at competitive price with best service and unfailing commitment.

### ***Brand image***

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

### ***Government Department***

We have recently procured tender from Paschim Gujarat Vij Company Limited to supply wires and cables for their projects. We desire to apply for such tenders in upcoming years to procure government tenders for their projects.

### ***Improving functional efficiency***

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

### ***Leveraging our Market skills and Relationship***

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

### ***Enhancing existing production and product quality***

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

## SUMMARY OF FINANCIAL STAMENTS

Summary of Statement of Assets and Liabilities, as restated :

(Rs. In Lakhs)

Sr. No.	Particulars	As at					
		31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
	<b>EQUITY :</b>						
<b>A.</b>	<b>Equity &amp; Liabilities:</b>						
	(a)Shareholders' Funds	450.00	473.53	131.92	130.15	168.41	199.76
	(b)Reserves & Surplus	80.13	-	-	-	-	-
	<b>Sub-Total (1)</b>	<b>530.13</b>	<b>473.53</b>	<b>131.92</b>	<b>130.15</b>	<b>168.41</b>	<b>199.76</b>
	<b>LIABILITIES:</b>						
<b>C.</b>	<b>Non Current Liabilities:</b>						
	(a) Long Term Borrowings	14.38	15.38	18.48	14.63	26.72	1.57
	(b) Deferred Tax Liabilities (Net)	-	-	-	-	0.25	0.19
	(c) Long Term Provisions	4.57	4.54	2.80	2.40	1.55	1.73
	<b>Sub-Total (3)</b>	<b>18.96</b>	<b>19.91</b>	<b>21.29</b>	<b>17.03</b>	<b>28.53</b>	<b>3.50</b>
<b>D.</b>	<b>Current Liabilities:</b>						
	(a) Short Term Borrowings	489.54	498.88	519.94	605.93	498.67	280.47
	(b) Trade Payables	21.74	53.94	108.68	86.28	111.25	216.99
	(c) Other Current Liabilities	8.47	27.04	19.65	12.59	22.79	26.31
	(d) Short Term Provisions	10.43	7.27	9.49	-0.20	1.86	1.17
	<b>Sub-Total (4)</b>	<b>530.18</b>	<b>587.12</b>	<b>657.75</b>	<b>704.60</b>	<b>634.57</b>	<b>524.94</b>
	<b>TOTAL LIABILITIES (1+2+3+4)</b>	<b>1,079.27</b>	<b>1,080.57</b>	<b>810.95</b>	<b>851.77</b>	<b>831.50</b>	<b>728.20</b>
	<b>ASSETS :</b>						
<b>E.</b>	<b>Non Current Assets</b>						
	(a) Fixed Assets						
	I. Tangible Assets	114.70	120.46	119.58	106.31	121.28	99.87
	II. Capital WIP	25.64	12.36	-	-	-	13.75
	(b) Non Current Investments	-	-	-	-	13.75	-
	(c) Deferred Tax Assets (Net)	3.21	0.40	1.22	0.57	-	-
	(d) Long Term Loans and Advances	5.41	5.41	2.38	2.40	2.41	2.29
	(e) Other Non Current	-	-	-	-	-	-

Sr. No.	Particulars	As at					
		31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
	Assets						
	<b>Sub-Total (5)</b>	<b>148.97</b>	<b>138.64</b>	<b>123.19</b>	<b>109.27</b>	<b>137.44</b>	<b>115.90</b>
<b>F.</b>	<b>Current Assets</b>						
	(a) Current Investment	-	-	-	-	-	-
	(b) Inventories	531.05	437.47	505.77	524.39	453.30	333.19
	(c) Trade Receivables	201.89	264.13	79.05	109.28	138.90	240.97
	(d) Cash and Bank Balances	102.30	145.68	57.65	37.38	28.87	16.98
	(e) Loans and Advances	92.71	91.34	43.63	70.69	72.89	20.95
	(f) Other Current Assets	2.35	3.31	1.65	0.77	0.10	0.20
	<b>Sub-Total (6)</b>	<b>930.30</b>	<b>941.93</b>	<b>687.76</b>	<b>742.50</b>	<b>694.06</b>	<b>612.30</b>
	<b>TOTAL ASSETS (5+6)</b>	<b>1,079.27</b>	<b>1,080.57</b>	<b>810.95</b>	<b>851.77</b>	<b>831.50</b>	<b>728.20</b>

Note:- The above Statement Should be read with notes on adjustment to Financial Statement, material regroupings, significant accounting policies and note IV to V appearing herewith.

**Summary of Statement of Profit and Loss, as restated :**

**(Rs. In Lakhs)**

Sr. No.	Particulars	For the Year/Period ended					
		31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>A.</b>	<b>Income</b>						
	Revenue From Operations	125.48	1,328.74	928.57	803.42	1,013.03	1,508.30
	Other Income	1.80	7.73	7.81	1.72	0.69	0.38
	<b>Total Revenue</b>	<b>127.28</b>	<b>1,336.47</b>	<b>936.38</b>	<b>805.14</b>	<b>1,013.72</b>	<b>1,508.69</b>
<b>B.</b>	<b>Expenses</b>						
	Cost of Raw Material Consumed	112.94	1,019.20	744.71	696.65	941.07	1,326.56
	Purchase of Stock in Trade	-	-	-	-	-	-
	(Increase)/ Decreases in Inventories of Finished Goods, Work in Progress and Traded Goods	45.18	135.44	3.63	64.73	125.68	22.18
	Employee benefits expense	5.97	31.11	29.62	37.91	41.98	47.67
	Depreciation and Amortisation Expenses	2.95	18.97	15.91	17.00	17.00	14.66
	Finance Costs	11.69	62.18	79.17	80.91	71.11	47.36
	Other Expenses	38.59	56.16	69.66	37.76	63.91	89.46
	<b>Total Expenses</b>	<b>126.96</b>	<b>1,323.07</b>	<b>935.44</b>	<b>805.50</b>	<b>1,009.39</b>	<b>1,503.53</b>
	<b>Restated Profit Before Exceptional Items</b>	<b>0.32</b>	<b>13.40</b>	<b>0.94</b>	<b>0.36</b>	<b>4.33</b>	<b>5.16</b>
<b>C.</b>	<b>Exceptional Items</b>	-	-	-	-	-	-
	<b>Profit Before Tax, as Restated</b>	<b>0.32</b>	<b>13.40</b>	<b>0.94</b>	<b>0.36</b>	<b>4.33</b>	<b>5.16</b>
<b>D.</b>	<b>Tax Expense/(Income) :</b>						
	Current tax	3.01	4.32	0.96	0.67	1.74	2.58
	Deferred tax Charge/(Credit)	2.81	0.82	0.66	0.82	0.06	0.19

Sr. No.	Particulars	For the Year/Period ended					
		31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
	<b>Total tax expense</b>	<b>0.19</b>	<b>5.15</b>	<b>0.30</b>	<b>- 0.15</b>	<b>1.80</b>	<b>2.77</b>
	<b>Restated Profit / (Loss) for the Period / Year Carried Forward to Summary Statement of Assets and Liabilities, as Restated</b>	<b>0.13</b>	<b>8.25</b>	<b>0.64</b>	<b>- 0.21</b>	<b>2.53</b>	<b>2.39</b>
	<b>Earning Per Share:</b>	<b>0.02</b>	<b>0.20</b>	<b>0.02</b>	<b>- 0.01</b>	<b>0.06</b>	<b>0.06</b>

**Note:-** The above Statement Should be read with notes on adjustment to Financial Statement, Material regroupings, Significant Accounting Policies and note **IV to V** Appearing herewith.

**Statement of Cash Flows, as restated for the period / year ended :**

**(Rs. In Lakhs)**

Particulars	As at					
	31st March 2017	06th Februa ry 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>						
Net Profit Before Taxation	0.32	13.40	0.94	-0.36	4.33	5.16
<b>Adjustments to reconcile profit before tax to net cash flows</b>	-	-	-	-	-	-
Depreciation and Amortisation Expense	2.95	18.97	15.91	17.00	17.00	14.66
Finance Costs	11.69	62.18	79.17	80.91	71.11	47.36
Interest Income	-0.88	-4.58	-5.43	-0.76	-0.69	-0.22
Dividend Income	-	-	-2.38	-0.96	-	-
Profit on Sale of Assets	-	-2.76	-	-	-	-0.17
<b>Operating profit before working capital changes (as restated)</b>	<b>14.08</b>	<b>87.22</b>	<b>88.21</b>	<b>95.83</b>	<b>91.75</b>	<b>66.79</b>
<b>Movement in Working Capital</b>						
(Increase)/Decrease In Current Investments	-	-	-	-	-	-
(Increase)/Decrease In Inventories	-93.58	68.30	18.61	-71.08	-120.11	6.56
(Increase)/Decrease In Trade Receivable	62.23	-185.08	30.23	29.62	102.07	-36.74
(Increase)/Decrease In Short Term Loans And Advances	-1.37	-47.71	27.05	2.20	-51.94	-16.11
(Increase)/Decrease In Other Current Assets	0.96	-1.66	-0.88	-0.67	0.10	-
Increase/(Decrease) In Trade Payables & Others	-32.20	-54.74	22.40	-24.97	-105.74	-8.58
Increase/(Decrease) In Long Term Provisions	0.04	1.73	0.40	0.85	-0.18	0.88
Increase/(Decrease) In Other Current Liabilities	-16.32	18.11	3.29	0.09	-3.60	1.04
Increase/(Decrease) In Short Term Provisions	0.66	-4.81	9.40	-1.00	1.54	0.99
<b>Cash Flow From Operations</b>	<b>-65.50</b>	<b>-118.62</b>	<b>198.71</b>	<b>30.87</b>	<b>-86.11</b>	<b>14.83</b>
Direct Taxes Paid (Net Of Refunds)	-0.50	3.41	-0.37	-1.87	-0.80	-4.30
<b>Net Cash Generated From Operating Activities (A)</b>	<b>-66.00</b>	<b>-115.22</b>	<b>198.34</b>	<b>29.00</b>	<b>-86.91</b>	<b>10.53</b>
<b>B. CASH FLOW USED IN INVESTING ACTIVITIES</b>						

Purchase Of Fixed Assets, Including Intangible Assets, Capital Work In Progress	-13.97	-35.67	-29.19	-2.02	-24.67	-35.28
Purchase of Long Term Investments	-	-	-	13.75	-13.75	-
Profit on Sale Of Fixed Assets	-	2.76	-	-	-	0.17
Book Value of Fixed Assets sold	3.51	3.46	-	-	-	3.67
Changes In Long Term Loans and Advances	-	-3.03	0.02	0.01	-0.13	0.00
Interest Received	0.88	4.58	5.43	0.76	0.69	0.22
Dividend Income	-	-	2.38	0.96	-	-
<b>Net cash used in investing activities (B)</b>	<b>-9.59</b>	<b>-27.91</b>	<b>-21.37</b>	<b>13.46</b>	<b>-37.85</b>	<b>-31.22</b>
<b>C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES</b>						
Changes in Capital	-23.53	328.21	0.84	-37.90	-35.68	96.25
Securities premium received for Right issue	80.00	-	-	-	-	-
Proceeds/ (Repayment) From Short Term Borrowings	-9.35	-21.05	-85.99	107.26	218.21	-11.96
Proceeds/ (Repayment) From Long Term Borrowings	-0.99	-3.11	3.86	-12.09	25.15	-21.66
Increase / (Decrease) in Current maturities	-2.24	-10.72	3.76	-10.29	0.08	3.28
Finance Costs	-11.69	-62.18	-79.17	-80.91	-71.11	-47.36
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>32.20</b>	<b>231.15</b>	<b>-156.70</b>	<b>-33.94</b>	<b>136.65</b>	<b>18.54</b>
<b>Net Increase/(Decrease) In Cash and Cash Equivalents ( A + B + C )</b>	<b>-43.38</b>	<b>88.03</b>	<b>20.27</b>	<b>8.52</b>	<b>11.88</b>	<b>-2.15</b>
<b>Cash And Cash Equivalents at The Beginning of The Year</b>	<b>145.68</b>	<b>57.65</b>	<b>37.38</b>	<b>28.87</b>	<b>16.98</b>	<b>19.13</b>
<b>Cash And Cash Equivalents at The End of The Year</b>	<b>102.30</b>	<b>145.68</b>	<b>57.65</b>	<b>37.38</b>	<b>28.87</b>	<b>16.98</b>
<b>Components of Cash and Cash Equivalents</b>	<b>31st March 2017</b>	<b>06th February 2017</b>	<b>31st March 2016</b>	<b>31st March 2015</b>	<b>31st March 2014</b>	<b>31st March 2013</b>
<u>Cash and Cheques on Hand</u>	5.36	15.76	8.70	20.83	22.11	10.44
<u>Balance with Scheduled Banks :</u>						
Current & Deposit Account	96.93	129.92	48.95	16.55	6.76	6.54
	<b>102.30</b>	<b>145.68</b>	<b>57.65</b>	<b>37.38</b>	<b>28.87</b>	<b>16.98</b>

Note:- The above Statement Should be read with notes on adjustment to Financial Statement, material groupings, significant accounting policies and note IV to V appearing herewith.



## THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	18,64,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 30/- per Equity Share aggregating Rs. 559.20 lakhs
<b>Of which:</b>	
Market Maker Reservation Portion	96,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs 30/- per Equity Share aggregating Rs. 28.80 lakhs
Net Issue to the Public	17,68,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 30/- per Equity Share aggregating Rs. 530.40 lakhs
	Of which:
	8,84,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs.30/- per Equity Share aggregating Rs. 265.20 lakhs will be available for allocation for allotment to Retail Individual Investors of up to Rs. 2 lakhs
	8,84,000 Equity Shares of face value of Rs. 10 /- each fully paid of the Company for cash at price of Rs.30 per Equity Share aggregating Rs. 265.20 lakhs will be available for allocation to investors above Rs. 2 lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	51,68,000 Equity Shares
Equity Shares outstanding after the Issue	70,32,000 Equity Shares
Use of Proceeds	For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 81 of this Draft Prospectus for information on use of Issue Proceeds

### Notes

The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on May 20,2017 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on June 03, 2017.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

*\*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue, the allocation in the net Issue to the public category shall be made as follows:*

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
  - i. Individual applicants other than retail individual investors; and

ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage*

For further details please refer to section titled “*Issue Information*” beginning on page 233 of this Draft Prospectus

## GENERAL INFORMATION

Our Company was originally formed as a partnership firm under the Partnership Act in the name of “Jigar Industries” pursuant to a deed of partnership dated August 01, 1997 and were subsequently amended various firms through. The name of the partnership firm was changed to “Jigar Cables” pursuant to supplementary agreement modifying the partnership deed dated January 01, 2017. Further Jigar Cables was thereafter converted from a partnership firm to a public limited company Under Part I, Schedule XXI of the Companies Act, 2013 with the name of “Jigar Cables Limited” and received a fresh certificate of incorporation from the Registrar of Companies, Central Registration Centre, Manesar on February 07, 2017 and Corporate Identification Number U28999GJ2017PLC095651. The partners of M/s Jigar Cables were initial subscribers to Memorandum of Association of our Company.

For further details of Incorporation, Change of Name and Registered Office of our company, please refer to chapter titled “Our History and Certain Other Corporate Matters” beginning on page 128 of this Draft Prospectus.

### REGISTERED OFFICE OF OUR COMPANY

**Jigar Cables Limited**

Plot No.164/14 & 15 Jamwadi

G.I.D.C Gondal

Rajkot 360311,

Gujarat, India

**Tel:** 0282-5221422

**Fax:** Not Available

**Email:** cs@sigmacab.com

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

**Corporate Identification Number:** U28999GJ2017PLC095651

### REGISTRAR OF COMPANIES

**Registrar of Companies, Gujarat**

ROC Bhavan, Opp. Rupal Park Society,

Behind Ankur Bus Stop, Naranpura,

Ahmedabad-380013, Gujarat, India

Website : [www.mca.gov.in](http://www.mca.gov.in)

### DESIGNATED STOCK EXCHANGE

**SME Platform of BSE**

P. J. Towers, Dalal Street,

Fort, Mumbai- 400001,

Maharashtra, India

### BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Vijay Shingala	32	07662235	Devla, Amarnagar, Gondal, Rajkot 364485 Gujarat India	Managing Director
2.	Parshottambhai Vaghasiya	69	07662195	83, Bus Stand Street No.3 Devla, Plot Area, Gondal Rajkot 365485 Gujarat India	Wholetime Director

Sr. No.	Name	Age	DIN	Address	Designation
3.	Vaishali Shingala	30	07662204	Devla, Amarnagar, Gondal, Rajkot 364485 Gujarat India	Executive Director
4.	Bipinkumar Vora	64	07756787	Amrut,Sarda School Road, Narayan Nagar Main Road,Gondal Rajkot 360311 Gujarat India	Independent Director
5.	Dhirajbhai Sakhiya	63	07756790	Block no.- 32, Gandhinagar Society Ratanpar, Joravarnagar Sayla Surendra Nagar 363020 Gujarat India	Independent Director
6.	Parshotam Sakhia	52	07780714	2,Tulsi Park,Near Patel Penda wala Nana Mava main Road Rajkot 360005 Gujarat India	Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 131 of this Draft Prospectus.

#### COMPANY SECRETARY & COMPLIANCE OFFICER

**Chandni Chhabariya**

**Jigar Cables Limited**

Plot No.164/14 & 15 Jamwadi

G.I.D.C Gondal

Rajkot 360311,

Gujarat, India

**Tel:** 0282-5221422

**Fax:** Not Available

**Email:** [cs@sigmacab.com](mailto:cs@sigmacab.com)

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

#### CHIEF FINANCIAL OFFICER

**Kalpesh Dobariya**

**Jigar Cables Limited**

Plot No.164/14 & 15 Jamwadi

G.I.D.C Gondal

Rajkot 360311,

Gujarat, India

**Tel:** 0282-5221422

**Fax:** Not Available

**Email:** [accounts@sigmacab.com](mailto:accounts@sigmacab.com)

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

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted, giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs to whom the Application Form was submitted by the Applicants.

#### PEER REVIEWED AUDITOR

**M/s Maharishi & Co.**

“Aparna”, Limda Lane  
Behind Jeevandeep Hospital,  
Jamnagar – 361001, Gujarat, India  
**Tel:** 0288-2665023

**Fax:** N.A

**Email:** kapil.sanghvi@jainandmaharishi.com

**Website:** N.A

**Contact Person:** Kapil Sanghvi

**Firm Registration No:** 124872W

**Membership No:** 141168

M/s Maharishi & Co holds a peer reviewed certificate dated February 09, 2016 issued by the Institute of Chartered Accountants of India.

#### STATUTORY AUDITOR

**M N Manwar and Co.,**

504, Star Plaza, Phulchhab Chowk,  
Nr. Circuit House, Rajkot – 360 001,  
Gujarat, India.

**Tel:** 0281 6627070

**Fax:** N.A

**Email:** ca.mnmanwar@gmail.com

**Website:** N.A

**Contact Person:** Mohan Manwar

**Firm Registration No:** 106047W

**Membership No:** 036292

#### LEAD MANAGERS

**Pantomath Capital Advisors Private Limited**

406-408, Keshava Premises,  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051, Maharashtra, India

**Tel:** +91 22 61946700/25

**Fax:** + 91 22 26598690

**Email:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)

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

**Contact Person:** Saahil Kinkhabwala

**SEBI Registration No:** INM000012110

#### REGISTRAR TO THE ISSUE

**Bigshare Services Private Limited**

E/2, Ansa Industrial Estate, Sakivihar Road,  
Saki Naka, Andheri (East),  
Mumbai-400072, Maharashtra, India

**Tel:** +91 22 40430200

**Fax:** +91 22 28475207

**Investor Grievance Id:** [Investor@bigshareonline.com](mailto:Investor@bigshareonline.com)

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

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

**Contact Person:** Babu Raphael

**SEBI Registration No:** INR000001385

#### LEGAL ADVISOR TO THE ISSUE

**M V Kini, Law Firm**

Kini House, 216/263, 1st Floor, Near Citi Bank,  
D.N. Road, Fort, Mumbai - 400 001, Maharashtra, India

**Tel:** +91 11 2437 1038/ 39/ 40

**Fax:** +91 11 2437 9484

**E-mail:** [vidisha@mvkini.com](mailto:vidisha@mvkini.com)

**Contact Person:** Vidisha Krishan

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

#### BANKER TO THE COMPANY

**HDFC Bank Limited**

Adinath Complex

First floor,

Collecgechowk,

Gondal - 360311

Gujarat INDIA.

**Tel:** 02825-645161

**Fax:** 02825-221182

**E-mail:** [loansupport@hdfcbank.com](mailto:loansupport@hdfcbank.com)

**Contact Person:** Keyur Kothiya

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

**CIN:** L65920MH1994PLC080618

#### PUBLIC ISSUE BANK AND REFUND BANKER/BANKER TO THE ISSUE

**HDFC Bank Limited**

HDFC Bank Ltd., FIG Ops Dept. Lodha –I, Think Techno Campus 0-3

Next to kanjurmarg Railway Station, Kanjurmarg (East), Mumbai-400042

**Tel:** +022 30752927/28/2914

**Fax:** + 022 25799801

**E-mail:** [siddharth.jadhav@hdfcbank.com](mailto:siddharth.jadhav@hdfcbank.com), [vincent.dsouza@hdfcbank.com](mailto:vincent.dsouza@hdfcbank.com)

**Contact Person:** Siddharth Jadhav, Vincent Dsouza

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

**SEBI Registration Number:** INBI00000063

#### SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBs-> or-Syndicate-ASBA. For details on Designated Branches of SCSBs collecting the ASBA Bid Form, PLEASE REFER TO THE ABOVE-MENTIONED SEBI LINK.

#### REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Issue using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE Ltd., as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to

receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

#### **REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time.

#### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time

#### **CREDIT RATING**

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

#### **IPO GRADING**

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

#### **APPRAISAL AND MONITORING AGENCY**

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs.559.20 lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

#### **INTER-SE ALLOCATION OF RESPONSIBILITIES**

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

#### **EXPERT OPINION**

M/s Maharishi & Co. Chartered Accountants, have provided their written consent for the inclusion of the report on the restated financial statements in the form and context in which it will appear in the Draft Prospectus and Prospectus and the statement of tax benefits and to be named as an expert in relation hereto, and such consent has not been withdrawn at the time of delivery of this Draft Prospectus to Stock Exchange. Except the report of the Peer Reviewed Auditor our Company has not obtained any other expert opinion.

#### **DEBENTURE TRUSTEE**

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

#### **UNDERWRITER**

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated June 3, 2017 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.



Name and Address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rupees Lakhs)	% of the Total Issue size Underwritten
<b>Pantomath Capital Advisors Private Limited</b> 406-408, Keshava Premises Co-Op Soc. Ltd., Bandra Kurla Complex, Bandra East Mumbai 400051 <b>Tel:</b> +91 22 61946772 <b>Fax:</b> + 91 22 26598690 <b>Email:</b> <a href="mailto:ipo@pantomathgroup.com">ipo@pantomathgroup.com</a> <b>Contact Person:</b> Madhu Lunawat <b>SEBI Registration Number:</b> INM000012110	18,64,000	559.20	100%
<b>Total</b>	<b>18,64,000</b>	<b>559.20</b>	<b>100%</b>

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

*Includes 96,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended*

#### DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated June 3, 2017, with the following Market Maker, duly registered with BSE Limited to fulfil the obligations of Market Making:

##### **Pantomath Stock Brokers Private Limited**

406-408, Keshava Premises, Behind Family Court  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051, Maharashtra, India

**Tel:** +91 22 61946725

**Fax:** +91 22 26598690

**E-mail:** [broking@pantomathgroup.com](mailto:broking@pantomathgroup.com)

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

**Contact Person:** Mahavir Toshniwal

**SEBI Registration No.:** INZ000068338

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

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of 30/- the minimum lot size is 4000 Equity Shares thus minimum depth of the quote shall be Rs. 1,20,000 until the same, would be revised by BSE Ltd.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the 96,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.
7. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
9. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

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

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

quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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

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

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

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Prospectus and after giving effect to the Issue is set forth below:

*Amount (Rs.in lakhs except share data)*

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	80,00,000 Equity Shares of face value of Rs. 10/- each	800.00	
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	51,68,000 Equity Shares of face value of Rs. 10/- each	516.80	
<b>C.</b>	<b>Present Issue in terms of this Draft Prospectus</b>		
	Issue of 18,64,000 Equity Shares of face value of Rs.10 each at a price of Rs. 30/- per Equity Share	186.40	559.20
	<b>Consisting:</b>		
	<b>Reservation for Market Maker</b> – 96,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. 30/- per Equity Share	9.60	17.28
	<b>Net Issue to the Public</b> – 17,68,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 30/- per Equity Share	176.80	530.40
	<b>Of the Net Issue to the Public</b>		
	<b>Allocation to Retail Individual Investors</b> – 8,84,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 30/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lakhs	88.40	265.20
	<b>Allocation to Other than Retail Individual Investors</b> – 8,84,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 30/- per Equity Share shall be available for allocation for Investors applying for a value of above Rs. 2 lakhs	88.4	265.20
<b>D.</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>		
	70,32,000 Equity Shares of face value of Rs. 10/- each		703.20
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		213.60
	After the Issue		586.40

The Issue has been authorised by the Board of Directors of our Company vide a resolution passed at its meeting held on May 20, 2017 and by the shareholders of our company vide a Special Resolution passed pursuant to Section 62 (1) (c) of Companies Act, 2013 at the Extraordinary General Meeting held on June 3, 2017.

The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Details of changes in authorised Share Capital:

Since the Incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

Change in authorized share capital	Date of AGM/EGM Resolution	AGM/EGM
The authorized share capital was of Rs. 4,10,00,000 divided into 41,00,000 Equity Shares of Rs. 10 each	On incorporation	-
The authorised share capital of Rs. 4,10,00,000 consisting 41,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 800,00,000 consisting of 80,00,000 Equity Shares of Rs. 10/- each.	February 20,2017	EGM

## 2. History of Equity Share Capital of our Company

Date of Allotment/ Fully Paid up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative no. of Equity Shares	Cumulative Paid -up Capital (Rs.)
On Incorporation	41,00,000	10	10	Other than Cash*	Subscription to MOA <sup>(1)</sup>	41,00,000	4,10,00,000
March 15, 2017	4,00,000	10	30	Cash	Right Issue <sup>(2)</sup>	45,00,000	4,50,00,000
May 17, 2017	6,68,000	10	30	Cash	Further Allotment	51,68,000	5,16,80,000

\*Equity Shares allotted pursuant to conversion of Jigar Industries, a partnership firm into our Company Under Part I, Schedule XXI of the Companies Act, 2013

- Pursuant to conversion of Jigar Industries, a partnership firm into our Company Under Part I, Schedule XXI of the Companies Act, 2013 with the name of “Jigar Cables Limited” the Initial Subscribers to Memorandum of Association subscribed 41,00,000 Equity Shares of face value of Rs. 10/-each fully paid at par as per the details given below:

Sr. No.	Name of Allottee	No. of shares subscribed
1	Parshottambhai Laljibhai Vaghasiya	9,60,000
2	Vijay Gopalbhai Shingala	9,60,000
3	Anilbhai Bavchandbhai Vaghasiya	50,000
4	Bharatbhai Naranbhai Vaghasiya	50,000
5	Bhumiben Ramnikbhai Vaghasiya	1,20,000
6	Gopalbhai Hardasbhai Shingala HUF	85,000
7	Harsukhbhai Ambabhai Vaghasiya	10,000
8	Jayaben Parshottambhai Vaghasiya	2,000
9	Jayeshkumar Bhikhubhai Patel	1,55,000
10	Kanchanben Vasandbhai Shingala	5,000
11	Kiranben Vipulbhai Harkhani	70,000
12	Madhubhai Jivarajbhai Thummar	1,10,000
13	Nitaben Pravinbhai Shingala	1,25,000
14	Niteshbhai Parshottambhai Vaghasiya HUF	7,40,000
15	Arvindbhai Parshottambhai Vaghasiya	60,000
16	Pravinbhai Hardashbhai Shingala	40,000

17	Ramaben Gopalbhai Shingala	1,05,000
18	Ramnikbhai Parshottambhai Vaghasiya	40,000
19	Sangeetaben Niteshbhai Vaghasiya	2,000
20	Vaishali Vijaybhai Shingala	5,000
21	Vasantbhai H.Shingala HUF	2,60,000
22	Pravinkumar Harshadbhai Shingala HUF	1,46,000
	<b>Total</b>	<b>41,00,000</b>

- 2) Further allotment of 4,00,000 Equity Shares of face value of Rs. 10/- each fully paid at a premium of Rs. 20/- per equity share on March 15, 2017 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Vijay Gopalbhai Shingala	2,00,000
2.	Parshottambhai Laljibhai Vaghasiya	2,00,000
	<b>Total</b>	<b>4,00,000</b>

3. Further allotment of 6,68,000 Equity Shares of face value of Rs. 10/- each fully paid at a premium of Rs. 20/- per equity share on May 17, 2017, 2017 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1	Govindbhai Karshanbhai Ramani	36,000
2	Manisha Ben Suresh Bhai Sojitra	24,000
3	Chandulal K Dobariya	16,000
4	Savita Ben Vallabh Bhai Sangani	20,000
5	Manish Vallabh Bhai Sangani	12,000
6	Rameshbhai Gopalbhai Bhalala	20,000
7	Vimalkumar Bavalal Vaghasiya	32,000
8	Anirudh Chandrakant Bhai Sojitra	28,000
9	Dhirubhai Dharmshibhai Basida	64,000
10	Padariya Hitesh G Huf	24,000
11	Gordhanbhai V Padariya Huf	24,000
12	Dhirajlal Naranbhai Ramani	20,000
13	Lalitbhai B Bhanderi	16,000
14	Champaben Karshanbhai Patel	48,000
15	Gordhan Bhai Bhurabhai Vaghasiya	16,000
16	Dharaben Gordhanbhai Vaghasiya	16,000
17	Niravkumar Kirtikumar Patva	8,000
18	Champaben Kalubhai Bhalala	16,000
19	Shardaben Chandubhai Sojitra	48,000
20	Vithhal Raghavjibhai Patel Huf	48,000
21	Chhaganbhai Panchabhai Patolia	8,000
22	Vallabbhai Panchabhai Patolia	8,000
23	Ashwin Jayantilal Gada	28,000
24	Gulabchand Keshavji Karania	28,000
25	Kajalben Janak Bhai Dobariya	16,000
26	Mayuriben Bharat Bhai Vaghasiya	44,000
	<b>Total</b>	<b>6,68,000</b>

4. We have not issued any Equity Shares for consideration other than cash except as follows:

Date of Allotment/ Fully paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits accrued to our Company	Allottees	No. of Shares allotted
On Incorporation (February 07, 2017)	41,00,000	10	10	Subscription by way of conversion of partnership firm*	Conversion from Partnership Firm to Company	Parshottambhai Laljibhai Vaghasiya	9,60,000
						Vijay Gopalbhai Shingala	9,60,000
						Anilbhai Bavchandbhai Vaghasiya	50,000
						Bharatbhai Naranbhai Vaghasiya	50,000
						Bhumiben Ramnikbhai Vaghasiya	1,20,000
						Gopalbhai Hardasbhai Shingala HUF	85,000
						Harsukhbhai Ambabhai Vaghasiya	10,000
						Jayaben Parshottambhai Vaghasiya	2,000
						Jayeshkumar Bhikhubhai Patel	1,55,000
						Kanchanben Vasandbhai Shingala	5,000
						Kiranben Vipulbhai Harkhani	70,000
						Madhubhai Jivarajbhai Thummar	1,10,000
						Nitaben Pravinbhai Shingala	1,25,000
						Niteshbhai Parshottambhai Vaghasiya HUF	7,40,000

Date of Allotment/ Fully paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits accrued to our Company	Allottees	No. of Shares allotted
						Arvindbhai Parshottambhai Vaghasiya	60,000
						Pravinbhai Hardashbhai Shingala	40,000
						Ramaben Gopalbhai Shingala	1,05,000
						Ramnikbhai Parshottambhai Vaghasiya	40,000
						Sangeetaben Niteshbhai Vaghasiya	2,000
						Vaishali Vijaybhai Shingala	5,000
						Vasantbhai H.Shingala HUF	2,60,000
						Pravinkumar Harshadbhai Shingala HUF	1,46,000



5. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-240 of the Companies Act, 2013.
6. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
7. Except Subscription to Memorandum of Association, no shares have been issued at price below Issue Price within last one year from the date of this Draft Prospectus.

## 8. Build-up of Promoters' shareholding, Promoters' contribution and lock-in

### i. Build Up of Promoter's shareholdings

As on the date of this Draft Prospectus, our Promoters Parshottam Vaghasiya and Vijay Shingala hold 23,20,000 Equity Shares of our Company. None of the Equity shares held by our Promoter are subject to any pledge.

#### a. Parshottam Vaghasiya

Date of Allotment / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	Source of funds	Pledge
February 07, 2017	5,00,000	10	10	Subscription to MoA	9.67%	7.11%	3 Years	Own Funds	No
	4,60,000	10	10		8.90%	6.54%	1 Year	Own Funds	No
March 15, 2017	2,00,000	10	30	Further Allotment	3.87%	2.84%	3 Years	Own Funds	No
<b>Total</b>	<b>11,60,000</b>				<b>22.45%</b>	16.50%			

\*Cost of acquisition excludes cost of stamp duty

#### b. Vijay Shingala

Date of Allotment / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	Source of funds	Pledge
February 07, 2017	5,30,000	10	10	Subscription to MoA	10.26%	7.54%	3 Years	Own Funds	No
	4,30,000	10	10		8.32%	6.11%	1 Year	Own	No

Date of Allotment / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue sharehol ding %	Post- issue shareholdi ng %	Lock-in Period	Source of funds	Pledge
								Funds	
March 15, 2017	2,00,000	10	30	Further Allotment	3.87%	2.84%	3 Years	Own Funds	No
<b>Total</b>	<b>11,60,000</b>				22.45%	16.50%			

*\*Cost of acquisition excludes cost of stamp duty*

\*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

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

Pursuant to Regulation 32 and 36 of SEBI ICDR Regulations, an aggregate of 20% of the post-Issue capital held by our Promoter shall be considered as Promoter's Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoter has given written consent to include such number of Equity Shares held by him and subscribed by him as a part of Promoters' Contribution constituting 20.32% of the post issue Equity Shares of our Company and has agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ made fully paid up	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Issue shareholding	Lock in Period
<b>Parshottam Vaghasiya</b>						
February 07, 2017	5,00,000	10	10	Subscription to Memorandum of Association	7.11%	3 Years
March 15, 2017	2,00,000	10	30	Right Issue	2.84%	3 Years
<b>Sub Total</b>	7,00,000				9.95%	
<b>Vijay Shingala</b>						
February 07, 2017	5,30,000	10	10	Subscription to Memorandum of Association	7.54%	3 Years
March 15, 2017	2,00,000	10	30	Right Issue	2.84%	3 Years
<b>Sub Total</b>	7,30,000				10.38%	
<b>Total</b>	<b>14,30,000</b>				<b>20.32%</b>	

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI (ICDR) Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of the SEBI ICDR Regulations. In connection, we confirm the following:

- The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Draft Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Prospectus at a price lower than the Issue Price;
- Equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the issue price but the equity shares allotted to the promoter were against continuous capital held over a period of more than 1 year existing in the erstwhile partnership firm;

- d) The Equity Shares held by the Promoter and offered for minimum Promoters' contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoter are in the process of being dematerialized; and
- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

### iii. Details of Share Capital locked in for one year

In terms of Regulation 36(b) and 37 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-Issue equity share Capital shall be locked in for a period of one year from the date of allotment of Equity Shares in this Public Issue.

### iv. Other requirements in respect of lock-in:

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Further, pursuant to Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI (ICDR) Regulations has ended, subject to compliance with the Takeover Code, as applicable.

We further confirm that our Promoters' Contribution of 32.99% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

9. Except as mentioned below, there were no shares/purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last six months.

Date of Allotment	Name of the Allottee/Transferee	Party Category	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment
February 07, 2017	Parshottambhai Laljibhai Vaghasiya	Promoter	9,60,000	10	10	Subscription to MOA
February 07, 2017	Vijay Gopalbhai Shingala	Promoter	9,60,000	10	10	Subscription to MOA
February 07, 2017	Gopalbhai Shingala	Promoter Group	85,000	10	10	Subscription to MOA
February 07, 2017	Jayaben Parshottambhai	Promoter Group	2,000	10	10	Subscription to MOA

Date of Allotment	Name of the Allottee/Transferee	Party Category	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment
	Vaghasiya					
February 07, 2017	Kiranben Vipulbhai Harkhani	Promoter Group	70,000	10	10	Subscription to MOA
February 07, 2017	Niteshbhai Parshottambhai Vaghasiya HUF	Promoter Group	7,40,000	10	10	Subscription to MOA
February 07, 2017	Arvinbhai Parshottambhai Vaghasiya	Promoter Group	60,000	10	10	Subscription to MOA
February 07, 2017	Ramaben Gopalbhai Shingala	Promoter Group	1,05,000	10	10	Subscription to MOA
February 07, 2017	Ramnimbhai Parshottambhai Vaghasiya	Promoter Group	40,000	10	10	Subscription to MOA
February 07, 2017	Vaishali Vijaybhai Shingala	Promoter Group	5,000	10	10	Subscription to MOA
March 15, 2017	Vijay Gopalbhai Shingala	Promoter	2,00,000	10	30	Further Allotment
March 15, 2017	Parshottambhai Laljibhai Vaghasiya	Promoter	2,00,000	10	30	Further Allotment

## 10. Our Shareholding Pattern

The table below presents the shareholding pattern of our Company as per Regulation 31, of the SEBI Listing Regulations, 2015

*Summary of Shareholding Pattern as on the date of this Draft Prospectus:-*

Category	Category of Shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No. of Voting Rights	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)	
I	II	III	IV	V	VI	VII = IV + V + VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	10	34,27,000	-	-	34,27,000	66.31%	34,27,000	66.31%		66.31%	-	-	-	-	[•]

Category	Category of Shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No. of Voting Rights	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)	
B	Public	38	17,41,000	-	-	17,41,000	33.69%	17,41,000	33.69%		33.69%	-	-	-	-	[•]
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Category	Category of Shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No. of Voting Rights	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)	
	<b>Total</b>	48	51,68,000	-	-	<b>51,68,000</b>	<b>100.00</b>	<b>51,68,000</b>	<b>100.00</b>	-	<b>100.00</b>	-	-	-	-	<b>Nil</b>

\*As on the date of this Draft Prospectus 1 Equity Shares holds 1 vote.

\*\*All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to Listing of Shares on BSE SME Platform.

*Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.*

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares. In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no.

SEBI/Cir/ISD/05/2011, dated September 30, 2011, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialised prior to listing of equity shares.

**11. The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group are as under:**

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	<b>Promoter</b>				
1.	Parshottambhai Vaghasiya	11,60,000	22.45%	11,60,000	16.50%
2.	Vijay Shingala	11,60,000	22.45%	11,60,000	16.50%
	<b>Sub Total (A)</b>	<b>23,20,000</b>	<b>44.89%</b>	<b>23,20,000</b>	<b>33.00%</b>
	<b>Promoter Group</b>				
3.	Gopalbhai Shingala	85,000	1.64%	85,000	1.21%
4.	Jayaben Parshottambhai Vaghasiya	2,000	0.04%	2,000	0.03%
5.	Kiranben Vipulbhai Harkhani	70,000	1.35%	70,000	1.00%
6.	Niteshbhai Parshottambhai Vaghasiya HUF	7,40,000	14.32%	7,40,000	10.52%
7.	Arvindbhai Parshottambhai Vaghasiya	60,000	1.16%	60,000	0.85%
8.	Ramaben Gopalbhai Shingala	1,05,000	2.03%	1,05,000	1.49%
9.	Ramnimbhai Parshottambhai Vaghasiya	40,000	0.77%	40,000	0.57%
10.	Vaishali Vijaybhai Shingala	5,000	0.10%	5,000	0.07%
	<b>Sub Total (B)</b>	<b>11,07,000</b>	<b>21.42%</b>	<b>11,07,000</b>	<b>15.74%</b>
	<b>Total (A+B)</b>	<b>34,27,000</b>	<b>66.31%</b>	<b>34,27,000</b>	<b>48.73%</b>

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Parshottambhai Vaghasiya	11,60,000	13.45
Vijay Shingala	11,60,000	13.45

**12. There are no persons belonging to the category “Public” who holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares except as mentioned below:**

Name of the Shareholder	No. of Shares	% of Pre-Issue
Vasantbhai H.Shingala HUF	260000	5.03%
Jayeshkumar Bhikhubhai Patel	155000	3.00%
Pravinkumar Harshadbhai Shingala HUF	146000	2.83%
Nitaben Pravinbhai Shingala	125000	2.42%
Bhumiben Ramnimbhai Vaghasiya	120000	2.32%
Madhubhai Jivarajbhai Thummar	110000	2.13%
Dhirubhai Dharmshibhai Basida	64000	1.24%

13. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Draft Prospectus are set forth below:

a) Particulars of the top ten shareholders as on the date of filing this Draft Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Parshottambhai Vaghasiya	11,60,000	22.45%
2.	Vijay Shingala	11,60,000	22.45%
3.	Niteshbhai Vaghasiya HUF	7,40,000	14.32%
4.	Vasantbhai H.Shingala HUF	2,60,000	5.03%
5.	Jayeshkumar Patel	1,55,000	3.00%
6.	Pravinbhai Shingala HUF	1,46,000	2.83%
7.	Nitaben Shingala	1,25,000	2.42%
8.	Bhumiben Vaghasiya	1,20,000	2.32%
9.	Madhubhai Thummar	1,10,000	2.13%
10.	Ramaben Shingala	1,05,000	2.03%
	<b>Total</b>	<b>40,81,000</b>	<b>78.97%</b>

b) Particulars of the top ten shareholders as on ten days prior to the date of filing of this Draft Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Parshottambhai Laljibhai Vaghasiya	11,60,000	22.45%
2.	Vijay Gopalbhat Shingala	11,60,000	22.45%
3.	Niteshbhai Parshottambhai Vaghasiya HUF	7,40,000	14.32%
4.	Vasantbhai H.Shingala HUF	2,60,000	5.03%
5.	Jayeshkumar Bhikhubhai Patel	1,55,000	3.00%
6.	Pravinbhai Shingala HUF	1,46,000	2.83%
7.	Nitaben Pravinbhai Shingala	1,25,000	2.42%
8.	Bhumiben Ramnikbhai Vaghasiya	1,20,000	2.32%
9.	Madhubhai Jivarajbhai Thummar	1,10,000	2.13%
10.	Ramaben Gopalbhai Shingala	1,05,000	2.03%
	<b>Total</b>	<b>40,81,000</b>	<b>78.97%</b>

c) Particulars of the top ten shareholders as on date of incorporation

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Parshottambhai Vaghasiya	9,60,000	23.41%
2.	Vijay Shingala	9,60,000	23.41%
3.	Niteshbhai Vaghasiya HUF	7,40,000	18.05%
4.	Vasantbhai H.Shingala HUF	2,60,000	6.34%
5.	Jayeshkumar Patel	1,55,000	3.78%
6.	Pravinkumar Shingala HUF	1,46,000	3.56%
7.	Nitaben Shingala	1,25,000	3.05%
8.	Bhumiben Vaghasiya	1,20,000	2.93%
9.	Madhubhai Thummar	1,10,000	2.68%
10.	Ramaben Shingala	1,05,000	2.56%

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
	<b>Total</b>	<b>36,81,000</b>	<b>89.78%</b>

14. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
15. Neither the Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Draft Prospectus.
16. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the SME Platform of BSE.
17. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
18. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
19. There are no Equity Shares against which depository receipts have been issued.
20. Other than the Equity Shares, there is no other class of securities issued by our Company.
21. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
22. None of the persons/Companies comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Draft Prospectus.
23. Our Company, our Promoters, our Directors and the Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
24. There are no safety net arrangements for this public issue.
25. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
26. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
27. As on date of this Draft Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.

28. All the Equity Shares of our Company are fully paid up as on the date of the Draft Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
29. As per RBI regulations, OCBs are not allowed to participate in this Issue.
30. Our Company has not raised any bridge loans against the proceeds of the Issue.
31. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
33. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
34. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
35. Our Company has 48 shareholders as on the date of filing of this Draft Prospectus.
36. Our Promoters and the members of our Promoter Group will not participate in this Issue.
37. Our Company has not made any public issue since its incorporation.
38. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
39. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31 2017, 2016, 2015, 2014 and 2013-. Please refer to paragraph titled "Details of Related Parties Transactions as Restated" in the chapter titled "*Financial Statements as restated*" on page 154 of the Draft Prospectus.
40. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "Our Management" beginning on page 131 of the Draft Prospectus.

## OBJECT OF THE ISSUE

Our Company proposes to utilize the net proceeds from the Issue towards funding the following objects and achieve the benefits of listing the equity shares on the Emerge platform of National Stock Exchange. We believe that the listing of Equity shares will enhance our brand name and provide liquidity to the existing shareholders. Listing will also provide a public market for the Equity Shares in India.

### The objects to the Issue are:

1. Repayment/ Prepayment in full or in part of certain borrowings availed by our Company;
2. Working Capital requirements;
3. General Corporate Purposes

We believe that the listing of Equity Shares will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

## FUND REQUIREMENTS

The fund requirement and deployment is based on internal management estimates and our Company's current business plan and is subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy. These estimates have not been appraised by any bank or financial institution.

In view of the dynamic nature of the sector and specifically that of our business, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects.

### Means of Finance

We intend to entirely finance our Objects from Net Proceeds, other than our working capital requirements. In the event any additional payments are required to be made for financing our Objects (other than our working capital requirements), it shall be made from our existing identifiable internal accruals. The working capital requirements under our Objects will be met through the Net Proceeds to the extent of 329.20 lakhs, internal accruals and bank finance.

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds

### Utilization of Net Proceeds

The details of the Issue Proceeds are summarised below:

Particulars	Amount (Rs. in lakhs)
Issue Proceeds	559.20
Less: Issue related expenses*	40.00
<b>Net Proceeds</b>	<b>519.20</b>

*\*To be finalised upon determination of Issue Price.*

We intend to utilise the Net Proceeds from the Issue, in the manner set below:

Sr. No	Particulars	Amount (Rs in Lakhs)	Percentage of net Issue	Percentage of Gross Issue
1.	Repayment/ Prepayment , in full or in part, of certain borrowings availed by our Company	150.00	28.89%	26.82%
2.	Working Capital requirements	329.20	63.41%	58.87%
3.	General Corporate Purposes	40.00	7.70%	7.15%

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

#### **Schedule of implementation/ Utilization of Issue Proceeds**

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the financial year 2017-18.

#### **1. Repayment/ Prepayment in full or in part of certain borrowings availed by our Company;**

Our business is fixed capital intensive as well as working capital intensive and we avail majority of our fund requirements in the ordinary course of business from various banks, financial institutions and unsecured loans from related parties. For further details of the loans availed by our Company, see chapter titled “Financial Indebtedness” on page 202 of this Draft Prospectus.

As on March 31, 2017 with respect to the loan proposed to be repaid from Net Proceeds of the Issue, our Company had outstanding indebtedness from **The Co- operative Bank of Rajkot Ltd** amounting to Rs. 484.20 lakhs as confirmed by the Statutory Auditor M/s Maharishi and Co. vide Certificate dated June 3, 2017 . Our Company proposes to utilise an amount of Rs. 150.00 lakhs out of the Net Proceeds towards repayment/ pre-payment in part or full of certain borrowings/loans listed in the table below. We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness and improve our debt-equity ratio. We believe that reducing our indebtedness will result in enhanced equity base, reduce our financial costs, improve our profitability and improve our leverage capacity.

The following table provides details of certain sanctioned loans availed by our Company as on March 31, 2017, out of which our Company may repay/ pre-pay, in full or in part, any or all of the loans from the Net Proceeds, without any obligation to any particular bank/ financial institution:

Nature of Facility	Loan
Sanction Amount	Rs. 500.00 lakhs
Amount outstanding as on March 31, 2017	Rs. 484.20 lakhs
Rate of Interest	13.50% per annum.
Purpose	To meet working capital requirement
Security	The Bank will have first charge over the stock & Book Debts of the borrower towards the Cash Credit facility. The Bank will have first charge over the below mentioned Assets of the borrower towards the Term Loan / Industrial facility.
Repayment	On demand



***For details regarding security against bank loan, please refer chapter titled “Financial Indebtedness” beginning on page 202 of this Draft Prospectus.***

Further, HDFC Bank Limited has sanctioned a loan amounting to Rs. 350.00 lakhs by taking over the existing loan from **The Co- operative Bank of Rajkot Ltd.**

We may repay the above loan, before we obtain proceeds from the Issue, through other means and source of financing, including bridge loan or other financial arrangements, which then will be repaid from the proceeds of the Issue.

The selection of borrowings proposed to be repaid and/or pre-paid shall be based on various factors including: (i) any conditions attached to the loans restricting our ability to prepay the loans and time taken to fulfil such requirements; (ii) provisions of any law, rules, regulations and contracts governing such borrowings; and (iii) other commercial considerations including, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Some of the financing documents do not expressly set out the pre-payment charges/ penalties, however, our lenders may levy certain penalties or charges in case of pre-payment of borrowings. Our Company will take such factors into consideration while deciding the loans to be repaid and /or pre-paid from the Net Proceeds.

We will take such provisions into consideration while deciding the loans to be pre-paid from the Net Proceeds. Payment of such pre-payment penalty, if any, shall be made out of the Net Proceeds. In the event that the Net Proceeds are insufficient for such pre-payment penalty, the payment shall be made from the existing internal accruals of our Company. We may also be required to provide notice to some of our lenders prior to pre-payment.

## **2. Working Capital**

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, financing from various banks and financial institutions and capital raisings through issue of Equity Shares. Our Company’s existing working capital requirement and funding on the basis of the Restated Financial Statements as of March 31, 2016 and March 31, 2017 are stated below:

### **Basis of estimation of working capital requirement**

Particulars	Amount (Rs. In Lakhs)	
	As on March 31	
	2016	2017
<b>Current Assets</b>		
Inventories		
Raw material and Consumables	22.43	137.97
Finished Goods	483.34	393.08
Trade Receivables	79.05	201.89
Cash and Bank Balance	57.65	102.30
Short term loans and Advance	43.63	92.71
Other Current Assets	1.65	2.35
<b>Total (A)</b>	<b>687.75</b>	<b>930.30</b>
<b>Current Liabilities</b>		
Trade Payables	108.68	21.74
Other Current Liabilities and Provisions	29.13	18.91
<b>Total (B)</b>	<b>137.81</b>	<b>40.65</b>
<b>Net Working Capital (A)-(B)</b>	<b>549.95</b>	<b>889.65</b>
<b>Sources of Working Capital</b>		
Bank Borrowings	519.94	489.54
Internal accruals	30.01	400.11
<b>Total Source</b>		



On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated May 20, 2017 has approved the business plan for the two year period of Financial Years 2018 and 2019. The projected working capital requirements for Financial Year 2017-2018 are as stated below:

Amount (Rs. In Lakhs)	
Particulars	2017-18(Estimated)
<b>Current Assets</b>	
Inventories	
Raw material	269.26
Finished goods	522.23
Trade Receivables	300.00
Advance to Suppliers	129.79
Cash and Bank Balance	143.99
Short term loans & advances and other current assets	29.47
<b>Total (A)</b>	<b>1394.74</b>
<b>Current Liabilities</b>	
Trade Payables	181.96
Other Current Liabilities & Provisions	31.92
<b>Total (B)</b>	<b>213.88</b>
<b>Net Working Capital (A)-(B)</b>	<b>1180.86</b>
<b>Sources Of Working Capital</b>	
Issue Proceeds	329.20
Internal Accruals	576.66
Bank Borrowing	275.00
<b>Total Source</b>	

#### Assumption for working capital requirements

Assumptions for Holding Levels\*

(In months)

Particulars	Holding Level as of March 31, 2016	Holding Level as of March 31, 2017	Holding Level as of March 31, 2018 (Estimated)
<b>Current Assets</b>			
Raw material	0.36	1.46	2.00
Finished Goods	4.63	2.85	3.00
Trade Receivables	1.02	1.67	2.00
<b>Current Liabilities</b>			
Trade Payables	1.70	0.21	1.25

#### Justification for “Holding Period” levels

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

Assets- Current Assets	
<b>Inventories</b>	In FY 2016-17 our raw material and finished goods inventory turnover ratio was around 1.46 and 2.85 months respectively. We have assumed our Raw material and finished goods inventory as 2.00 and 3.00 months respectively in FY 2017-18 as we would increase stock of raw material to fulfil demands of our customer. Moreover we plan to add more dimensions to our cables and wires and accordingly increase our stock.

<b>Assets- Current Assets</b>	
<b>Trade receivables</b>	In FY 2016-17 our trade receivables is around 1.67. We have assumed it to increase to 2.00 months in FY 2017-18 to follow a liberal credit policy and to increase our credit sales.
<b>Liabilities– Current Liabilities</b>	
<b>Trade Payables</b>	In FY 2017-18, the credit period is 1.25 months as compared to 0.21 months in FY 2016-17, as the Company will strive to achieve better credit terms and to ensure continued relation with the existing suppliers. .

Our Company proposes to utilize Rs. 329.20 of the Net Proceeds in Financial Year 2017-18 towards our working capital requirements.

Pursuant to the certificate dated June 6, 2017, have compiled the working capital estimates from the Restated Financial Information for the Financial Years 2016 and 2017 and the working capital projections as approved by the Board pursuant to its resolution dated June 6, 2017.

### 3. General Corporate Purposes:

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy Rs. 40.00 lakhs being 7.15% of the net proceeds and 7.70% of our gross issue proceeds towards general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Proceeds after meeting issue expenses, for general corporate purpose including but not restricted to, marketing expenses, meeting operating expenses, strengthening of our business development and marketing capabilities, meeting exigencies which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

### ISSUE RELATED EXPENSES

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

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	30.00	75.00	5.36%
Regulatory fees	6.00	15.00	1.07%
Marketing and Other Expenses	4.00	10.00	0.72%
<b>Total estimated Issue expenses</b>	<b>40.00</b>	<b>100.00%</b>	<b>7.15%</b>

*\*\*SCSBs will be entitled to a processing fee of Rs. [●]/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.*

*Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be [●] % on the Allotment Amount# or Rs [●]/- whichever is less on the Applications wherein shares are allotted.*

*The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.*

*#Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

### DEPLOYMENT OF FUNDS

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

Particulars	Total Funds required	Amount incurred till date	Deployment during FY 2017-18
Repayment/ Prepayment in part or full, of certain borrowings availed by our Company	150.00	-	150.00
Working Capital requirement	329.20	-	329.20
Issue Expenses	40.00	3.00	37.00
General Corporate Purposes	40.00	-	40.00
<b>Total</b>	<b>559.20</b>	<b>-</b>	<b>556.20</b>

Our Statutory Auditors, M N Manwar and Co., vide their certificate dated June 06.2017 have confirmed that as on 3.00 lakhs the following funds have been deployed towards issue expenses.

Source from expenses have been incurred	Amount (Rs. in Lakhs)
Internal Accruals	3.00
<b>Total</b>	<b>3.00</b>

Our management, in accordance with the policies set up by the Board, will have flexibility in deploying the Net Proceeds of the Issue.

### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may borrow such amounts, as may be required, from other lenders until the completion of the Issue. Further, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue. Any amount that is borrowed from lenders or drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue.

### APPRAISAL BY APPRAISING AGENCY

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

### INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

### MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs. 10,000 lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such

unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Draft Red Herring Prospectus.

#### **VARIATION IN OBJECTS**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS**

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable.

## BASIS FOR ISSUE PRICE

The Issue Price of Rs. 30/- per Equity Share will be determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors and on the basis of an assessment of Market demand for the equity shares. The face value of the Equity Share is Rs. 10/- and Issue Price is Rs. 30/- per Equity Share and is 3 times the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Statements as Restated” and the chapter titled “Our Business” beginning on page nos. 17, 154 and 108 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments

### QUALITATIVE FACTORS

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

- Leveraging the experience of our Promoters
- *Quality Control*
- *Customer Satisfaction*
- *Strong Marketing Practices*
- *Customized Product Development*

*For further details, refer chapter titled “Our Business” beginning on page 108 of this Draft Prospectus.*

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2015, 2016 and 2017 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Year ended	EPS (Rs.)	Weight
March 31, 2015	(0.01)	1
March 31, 2016	0.02	2
March 31, 2017	0.20	3
<b>Weighted average</b>	<b>0.11</b>	

- The Company was formed by conversion of Jigar Industries on February 7, 2017
- The profit for all financial years is calculated as profit of Jigar Industries.
- The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period / year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-.
- EPS for March 31, 2016 and March 31, 2015 have been calculated by dividing the Profit After Tax with 41,00,000 Equity Shares.
- 4,00,000 Equity Shares have been issued on March 15, 2017 .

#### 2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 30/- per Equity Share of Rs. 10 each fully paid up.

Particulars	P/E Ratio
P/E ratio based on Basic & Diluted EPS for FY 2016-17	147.43
P/E ratio based on Weighted Average Basic & Diluted EPS	282.77
<b>*Industry P/E</b>	
Lowest	NA

Particulars	P/E Ratio
Highest	457.14
Average	160.05

Industry P/E Comprises of Ultracab (India) Limited, Cords Cable Industries Limited and Ruby Cables Limited. EPS of Ruby Cables Limited is negative and thus calculation of P/E is not possible

### 3. Return on Net worth (RoNW)

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

Year ended	RoNW (%)	Weight
March 31, 2015	-0.16%	1
March 31, 2016	0.48%	2
March 31, 2017	1.58%	3
<b>Weighted Average</b>	<b>0.92%</b>	

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

### 4. Minimum Return on Total Net Worth post Issue needed to maintain Pre Issue EPS for the year ended March 31, 2017 is 1.11%

### 5. Net Asset Value (NAV)

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2017	11.78
Net Asset Value per Equity Share after the Issue	18.34
Issue Price per equity share	30.00

Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares outstanding at the end of the period.

### 6. Comparison with other listed companies

Companies	EPS	PE Ratio	RONW %	NAV (Per Share)	Face Value	Total Income (Rs. In Crore)	PAT (Profit for the year) (Rs. In Crore)
Jigar cables	0.20	147.43	1.58%	11.78	10	14.64	0.08
<b>Peer Group*</b>							
Ultracab (India) Limited	0.28	457.14	1.67%	14.36	10	39.10	0.31
Cords Cable Industries Limited	3.76	23.01	4.09%	93.83	10	325.52	5.03
Ruby Cables Limited	(35.56)	NA	(531.17)	6.69	10	94.10	(22.23)

\*Source: [www.bseindia.com](http://www.bseindia.com)

\*\*CMP for our Company is considered as Issue Price

#### Notes:

- Considering the nature of business of the Company the peer are not strictly comparable. However same have been included for broad comparison.

- The figures for Jigar Cables Limited are based on the restated results for the year ended March 31, 2017
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2017
- Current Market Price (CMP) is the closing prices of respective scripts as on June 5, 2017 except Ruby Cables Limited for which the CMP is closing price as on May 30, 2017.
- The Issue Price of Rs. 30/- per Equity Share has been determined by the Company in consultation with the LM and is justified based on the above accounting ratios.

For further details refer to the section titled “*Risk Factors*” beginning on page 17 and the financials of the Company including profitability and return ratios, as set out in the section titled “*Financial Statements as Restated*” beginning on page 154 of this Draft Prospectus for a more informed view.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors,  
**Jigar Cables Limited**  
Jigar Cables Limited  
Plot No. 164/15,  
GIDC-II, Jamvadi,  
Gondal- 360311,  
Gujarat

Dear Sirs,

**Subject: Statement of Possible Special Tax Benefits available to Jigar Cables Limited and its shareholders prepared in accordance with the requirements under Schedule VIII – Clause (VII) (L) of the SEBI (ICDR) Regulations, 2009 as amended (the ‘Regulations’)**

We hereby report that the enclosed annexure prepared by **Jigar Cables Limited**, states the possible special tax benefits available to **Jigar Cables Limited** (‘the Company’) and the shareholders of the Company under the Income Tax Act, 1961 (‘Act’), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of 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 the business imperatives, 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 shareholders do not cover any general tax benefits available to the Company Further , the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that, 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. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (‘the Offer’) by the Company.

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

- a. The Company or its Equity Shareholders will continue to obtain these benefits in future; or
- b. The conditions prescribed for availing the benefits have been / would be met with.

The contents of the enclosed statement 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 Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, 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. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.



**For M/s. Maharishi & Co.,**  
**Chartered Accountants**  
Firm Registration No. 124872W

**Dushyant Maharishi**

**Partner**

Membership No. 146144

Place: Gondal

Date: 06<sup>th</sup> June, 2017

## SECTION IV- ABOUT THE COMPANY

### OUR INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements as Restated” and related notes beginning on pages 17 and 154 respectively of this Draft Prospectus before deciding to invest in our Equity Shares.*

#### INDUSTRY OVERVIEW

In India, the size of the cable manufacturing industry is approx. Rs. 40,000 crores. The specialised cable industry in which CMI operates currently is roughly of the size of Rs. 10,000 crores. The government has announced ambitious plans for infrastructure development. One of the primary focus areas of the development plan is railways, with over Rs. 800,000 Cr as promised investment over the period of 2015-2020. In addition, the government has earmarked Rs 50,000 crore (US\$ 7.53 billion) to develop 100 smart cities across the country. Highway projects worth US\$ 93 billion, which include govt. flagship National Highways Building Project (NHDP) with total investment of US\$ 45 billion over next three years, have also been announced. The Digital India campaign will require an investment of Rs. 4,50,000 Crore. Ministry of Power is also looking at an investment of 15,000 lakh Crore over the next 5 years

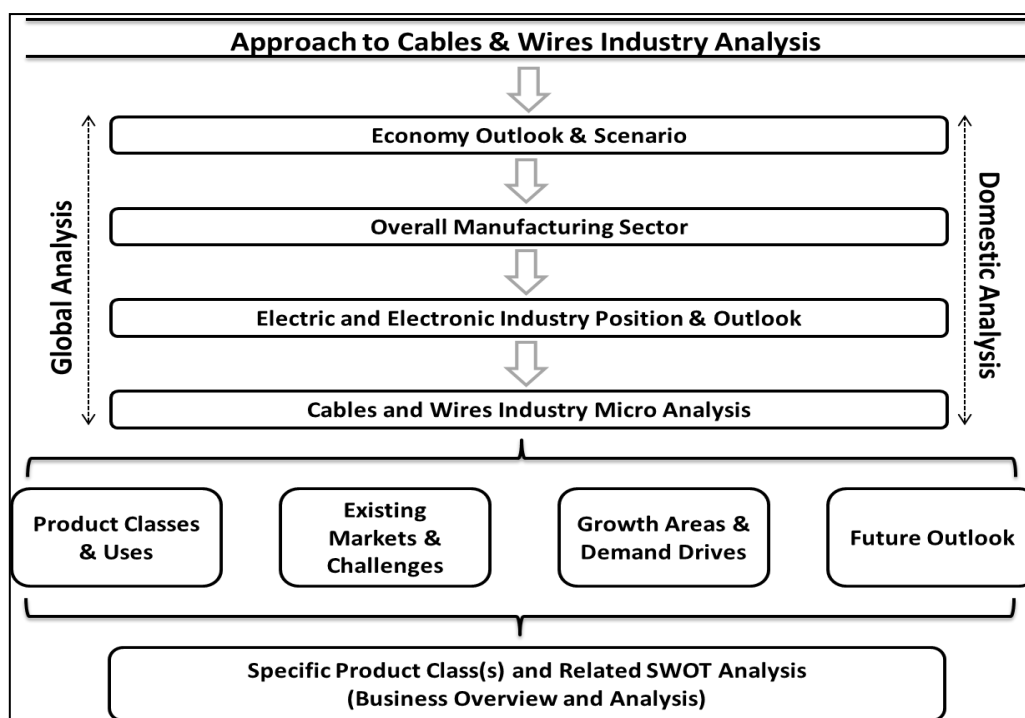
*(Source: Wires & Cables : An Analysis on India's Industry Performance :Electrical Mirror An Outlook of the Electrical & Power Industry <http://www.electricalmirror.net>)*

#### APPROACH TO INDUSTRY ANALYSIS

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

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

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



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

## GLOBAL ECONOMIC ENVIRONMENT

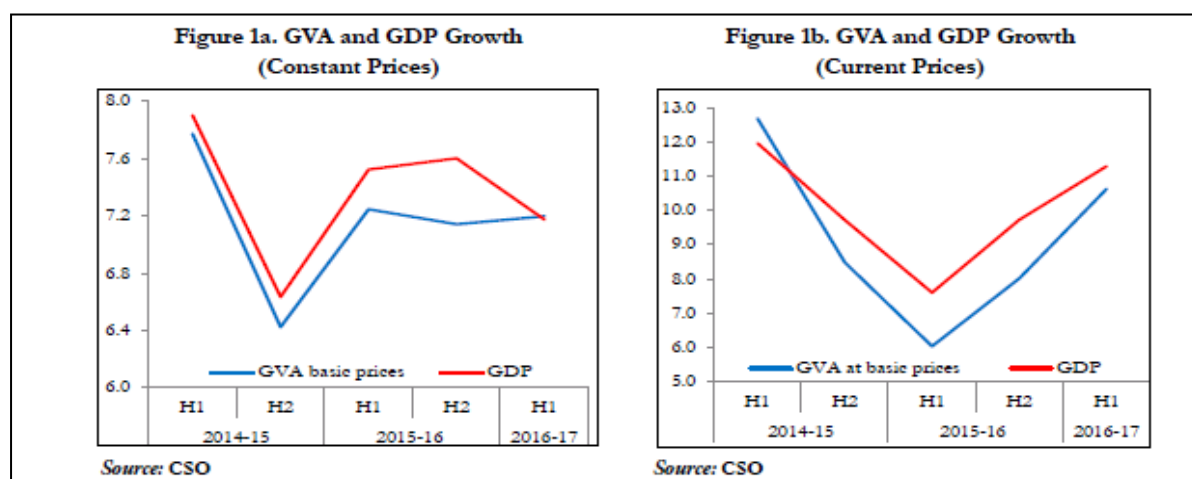
For India, three external developments are of significant consequence. In the short run, the change in the outlook for global interest rates as a result of the US elections and the implied change in expectations of US fiscal and monetary policy will impact on India's capital flows and exchange rates. Markets are factoring in a regime change in advanced countries, especially US macroeconomic policy, with high expectations of fiscal stimulus and unwavering exit from unconventional monetary policies. The end of the 20-year bond rally and end to the corset of deflation and deflationary expectations are within sight. Second, the medium-term political outlook for globalisation and in particular for the world's "political carrying capacity for globalisation" may have changed in the wake of recent developments. In the short run a strong dollar and declining competitiveness might exacerbate the lure of protectionist policies. These follow on on-going trends—documented widely—about stagnant or declining trade at the global level. This changed outlook will affect India's export and growth prospects

Third, developments in the US, especially the rise of the dollar, will have implications for China's currency and currency policy. If China is able to successfully re-balance its economy, the spill over effects on India and the rest of the world will be positive. On, the other hand, further declines in the yuan, even if dollar-induced, could interact with underlying vulnerabilities to create disruptions in China that could have negative spill overs for India. For China, there are at least two difficult balancing acts with respect to the currency. Domestically, a declining currency (and credit expansion) props up the economy in the short run but delay rebalancing while also adding to the medium term challenges. Internationally, allowing the currency to weaken in response to capital flight risks creating trade frictions but imposing capital controls discourages FDI and undermines China's ambitions to establish the Yuan as a reserve currency. China with its underlying vulnerabilities remains the country to watch for its potential to unsettle the global economy.

(Source: Economic Survey 2016-17 [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. Real GDP growth in the first half of the year was 7.2 percent, on the weaker side of the 7.0-7.75 per cent projection in the Economic Survey 2015-16 and somewhat lower than the 7.6 percent rate recorded in the second half of 2015-16 (Figure 1a). The main problem was fixed investment, which declined sharply as stressed balance sheets in the corporate sector continued to take a toll on firms' spending plans. On the positive side, the economy was buoyed by government consumption, as the 7th Pay Commission salary recommendations were implemented, and by the long-awaited start of an export recovery as demand in advanced countries began to accelerate. Nominal GDP growth recovered to respectable levels, reversing the sharp and worrisome dip that had occurred in the first half of 2015-16 (Figure 1b).



The major highlights of the sectoral growth outcome of the first half of 2016-17 were: (i) moderation in industrial and nongovernment service sectors; (ii) the modest pick-up in agricultural growth on the back of improved monsoon; and (iii) strong growth in public administration and defence services—dampeners on and catalysts to growth almost balancing each other and producing a real Gross Value Addition (GVA) growth (7.2 percent), quite similar to the one (7.1 per cent) in H2 2015-16 (Figure 1b).

Inflation this year has been characterized by two distinctive features. The Consumer Price Index (CPI)-New Series inflation, which averaged 4.9 per cent during April-December 2016, has displayed a downward trend since July when it became apparent that kharif agricultural production in general, and pulses in particular would be bountiful. The decline in pulses prices has contributed substantially to the decline in CPI inflation which reached 3.4 percent at end-December. The second distinctive feature has been the reversal of WPI inflation, from a trough of (-)5.1 percent in August 2015 to 3.4 percent at end-December 2016, on the back of rising international oil prices. The wedge between CPI and WPI inflation, which had serious implications for the measurement of GDP discussed in MYEA (Box 3, Chapter 1, MYEA 2015-16), has narrowed considerably. Core inflation has, however, been more stable, hovering around 4.5 percent to 5 percent for the year so far. The outlook for the year as a whole is for CPI inflation to be below the RBI's target of 5 percent, a trend likely to be assisted by demonetisation.

### **External Sector**

Similarly, the external position appears robust having successfully weathered the sizeable redemption of Foreign Currency Non-Resident (FCNR) deposits in late 2016, and the volatility associated with the US election and demonetisation. The current account deficit has declined to reach about 0.3 percent of GDP in the first half of FY2017. Foreign exchange reserves are at comfortable levels, having have risen from around US\$350 billion at end-January 2016 to US\$ 360 billion at end-December 2016 and are well above standard norms for reserve adequacy. In part, surging net FDI inflows, which grew from 1.7 percent of GDP in FY2016 to 3.2 percent of GDP in the second quarter of FY2017, helped the balance-of-payments

The trade deficit declined by 23.5 per cent in April-December 2016 over corresponding period of previous year. During the first half of the fiscal year, the main factor was the contraction in imports, which was far steeper than the fall in exports. But during October- December, both exports and imports started a long-awaited recovery, growing at an average rate of more than 5 per cent. The improvement in exports appears to be linked to improvements in the world economy, led by better growth in the US and Germany. On the import side, the advantage on account of benign international oil prices has receded and is likely to exercise upward pressure on the import bill in the short to medium term. Meanwhile, the net services surplus declined in the first half, as software service exports slowed and financial service exports declined. Net private remittances declined by \$4.5 bn in the first half of 2016-17 compared to the same period of 2015-16, weighed down by the lagged effects of the oil price decline, which affected inflows from the Gulf region.

### **Fiscal Position**

Trends in the fiscal sector in the first half have been unexceptional and the central government is committed to achieving its fiscal deficit target of 3.5 percent of GDP this year. Excise duties and services taxes have benefitted from the additional revenue measures introduced last year. The most notable feature has been the over-performance (even relative to budget estimates) of excise duties in turn based on buoyant petroleum consumption: real consumption of petroleum products (petrol) increased by 11.2 percent during April-December 2016 compared to same period in the previous year. Indirect taxes, especially petroleum excises, have held up even after demonetisation in part due to the exemption of petroleum products from its scope. More broadly, tax collections have held up to a greater extent than expected possibly because of payment of dues in demonetised notes was permitted. Non-tax revenues have been challenged owing to shortfall in spectrum and disinvestment receipts but also to forecast optimism; the stress in public sector enterprises has also reduced dividend payments.

State government finances are under stress. The consolidated deficit of the states has increased steadily in recent years, rising from 2.5 percent of GDP in 2014-15 to 3.6 percent of GDP in 2015-16, in part because of the UDAY scheme. The budgeted numbers suggest there will be an improvement this year. However, markets are anticipating some slippage, on account of the expected growth slowdown, reduced revenues from stamp duties, and implementation of their own Pay Commissions. For these reasons, the spread on state bonds over government securities jumped to 75 basis points in the January 2017 auction from 45 basis points in October 2016. For the general government as a whole, there is an improvement in the fiscal deficit with and without UDAY scheme.

(Source: Economic Survey 2016-17 [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

### **OUTLOOK FOR 2016-17**

This year's outlook must be evaluated in the wake of the November 8 action to demonetize the high denomination notes. But it is first important to understand the analytics of the demonetisation shock in the short run. Demonetisation affects the economy through three different channels. It is potentially: 1) an aggregate demand shock because it reduces the supply of money and affects private wealth, especially of those holding unaccounted money; 2) an aggregate supply shock to the extent that economic activity relies on cash as an input (for example, agricultural production might be affected since sowing requires the use of labour traditionally paid in cash); and 3) an uncertainty shock because economic agents face imponderables related to the magnitude and duration of the cash shortage and the policy responses (perhaps causing consumers to defer or reduce discretionary consumption and firms to scale back investments).

Demonetisation is also very unusual in its monetary consequences. It has reduced sharply, the supply of one type of money— cash—while increasing almost to the same extent another type of money— demand deposits. This is because the demonetized cash was required to be deposited in the banking system. In the third quarter of FY2017 (when demonetisation was introduced), cash declined by 9.4 percent, demand deposits increased by 43 percent, and growth in the sum of the two by 11.3 percent.

The price counterparts of this unusual aspect of demonetisation are the surge in the price of cash (inferred largely through queues and restrictions), on the one hand; and the decline in interest rates on

the lending rate (based on the marginal cost of funds) by 90 basis points since November 9; on deposits (by about 25 basis points); and on g-secs on the other (by about 32 basis points).

There is yet another dimension of demonetisation that must be kept in mind. By definition, all these quantity and price impacts will self-correct by amounts that will depend on the pace at which the economy is remonetized and policy restrictions eased. As this occurs, consumers will run down their bank deposits and increase their cash holdings. Of course, it is possible, even likely that the self-correction will not be complete because in the new equilibrium, aggregate cash holdings (as a share of banking deposits and GDP) are likely to be lower than before.

Anecdotal and other survey data abound on the impact of demonetisation. But we are interested in a macro-assessment and hence focus on five broad indicators: Agricultural (Rabi) sowing; Indirect tax revenue, as a broad gauge of production and sales; Auto sales, as a measure of discretionary consumer spending and two-wheelers, as the best indicator of both rural and less affluent demand; Real credit growth; and Real estate prices. Contrary to early fears, as of January 15, 2017 aggregate sowing of the two major rabi crops—wheat and pulses (gram)—exceeded last year's planting by 7.1 percent and 10.7 percent, respectively. Favourable weather and moisture conditions presage an increase in production. To what extent these favourable factors will be attenuated will depend on whether farmers' access to inputs—fertilizer, credit, and labour—was affected by the cash shortage.

To estimate a demonetisation effect, one needs to start with the counterfactual. Our best estimate of growth in the absence of demonetisation is 11¼ percent in nominal terms (slightly higher than last year's Survey forecast because of the faster rebound in WPI inflation, but lower than the CSO's advance estimate of 11.9 percent) and 7 percent in real terms (in line with both projections).

Finally, demonetisation will afford an interesting natural experiment on the substitutability between cash and other forms of money. Demonetisation has driven a sharp and dramatic wedge in the supply of these two: if cash and other forms are substitutable, the impact will be relatively muted; if, on the other hand, cash is not substitutable the impact will be greater.

(Source: Economic Survey 2016-17 [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## OUTLOOK FOR 2017-18

Turning to the outlook for 2017-18, we need to examine each of the components of aggregate demand: exports, consumption, private investment and government.

As discussed earlier, India's exports appear to be recovering, based on an uptick in global economic activity. This is expected to continue in the aftermath of the US elections and expectations of a fiscal stimulus. The IMF's January update of its World Economic Outlook forecast is projecting an increase in global growth from 3.1 percent in 2016 to 3.4 percent in 2017, with a corresponding increase in growth for advanced economies from 1.6 percent to 1.9 percent. Given the high elasticity of Indian real export growth to global GDP, exports could contribute to higher growth next year, by as much as 1 percentage point.

The outlook for private consumption is less clear. International oil prices are expected to be about 10-15 percent higher in 2017 compared to 2016, which would create a drag of about 0.5 percentage points. On the other hand, consumption is expected to receive a boost from two sources: catch-up after the demonetisation-induced reduction in the last two quarters of 2016-17; and cheaper borrowing costs, which are likely to be lower in 2017 than 2016 by as much as 75 to 100 basis points. As a result, spending on housing and consumer durables and semi-durables could rise smartly. It is too early to predict prospects for the monsoon in 2017 and hence agricultural production. But the higher is agricultural growth this year, the less likely that there would be an extra boost to GDP growth next year.

Since no clear progress is yet visible in tackling the twin balance sheet problem, private investment is unlikely to recover significantly from the levels of FY2017. Some of this weakness could be offset through higher public investment, but that would depend on the stance of fiscal policy next year, which has to balance the short-term requirements of an economy recovering from demonetisation against the medium-term necessity of adhering to fiscal discipline—and the need to be seen as doing

so. Putting these factors together, we expect real GDP growth to be in the 6¾ to 7½ percent range in FY2018. Even under this forecast, India would remain the fastest growing major economy in the world.

There are three main downside risks to the forecast. First, the extent to which the effects of demonetisation could linger into next year, especially if uncertainty remains on the policy response. Currency shortages also affect supplies of certain agricultural products, especially milk (where procurement has been low), sugar (where cane availability and drought in the southern states will restrict production), and potatoes and onions (where sowings have been low). Vigilance is essential to prevent other agricultural products becoming in 2017-18 what pulses was in 2015-16.

Second, geopolitics could take oil prices up further than forecast. The ability of shale oil production to respond quickly should contain the risks of a sharp increase, but even if prices rose merely to \$60-65/barrel the Indian economy would nonetheless be affected by way of reduced consumption; less room for public investment; and lower corporate margins, further denting private investment. The scope for monetary easing might also narrow, if higher oil prices stoked inflationary pressure.

Third, there are risks from the possible eruption of trade tensions amongst the major countries, triggered by geo-politics or currency movements. This could reduce global growth and trigger capital flight from emerging markets. The one significant upside possibility is a strong rebound in global demand and hence in India's exports. There are some nascent signs of that in the last two quarters. A strong export recovery would have broader spill over effects to investment.

### **Fiscal outlook**

The fiscal outlook for the central government for next year will be marked by three factors. First, the increase in the tax to GDP ratio of about 0.5 percentage points in each of the last two years, owing to the oil windfall will disappear. In fact, excise-related taxes will decline by about 0.1 percentage point of GDP, a swing of about 0.6 percentage points relative to FY2017.

Second, there will be a fiscal windfall both from the high denomination notes that are not returned to the RBI and from higher tax collections as a result of increased disclosure under the Pradhan Mantra Garib Kalyan Yojana (PMGKY). Both of these are likely to be one-off in nature, and in both cases the magnitudes are uncertain.

A third factor will be the implementation of the GST. It appears that the GST will probably be implemented later in the fiscal year. The transition to the GST is so complicated from an administrative and technology perspective that revenue collection will take some time to reach full potential. Combined with the government's commitment to compensating the states for any shortfall in their own GST collections (relative to a baseline of 14 percent increase), the outlook must be cautious with respect to revenue collections. The fiscal gains from implementing the GST and demonetisation, while almost certain to occur, will probably take time to be fully realized. In addition, muted non-tax revenues and allowances granted under the 7th Pay Commission could add to pressures on the deficit.

### **The macroeconomic policy stance for 2017-18**

An economy recovering from demonetisation will need policy support. On the assumption that the equilibrium cash-GDP ratio will be lower than before November 8, the banking system will benefit from a higher level of deposits. Thus, market interest rates—deposits, lending, and yields on g-secs—should be lower in 2017-18 than 2016-17. This will provide a boost to the economy (provided, of course, liquidity is no longer a binding constraint). A corollary is that policy rates can be lower not necessarily to lead and nudge market rates but to validate them. Of course, any sharp uptick in oil prices and those of agricultural products, would limit the scope for monetary easing.

Fiscal policy is another potential source of policy support. This year the arguments may be slightly different from those of last year in two respects. Unlike last year, there is more cyclical weakness on account of demonetisation. Moreover, the government has acquired more credibility because of posting steady and consistent improvements in the fiscal situation for three consecutive years, the central government fiscal deficit declining from 4.5 percent of GDP in 2013-14 to 4.1 percent, 3.9



percent, and 3.5 percent in the following three years. But fiscal policy needs to balance the cyclical imperatives with medium term issues relating to prudence and credibility.

One key question will be the use of the fiscal windfall (comprising the unreturned cash and additional receipts under the PMGKY) which is still uncertain. Since the windfall to the public sector is both one off and a wealth gain not an income gain, it should be deployed to strengthening the government's balance sheet rather than being used for government consumption, especially in the form of programs that create permanent entitlements. In this light, the best use of the windfall would be to create a public sector asset reconstruction company so that the twin balance sheet problem can be addressed, facilitating credit and investment revival; or toward the compensation fund for the GST that would allow the rates to be lowered and simplified; or toward debt reduction. The windfall should not influence decisions about the conduct of fiscal policy going forward.

Perhaps the most important reforms to boost growth will be structural. In addition to those spelt out in Section 1—strategic disinvestment, tax reform, subsidy rationalization—it is imperative to address directly the twin balance sheet problem. The problem is large, persistent and difficult, will not correct itself even if growth picks up and interest rates decline, and current attempts have proved grossly inadequate. It may be time to consider something like a public sector asset reconstruction company.

Another area of reform relates to labour. Given the difficulty of reforming labor laws per se, the thrust could be to move towards affording greater choice to workers which would foster competition amongst service providers. Choices would relate to: whether they want to make their own contribution to the Employees' Provident Fund Organisation (EPFO); whether the employers' contribution should go to the EPFO or the National Pension Scheme; and whether to contribute to the Employee State Insurance (ESI) or an alternative medical insurance program. At the same time, there could be a gradual move to ensure that at least compliance with the central labour laws is made paperless, presence less, and cashless. One radical idea to consider is the provision of a universal basic income. But another more modest proposal worth embracing is procedural: a standstill on new government programs, a commitment to assess every new program only if it can be shown to demonstrably address the limitations of an existing one that is similar to the proposed one; and a commitment to evaluate and phase down existing programs that are not serving their purpose

## **MANUFACTURING SECTOR IN INDIA**

### **Introduction**

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy.

India's ranking among the world's 10 largest manufacturing countries has improved by three places to sixth position in 2015<sup>#</sup>. The Government of India has set an ambitious target of increasing the contribution of manufacturing output to 25 per cent of Gross Domestic Product (GDP) by 2025, from 16 per cent currently.

### **Market Size**

India's manufacturing sector has the potential to touch US\$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs by 2025. Business conditions in the Indian manufacturing sector continue to remain positive.

### **Investments**

In a major boost to the 'Make in India' initiative, the Make in India week which was held in Mumbai between February 13 and 18, 2016, received an overwhelming response from investors. The fair had closed with INR 15.2 trillion (US\$ 225.32 billion) in investment commitments.

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or



are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.

In September 2016, Foreign Direct Investment (FDI) in electronic manufacturing has reached an all-time high of Rs 123,000 crore (US\$ 18.36 billion) in 2016, from Rs 11,000 crore (US\$ 1.65 billion) in 2014; on the back of enabling policies of the government and its Make in India initiative.

India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- Huawei, the China-based smartphone manufacturer, has entered into an agreement with solutions provider Flextronics Technologies (India) Private Limited, to manufacture its smartphones in India. Flextronics would start by making 3 million smart phones at its facility in Chennai and is expected to generate additional 1,500 jobs.
- Tristone Flowtech Group, the Germany-based flow technology systems specialist, has set up a new facility in Pune, which will manufacture surge tank as well as engine cooling and aircharge hose for the Indian market. The company plans to start the production at the plant in the fourth quarter of 2017.
- Tata Power has partnered with US-based Javelin Joint Venture, which is a partnership between Raytheon Company and Lockheed Martin, for its Strategic Engineering Division (SED), in order to create a strategy to co-develop and produce the Javelin missile system and integrate platform mounts to meet Indian requirements.
- LeEco, a Chinese technology company, has entered into a partnership with Compal Technologies and invested US\$ 7 million to set up manufacturing facility at Greater Noida in order to start manufacturing Le2 smartphones in India.
- Zopo Mobile, a China-based smartphone manufacturer, plans to invest Rs 100 crore (US\$ 15 million) to set up a manufacturing plant in Noida by the end of 2016, which will have a monthly production capacity of 100,000 units.
- Honda Motorcycle & Scooter India plans to invest around Rs 600 crore (US\$ 88.94 million) to add a new line at its Narsapura facility at Karnataka, and launch at least 10-15 products during FY 2016-17 in the country.
- Force Motors, a utility and commercial vehicles manufacturer, inaugurated its Rs 100 crore (US\$ 14.82 million) manufacturing facility in Pune, which will supply engines and axles to the Germany-based automobile manufacturer Mercedes-Benz.
- Boeing Company, an American plane maker, and Tata Advanced Systems Ltd (TASL), a fully owned subsidiary of Tata Sons, have entered into a joint venture to set up a new facility in Hyderabad to manufacture Boeing AH-64 Apache helicopter fuselages.
- Panasonic Corporation plans to set up a new manufacturing plant for refrigerators in India with an investment of Rs 250 crore (US\$ 37 million), and also invest around Rs 20 crore (US\$ 3 million) on an assembly unit for lithium ion batteries at its existing facility in Jhajjar in the next 8-10 months.
- Vital Paper Products, one of the major supply chain players in the paper and paper products industry, plans to set up a packaging product unit in the Special Economic Zone (SEZ) of Sri City, Andhra Pradesh, at an investment of Rs 60 crore (US\$ 8.89 million), which will be operational from April 2017.
- Isuzu Motors, the Japan-based utility vehicle manufacturer, has inaugurated its greenfield manufacturing unit in Sri City, Andhra Pradesh, which was set up for Rs 3,000 crore (US\$ 444.72 million), with an annual production capacity of 50,000 units and is estimated to generate around 2,000-3,000 jobs.

- Airbus has procured more than US\$ 500 million worth of supplies from India in 2015, registering a growth of 15 per cent annually and has targeted a cumulative procurement of more than US\$ 2 billion over a period of five years up to 2020.
- Havells India Limited, one of the top Indian consumer electrical equipment producer, plans to set up a new manufacturing unit near Bengaluru by making an investment of Rs 1,059 crore (US\$ 156.99 million), which would be its twelfth plant in India and its first outside north India.
- Global beverage company Pepsi plans to invest Rs 500 crore (US\$ 74 million) to set up another unit in Maharashtra to make mango, pomegranate and orange-based citrus juices, while biotechnology giant Monsanto plans to set up a seed plant in Buldhana district of Maharashtra.
- Hindustan Coca-Cola Beverages plans to set up a bottling plant with an investment of Rs 750 crore (US\$ 111.2 million) in phases at the first industrial area being developed by Government of Madhya Pradesh under the public private partnership in Babai village of Hoshangabad, Bhopal.
- Canada's Magna International Incorporated has started production at two facilities in Gujarat's Sanand, which will supply auto parts to Ford Motor Co in India and will employ around 600 people at both units.

### **Government Initiatives**

In a bid to push the 'Make in India' initiative to the global level, Mr Narendra Modi, Prime Minister of India, pitched India as a manufacturing destination at the World International Fair in Germany's Hannover in 2015. Mr Modi showcased India as a business friendly destination to attract foreign businesses to invest and manufacture in the country.

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- The National Institution for Transforming India (NITI Aayog), after its recent push for Rs 6,000 crore (US\$ 889 million) textile sector package, aims to persuade the Government for similar support in the manufacturing sectors with large-scale employment generation opportunities, such as electrical and electronics engineering, footwear and light manufacturing segments, which also have export potential.
- The Ministry of Labour and Employment plans to relax compliance measures for MSMEs by exempting them from inspections related to key labour laws in order to encourage entrepreneurs to help promote manufacturing in India.
- The Government of India plans to give a big boost to local manufacturing by introducing the new 'Make in India green channel', which will reduce the time taken for cargo clearance at ports from about a week to a few hours without any upfront payment of duties.
- Gujarat government is planning to set up an electronics products manufacturing hub in the state, through its newly announced Electronics Policy 2016, which will generate about 500,000 jobs in the electronics sector in the next five years.
- The Ministry of Heavy industries and Public Enterprises, in partnership with industry associations, has announced creation of a start-up centre and a technology fund for the capital goods sector to provide technical, business and financial resources and services to start-ups in the field of manufacturing and services.
- The Government of India plans to implement a new Defence Procurement Policy (DPP) by April, 2016 under which priority will be given to the indigenously made defence products and 25 per cent share of defence production will be open to private firms.
- The Government plans to organise a 'Make in India week' in Mumbai between February 13-18, 2016 to boost the 'Make in India' initiative and expects 1,000 companies from 10 key sectors to participate in the exhibition of innovative products and processes, a hackathon and sessions on urban planning, among other events.

- NITI Aayog plans to release a blueprint for various technological interventions which need to be incorporated by the Indian manufacturing economy, with a view to have a sustainable edge over competing neighbours like Bangladesh and Vietnam over the long term.
- Ms Nirmala Sitharaman, Minister of State (Independent Charge) for Commerce and Industry, has launched the Technology Acquisition and Development Fund (TADF) under the National Manufacturing Policy (NMP) to facilitate acquisition of Clean, Green and Energy Efficient Technologies, by Micro, Small & Medium Enterprises (MSMEs).
- The Government of India has asked New Delhi's envoys in over 160 countries to focus on economic diplomacy to help government attract investment and transform the 'Make in India' campaign a success to boost growth during the annual heads of mission's conference. Prime Minister, Mr Modi has also utilised the opportunity to brief New Delhi's envoys about the Government's Foreign Policy priority and immediate focus on restoring confidence of foreign investors and augmenting foreign capital inflow to increase growth in manufacturing sector.
- The Government of Uttar Pradesh has secured investment deals valued at Rs 5,000 crore (US\$ 741.2 million) for setting up mobile manufacturing units in the state.
- Government of India has planned to invest US\$ 10 billion in two semiconductor plants in order to facilitate electronics manufacturing in the country.
- Entrepreneurs of small-scale businesses in India will soon be able to avail loans under Pradhan Mantri MUDRA Yojana (PMMY). The three products available under the PMMY include: Shishu - covering loans up to Rs 50,000 (US\$ 735), Kishor - covering loans between Rs 50,000 (US\$ 735) to Rs 0.5 million (US\$ 7,340), and Tarun - covering loans between Rs 0.5 million (US\$ 7,340) and Rs 1 million (US\$ 14,700).

### **Road Ahead**

The Government of India has an ambitious plan to locally manufacture as many as 181 products. The move could help infrastructure sectors such as power, oil and gas, and automobile manufacturing that require large capital expenditure and revive the Rs 1,85,000 crore (US\$ 27.42 billion) Indian capital goods business.

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

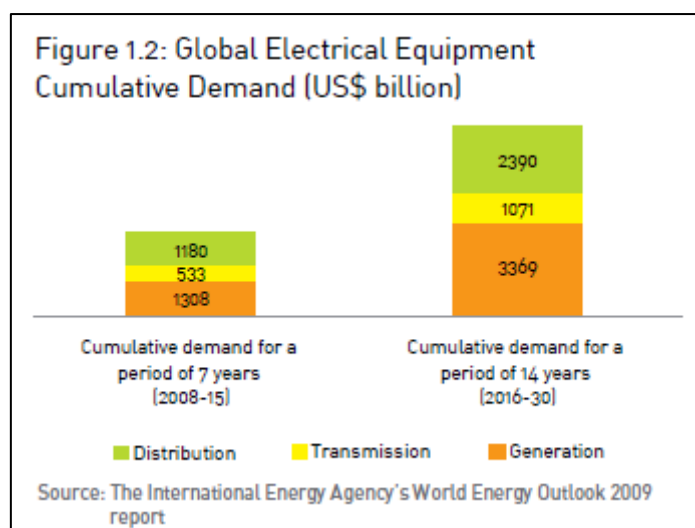
Exchange Rate Used: INR 1 = US\$ 0.0149 as on September 30, 2016

References: Media Reports, Press Releases, Press Information Bureau, McKinsey & Company

Notes: # - According to 'The Yearbook' a report by United Nations Industrial Development Organization (UNIDO)

(Source: *Manufacturing Sector in India* - India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

### **Global Electrical Equipment Industry**



The global EE industry consists of the following two segments:

- c) The global heavy electrical equipment market, including boilers, turbines, generators, wind turbines, solar power systems, etc.
- d) The global T&D equipment market, including electric power cables, transformers, electrical switchgear, transmission line towers, conductors, control equipment, meters, etc.

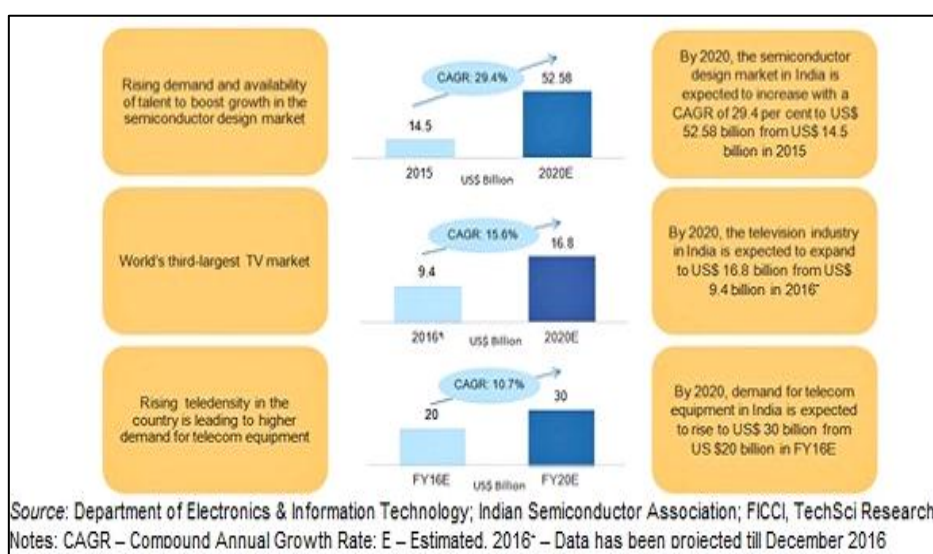
The global EE market is expected to increase from a cumulative size of more than US\$ 3 trillion (2008-15) to US\$ 6.8 trillion (2016-30). This translates into around 2% CAGR over the long term.

Asia-Pacific and Europe together account for more than 70% of the global market, with the Asia-Pacific region's share being 45%. This region is expected to see the strongest demand in future due to the region's strong expected economic growth rates.

In spite of less-than-impressive growth rates in recent years in the electrical equipment market, there is substantial scope for expansion in certain areas, such as the emerging markets in the Asia-Pacific and Africa region. Robust economic growth in emerging countries such as China and India, combined with rapid urbanization and strong growth in investment in these countries, is expected to boost the demand for electrical equipment in these countries in the future

(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022 [www. http://ieema.org](http://ieema.org))

## Electric and Electronic Market: Indian Overview



(Source :Indian Electronics Industry Analysis India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

The electronics market of India is one of the largest in the world and is anticipated to reach US\$ 400 billion in 2022 from US\$ 69.6 billion in 2012. The market is projected to grow at a compound annual growth rate (CAGR) of 24.4 per cent during 2012-2020.

Total production of electronics hardware goods in India is estimated to reach US\$ 104 billion by 2020. The communication and broadcasting equipment segment constituted 31 per cent, which is the highest share of total production of electronic goods in India in FY13, followed by consumer electronics at 23 per cent.

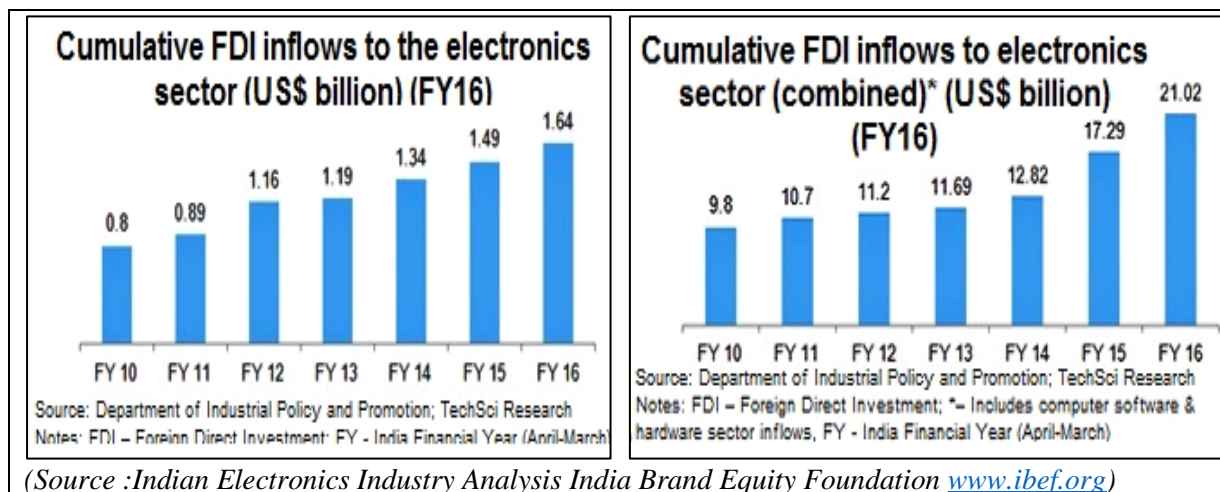
Electronic exports from India was expected to reach US\$ 8.3 billion in FY13, a CAGR of 27.9 per cent during FY07-12. Technological improvements and competitively cost effectiveness are main drivers for demand of Indian electronics products abroad.

The Government of India has set up Electronic Hardware Technology Parks (EHTPs), Special Economic Zones (SEZs) and brought about a favourable climate for foreign direct investment (FDI). It has also increased liberalisation and relaxed tariffs to promote growth in the sector. In addition, the government gave its green signal to the Modified Special Incentive Package Scheme (MSIPS) under which the central government will be offering up to US\$ 1.7 billion in benefits to the electronics sector in next five years.

The growing customer base and the increased penetration in consumer durables segment has provided enough scope for the growth of the Indian electronics sector. Also, digitisation of cable could lead to increased broadband penetration in the country and open up new avenues for companies in the electronics industry.

#### **Electronics exports have outpaced total production**

- Cumulative FDI inflows into the electronics sector, including computer hardware and software, increased at a CAGR of 13.56 per cent, with the value increasing from US\$ 9.8 billion in FY10 to US\$ 21.02 billion in FY16
- Demand growth, supply advantages, and policy support have been instrumental in attracting FDI



(Source :Indian Electronics Industry Analysis India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

(Source :Indian Electronics Industry Analysis India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

#### **Wires and Cable Industry : Analysis on Industry performance**

The wire & cable industry in India has transformed from being a small to a large industry over the last decade. Today, power sector is the biggest driver in the mainstay of cable demand, accounting for more than three quarters of the market. Innovation related to increasing efficiency, reliability and safety are driving the industry to a newer height. As per a recent survey by Net scribes, the wires and cable industry in India is poised to cross the Rs. 57,000 crore benchmark by 2018. The wires and cables industry in India comprise about a quarter of the total transmission and distribution segment.

The industry has graduated from being dominated by unorganised sector players to the branded and quality manufacturers with national reputation. The government's emphasis on the power sector reforms and infrastructure will further drive growth. The annual turnover of the wire & cable industry is around Rs. 33,000 crore, with a CAGR of 10% over the past 5 years. Over the last few years huge investments were anticipated by the power sector which resulted in expanded capacities. Now the industry is faced with over capacity as the perceived demand did not translate into actual. No doubt there have been phases when the industry has seen good demand from utilities and infrastructure. Talking of capacity utilisation across the industry, the figure would be around 55-60 %, with certain segments like house wiring on the lower side, primarily due to the slump in the housing industry. Wire & cable industry in India is largely volume driven, quality and technical parameters with reputed brands play a dynamic role in determining brands for various products. PVC, XLPE and PE constitute the majority of the total universe of materials used for wires and cables. XLPE is gaining large growths in volumes as all power expansion projects are using XLPE cables for EHV and MV applications. On the other hand, PVC has remained the mainstay of unorganised players both suppliers and customers, and as a consequence, around 50 % of the wire & cable available currently in the market continues to be sourced from unorganised sector players with lacklustre focus on technical and quality support.

Cable sector grew by 32 % with domestic production of power cable achieving a growth 24 per cent in FY15. Cable accessories industry witnessed a sharp resultant growth in sales and order booking on year on year basis in first quarter of FY 16. Going further from third quarter onwards, expected a momentary slowdown on account of delays in implementation of various industrial projects and conscientious buying by various discoms. Further anticipated that the present govt. will very soon take necessary steps to restructure discoms and lift up the financial condition of the entire power sector.

### Latest Trends & Innovations

The demand for wires and cables is on a rise as various specialised applications. The investment made by various private companies in the power sector has stimulated the industry growth further. The wire and cable industry in India is slowly moving towards global standards. The latest trend which can be seen is the rise in demand for FRLS PVC Compound. PVC is inherently flame retardant due to presence of chlorine. Hence it finds high acceptability in application where self extinguishing properties are required. As the safety regulations become more stringent, demand for FRLS compounds has increased. Another trend that can be widely seen is RoHS compliance. As more and more players are manufacturing products for global market, they require PVC compounds which can pass stringent environmental regulations. Apart from this, UL certification of grades is also a trend which can be seen throughout the industry. As more and more customers are manufacturing for serving global markets, UL certification goes a long way ensuring that the quality standards are met.

As the manufacturers are investing heavily on the R&D, innovative products, this has driven the market high with increasing needs of customers. Mr Sharma, on explaining the trend and innovation in the wire and cable segment, he says, "We have already seen some new designs coming in the market for example a 3core 66kv cable being purchased by many utilities." Cable industry is primarily price driven market and has reached a stage where it's time that innovation takes a lead now. Manufacturers are looking to invest into innovative products and position them differently. We can expect lot of differentiators coming in the form of advanced polymer insulation compositions addressing various needs of the customers and merging of data communication with power transmission to address smart connectivity. India's manufacturing sector could touch \$ 1 trillion by 2025, according to a report by McKinsey and Company. There is potential for the sector to account for 25-30 % of the country's GDP and create up to 90 million domestic jobs by 2025. There is demand for fiberoptic lines in tier 3, 4, 5 and 6 Indian cities, as tier 1 cities have been wired up and tier 2 were almost being completed. Also, with the initiative by the govt. like the smart city & digital India the demand for these wires looks positive. With the increased concern & awareness to fire safety, the Industry is witnessing an increasing trend of customer preference for cables offering better fire resistant and resilient properties. Requirement of fire survival cables, for critical and high passenger traffic areas is now a regular feature of enquiries from metro rails, airports etc. Even in the housing



sector, especially among the industry leaders, an increased awareness and insistence for quality products and manufacturers is a welcome change and bodes well for the wire and cable industry

### Developments in the Market

With lot of R&D, investment over the product and to meet the customers requirement companies like Anchor, Ravin Cables, Raychem RPG, Shriram Axiall, and Shilpi Cables have introduced latest innovative products and solutions for wires and cable. Ravin has been the exporter of power cables from India, and they export to almost 50 countries. They not just manufacture cables but they also install high voltage cables and systems. They also sell and install high end accessories for high voltage cables, and are complete power solutions corporate especially for high voltage and extra high voltage, solar and windmill cables and complete solar systems. Anchor newly launched range of advance EFR is tested and certified by ASTM and JIS standards. The company endeavours to develop RoHS compliant lead free wires. Focus remains on the underlying capabilities of the products or services that differentiate products from the competition in the market. Raychem RPG Pvt Ltd has recently launched new designs like Rayfit in cable accessories which reduce human errors substantially.

PVC is not very suitable for high heat applications, recent technological developments have made it possible for PVC to be designed for high performance applications. To showcase this technology Shriram Axiall supplies PVC compounds that can withstand temperatures ranging from (-) 40 degree to (+) 125 degree and find applications in automobiles where high performance under high temperature is required. Shriram Axiall has also developed UV resistant grades which are suitable for outdoor applications.

These grades find usage in electrical applications like modular switch plates and master batches for wires which are exposed to outdoors conditions. These UV stabilised grades ensure no deterioration of mechanical properties and colour fastness due to prolonged exposure to sunlight. Today, in India there is demand for fibreoptic lines in tier 3, 4, 5 and 6 Indian cities, as tier 1 cities have been wired up and tier 2 were almost being completed. Also, with the initiative by the govt. like the smart city & digital India the demand for these wires looks positive.

### Competitive Landscape

Indian consumers have become very price sensitive due to pressure from Indian competitors as well as from global competitors. But still respectable margins can be generated by creating differentiation for the customers in terms of product quality, reducing demand supply variation by supplying in just in time, innovating the packaging, reducing inventory levels and scrap generation. Around 35 % of wires & cables available currently in the market continue to be sourced from unorganised sector players with lacklustre focus on quality and technical support. Thus, they supply substandard products at low prices and follow unethical practices. This kind of parallel market is a concern for India. In certain segments, small local producers may be encouraged by legitimate tactics like price preferences, but in most segments there is violation of even basic standards which in turn increase chances of fire hazards due to the poor quality of wires and cables. Small manufacturers bypass standard regulations followed by medium sized and large scale manufacturers. In India, where perceptions of quality are important, unscrupulous small producers may try to sell counterfeit cables, usurping the brandnames of the more reputable Indian cable makers

For unprecedented growth of the industry, it is inevitable to develop an uncompromising attitude with regard to quality. On this note, it can be said that manufacturers & contractors should be made to adhere to stringent BIS guidelines to ensure quality adherence and facilitate wires and cables industry to see a significant rise in efficiency. Wire & cable industry would have to leverage its growth on the basis of infrastructure growth. At the same time, there is a need to upgrade manufacturing techniques and technologies and make it an extremely attractive and viable proposition for the customers to buy locally. Global competitiveness cannot come through any manufacturing policies of the govt. but can only come through a partnership approach where the government and industry work hand in hand for a better tomorrow. Bigger population of Indian wire and cable manufacturers (small and medium scale) fall under generic and commoditised product category. This predominantly drives wire and

cable manufacturers towards selfcompounding or buying from low cost manufacturers. As long as the market requirement is generic and commoditised, preference is to selfcompound since there is no technology barrier. The reversal of situation is foreseen as soon as new regulations, compliances and advanced quality requirements come in. This would take the market to the levels of quality awareness with regard to enhanced performance.

Many manufacturers have plans to upgrade themselves to higher voltages. Overall market offers a fantastic landscape for growth and sustainability. Today customers have amazing choices in both organised and unorganised sector. But at the same time dearth of technological advancement has led to a price war. Customer has to upgrade to higher quality levels and so will the manufacturer and the first mover will always win contributing to a healthy growth in the entire sector.

*(Source: Wires & Cables : An Analysis on India's Industry Performance :Electrical Mirror An Outlook of the Electrical & Power Industry <http://www.electricalmirror.net>)*



## OUR BUSINESS

*The information in this section is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company” and “Financial Statements” beginning on page 17, 195 and 154 respectively.*

### OVERVIEW

Our Company was incorporated by conversion of partnership firm M/s. Jigar Industries on February 7, 2017. We are engaged in manufacturing of wires and cables wires in India. Our promoters are in business of wires and cable wire since 1997.

The registered office and manufacturing plant of our Company is situated at Gondal, Rajkot, Gujarat. We manufacture Power and Control Cables, House Wires/ Building Wires, Flat Cables for Submersible pumps and Aerial Bunched cables under the brand name “SIGMA”.

We strive to achieve quality by maintaining consistency in our products. Our Company procures major raw material i.e. Copper and Aluminium Coil from Ultracab (India) Limited. Our Group Company Other raw materials like PVC and XLPE are procured domestically.

Our manufacturing facilities are equipped with in-house testing laboratory to ensure that the finished products match the quality standards and certifications as specified. Before commencement of the manufacturing process, the raw materials procured by also undergoes a quality check conducted by our in house testing laboratory to ensure that the same matches the quality standards required in our finished products. Testing of products takes place during different levels of our manufacturing process to ensure that any errors or quality defects in the products can be rectified on a real time basis and the final output is again checked by our testing laboratory before it is finally packed and dispatched.

We are an ISO 9001:2015 complied Company and follow strict quality standards during manufacturing process. Once the product is ready, it is checked for safety and quality assurance. Our facilities involve technology, tools, machines which spin out the quality standard of cables.

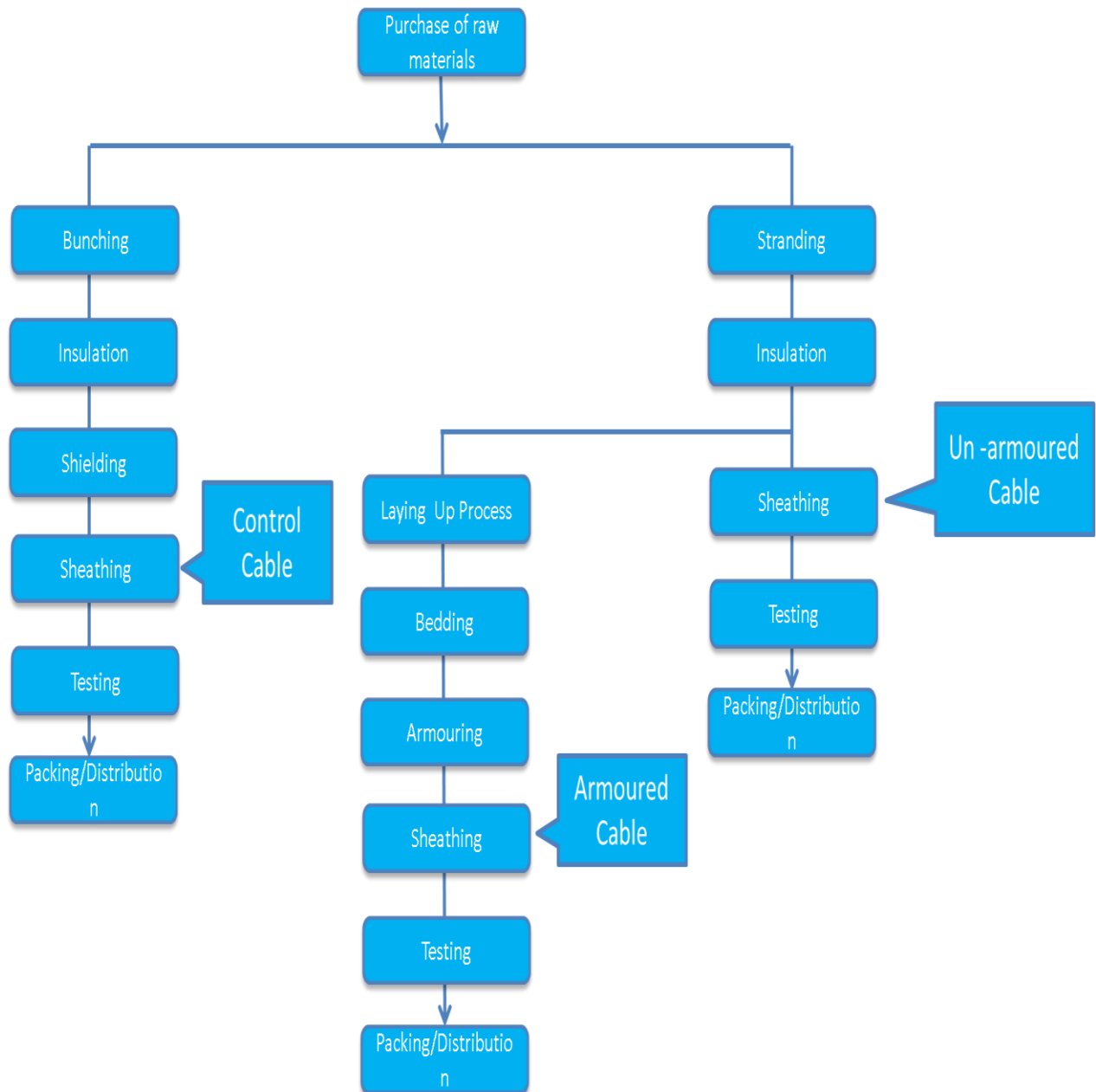
We believe in making strong bond with our customers for continuing long – lasting relationship with them. We also offer customized solution to our clients at competitive prices.

We have recently incorporated a new Company under the name of Jigar Polymers Limited, for manufacturing of PVC and XLPE. Thus we strive to achieve operational efficiency by backward integration. Post commencement of business of Jigar Polymers Limited, all major raw materials required in manufacturing of our products would be in house which would allow us to provide utmost quality and consistency to our customers.

### OUR MANUFACTURING FACILITY AND BUSINESS PROCESS

We have successfully met the needs of our diverse client base by implementing technology and machineries in our set up. We emphasize to offer the quality products from the available resources at hand. Our Manufacturing Facility is spreaded over 3,000 square meters.

## Manufacturing process



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

**Procurement of Raw Material:** Copper and Aluminum coil are procured from our Group Company Ultracab (India) Limited. The raw material is purchased on need to go basis. PVC Compound and Resin is procured from domestic suppliers.

**Stranding:** Smaller individual wires are twisted or braided together to produce larger wires that are more flexible than solid wires of similar size. Conductors are composed of multiple metal strands bunched together. It provides flexibility and solidity to the conductor. Stranding forms an important part of our manufacturing process.

**Insulation:** In this process, placing an insulating cover over the conductor to prevent current leakages is done. The quality of an insulation material depends on its insulation capacity and heat resistance. Voltage test is used to ensure that there are no faults in insulation.

**Sheathing:** Outer sheath is the outer polymer covering that protects the conductors and their insulation from external elements which may change their electrical properties and also from mechanical aggressions.

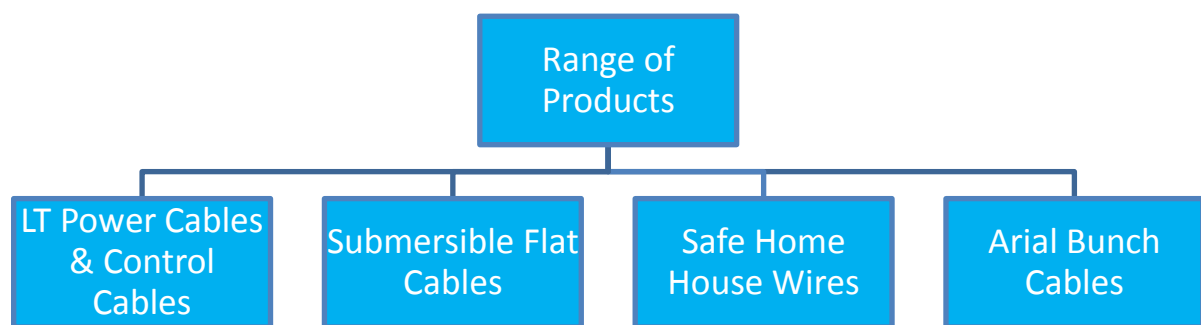
**Armoring:** Galvanized steel wires and flat steel strips are used for protection of internal cores. This process is required for under ground application of electrical power and control cables.

**Testing:** In order to guarantee quality required by customers, the cables undergo extensive quality control checks in laboratories, therefore ensuring that all cables are free from defects and ready to be sold.

## OUR SPECTRUM OF PRODUCTS

With years of experience, Jigar Cables Limited possesses the expertise needed to offer a range of products to cater the need of not just domestic and government undertakings. Our cables are made using quality raw materials to ensure a durability and quality. We are committed in our endeavor and have the efficiency to meet bulk orders or to effectively deal with an unforeseen eventuality.

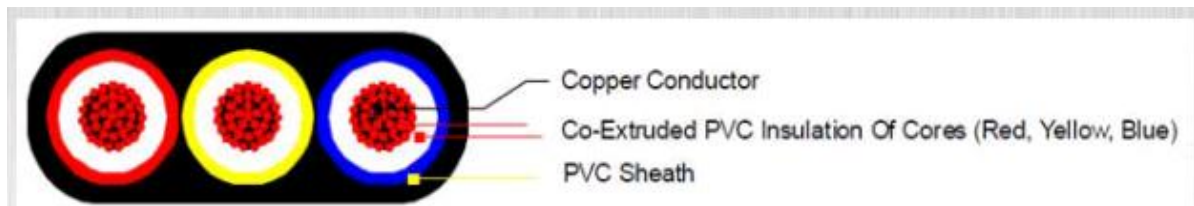
Classes of product manufactured at our Company:



Our range of cables are manufactured in assorted sizes and specifications for catering to the special needs of our clients. Each cable is quality tested for ensuring longer service life, high resistivity and desired performance.

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

## SUBMERSIBLE FLAT CABLE



The conductors are drawn from bright electrolytic grade copper annealed and bunched together. Bunched conductors are insulated with specially formulated PVC compound having high insulation resistance values. Cores are in parallel position and sheathed with a special grade of PVC compound which has high resistivity water grease, oil etc

### Application

Ideal for irrigation pumps, drinking water supply pump, offshore drilling rigs, fire fighting equipment sewage treatment plants, seawater / river water / handling equipment.



## LT POWER AND CONTROL CABLES

LT Power and Control Cables offered by us ensure safety and insulation. Manufactured from desired raw materials, Power Control Cables are utilized for overhead and underground transmission.

### Application

Some of the industries in which LT PVC Cables are used are power plants, projects and other electrical systems.



## ARIAL BUNCHED CABLES



Aerial Bunched Cable is used for over head power distribution. Conventional bare conductor over head distribution system provides higher safety and reliability, lower power losses and ultimate system economy by reducing installation, maintenance and operative cost.

This system is ideal for rural distribution and especially attractive for installation in difficult terrains such as hilly areas, forest areas, coastal areas etc. These cables are considered for power distribution congested urban areas with narrow lanes and by-lanes.

In developing urban complex, these cables are opted because of

flexibility for rerouting as demanded by changes in urban development plan.

### Application

Used for Power distribution in congested urban areas with narrow lanes and by-lanes.

## SAFE HOME HOUSE WIRES

We offer an array of products that are safe and are flame and rodent retardant. Thus, our products like building cables and house wires are immune to fires, short circuits or electric shocks. Our cables and wires are used for lighting purpose both in: Commercial & Residential buildings



## FLEXIBLE CABLES

As per the varied requirements of clients, we are engaged in offering a wide assortment of Flexible Copper Cable.

Cables are manufactured using the copper and desired techniques with the help of our skilled professionals.

Our offered cable is used for conducting power in a wide range of applications like panels, motors, pumps etc.

Apart from this, the provided Flexible Copper Cable can be bought from us in several standard specifications at market leading prices.



## RAW MATERIALS

Cables are raw material intensive products and the basic raw materials for manufacturing cables are copper, aluminum, PVC granule, XLPE etc. We believe that we have desired quality control checks before any consignment is accepted into the factory. Some of our major raw material suppliers are included below:

Raw Material	Regular Suppliers	As per cent of total
Copper	1	100.00
Aluminum	1	100.00
PVC Compound	2	100.00
XLPE	2	100.00

## OUR STRENGTHS

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

### *Leveraging the experience of our Promoters*

Our promoters have experience of more than two decades in wire and cable industry. Our promoters initially formed a partnership firm under the name of Jigar Industries in the year 1997 and since then, they are in same business segment. Their expertise lies in business development, business strategy, product marketing, business planning, key account management, team management, sales management, entrepreneurship, strategic planning, channel expertise and competitive analysis.

### *Customer Satisfaction*

We believe in making strong bond with our customers for continuing long lasting relationship with them. We endeavour to deliver electrical products before committed time frame. We offer customized business solution at competitive prices.

### *Customized Product Development*

Our customers prefer to have tailor-made product as per their particular requirement. Our manufacturing team focuses on the precise desires of customers and with the help of individual support, customized products are developed.

## COLLABORATIONS

We have not entered into any technical or other collaboration agreement

## EXPORT AND IMPORT OBLIGATION

Our Company does not have any export or import obligation as on the date of filing this Draft Prospectus.

## UTILITIES & INFRASTRUCTURE FACILITIES

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

### **Power**

Our Company meets its Power requirements by purchasing electricity from Paschim Gujarat Vij Company Limited.

### **Water**

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

## HUMAN RESOURCE

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

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

## BUSINESS STRATEGY

Our Company targets to satisfy the changing and evolving cable and wire industry. Our vision is to strive for growth in existing and new markets by providing cost-effective and quality solutions for electrical connectivity requirements for various businesses as well as domestic users by offering high quality customized cables at competitive price with best service and unfailing commitment.

### ***Brand image***

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

### ***Government Department***

We have recently procured tender from Paschim Gujarat Vij Company Limited to supply wires and cables for their projects. We desire to apply for such tenders in upcoming years to procure government tenders for their projects.

### ***Improving functional efficiency***

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

### ***Leveraging our Market skills and Relationship***

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

### ***Enhancing existing production and product quality***

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

## **CAPACITY UTILISATION**

It is difficult to calculate the exact capacity utilisation as same machineries are used to manufacture various types of products. However we have installed capacity of 6,25,000 Mtrs per year

## **COMPETITION**

We operate in Cable and wire manufacturing industry, which faces competition from domestic as well as international players. Competition emerges from the organized and unorganized sector but also from small and big players. Our competitiveness depends on several factors which includes quality, price and customer services. Further, there are no entry barriers in this industry and any expansion in capacity of the existing traders would further intensify competition. To counter further competition, we are proposing expansion of our business activity so as to achieve diverse product portfolio, economies of scale and cost competitiveness. We intend to continue competing to capture more market share and manage our growth in an optimal way.

## **END USERS**

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

- Industrial;
- Domestic and
- Agricultural

### **a) Industrial Users**

The demand for cable and wires is mostly from sectors like Power, Transmission & distribution, Communication, Cement, Steel and Petro-chemical which constitutes what is termed as industrial users of the product. Both organized and unorganized segments address to such demands but the organized sector takes the lead. The two most important types of industrial customers for cable industry are:

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

### **b) Domestic Users**



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

c) Agriculture

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

## MARKETING

Marketing is an important function of our Company. We sell our products in domestic market. Our marketing team directly approaches the large end users. As we deal directly with our customers and respond quickly to their requirements, we are able to build long term relationships with them. We already have established a client network from various industries like industrial, household, etc.

In addition to the above, our website provides details of the range of products manufactured by us, infrastructure & QC facilities available, which enables the prospective customers to know the company strengths & expertises. This facilitates customer decision making for placing orders without much inconvenience. Also, we regularly participate in trade exhibitions and seminars for marketing our products.

## INTELLECTUAL PROPERTY

Our logo is  registered with the Trademark Authorities.

## INSURANCE

We have taken insurance to cover different risks which we believe is sufficient to cover all material risks to our operations and revenue. We maintain a comprehensive set of insurance policies, which are renewable every year. These policies include standard fire and special perils and add-ons For further details in relation to risks associated with insurance policies of the Company, please refer to “Risk Factors” section on page 17 of this Draft Prospectus.

## PROPERTY

Our Registered Office and Manufacturing Facility is situated at Plot No.164/14 & 15 Jamwadi G.I.D.C Gondal Rajkot Gujarat – 360311, India which is taken on lease from GIDC for a period of 99 years from April 29, 1993. We have rented a godown admeasuring about 650 Sq Mts. in our factory to Jigar Polymers Limited



## **KEY INDUSTRY REGULATIONS AND POLICIES**

*Except as otherwise specified in this Draft Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of manufacturing of cables and wires for industrial and domestic use industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.*

### **APPROVALS**

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 215 of this Draft Prospectus.

### **APPLICABLE LAWS AND REGULATIONS**

#### **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

##### **The Micro, Small and Medium Enterprises Development Act, 2006**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise”, where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

##### **Electricity Act, 2003**

The Electricity Act repealed all the earlier enactments pertaining to the power sector, and provides for the requirement of licenses or permission for the activity of generation of power. It is a central unified legislation relating to generation, transmission, distribution, trading and use of electricity. The Electricity Act mandates that all regulatory commissions should procure certain percentage of power generation from renewable energy sources by all distribution companies. The Electricity Act, inter alia, provides for regulatory interventions for promotion of renewable energy (RE) sources through a) determination of tariff; b) specifying renewable purchase obligation (RPO); c) facilitating grid

connectivity and; d) promotion and development of market.

### **Industrial Policy of Relevant State**

#### **The Gujarat Industrial Policy 2015**

Gujarat has witnessed strong growth in Micro, Small & Medium Enterprises (MSMEs) sector which covers the medium sector of Gujarat. MSME sector has a special importance as this is the sector which belongs to common man. Gujarat Government wishes to strengthen the sector by making it more technology-driven. This type of support will come by way of interest subsidy for manufacturing and service sector, venture capital assistance, quality certification, technology acquisition fund, patent assistance for national and international, energy and water conservation audit, market development assistance and support, MSMEs for credit rating, raising capital through MSE exchange, reimbursement of CGTSME scheme for collateral free loan, state awards under MSMEs and skill development etc. Support would also be extended for development of ancillary and auxiliary enterprises for labour intensive industries.

The Government of Gujarat will constitute separate awards for MSMEs. The awards will be for achieving excellence through growth and production profit, quality improvement measures, Environment improvement measures and Innovation and new product/process/technology development. The policy encourages adoption of new and innovative technologies by providing financial support will be provided to each cluster for every innovative technology, setting up R&D Institutions, setting new laboratories, financial support through partial reimbursement of cost for filing domestic patents and international patents.

Gujarat government shall be taking market development initiatives with the intention of giving enhanced visibility to local produce from large industries and specifically from MSMEs. Government of Gujarat stresses on “Zero Defect” to produce globally-competitive, locally manufactured goods. One of the expansive marketing practices around the globe is participation in international and domestic trade fairs to show one’s products or wares. Government of Gujarat will make market credit available to MSMEs.

Quality improvement is strongly envisaged in the new industrial policy. The assistance will be granted by national (approved by quality council of India) and international certification. The policy also intends to encourage use of enterprise resources planning system (ERP) for MSMEs. Government of Gujarat also provides assistance for raising capital through SME exchange on one time basis.

### **Anti-Trust Laws**

#### **Competition Act, 2002**

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

### **GENERAL CORPORATE COMPLIANCE**

### **The Companies Act 1956 and The Companies Act, 2013**

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **EMPLOYMENT AND LABOUR LAWS**

#### **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”) has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

#### **Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (“the EPF Act”) and the Employees Provident Fund Scheme, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees’ provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

### **Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### **The Employees Pension Scheme, 1995**

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

### **Employees' State Insurance Act, 1948 (the "ESI Act")**

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

### **Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year covered to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

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

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

### **Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 (“MWA”) came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

### **Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

### **Equal Remuneration Act, 1979**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

### **Child Labour Prohibition and Regulation Act, 1986**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

### **Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved

woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

#### **Inter-State Migrant Workmen (Regulation of Employment And Conditions of Service) Act, 1979**

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the state Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor is to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

#### **Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957**

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

### **TAX RELATED LEGISLATIONS**

#### **Value Added Tax ("VAT")**

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons Liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

#### **Gujarat Value Added Tax, 2003 (GVAT Act)**

The Act is made effective in the state of Gujarat from 1st April, 2006. On its implementation following Acts are repealed.

- The Gujarat Sales Tax Act, 1969,

- The Bombay Sales of Motor Spirit Taxation Act, 1958,
- The Purchase Tax on Sugarcane Act, 1989.

However provisions relating to pending assessment, appeals, recovery etc., under the above Acts will survive. The basic requirement of charging tax under GVAT Act is that where any sale in the course of business is affected, in the State of Gujarat, VAT is payable under GVAT Act. Transactions made in the course of business only are covered under the GVAT Act.

**The Gujarat (Panchayats, Municipalities, Municipal Corporations and State) Tax on Professions, Traders, Callings and Employments Act, 1976**

Professional tax in Gujarat is governed by the Gujarat Panchayats, Municipalities, Municipal Corporation and State Tax on Professions, Traders, Callings and Employment Act, 1976 and rules of 1976. All registered partnership firms, all factory owners, all shops or establishment owners (if the shop has employed on an average five employees per day during the year), all businesses covered under the definition of 'dealer' defined in the Gujarat Value Added Tax Act, 2003 whose annual turnover is more than Rs. 2.50 lakhs, all transport permit holders, money lenders, petrol pump owners, all limited companies, all banks, all district or state level co-operative societies, estate agents, brokers, building contractors, video parlors, video libraries, members of associations registered under Forward Contract Act, members of stock exchange, other professionals, like legal consultants, solicitors, doctors, insurance agents, etc are covered under this Act. It is duty of the employers to deduct tax from the person earning any salary/wage in the organisation. For the purpose of this act, employer means in relation to an employee earning any salary or wages on regular basis under him, means the person or the officer who is responsible for disbursement of such salary or wages, and includes the head of the office or any establishment as well as the manager or agent of the employer.

Monthly Salary Amount payable in Gujarat

Less than Rs. 5999	Nil
Rs. 6000 to Rs. 8999	Rs. 80 per month
Rs. 9000 to Rs. 11999	Rs. 150 per month
Rs. 12000 & above	Rs. 200 per month

**Service Tax**

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5<sup>th</sup> / 6<sup>th</sup> of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25<sup>th</sup> of the month immediately following the half year to which the return relates.

**Central Sales Tax Act, 1956 ("CST")**

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for Levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

### **The Central Excise Act, 1944**

The Central Excise Act, 1944 (“Central Excise Act”) consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

## **OTHER LAWS**

### **The Factories Act, 1948**

The Factories Act, 1948 (“Factories Act”) aims at regulating labour employed in factories. A “factory” is defined as “any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...”. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the “occupier”, being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.



### **Shops and establishments laws in various states**

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

## **ENVIRONMENTAL LEGISLATIONS**

### **The Environment Protection Act, 1986 (“Environment Protection Act”)**

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

### **Air (Prevention and Control of Pollution) Act, 1981**

Air (Prevention and Control of Pollution) Act 1981 (“the Act”) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

### **Water (Prevention and Control of Pollution) Act, 1974**

The Water (Prevention and Control of Pollution) Act 1974 (“the Act”) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

### **Hazardous Waste (Management and Handling) Rules, 1989**

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

### **The Public Liability Insurance Act, 1991**

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

### **National Environmental Policy, 2006**

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

## **INTELLECTUAL PROPERTY LEGISLATIONS**

In general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- The Copyright Act, 1957
- The Trade Marks Act, 1999

### **The Patents Act, 1970**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

### **The Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

### **Trade Marks Act, 1999**

The Trade Marks Act, 1999 (the “**Trade Marks Act**”) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

### **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

### **OTHER LAWS:**

#### **Foreign Trade (Development and Regulation) Act, 1992**

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

#### **Foreign Exchange Management Act, 1999**

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999(“FEMA”) and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the

Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

### **FEMA Regulations**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

### **THE FOREIGN DIRECT INVESTMENT**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), has issued consolidated FDI Policy Circular of 2016 ("**FDI Policy 2016**"), which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. Further, DIPP has issued Press note 5, dated June 24, 2016 which introduces few changes in FDI Policy 2016. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2016 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India ("**RBI**") also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### CORPORATE PROFILE AND BRIEF HISTORY

Our Company was originally formed as a partnership firm under the Partnership Act in the name of “Jigar Industries” pursuant to a deed of partnership dated August 01, 1997. The name of the partnership firm was changed to “Jigar Cables” pursuant to supplementary agreement modifying the partnership deed dated January 01, 2017. Jigar Cables was thereafter converted from a partnership firm to a public limited company Under Part I, Schedule XXI of the Companies Act, 2013 with the name of “Jigar Cables Limited” and received a fresh certificate of incorporation from the Registrar of Companies, Central Registration Centre Manesar, Gujarat on February 07, 2017 and Corporate Identification Number U28999GJ2017PLC095651. The partners of M/s Jigar Cables were initial subscribers to Memorandum of Association of our Company.

Parshottambhai Laljibhai Vaghasiya, Vijay Gopalbhai Shingala, Anilbhai Bavchandbhai Vaghasiya, Bharatbhai Naranbhai Vaghasiya, Bhumiaben Ramnikbhai Vaghasiya, Gopalbhai Hardasbhai Shingala HUF, Harsukhbhai Ambabhai Vaghasiya, Jayaben Parshottambhai Vaghasiya, Jayeshkumar Bhikhubhai Patel, Kanchanben Vasandbhai Shingala, Kiranben Vipulbhai Harkhani, Madhubhai Jivarajbhai Thummar, Nitaben Pravinbhai Shingala, Niteshbhai Parshottambhai Vaghasiya HUF, Arvindbhai Parshottambhai Vaghasiya, Pravinbhai Hardashbhai Shingala, Ramaben Gopalbhai Shingala, Ramnikbhai Parshottambhai Vaghasiya, Sangeetaben Niteshbhai Vaghasiya, Vaishali Vijaybhai Shingala, Vasantbhai H. Shingala HUF, Pravinkumar Harshadbhai Shingala HUF, partners of M/s Jigar Cables, were the initial subscribers to the Memorandum of Association of our Company.

Parshottambhai Vaghasiya and Vijaybhai Shingala are the Promoters of the Company and were the partners of the erstwhile partnership firm

For information on our Company’s profile, activities, products, market, growth, managerial competence, standing with reference to prominent competitors, major suppliers and customers, see the sections “Our Management”, “Our Business” and “Our Industry” beginning on pages 131, 108 and 93 respectively

### CHANGES IN OUR REGISTERED OFFICE:

Since Incorporation, our Registered Office was situated at Plot No.164/14 & 15 Jamwadi, G.I.D.C Gondal, Rajkot-360311, Gujarat, India.

### MAIN OBJECTS OF OUR COMPANY

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

*To carry on business of manufacture, dealer, importer, exporter, commission agent, producer, processors of House wires, Submersible flat Cables, Industrial Flexible Cables, Control Cables, Power Cables, Submersible Motor Winding wires, special purpose cables for electronic Industries, Magnet Wires, PVC Winding Wires, Fire Insulated Wires and stripes, Communication cables, Insulted wires and cables Radio Frequency Products, Steel and Aluminium Wires, Sub-marine special cables, elevators cables, Solar Cables, Air Craft Wires, Dredger Cables, Carrier cables, Switch board cables, Signalling cables, motor care wires, gas filled cables, oil filled cables, Jelly filled telephone Cables, Branded Cables, CCTV cables, LAN Cables, Bare Copper, Tinned copper, PVC/XLPE/PE Granules or Compound, PVC Resin and chemicals, and other wire of all kinds of component, by product in respect of thereof*

### AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION

Since incorporation, the following amendments have been made to the MoA of our Company:

Date of AGM / EGM	Changes
February 20, 2017	Increase of Authorised Capital from Rs. 4,10,00,000 consisting of 41,00,000 Equity Shares of Rs.10/- each to Rs. 8,00,00,000 consisting of 8,00,00,000 Equity Shares of Rs.10/- each

## KEY EVENTS AND MILESTONES

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

Year	Events
2017	Conversion of partnership firm into Company
2017	Indian Standards 694-2010 from Bureau of Indian Standard

## OUR HOLDING COMPANY

Our Company does not have any holding company as on the date of filing of this Draft Prospectus.

## OUR SUBSIDIARY COMPANY

Our Company does not have any Subsidiary company as on the date of filing of this Draft Prospectus Except given as under

### JIGAR POLYMERS LIMITED

#### Corporate Information

Jigar Polymers Limited is a Company incorporated as a Public Limited Company on March 10, 2017 having its CIN U25205GJ2017PLC096206

#### Registered office:

The Registered Office of Jigar Polymers Limited is situated Plot No.164/14 & 15, Jamwadi G.I.D.C, Gondal Rajkot Rajkot Gujarat 360311 India

#### Current Nature of Business:

To carry on business of manufacture, dealer, importer, exporter, agent, producer, processors of pvc compound, re-processed pvc compound, pvc resin and all types of polymers, resin of all types of polymers, chlorinated paraffin, polymer compounding chemicals, DOP, DBP, plasticizers, stabilizers, fillers and any other kinds of polymers, its components, by products arising out of main products.

## CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details in relation to our capital raising activities through equity and debt, please refer to the chapters titled “Financial Statements as Restated” and “Capital Structure” beginning on page 154 and 63, respectively, of this Draft Prospectus.

## REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation of company

## CHANGES IN THE ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

Since incorporation of company there has been no change in the activities being carried out by our Company.

## INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order

## MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Our Company has not merged/ amalgamated itself nor has acquired any business/undertaking, since incorporation.

#### **SHAREHOLDERS' AGREEMENTS**

Our Company has not entered into any shareholders' agreement as on date of filing of this Draft Prospectus.

#### **OTHER AGREEMENTS**

Our Company has not entered into any agreements / arrangements except under normal course of business of the Company, as on date of filing of this Draft Prospectus.

#### **STRIKES AND LOCK-OUTS**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock- outs. As on the date of this Draft Prospectus, our employees are not unionized.

#### **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

#### **STRATEGIC PARTNERS**

Our Company does not have any strategic partner(s) as on the date of this Draft Prospectus.

#### **FINANCIAL PARTNERS**

As on the date of this Draft Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS**

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Draft Prospectus.

#### **NUMBER OF SHAREHOLDERS**

Our Company has 48 shareholders as on date of this Draft Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

The composition of our Board is governed by the provisions of the Companies Act, and our Articles of Association. Our Company currently has 6 directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Prospectus: The following table sets forth details regarding our Board:

Sr No.	Name, Father's/Husband's Name, Age, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Re-appointment/ Latest change in Designation	Other Directorship
a	<b>Name:</b> Vijay Shingala <b>Father's Name:</b> Gopalbhai Shingala <b>Age:</b> 32 years <b>Designation:</b> Chairman and Managing Director <b>Address:</b> Devla, Amarnagar, Gondal, Rajkot 364485 Gujarat India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Five Years subject to liable to retire by rotation <b>DIN:</b> 07662235	March 15,2017	<b>Public Limited Company:</b> Jigar Polymers Limited  <b>Private Limited Company:</b> Nil
b	<b>Name:</b> Parshottambhai Vaghasiya <b>Father's Name:</b> Laljibhai Vaghasiya <b>Age:</b> 69 Years <b>Designation:</b> Whole Time Director <b>Address:</b> 83, Bus Stand Street No.3 Devla,Plot Area, Gondal Rajkot 365485 Gujarat India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Five Years subject to liable to retire by rotation <b>DIN:</b> 07662195	March 15,2017	<b>Public Limited Company:</b> Jigar Polymers Limited  <b>Private Limited Company:</b> Nil
c	<b>Name:</b> Vaishali Shingala <b>Husband's Name:</b> Vijay Shingala <b>Age:</b> 30 years <b>Designation:</b> Executive Director <b>Address:</b> Devla, Amarnagar, Gondal, Rajkot 364485 Gujarat India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Rotational Director <b>DIN:</b> 07662204	February 07, 2017	<b>Public Limited Company:</b> Jigar Polymers Limited  <b>Private Limited Company:</b> Nil
d	<b>Name:</b> Bipinkumar Vora <b>Father's Name:</b> Bhagvanjibhai Vora <b>Age:</b> 64 years <b>Designation:</b> Independent Director <b>Address:</b> Amrut, Sarda School Road, Narayan Nagar Main Road, Gondal Rajkot 360311 Gujarat India	March 31, 2017	<b>Public Limited Company:</b> Nil  <b>Private Limited Company:</b> Nil



Sr No.	Name, Father's/Husband's Name, Age, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Re-appointment/ Latest change in Designation	Other Directorship
	<b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> 5 years <b>DIN:</b> 07756787		
e	<b>Name:</b> Dhirajbhai Sakhiya <b>Husband Name:</b> Bhawanbhai Sakhiya <b>Age:</b> 63 years <b>Designation:</b> Independent Director <b>Address:</b> Block No 32, Gandhinagar Society, Ratanar, Joravarnagar Sayla, Surendranagar, Gujarat 363020, India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> 5 years <b>DIN:</b> 07756790	March 31, 2017	<b>Public Limited Company:</b> Nil  <b>Private Limited Company:</b> Nil
f	<b>Name:</b> Parshotam Sakhia <b>Husband Name:</b> Mithabhai Sakhia <b>Age:</b> 54 years <b>Designation:</b> Independent Director <b>Address:</b> 2 Tulsi Park, Near Patel Pendawala, Nana Mava Main Road, Rajkot, Gujarat 360005, India <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> 5 years <b>DIN:</b> 07780714	March 31, 2017	<b>Public Limited Company:</b> Nil  <b>Private Limited Company:</b> Nil

#### BRIEF BIOGRAPHIES OF OUR DIRECTORS

**i. Parshottambhai Vaghasiya, Promoter and Whole Time Director**

Parshottam Vaghasiya, aged 69 years is the Promoter, Chairman and Whole time Director of our Company. He has been Director of our Company since incorporation. He has an experience of about more than 20 years in Wires and Cable Industry. At present he looks after the overall management of the Company.

**ii. Vijay Shingala, Promoter and Managing Director**

Vijay Shingala, aged 32 years is the promoter and managing director of our company. He has been director of our company since incorporation.. He has completed bachelors of engineering (chemical) from Saurashtra University. At present he looks after the marketing and finance department of the company.

**iii. Vaishali Shingala, Executive director**

Vaishali Shingala, aged 30, is appointed as Executive Director of our Company since February 07, 2017. She has completed bachelors of home science from Saurashtra University. and she is also one of the subscribers of MOA of our Company.

**iv. Dhirajbhai Sakhiya, Independent Director**

Dhirajbhai Sakhiya aged 63 years has been appointed as Independent Director of our company with effect from March 31, 2017. He has completed bachelors of engineering from Saurashtra University.

**v. Bipinkumar Vora, Independent Director**

Bipinkumar Vora aged 64 years has been appointed as Independent Director of our company with effect from March 31,2017. He has completed bachelors of Ayurved in Medicine & Surgery from Saurashtra University.

**vi. Parshotam Sakhia, Independent Director**

Parshotam sakhia aged 54 years has been appointed as Independent Director of our company with effect from March 31,2017. He has completed bachelors of commerce from Saurashtra University.

## CONFIRMATIONS

As on the date of this Draft Prospectus:

1. Except as stated below; none of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013

Director	Other Director	Relation
Vijay Shingala	Vaishali Shingala	Husband – Wife

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
6. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

## REMUNERATION/COMPENSATION OF DIRECTORS

Except as mentioned below, no other current Directors have received remuneration during the last financial year ended on March 31, 2017

Name of Director	Amount (Rs. In Lakhs)
Parshottam Vaghasiya	5.64
Vijay Shingala	6.16

## SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our Company.

The following table details the shareholding of our Directors as on the date of this Draft Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Parshottambhai Vaghasiya	11,60,000	22.44%	16.50%

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
2.	Vijay Shingala	11,60,000	22.44%	16.50%
3.	Vaishali Shingala	5,000	0.10%	0.07%

## INTERESTS OF DIRECTORS

### Interest in promotion of our Company

Our directors, Parshottambhai Vaghasiya and Vijay Shingala are interested in the promotion of the Company to the extent of the equity shares held by them and other distributions in respect of the aforesaid Equity Shares. For further details please refer chapter titled “*Our Promoter & Promoter Group*” and heading titled “*Financial Statements as Restated*” beginning on Page No. 143 and 154 respectively of this Draft Prospectus.

### Interest in the property of our Company

Our Directors do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Prospectus or proposed to be acquired by us as on date of filing the of this Draft Prospectus

### Interest as member of our Company

As on date of this Draft Prospectus, our Directors together hold 23,25,000 Equity Shares in our Company i.e. 45 % of the pre Issue paid up Equity Share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding, dividend declared and other distributions, if any, by our Company.

### Interest as a creditor of our Company

As on the date of this Draft Prospectus, our Company has availed loans from the Directors of our Company. For further details, refer to chapter titled “*Financial Indebtedness*” and section titled “*Related Party Transactions*” beginning on page 202 and 152 of this Draft Prospectus.

### Interest as Director of our Company

Except as stated above and in the chapters titled “*Financial Statements as Restated*” and “*Capital Structure*” beginning on pages 154 and 63 of this Draft Prospectus our Directors, may deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and AOA of our Company.

### Interest as Key Managerial Personnel of our Company

Parshottambhai Vaghasiya, Promoter, Chairman and Whole-Time Director and Vaishali Shingala Promoter and Managing Director of the Company are Key Managerial Personnel of the Company and may deemed to be interested to the extent of remuneration, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreement entered into with our Company, if any and AOA of our Company. For further details, please refer details mentioned in “*Related Party Transactions*” beginning on page 152 of this Draft Prospectus.

### Interest in transactions involving acquisition of land

Our Directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated/referred to in the heading titled “*Land and Property*” in the chapter “*Our Business*” beginning on page 108 of the Draft Prospectus, our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

## Other Indirect Interest

Except as stated in “*Financial Statements as Restated*” beginning on page 154 of this Draft Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

## Interest in the Business of Our Company

Save and except as stated otherwise in “*Related Party Transactions*” in the chapter titled “*Financial Statements as Restated*” beginning on page 154 of this Draft Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Prospectus.

## SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have any Subsidiary company as on the date of filing of this Draft Prospectus Except given in the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 128 of this Draft Prospectus

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Draft Prospectus.

Name	Date of event	Nature of event	Reason
Parshottambhai Vaghasiya	February 07, 2017	Appointment	Appointment of director
Vaishali Shingala	February 07, 2017	Appointment	Appointment of director
Vijay Shingala	February 07, 2017	Appointment	Appointment of director
Parshottambhai Vashasiya	March 15,2017	Change in designation	Appointed as Whole time director
Vijay Shingala	March 15,2017	Change in designation	Appointed as Managing Director and Chairman
Bipinkumar Vora	March 31, 2017	Appointment	Appointment of Independent director
Dhirajbhai Sakhiya	March 31, 2017	Appointment	Appointment of Independent director
Parshotam Sakhia	March 31, 2017	Appointment	Appointment of Independent director

## BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at Annual General Meeting of our Company held on March 15, 2017, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money at its discretion on such terms and conditions as the Board may deem fit and appropriate, notwithstanding that the money to be borrowed together with the money already borrowed by our Company from the financial institutions, Company’s banker’s, firms, bodies corporate and/or from any other person or persons whether by way of loan, advances, deposits, bill discounting, issue of debentures, bonds or any financial instruments or otherwise and whether secured or unsecured, borrowed by our Company and outstanding at any one time shall not exceed the sum of Rs. 50 Crore (Fifty Crore)

## CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations will be applicable to our Company immediately upon the listing of our Equity Shares with BSE. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Chapter IV of the SEBI Listing Regulations as may be applicable.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and

transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has six directors out of which two are Independent Directors. The constitution of our Board is in compliance with section 149 of the Companies Act, 2013.

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

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee

**A) Audit Committee**

Our Company has constituted an audit committee ("**Audit Committee**"), as per section 177 of the Companies Act, 2013 vide resolution passed at the meeting of the Board of Directors held on April 07, 2017

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the Listing Regulation, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

Name of the Director	Status	Nature of Directorship
Parshotambhai Sakhiya	Chairman	Independent Director
Dhiraj Sakhiya	Member	Independent Director
Vijay Shingala	Member	Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference,
- b. To seek information from any employee
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in

the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

### **Meeting of Audit Committee and relevant Quorum**

The audit committee shall meet at least 4 times in a year and not more than one hundred and twenty days shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

### **B) Stakeholder's Relationship Committee**

Our Company has constituted a *Stakeholders Relationship Committee* to redress complaints of the shareholders. The Committee was constituted vide resolution passed at the meeting of the Board of Directors held on April 07,2017

The Stakeholder's Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Dhiraj Sakhiya	Chairman	Independent Director
Parshotambhai Sakhiya	Member	Independent Director
Bipinbhai Vora	Member	Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder's Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:



1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of shareholder's/investor's complaints;
3. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5. Allotment and listing of shares;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company

### **Quorum for Stakeholders Relationship Committee**

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be 2 members or one third of the members, whichever is greater.

### **C) Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Compensation committee was approved by a Meeting of the Board of Directors held on April 07,2017. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Bipinbhai Vora	Chairman	Independent Director
Parshotambhai Sakhiya	Member	Independent Director
Vaishali Shingala	Member	Non Executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee.

### **The terms of reference of the Nomination and Compensation Committee are:**

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance;
- e. Determining, reviewing and recommending to the Board, the remuneration of the Company's Managing/ Joint Managing / Deputy Managing / Whole time / Executive Director(s), including all elements of remuneration package;
- f. To ensure that the relationship of remuneration to perform is clear and meets appropriate performance benchmarks.
- g. Formulating, implementing, supervising and administering the terms and conditions of the Employee Stock Option Scheme, Employee Stock Purchase Scheme, whether present or prospective, pursuant to the applicable statutory/regulatory guidelines;



- h. Carrying out any other functions as authorized by the Board from time to time or as enforced by statutory/regulatory authorities

### **Quorum for Nomination and Remuneration Committee**

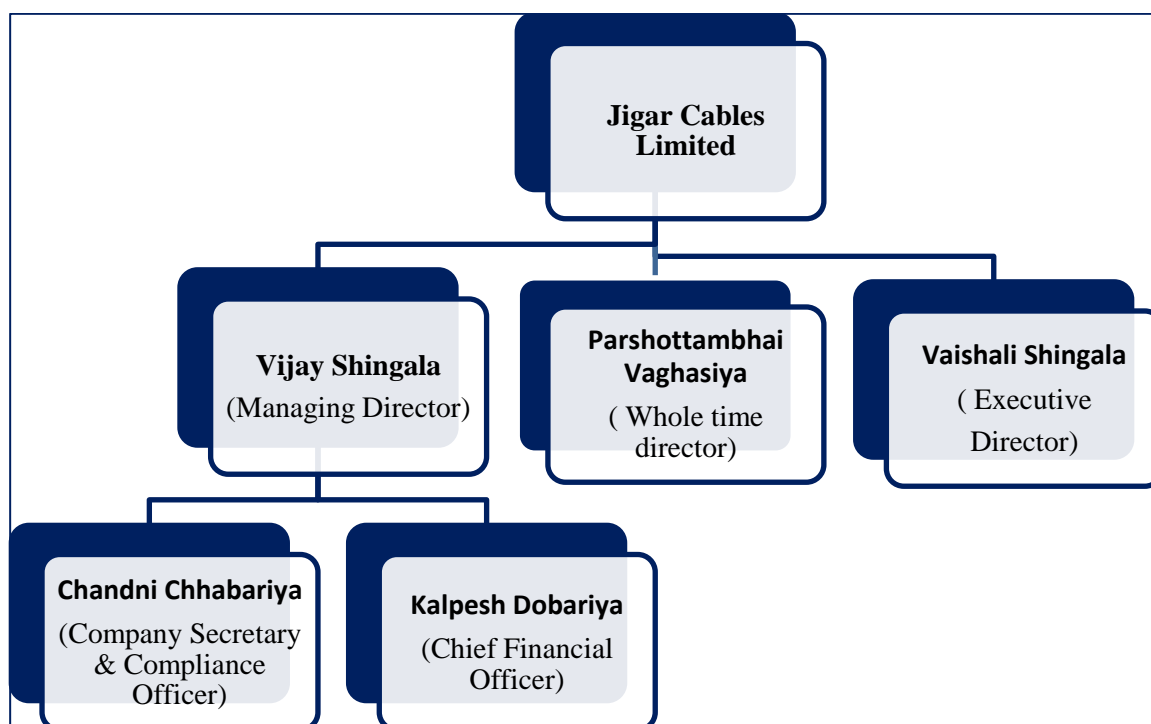
The quorum necessary for a meeting of the Remuneration Committee shall be 2 members or one third of the members, whichever is greater.

### **Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on December 20, 2016 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Chandni Chhabariya, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

## **ORGANIZATIONAL STRUCTURE**



## **KEY MANAGERIAL PERSONNEL**

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company.

**i. Parshottambhai Vaghasiya, Promoter Chairman and Whole Time Director**

Parshottam Vaghasiya, aged 69 years is the Promoter, Chairman and Whole time Director of our Company. He has been Director of our Company since incorporation. He has an experience of

about more than 20 years in Wires and Cable Industry. At present he looks after the overall management of the Company.

**ii. Vijay Shingala, Promoter and Managing Director**

Vijay Shingala, aged 32 years is the Promoter and Managing Director of our Company. He has been Director of our Company since incorporation. He has an experience of about more than 20 years in Cable Industry. He has completed Bachelors of Engineering (Chemical) from Saurashtra University. At present he looks after the marketing and finance department of the Company.

**iii. Kalpesh Dobariya, Chief Financial Officer**

Kalpesh Dobariya, aged 25 years has been appointed as the Chief Financial Officer of our Company w.e.f February 21, 2017 He has completed his Bachelor of computer application. He looks after the administration and finance operation of the Company.

**iv. Chandni Chhabariya, Company Secretary & Compliance Officer**

Chandni Chhabariya, aged 24 years has been appointed as the Company Secretary and Compliance officer of our Company with effect from February 21, 2017. She is a Company Secretary by qualification and member of Institute of Company Secretaries of India. He looks after the legal and compliance Department of the Company.

**RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL**

None of the key managerial personnel are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

**RELATIONSHIP OF DIRECTORS AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL**

Except as mentioned below none of the key managerial personnel are related to the directors of our company within the meaning of Section 2(77) of the Companies Act, 2013.

Name of Key Managerial Personnel	Relationship with	Relation
Vijay Shingala	Vaishali Shingala	Husband-Wife

**ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others

**SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL**

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Prospectus.

Sr. No.	Name of Shareholder	No. of Shares held	% of Shares held
1.	Parshottambhai Vaghasiya	11,60,000	22.44%
2.	Vijay Shingala	11,60,000	22.44%

**BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL**

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

**CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

## LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Draft Prospectus.

## INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any. Except as disclosed under heading titled “Shareholding of the Key Managerial Personnel” in the chapter “Our Management” on page 131 of this Draft Prospectus none of our Key Managerial Personnel hold any equity shares in our Company. Further, the Whole-time Director and Managing Director of our Company are also interested to the extent of being Promoter of our Company. For more information, see “Our Promoters and Promoter Group” on page 143 of this Draft Prospectus. Except as stated in chapter titled “Related Party Transactions” beginning on page 152 of this Draft Prospectus and as described herein above, our KMPs do not have any other interest in our business. Except as disclosed in this Draft Prospectus, none of our Key Managerial Personnel have been paid any consideration of any nature from our Company, other than their remuneration, reimbursement and Interest on Unsecured Loans.

## CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The changes in the Key Managerial Personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Parshottambhai Vaghasiya	Managing Director	March 15,2017	Appointment as Chairman and Whole Time Director
Vijay Shingala	Whole Time Director	March 15,2017	Appointment as Managing Director
Chandni Chhabariya	Company Secretary and Compliance Officer	February 21, 2017	Appointment as Company Secretary and Compliance Officer
Kalpesh Dobariya	Chief Financial Officer	February 21, 2017	Appointment as Chief Financial Officer

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

## ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

## PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)



Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements*” beginning on page 152 of this Draft Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

## OUR PROMOTER AND PROMOTER GROUP

### OUR PROMOTER

Our Company is promoted by Parshottam Vaghasiya and Vijay Shingala. As on date of this Draft Prospectus, our promoter holds, in aggregate 23,20,000 Equity Shares representing 44.89 % of the pre-issue paid up Capital of our Company.

**Brief profile of our Promoter is as under:**

	<p><b>Parshottam Vaghasiya, Chairman &amp; Whole-time Director</b></p> <p>Parshottam Vaghasiya, aged 69 years is the Promoter, Chairman and Whole time Director of our Company. He has been Director of our Company since incorporation. He has an experience of about more than 20 years in Cable Industry. At present he looks after the overall management of the Company.</p> <p><b>Passport No:</b> L6271732  <b>Driving License:</b> GJ 03 19910015216  <b>Voters ID:</b> GQY4665030</p> <p><b>Address:</b> 83, Bus Stand Street No.3 Devla, Plot Area, Gondal, Rajkot 365485 Gujarat, India</p> <p>For further details relating to Parshottam Vaghasiya, including terms of appointment as our Chairman and Whole time Director, other directorships, please refer to the chapter titled —Our Management beginning on page 131 of this Draft Prospectus.</p>
	<p><b>Vijay Shingala, Managing Director</b></p> <p>Vijay Shingala, aged 32 years is the Promoter and Managing Director of our Company. He has been Director of our Company since incorporation. He has completed Bachelors of Engineering (Chemical) from Saurashtra University. At present he looks after the marketing and finance department of the Company.</p> <p><b>Passport No:</b> P4988047  <b>Driving License:</b> GJ03/016246/06  <b>Voters ID:</b> GQY3784816</p> <p><b>Address:</b> Devla, Amarnagar, Gondal, Rajkot 365485 Gujarat, India</p> <p>For further details relating to Vijay Shingala, including terms of appointment as our Managing Director, other directorships, please refer to the chapter titled —Our Management beginning on page 131 of this Draft Prospectus.</p>

### DECLARATION

Our Company confirms that the permanent account number, bank account number and passport number of our Promoter shall be submitted to the Stock Exchange at the time of filing of this Draft Prospectus with it.

## INTEREST OF PROMOTER

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our promoter in our Company, please refer “*Capital Structure*” on page 63 of this Draft Prospectus.

Our Promoter may also be deemed to be interested in our Company to the extent of their shareholding in our Group Companies with which our Company transacts during the course of its operations.

Our Promoters are the Whole-time Director and Managing Director respectively of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreement entered into with our company, if any and AoA of our Company. For details please see “*Our Management*” “*Financial Statements*” and “*Capital Structure*” beginning on pages 131, 152 and 63 respectively of this Draft Prospectus.

Our Promoter do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of two years before filing of this Draft Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as stated in this section and “*Related Party Transactions*” and “*Our Management*” on page 152 and 131 of this Draft Prospectus respectively, there has been no payment of benefits to our Promoter or Promoter Group during the two years preceding the filing of the Draft Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group.

## COMMON PURSUITS

Except for Ultracab (India) Limited, our Promoter and members of our Promoter Group do not have any common pursuits. For further details please refer to chapter titled “*Risk Factors*” on page 17 of this Draft Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

## RELATED PARTY TRANSACTIONS

For the transactions with our Promoter, Promoter Group and Group Companies, please refer to section titled —*Related Party Transactions* on page 152 of this Draft Prospectus.

Except as stated in “*Related Party Transactions*” beginning on page 152 of this Draft Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

## PAYMENT OR BENEFITS TO PROMOTER

Except as stated otherwise in the chapter titled “*Related Party Transactions*” on page 152 of this Draft Prospectus, there have been no payments or benefits to the Promoter during the two years prior to filing of this Draft Prospectus.

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (zb) of the SEBI (ICDR) Regulations is as under:

### A. Natural Persons who are part of the Promoter Group:

Relationship with Promoters	Parshottam Vaghasiya	Vijay Shingala
Father	Late Laljibhai Vaghasiya	Gopalbhai Shingala
Mother	Late Parvatiben L.	Ramaben G. Shingala

Relationship with Promoters	Parshottam Vaghasiya	Vijay Shingala
	Vaghasiya	
Brother	1) Vasantbhai Vaghasiya 2) Naranbhai Vaghasiya 3) Bavkubhai Vaghasiya	Tarunbhai G.Shingala
Sister(s)	1) Hiruben Khatra 2) Kankuben Dobariya	1) Bhavnaben B.Donga 2) Kiranben V.Harkhani 3) Ditinaben D.Surani 4) Ilaben M.Sangani
Spouse	Jayaben P. Vaghasiya	Vaishali Shingala
Son(s)	1) Ramnik Vaghasiya 2) Arvindbhai .Vaghasiya 3) Niteshbhai Vaghasiya 4) Manojbhai Vaghasiya	Purv Shingala
Daughter(s)		
Wife's Father	Bholabhai A.Borad	Kishanbhai D.Sojitra
Wife's Mother	Dudhiben B.Borad	Manjulaben K.Sojitra
Wife's Brother(s)		Kaushalbhai K.Sojitra
Wife's Sister(s)	1) Shantiben Bhalala 2) Manjuben Dobariya 3) Divaliben Patoliya	1) Jinalben Vora 2) Radhaben Chandroliya 3) Monaben Sojitra

**B. Corporates and Entities forming part of our Promoter Group:**

- 1) Fusion Pumps Private Limited
- 2) Ultracab (India) Limited
- 3) Jigar Polymers Limited
- 4) Nitesh Vaghasiya HUF
- 5) Ramnikbhai Vaghasiya HUF
- 6) Bavkubhai Vaghasiya HUF
- 7) Naranbhai Vaghasiya HUF
- 8) Parshottam Vagasiya HUF
- 9) Tarunbhai Shingala HUF
- 10) Vasantbhai Vaghasiya HUF
- 11) Manojbhai Vaghasiya HUF
- 12) Parmeshwar Trading Co.
- 13) Supreme Enterprise
- 14) Ultracab Agency
- 15) Ultracab Tradelink
- 16) Virta Trading Company
- 17) Vijaykumar Gopalbhai Shinghala (HUF)
- 18) Neskeb Cables Private Limited
- 19) Gopalbhai Shinghala (HUF)

## RELATIONSHIP OF PROMOTER WITH OUR DIRECTORS

Except as disclosed herein, our Promoter is not related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Promoter	Director	Relationship
Vijay Shingala	Vaishali Shingala	Husband-Wife

## DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

Our Promoter has not disassociated himself from any entities/firms during preceding three years.

## CHANGES IN CONTROL

There has been no change in the management or control of our Company in the last three years.

## LITIGATION INVOLVING OUR PROMOTER

For details of legal and regulatory proceedings involving our Promoter, please refer "*Outstanding Litigation and Material Developments*" on page 204 of this Draft Prospectus.

## CONFIRMATIONS

Our Company, our Promoter and members of promoter group are not Wilful Defaulters and there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against him.

Our Promoter is not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or otherwise by any person for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

Our Promoter and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter is not and has never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in "*Related Party Transactions*" on page 152 of this Draft Prospectus, our Promoter is not related to any of the sundry debtors nor are not beneficiaries of Loans and Advances given by/to our Company.

## OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed above in this chapter titled and in chapter titled "Our Group Companies" beginning on page 147, of this Draft Prospectus, there are no ventures promoted by our Promoters in which they have any business interests / other interests.

## DEFUNCT / STRUCK-OFF COMPANY

None of our group company or subsidiary was struck off or defunct.



## OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board. Pursuant to a resolution dated April 7, 2017, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature. Further, companies which have not been disclosed as related parties in the restated financial statements of our company for the last five financial years or which are no longer associated with our Company have not be disclosed as Group Companies.

Jigar Polymers Limited, our subsidiary was incorporated on March 10, 2017. For details of our subsidiary, please refer “Our History and Certain Other Corporate Matters” on page 128

### OUR GROUP COMPANIES:

The Details of our group Companies are provided below

#### 1. Ultracab (India) Limited

Ultracab (India) Limited (“UIL”) is a public Limited Company incorporated on December 19, 2007 under the provisions of Companies Act, 1956 and has its registered office at Survey No. 262, behind Galaxy Bearing Limited., Shaper (Varaval), Rajkot, Gujarat 360002 India. The current paid up capital of UIL is Rs. 1,272.30 lakhs. The Corporate Identification Number of the Company is L31300GJ2007PLC052394. The Company is engaged in manufacturing of wires and cables.

The Equity Shares of the Company are currently listed on the BSE Limited

#### Board of Directors as on the date of this Draft Prospectus:

1. Nitesh Vaghasiya
2. Pankaj Shingala
3. Sangeetaben Vaghasiya
4. Jayshanker Dave
5. Bipinchandra Sangani
6. Kanjibhai Patel

#### SHARE HOLDING PATTERN AS ON MARCH 31, 2017 IS AS FOLLOWS:

Category of Shareholder	No. of the Shareholders	No. of fully paid up Equity Shares	Total No. of Shares held	Shareholding as a % of total no. of shares	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	21	79,47,478	79,47,478	62.47	79,47,478
(B) Public	336	47,75,522	47,75,522	37.53	47,75,522
(C1) Shares underlying DRs				0.00	
(C2) Shares held by Employee Trust				0.00	
(C) Non Promoter-Non Public				0.00	
<b>Grand Total</b>	<b>357</b>	<b>1,27,23,000</b>	<b>1,27,23,000</b>	<b>100.00</b>	<b>18,56,380</b>



For further details regarding the shareholding pattern of UIL, please refer BSE website.

## Financial Performance

(Rs. in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Share Capital	1272.30	848.20	801.40
Reserves and Surplus (excluding revaluation reserve if any)	554.89	948.87	706.27
Total Income	3885.70	4135.74	3526.50
Profit / (Loss) after Tax	30.56	61.04	33.65
Earnings Per Share (Basic & Diluted) (in Rs.)	0.28	0.72	0.59
Net worth	1827.19	1797.07	1507.67

## Mechanism for investor redressal grievance

1. The Company has a designated email id [cs@ultracab.com](mailto:cs@ultracab.com) for handling investor grievances on which investor can make a complaint. This e-mail ID is mentioned on every communication being made by the Company with the shareholders and also put on the website of the Company. Compliance Officer checks the designated investor grievances e-mail ID on a daily basis.
2. All physical complaints received are verified and scrutinized by the compliance officer and resolved / replied as per SEBI and other guidelines for Redressal of investor grievances.
3. The Company follows the practice of resolving the investor complaint as per Guidelines for Redressal of investor grievances through SEBI Complaints Redress System (SCORES) platform.
4. Status of redressal of complaints from BSE is informed to them through Letters / e-mail and if any telephonic enquiry is received from them, full details of the case and status of redressal are provided over phone.
5. Investor Complaint Report for last 3 years:

Sr No.	Particulars	No. of Complaints
1.	Pending at the beginning of last 3 years	Nil
2.	Received during the last 3 years	Nil
3.	Disposed of during the last 3 years	Nil
4.	Remain un-resolved as on date	Nil

## Other Confirmations

We hereby confirm that;

1. Ultracab is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995;
2. No application for winding up has been filed against the company;
3. No application has been made to ROC for striking off the name of Ultracab (India) Limited;
4. Ultracab is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities;
5. Ultracab has not failed to meet the listing requirements of recognized stock exchange in India;

6. *Ultracab's equity shares were previously listed on SME Platform of BSE as on October 10,2014 and subsequently Migrated on BSE Main Board as on January 20,2017*
7. *Ultracab's equity shares are currently listed at BSE Limited only.*
8. *There are no adverse findings, as regards compliance with the securities laws against Ultracab.*

#### **Nature and Extent of Interest of Our Promoters**

Vijay Shingala and Parshottambhai Vaghasiya Promoters of our Company together holds 7,01,100 equity shares constituting 5.51% of total paid up capital of Ultracab (India) Limited.

#### **ISSUE PRICE AND MARKET VALUE**

Issue Price and Market Value of our Equity Shares on the date of registering the Prospectus with RoC was Rs, 36.00 The Company came out with a Public Issue of 22,14,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 36.00 per Equity Share.

#### **CHANGES IN SHARE CAPITAL**

1. The Company has issued 4,68,000 Equity Shares on preferential basis to various shareholders on April 8, 2015
2. The Company has issued Bonus Shares on September 8, 2016 in the ratio of 1:2. The total capital post issue of bonus shares is 1,27,23,000

#### **THE COST AND PROGRESS OF IMPLEMENTATION OF THE PROJECT IN COMPARISON WITH THE COST AND IMPLEMENTATION SCHEDULE**

The Company has fully utilized the funds raised from IPO towards fulfilling its working capital requirement.

#### **SHARE PRICE INFORMATION**

The details of the monthly high and low prices on the BSE during the preceding six months are as follows:-

Month Year	Monthly Low	Monthly High
May, 2017	127.00	138.00
April, 2017	120.00	154.00
March, 2017	113.00	130.00
February, 2017	124.50	135.00
January, 2017	107.50	158.40
December, 2016	107.50	124.00

The closing price of UltraCab (India) Limited as on June 07, 2017 is Rs 126.15 and the market cap of UltraCab (India) Limited is Rs 160.50 crores.

#### **2. Fusion Pumps Private Limited**

Fusion Pumps Private Limited ("FPPL") is a company incorporated in the name of Fusion Pumps Private Limited in India vide a certificate of incorporation dated April 02, 2011 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The corporate identity number of FPPL is U29120GJ2011PLC064746. The registered office of FPPL is situated at 6, Ashapura Chambers, Near Bus Stand, Rajkot Road, Gondal- 360311. The Company is engaged in business of Manufacturing of all types of submercible pumps, Centrigugal pumps, electric motors, machinery spares, tool and all type of equipments and accessories used in various pumps

#### **Financial Performance**

*Amount (Rs. in lakhs)*

Particulars	2015-16	2014-15	2013-14
Equity Paid Up Capital	50.00	50.00	50.00
Reserves and Surplus	(12.40)	(13.32)	(13.58)
Net Asset Value (In Rs.)	7.52	7.34	7.28

### **Nature and Extent of Interest of Promoters**

Our Promoters are not directly interested in Promotion of the Company.

### **CONFIRMATION**

No Equity shares of our Group Companies are listed on any stock exchange except of Ultracab (India) Limited (hereinafter referred as Ultracab) which is listed on BSE Limited. Ultracab has made public issue of securities as on October 10, 2014.

Our group companies have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Group Companies have been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Further, none of our group Companies have been declared as sick companies under the SICA.

### **LITIGATION**

For details related to litigations and regulatory proceedings involving our Group Companies and defaults made by them, please refer to the chapter titled, “*Outstanding Litigations and Material Developments*” on page 204 of this Draft Prospectus.

### **DISSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS**

Our Promoters have not disassociated themselves from any of the companies during the last three years preceding the date of the Draft Prospectus. None of our Group Companies have negative net worth as on the date of their respective last audited financial statements.

### **DEFUNCT / STRUCK-OFF COMPANY**

None of our Group Companies have become defunct or struck – off in the five years preceding the filing of this Draft Prospectus.

### **INTEREST OF OUR GROUP COMPANIES**

#### **Interest in the promotion of our Company**

None of our Group Companies have any interest in the promotion of our Company.

#### **Interest in the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Prospectus**

Except as mentioned in the chapter titled “Our Business” under the heading Land & Property beginning on page 108 of this Draft Prospectus, none of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of Draft Prospectus or proposed to be acquired by it.

#### **Interest in the transactions for acquisition of land, construction of building and supply of machinery**

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

### **COMMON PURSUITS**

Our Group companies Ultracab (India) Limited are authorized to carry deal in similar products as those dealt by our company. However these Companies do not have any non-compete agreements in place amongst themselves and hence there may be a conflict of interest between our Company and the said Group Companies. For associated risk factor, please refer to the section titled “Risk Factors” beginning on page 17 of the Draft Prospectus.

#### **SALES/PURCHASES BETWEEN OUR COMPANY & GROUP COMPANIES**

Other than as disclosed in the chapter titled “*Related Party Transactions*” on page 152 of this Draft Prospectus, there are no sales / purchases between the Company and the Group Companies when such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of the Company.

#### **PAYMENT OR BENEFIT TO OUR GROUP COMPANIES**

Except as stated in chapter titled “*Related Party Transactions*” beginning on page 152 of this Draft Prospectus, there has been no payment of benefits to our Group Companies during financial years ended March 31, 2017, March 31, 2016, March 31, 2015 March 31, 2014 and March 31, 2013 nor is any benefit proposed to be paid to them.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, refer to Annexure XXX of restated financial statement under the section titled, *Financial Statements as restated* beginning on page 154 of this Draft Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last three years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

**SECTION V – FINANCIAL STATEMENTS**  
**FINANCIAL STATEMENT AS RESTATED**  
**Independent Auditor’s Report on Financial Information**

To,  
The Board of Directors,  
Jigar Cables Limited  
Plot No. 164/15,  
GIDC-II, Jamvadi,  
Gondal- 360311,  
Gujarat.

Dear Sirs,

We have examined the attached Restated financial information of Jigar Cables Limited (formerly known as “Jigar Cables”) (“the Company”), which comprise of the Restated Summary Statement of Assets and Liabilities as at March 31, 2017, February 06, 2017, March 31, 2016, 2015, 2014, and 2013, the Restated Summary Statement of Profit & Loss and the Restated Summary Statement of Cash Flow for each of the years / period ended on from February 07, 2017 to March 31, 2017, from April 01, 2016 to February 06, 2017, March 31, 2016, 2015, 2014, and 2013 and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Company prepared in terms of the requirement of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (“ the Act”) read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities ) Rules , 2014 ( “the Rules”) ; and
- b) The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirement) Regulation, 2009 as amended from time to time pursuance of provisions of Securities and Exchange Board of India Act, 1992 (“ICDR Regulations”).

The preparation of the Restated Financial Information (Including the interim Financial Information mentioned in Paragraph 4 below) is the responsibility of the Management of the Company for the purpose of set out in paragraph 9 below. The Management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated financial information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

We have examined such Restated Financial Information taking into consideration :

- a) The terms of references and terms of our engagement agreed upon with you in accordance with our engagement letter dated 08th February, 2017 in connection with the proposed issue of equity shares of the Company ; and
- b) The Guidance Notes on Reports in Company Prospectuses (Revised 2016) issued by ICAI (“The Guidance Note”).

These Restated Financial Information have been compiled by the management from the Audited Financial Statements as at March 31, 2017, February 06, 2017, March 31, 2016, 2015, 2014 and 2013 and for each of the years/period ended from February 07, 2017 to March 31 2017, from April 01, 2016 to February 06, 2017, March 31, 2016, 2015, 2014, and 2013 which have been approved by Board of directors / partners at their meetings held on respectively June 02, 2017, June 17th, 2016, September 17th, 2015, September 30th, 2014, July 8th, 2013.

Audit for the financial years/period ended from February 07 to March 31 2017, from April 01, 2016 to February 06, 2017, were conducted by us and accordingly reliance has been placed on the financial information examined by us for the said years.

Audit for the financial years/period ended from 31st March, 2016, 31st March, 2015, 31st March, 2014, 31st March, 2013 was conducted by Statutory auditor, M/s. S. J. Kotak & Co., Chartered Accountants, and accordingly reliance has been placed on the financial information examined by them for the said years.

We draw attention to Paragraph 3 of Annexure IV – Accounting Policies and Notes to the Restated Financial Information regarding accounting policy for valuation of inventories and its deviation from (AS)-2 “Valuation of Inventories”. In absence of adequate details effect of deviation from AS – 2 Valuation of Inventories cannot be determined and hence restatement to that extent is not done in restated summary statement.

In accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:

- a) The Restated Summary Statement of Assets and Liabilities of the Company, including as at March 31, 2017, February 06, 2017, examined and reported upon by us and for March 31, 2016, 2015, 2014, and 2013 examined and reported upon by M/s. S. J. Kotak & Co., Chartered Accountants., on which reliance has been placed by us, as set out in Annexure to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure I Summary Statement of Adjustments to the Audited Financial Statements.
- b) The Restated Summary Statement of Profit and Loss of the Company, including for the period from 07th February to March 31 2017 and from 01st April 2016 to 06th February 2017 examined by us and for the period ended on March 2016, 2015, 2014 and 2013 examined by M/s. S. J. Kotak & Co., Chartered Accountants., and who have submitted their report on which reliance has been placed by us, and each of the years ended March 31, 2016, 2015, 2014, and 2013 examined by us, as set out in Annexure to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure II Summary Statement of Adjustments to the Audited Financial Statements.
- c) The Restated Summary Statement of Cash Flows of the Company, including for the years ended 2017, 2016, 2015, 2014 and for period ended March 31, 2017 and each of the years ended March 31, 2016, 2015, 2014, and 2013 examined by us, as set out in Annexure to this report, have been arrived at after making adjustment and regrouping / reclassifications as in our opinion were appropriate and more fully described in Annexure III Summary Statement of Adjustments to the Audited Financial Statements.
- d) Subject to paragraph 4 above and according to the information and explanations given to us, and also as per the reliance placed on the reports submitted by us and the statutory auditors, M/s. S. J. Kotak & Co., Chartered Accountants for the respective years, we further report that the Restated Standalone Financial Information:



- I. Have been made after their adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
- II. Have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

We have also examined the following restated financial information of the Company set out in the Annexure prepared by the management and approved by the Board of Directors on 02nd, June 2017 for the period from 01st April 2016 to 06th February 2017 and from 07th Mar 2017 to Mar 31, 2017 and for the years ended March 31, 2016, 2015, 2014 and 2013. In respect of period from 01st April 2016 to 06th February 2017 and from 07th Mar 2017 to Mar 31, 2017 this information has been included based upon the report submitted by us & in respect of the years/period ended March 31, 2016, 2015, 2014 and 2013 this information has been included based upon the reports submitted by statutory auditors, M/s S. J. Kotak & Co. Chartered Accountants and relied upon by us:

Annexure I Summary Statement of Assets and Liabilities, As Restated.  
 Annexure II Summary Statement of Profit & Loss, As Restated.  
 Annexure III Summary Statement of Cash Flow Statement, As Restated  
 Annexure IV Notes on Accounts and Significant Accounting Policies, As Restated.  
 Annexure V Notes on Restated Financial Statement.  
 Annexure VI Statement of Capital as Restated  
 Annexure VII Statement of Reserves & Surplus as Restated  
 Annexure VIII Statement of Long Term Borrowings as Restated  
 Annexure IX Statement of Deferred Tax Liabilities / Deferred Tax (Assets) (Net) as Restated  
 Annexure X Statement of Long Term Provision as Restated  
 Annexure XI Statement of Short Term Borrowings as Restated  
 Annexure XII Statement of Trade Payables as Restated  
 Annexure XIII Statement of Other Current Liabilities as Restated  
 Annexure XIV Statement of Short Term Provision as Restated  
 Annexure XV :Statement of Tangible Assets as Restated  
 Annexure XVI Statement of Long Term Loans and Advances as Restated  
 Annexure XVII Statement of Non Current Investment as Restated  
 Annexure XVIII Statement of Inventories as Restated  
 Annexure XIX Statement of Trade Receivables as Restated  
 Annexure XX Statement of Cash and Bank Balances as Restated  
 Annexure XXI Statement of Loans and Advances as Restated  
 Annexure XXII Statement of Other Current Assets as Restated  
 Annexure XXIII Statement of Revenue from Operation as Restated  
 Annexure XXIV Statement of Other Income as Restated  
 Annexure XXV Statement of Cost of Material Consumed  
 Annexure XXVI Statement of (Increase)/ Decreases in Inventories of Finished Goods, Work in Progress and Traded goods  
 Annexure XXVII Statement of Employee Benefit Expenses as Restated  
 Annexure XXVIII Statement of Finance Cost as Restated  
 Annexure XXIX Statement of Other Expenses as Restated  
 Annexure - XXX Statement of Related Party Transactions as Restated  
 Annexure XXXI Statement of Contingent Liabilities as Restated  
 Annexure XXXII Statement of Capitalisation as Restated  
 Annexure XXXIII Statement of Tax Shelters as Restated  
 Annexure XXXIV Statement of Accounting Ratios as Restated .

According to the information and explanations given to us and also as per the reliance placed on the reports submitted by us and the statutory auditors, M/s. S. J. Kotak & Co., Chartered Accountants, and subject to Paragraph 4 above in our opinion, the Restated Financial Information and the above restated financial information contained in **Annexure VI to XXXVII** accompanying this report, read with Summary of Significant Accounting Policies disclosed in **Annexure IV**, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

This report should not in any way be construed as a reissuance or re-dating of any of the audit reports issued us. Nor should this report be construed as a new opinion on any of the financial statements referred to herein.

We have no responsibility to update our reports events and circumstances occurring after the date of the report.

Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, BSE Ltd, Registrar of Companies, Ahmedabad, Gujarat in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For Maharishi & Co.**

Chartered Accountants

ICAI Firm Registration No.124872W

**Dushyant Maharishi**

Partner

Membership No. 146144

Place: Gondal

Date: 02nd June, 2017

**Annexure I Summary of Statement of Assets and Liabilities, as restated :**

**(Rs. In Lakhs)**

Sr. No.	Particulars	As at					
		31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
	<b>EQUITY :</b>						
<b>A.</b>	<b>Equity &amp; Liabilities:</b>						
	(a) Shareholders' Funds	450.00	473.53	131.92	130.15	168.41	199.76
	(b) Reserves & Surplus	80.13	-	-	-	-	-
	<b>Sub-Total (1)</b>	<b>530.13</b>	<b>473.53</b>	<b>131.92</b>	<b>130.15</b>	<b>168.41</b>	<b>199.76</b>
	<b>LIABILITIES:</b>						
<b>C.</b>	<b>Non Current Liabilities:</b>						
	(a) Long Term Borrowings	14.38	15.38	18.48	14.63	26.72	1.57
	(b) Deferred Tax Liabilities (Net)	-	-	-	-	0.25	0.19
	(c) Long Term Provisions	4.57	4.54	2.80	2.40	1.55	1.73
	<b>Sub-Total (3)</b>	<b>18.96</b>	<b>19.91</b>	<b>21.29</b>	<b>17.03</b>	<b>28.53</b>	<b>3.50</b>
<b>D.</b>	<b>Current Liabilities:</b>						
	(a) Short Term Borrowings	489.54	498.88	519.94	605.93	498.67	280.47
	(b) Trade Payables	21.74	53.94	108.68	86.28	111.25	216.99
	(c) Other Current Liabilities	8.47	27.04	19.65	12.59	22.79	26.31
	(d) Short Term Provisions	10.43	7.27	9.49	-0.20	1.86	1.17
	<b>Sub-Total (4)</b>	<b>530.18</b>	<b>587.12</b>	<b>657.75</b>	<b>704.60</b>	<b>634.57</b>	<b>524.94</b>
	<b>TOTAL LIABILITIES (1+2+3+4)</b>	<b>1,079.27</b>	<b>1,080.57</b>	<b>810.95</b>	<b>851.77</b>	<b>831.50</b>	<b>728.20</b>
	<b>ASSETS :</b>						
<b>E.</b>	<b>Non Current Assets</b>						
	(a) Fixed Assets						
	I. Tangible Assets	114.70	120.46	119.58	106.31	121.28	99.87
	II. Capital WIP	25.64	12.36	-	-	-	13.75
	(b) Non Current Investments	-	-	-	-	13.75	-
	(c) Deferred Tax Assets (Net)	3.21	0.40	1.22	0.57	-	-
	(d) Long Term Loans and Advances	5.41	5.41	2.38	2.40	2.41	2.29
	(e) Other Non Current Assets	-	-	-	-	-	-

Sr. No.	Particulars	As at					
		31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
	<b>Sub-Total (5)</b>	<b>148.97</b>	<b>138.64</b>	<b>123.19</b>	<b>109.27</b>	<b>137.44</b>	<b>115.90</b>
<b>F.</b>	<b>Current Assets</b>						
	(a) Current Investment	-	-	-	-	-	-
	(b) Inventories	531.05	437.47	505.77	524.39	453.30	333.19
	(c) Trade Receivables	201.89	264.13	79.05	109.28	138.90	240.97
	(d) Cash and Bank Balances	102.30	145.68	57.65	37.38	28.87	16.98
	(e) Loans and Advances	92.71	91.34	43.63	70.69	72.89	20.95
	(f) Other Current Assets	2.35	3.31	1.65	0.77	0.10	0.20
	<b>Sub-Total (6)</b>	<b>930.30</b>	<b>941.93</b>	<b>687.76</b>	<b>742.50</b>	<b>694.06</b>	<b>612.30</b>
	<b>TOTAL ASSETS (5+6)</b>	<b>1,079.27</b>	<b>1,080.57</b>	<b>810.95</b>	<b>851.77</b>	<b>831.50</b>	<b>728.20</b>

Note:- The above Statement Should be read with notes on adjustment to Financial Statement, material regroupings, significant accounting policies and note IV to V appearing herewith.

**Annexure II Summary of Statement of Profit and Loss, as restated :**

**(Rs. In Lakhs)**

Sr. No.	Particulars	For the Year/Period ended					
		31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>A.</b>	<b>Income</b>						
	Revenue From Operations	125.48	1,328.74	928.57	803.42	1,013.03	1,508.30
	Other Income	1.80	7.73	7.81	1.72	0.69	0.38
	<b>Total Revenue</b>	<b>127.28</b>	<b>1,336.47</b>	<b>936.38</b>	<b>805.14</b>	<b>1,013.72</b>	<b>1,508.69</b>
<b>B.</b>	<b>Expenses</b>						
	Cost of Raw Material Consumed	112.94	1,019.20	744.71	696.65	941.07	1,326.56
	Purchase of Stock in Trade	-	-	-	-	-	-
	(Increase)/Decreases in Inventories of Finished Goods, Work in Progress and Traded Goods	45.18	135.44	-3.63	64.73	125.68	22.18
	Employee benefits expense	5.97	31.11	29.62	37.91	41.98	47.67
	Depreciation and Amortisation Expenses	2.95	18.97	15.91	17.00	17.00	14.66
	Finance Costs	11.69	62.18	79.17	80.91	71.11	47.36
	Other Expenses	38.59	56.16	69.66	37.76	63.91	89.46
	<b>Total Expenses</b>	<b>126.96</b>	<b>1,323.07</b>	<b>935.44</b>	<b>805.50</b>	<b>1,009.39</b>	<b>1,503.53</b>
	<b>Restated Profit Before Exceptional Items</b>	<b>0.32</b>	<b>13.40</b>	<b>0.94</b>	<b>0.36</b>	<b>4.33</b>	<b>5.16</b>
<b>C.</b>	<b>Exceptional Items</b>	-	-	-	-	-	-
	<b>Profit Before Tax, as Restated</b>	<b>0.32</b>	<b>13.40</b>	<b>0.94</b>	<b>0.36</b>	<b>4.33</b>	<b>5.16</b>
<b>D.</b>	<b>Tax Expense/(Income) :</b>						
	Current tax	3.01	4.32	0.96	0.67	1.74	2.58
	Deferred tax Charge/(Credit)	-2.81	0.82	-0.66	-0.82	0.06	0.19
	<b>Total tax expense</b>	<b>0.19</b>	<b>5.15</b>	<b>0.30</b>	<b>0.15</b>	<b>1.80</b>	<b>2.77</b>

Sr. No.	Particulars	For the Year/Period ended					
		31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
	<b>Restated Profit / (Loss) for the Period / Year Carried Forward to Summary Statement of Assets and Liabilities, as Restated</b>	<b>0.13</b>	<b>8.25</b>	<b>0.64</b>	<b>0.21</b>	<b>2.53</b>	<b>2.39</b>
	<b>Earning Per Share:</b>	<b>0.02</b>	<b>0.20</b>	<b>0.02</b>	<b>0.01</b>	<b>0.06</b>	<b>0.06</b>

**Note:-** The above Statement Should be read with notes on adjustment to Financial Statement, Material regroupings, Significant Accounting Policies and note **IV to V** Appearing herewith.

**Annexure III Statement of Cash Flows, as restated for the period / year ended :**

**(Rs. In Lakhs)**

Particulars	As at					
	31st March 2017	06th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>						
Net Profit Before Taxation	0.32	13.40	0.94	-0.36	4.33	5.16
<b>Adjustments to reconcile profit before tax to net cash flows</b>	-	-	-	-	-	-
Depreciation and Amortisation Expense	2.95	18.97	15.91	17.00	17.00	14.66
Finance Costs	11.69	62.18	79.17	80.91	71.11	47.36
Interest Income	-0.88	-4.58	-5.43	-0.76	-0.69	-0.22
Dividend Income	-	-	-2.38	-0.96	-	-
Profit on Sale of Assets	-	-2.76	-	-	-	-0.17
<b>Operating profit before working capital changes (as restated)</b>	<b>14.08</b>	<b>87.22</b>	<b>88.21</b>	<b>95.83</b>	<b>91.75</b>	<b>66.79</b>
<b>Movement in Working Capital</b>						
(Increase)/Decrease In Current Investments	-	-	-	-	-	-
(Increase)/Decrease In Inventories	-93.58	68.30	18.61	-71.08	-120.11	6.56
(Increase)/Decrease In Trade Receivable	62.23	-185.08	30.23	29.62	102.07	-36.74

(Increase)/Decrease In Short Term Loans And Advances	-1.37	-47.71	27.05	2.20	-51.94	-16.11
(Increase)/Decrease In Other Current Assets	0.96	-1.66	-0.88	-0.67	0.10	-
Increase/(Decrease) In Trade Payables & Others	-32.20	-54.74	22.40	-24.97	-105.74	-8.58
Increase/(Decrease) In Long Term Provisions	0.04	1.73	0.40	0.85	-0.18	0.88
Increase/(Decrease) In Other Current Liabilities	-16.32	18.11	3.29	0.09	-3.60	1.04
Increase/(Decrease) In Short Term Provisions	0.66	-4.81	9.40	-1.00	1.54	0.99
<b>Cash Flow From Operations</b>	<b>-65.50</b>	<b>-</b> <b>118.62</b>	<b>198.71</b>	<b>30.87</b>	<b>-86.11</b>	<b>14.83</b>
Direct Taxes Paid (Net Of Refunds)	-0.50	3.41	-0.37	-1.87	-0.80	-4.30
<b>Net Cash Generated From Operating Activities (A)</b>	<b>-66.00</b>	<b>-</b> <b>115.22</b>	<b>198.34</b>	<b>29.00</b>	<b>-86.91</b>	<b>10.53</b>
<b>B. CASH FLOW USED IN INVESTING ACTIVITIES</b>						
Purchase Of Fixed Assets, Including Intangible Assets, Capital Work In Progress	-13.97	-35.67	-29.19	-2.02	-24.67	-35.28
Purchase of Long Term Investments	-	-	-	13.75	-13.75	-
Profit on Sale Of Fixed Assets	-	2.76	-	-	-	0.17
Book Value of Fixed Assets sold	3.51	3.46	-	-	-	3.67
Changes In Long Term Loans and Advances	-	-3.03	0.02	0.01	-0.13	0.00
Interest Received	0.88	4.58	5.43	0.76	0.69	0.22
Dividend Income	-	-	2.38	0.96	-	-
<b>Net cash used in investing activities (B)</b>	<b>-9.59</b>	<b>-27.91</b>	<b>-21.37</b>	<b>13.46</b>	<b>-37.85</b>	<b>-31.22</b>
<b>C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES</b>						
Changes in Capital	-23.53	328.21	0.84	-37.90	-35.68	96.25
Securities premium received for Right issue	80.00	-	-	-	-	-
Proceeds/ (Repayment) From Short Term Borrowings	-9.35	-21.05	-85.99	107.26	218.21	-11.96
Proceeds/ (Repayment) From Long Term Borrowings	-0.99	-3.11	3.86	-12.09	25.15	-21.66
Increase / (Decrease) in Current maturities	-2.24	-10.72	3.76	-10.29	0.08	3.28
Finance Costs	-11.69	-62.18	-79.17	-80.91	-71.11	-47.36
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>32.20</b>	<b>231.15</b>	<b>-156.70</b>	<b>-33.94</b>	<b>136.65</b>	<b>18.54</b>

<b>Net Increase/(Decrease) In Cash and Cash Equivalents ( A + B + C )</b>	<b>-43.38</b>	<b>88.03</b>	<b>20.27</b>	<b>8.52</b>	<b>11.88</b>	<b>-2.15</b>
<b>Cash And Cash Equivalents at The Beginning of The Year</b>	<b>145.68</b>	<b>57.65</b>	<b>37.38</b>	<b>28.87</b>	<b>16.98</b>	<b>19.13</b>
<b>Cash And Cash Equivalents at The End of The Year</b>	<b>102.30</b>	<b>145.68</b>	<b>57.65</b>	<b>37.38</b>	<b>28.87</b>	<b>16.98</b>
<b>Components of Cash and Cash Equivalents</b>	<b>31st March 2017</b>	<b>06th February 2017</b>	<b>31st March 2016</b>	<b>31st March 2015</b>	<b>31st March 2014</b>	<b>31st March 2013</b>
<u>Cash and Cheques on Hand</u>	5.36	15.76	8.70	20.83	22.11	10.44
<u>Balance with Scheduled Banks :</u>						
Current & Deposit Account	96.93	129.92	48.95	16.55	6.76	6.54
	<b>102.30</b>	<b>145.68</b>	<b>57.65</b>	<b>37.38</b>	<b>28.87</b>	<b>16.98</b>

Note:- The above Statement Should be read with notes on adjustment to Financial Statement, material regroupings, significant accounting policies and note IV to V appearing herewith.

#### **Annexure IV Notes on Accounts & Significant Accounting Policies :**

##### **NOTES**

##### **Corporate Information :**

Jigar Cables Limited was originally formed and registered as a partnership firm under the Partnership Act, 1932 (—Partnership Act) in the name and style of — "M/s Jigar Industries" pursuant to a deed of partnership dated September 05, 1997. The constitution and capital of the partnership firm was changed pursuant to supplementary agreement modifying the partnership deeds dated October 1, 2003, March 31, 2011, April 1, 2011 & April 1, 2013, July 1, 2014 & January 1, 2017 . The name was changed to M/s. Jigar Cables from M/s Jigar Industries pursuant to partnership deed dated 01.01.2017. Thereafter, Jigar Cables was converted from a partnership firm to a public limited company under Part I of chapter XXI of the Companies Act, 2013 with the name of "Jigar Cables Limited" whereby the partners of the partnership firm became shareholders with the shareholdings as agreed amongst the partners and received a fresh certificate of incorporation from the Registrar of Companies, Central Registration Centre on February 07, 2017. The Company is engaged in Manufacturing & Trading of Electric & Other Wires and cables.

##### **1. Significant Accounting Policies :**

##### **a. Accounting Charges:**

The "Summary Statement of the Assets and Liabilities as restated " of the Company as at 31 March 2017 and 2016, 2015, 2014, 2013 the "Summary of Profit & Loss, as restated" and "Statement of Cash Flow, as restated" for the year / period ended 31 March 2017, 2016, 2015, 2014, and 2013 (collectively referred to as "Restated Summary Statements) have been prepared specifically for the purpose of inclusion in the offer documents to be filed by the Company with Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO'). The Restated summary statements have been prepared to comply with Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government in exercise of the powers conferred under sub- section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 (the 'Act') read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the



Companies Act, 2013. The restated summary statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

The Restated Summary Statement of the Company have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI, as amended from time to time.

Appropriate re-classifications/ adjustments have been made in the Restated Summary Statements wherever required, by re-classification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company and the requirements of the SEBI Regulations.

- b. The Company has considered its operating cycle as 12 months for the purpose of Current or Non - Current classification of Assets and Liabilities.
- c. The Restated financial statements are presented in Indian Rupees. All Previous Year figures are regrouped/reclassified, wherever necessary to conform to the figures presented in the current year.

## **2. Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the financial statements and the results of operations during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future result could differ from those estimates. The effects of change in accounting estimates are reflected in the financial statements in the period in which the results are known and if material, are disclosed in the financial statements.

## **3. Inventories:**

In respect of the inventory valuation, valuation is based on technical estimate by the management. In view of the nature of variation in the value of inventories, the differentials in their costs, it is not possible to compute the cost using either FIFO or weighted average cost in absence of adequate details. In view of the multiple types, it is not practical to use specific cost. The basis of computing cost used, to avoid distortion in valuation, is to that extent a deviation from that prescribed by Accounting Standard (AS)-2 'Valuation of Inventories'.

## **4. Cash Flow Statement:**

- a. Cash Flows are presented using indirect method, whereby profit/(loss) before extra ordinary items and tax is adjusted for the effects of transactions of non -cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.
- b. Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investment with maturity of 3 months or less that are readily convertible into cash.

## **5. Depreciation & Amortisation:**

- a. Due to unavailability of the data of the prior years, Fixed Assets have been restated taking into account the brought forward balance of fixed assets as on 01st April, 2011 as per the Tax Audit Report for the relevant period under the Income Tax Act, 1961. Since Jigar Cables Limited was formerly a partnership firm with name 'Jigar Industries', provisions of the Companies Act were not applicable.

- b. Schedule II to Companies Act, 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile schedule XIV. However, schedule II allows companies to use higher / lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.
- c. Depreciation on tangible assets is provided on the Written down value method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for few Plant and Machinery which is estimated by the Company based on technical certificate from Chartered Engineer.
- d. The company believes that the useful lives as given below best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which may be different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Sr No	Assets Category	Useful Life (Years)
1	Building	30 Years
2	Computers	3 Years
3	Equipment	5 Years
4	Furniture & Fixtures	10 Years
5	Plant & Machinery	15 Years
6	Vehicle	8 Years

However, in case of following assets useful life is taken of 25 years w.e.f. date of put to use of machinery on the basis of useful life certificate given by Chartered Engineer on 20.02.2017:

Sr No	Assets Category
1	65Mm Extruder Machine
2	Thermocouple & All Parts
3	Twisting Machine & Parts
4	Extruder Machine & Parts
5	Pvc Waste Grinder
6	H.V. Testing Machine & Parts
7	Static Converter
8	Cold Pressure Machine
9	Extruder Machine & Parts
10	Tecorp Make A.C. Drive
11	Skin Layer

12	Bobbing Aroumering M.
13	Extrusion Line
14	Extrusion Line
15	Wire Relling Machine
16	Pannel Board
17	Bunching Machine & Acce.
18	Printing Machine

## **6. Revenue Recognition:**

- a. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects excise duty, sales tax and value added tax on behalf of the government and therefore, there are not economic benefits followings to the company. Hence, they are excluded from revenue.
- b. Dividend income is recognised when the right to receive dividend is established.
- c. Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- d. Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

## **7. Fixed Assets:**

- a. Tangible Fixed Assets are stated at cost less accumulated depreciation / amortisation and impairment loss, if any, except freehold land which is carried at cost. The cost of Tangible Fixed Assets comprises its purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Fixed Assts are added to its book value only if they increases the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work in Progress, comprising direct cost, related incidental expenses and attributable interest.
- b. All other expenses on fixed assets, including repair and maintenance expenditure and replacement expenditure of parts, are charged to Statement of Profit and Loss for the period during the which such expenses are incurred
- c. Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of an asset and are recognised in the statement of profit and loss when the asset is derecognized

## **8. Foreign Currency Transactions:**

- a. **Initial Recognition:**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting current and the foreign currency at the date of the transactions.

**b. Conversion:**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non- monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transactions. Non- monetary items, which are measured at fair value or others similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**c. Exchange Differences:**

The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

All exchange differences arising of transactions / settlement of foreign currency monetary items are recognized as income or as expenses in the period in which they arise.

**9. Government Grants:**

- a. Revenue related grants are recognised on accrual basis wherever there is reasonable certainty and are disclosed under other income. Receivables of such grants are shown under Other Current Assets, if any.
- b. Export benefits are accounted in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such export benefits are shown under Other Current Assets.
- c. Capital grants are accounted as Capital Subsidy and adjusted against the cost of Fixed Assets in the year of receipt, if any.

**10. Investment:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

- a. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.
- b. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.
- c. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**11. Employee Benefits:**

- a. Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident

fund. The company recognizes contributions payable to the provident fund scheme as an expenditure, when an employee renders the related services.

- b. The Company has no defined benefit plans for its employees, viz., gratuity. The provision for gratuity is determined on the basis of actuarial valuation report at each year end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognised in full in the period in which they occurs in the statement of profit and loss.

## **12. Borrowing Costs:**

- a. Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings and foreign exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest costs
- b. Borrowing costs directly attributable to the construction of an asset that necessarily take a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All of there borrowing costs are expensed in the period they are incurred.

## **13. Lease:**

- a. Assets taken on lease by the Company in its capacity as lessee, where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability of each year.
- b. Lease arrangement where the risks and rewards incidental to ownership of an asset substantially vest with the lesser, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement or profit and loss on a straight line basis over the lease term

## **14. Earning Per Share:**

Basic earnings per share is calculated by dividing the net profit/ loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any ) by weighted average number of equity shares outstanding during the year.

The status of the Company prior to 07th February 2017 was that of partnership firm. However, EPS and NAV per share have been computed based on the shares outstanding as on 07th February 2017 on conversion of firm into company.

## **15. Taxation:**

Provision for tax comprises of current and deferred tax Provision is made on the basis of relies and deductions available under relevant tax laws. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward for timing differences of items other than unabsorbed depreciation and accumulated losses only to the extent that there is a reasonable certainty that the assets can be realised in future.

However, if there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty that there will be sufficient future taxable

income available to realise the assets. Deferred tax assets are reviewed as at each balance sheet date for their reliability.

During the partnership period, provision for income tax and deferred tax has not been debited to profit and loss account in respective years instead of it is directly charged to Capital Account of partners. For the purpose of restatement, the same has been accounted in P & L Account.

#### **16. Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### **17. Provision, Contingent Liabilities and Contingent Assets:**

- a. Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates reviewed at each reporting date and adjusted to reflect the current best estimate
- b. Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are not recognised in the financial statements.

#### **18. Segment Reporting**

The Company is engaged in manufacturing / trading of Electric Cables and Wires which is the primary business segment based on the nature of products manufactured / traded and sold. Thus, the Company has only one reportable business which is manufacturing / trading and selling of Electric Cables and Wires and only one reportable geographical segment. Accordingly the segment information as required by Accounting Standard 17 on "Segment reporting" is not required to be disclosed

#### **19. Segment Reporting**

The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS)-18 'Related Party Disclosures' and the same have been relied upon by the auditors.

Name of the related party disclosed are those related parties with whom transactions have taken place during the period, except where control exist, in which case the relationships have been mentioned irrespective of transactions with the related party.

Details of related parties and transactions with related parties are given in Annexure XXXII.

#### **20. Notes To Restated Financial Information**

- a. The financial statements including financial information have been reworked, regrouped, and reclassified wherever considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in financial statements/information may not be necessarily same as those appearing in the respective audited financial statements for the relevant period/years.
- b. Credit and Debit balances of Sundry Creditors, Sundry Debtors, Loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.
- c. The status of the company up to 6th February 2017 was partnership firm. For the purpose of Restated Financial Statements, the accounts of the partnership firm for the year ended on

March 31 2013, 2014, 2015, 2016 and for the period ended on 6th February 2017 have been recast in accordance with the requirements of Schedule III of the Companies Act, 2013. Thus Share Capital disclosed in this report for these years represents Partners' Capital in the partnership firm.

- d. The current maturities of the Secured long Term Borrowings have been correctly reclassified Current maturities of Long Term Debt (which is shown in other Current Liabilities) and Long Term Borrowings
- e. Partnership firm has not recognised gratuity liability as per actuarial valuation as required by Accounting Standard 15 for the financial years 31 March 2013, 31 March 2014, 31 March 2015, 31 March 2016 and 06 February 2017. However, on conversion to Company, gratuity liability is recognised and effect of the same is given in respective years for the purpose of restatement.
- f. The company has received subsidy from DIC amounting to Rs. 4.42 Lakhs which are apportioned to Revenue income and fixed assets. Since the subsidy to the extent of 0.91 Lakhs charged to profit & loss account and balance related to plant and machinery have been credited to Fixed Assets accounts in accordance with treatment of AS-12 issued by ICAI.
- g. During the year ended 31 March 2008, the Company has charged company registration expenses (preliminary expenses) fully to profit and loss account to comply with Accounting Standard (AS)-26 "Intangible Assets".
- h. No provision for income tax & deferred tax was made in the books of account of the firm for the year ended 31 March 2013, 2014 2015, 2016. Accordingly provision for income tax has been made for the year on the basis of return of income filed by the company for the said year.
- i. The firm was converted into Company under Chapter XXI of Companies Act w.e.f. 07th February, 2017. However, the company is in process to intimate about this amendment to various revenue authorities, banks, customers and suppliers.

#### Remunerations to Statutory Auditors :

(Rs. In Lakhs)

Particulars	31.03.17	06.02.17	2015-16	2014-15	2013-14	2012-13
Statutory Auditors	0.20	-	-	-	-	-
Tax Audit Fees	0.15	1.07	0.08	0.08	0.08	0.08
Income tax return filing fees	0.10	0.05	0.02	0.02	0.02	0.02
<b>Total</b>	<b>0.45</b>	<b>1.12</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>

#### Value of Raw Material, stores and packing material consumed :

(Rs. In Lakhs)

Particulars	31.03.17	06.02.17	2015-16	2014-15	2013-14	2012-13
<b>Raw Material :</b>						
Indigenous	112.94	1,019.20	744.71	696.65	941.07	1,326.56
<b>Total</b>						

	<b>112.94</b>	<b>1,019.20</b>	<b>744.71</b>	<b>696.65</b>	<b>941.07</b>	<b>1,326.56</b>
<b>Stores, spares and packing material</b>						
Indigenous	0.35	11.91	9.11	6.67	11.09	31.46
<b>Total</b>	<b>0.35</b>	<b>11.91</b>	<b>9.11</b>	<b>6.67</b>	<b>11.09</b>	<b>31.46</b>

### Loans and Advances

The Company has no defined benefit plans for its employees, viz., gratuity. The provision for gratuity is determined on the basis of actuarial valuation report at each year end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognised in full in the period in which they occurs in the statement of profit and loss.

The Following table summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

(Rs. In Lakhs)

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
<b><u>Amount in Balance Sheet:-</u></b>					
Defined Benefit Obligation (DBO)	5.47	4.32	3.78	2.01	2.23
Less: Funded Assets (if any)	-	-	-	-	-
<b>Liability/ (Asset) recognised in the Balance Sheet</b>	<b>5.47</b>	<b>4.32</b>	<b>3.78</b>	<b>2.01</b>	<b>2.23</b>
<b><u>Amount Recognised in the statement of Profit &amp; Loss:-</u></b>					
Current Service Cost	0.85	0.59	0.60	0.57	0.73
Interest Cost	0.32	0.29	0.16	0.20	0.07
Net Actuarial Losses / (Gains)	-0.01	-0.34	1.01	-0.99	0.55
<b>Total Expenses/ (income) included in "Employee Benefit Expenses"</b>	<b>1.15</b>	<b>0.54</b>	<b>1.77</b>	<b>0.23</b>	<b>1.36</b>
<b><u>Change in Present Value of Benefit Obligation during the Period:-</u></b>					
Defined Benefit Obligation, Beginning of Period	4.32	3.78	2.01	2.23	0.87
Current Service Cost	0.85	0.59	0.60	0.57	0.73
Interest Cost	0.32	0.29	0.16	0.20	0.07
Actuarial (Gains)/ Losses	-0.01	-0.34	1.01	-0.99	0.55
Actual Benefit Paid	-	-	-	-	-



<b>Defined Benefit Obligation, End of Period</b>	<b>5.47</b>	<b>4.32</b>	<b>3.78</b>	<b>2.01</b>	<b>2.23</b>
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The Principal assumptions used in determining gratuity benefit obligations for the company's plan are as below:

Discount Rate	7.40%	7.70%	8.00%	9.00%	8.30%
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The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand of the employment market.

#### **Annexure V Notes on Restated Financial Statement :**

##### **1. Notes on Material Adjustment**

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the profit & losses of the company.

**(Rs. In Lakhs)**

Particulars	For the year ending					
	31st March 2017	06th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
A. Net Profit / (Loss) after tax as per audited statement of profit & loss	2.86	3.96	2.81	2.00	3.78	6.89
<b>B. Adjustments</b>						
Provision for Gratuity	-	4.32	0.54	1.77	0.23	2.23
Accrued Interest booked	-	2.55	1.43	0.45	1.57	-
Change in Depreciation	0.57	0.83	0.10	1.03	1.89	0.27
Change in Profit / Loss on sale of Assets	-	3.13	-	-	-	0.23
Tax impact of adjustments on Provision of Current Tax	0.11	4.05	0.96	0.67	1.74	2.58
Tax impact of adjustments on Deferred Tax	2.05	0.82	0.66	0.82	0.06	0.19
<b>Total adjustments</b>	<b>2.73</b>	<b>4.29</b>	<b>2.18</b>	<b>2.20</b>	<b>1.25</b>	<b>4.51</b>
<b>Net Profit / (Loss) after tax as restated (A + B)</b>	<b>0.13</b>	<b>8.25</b>	<b>0.64</b>	<b>0.21</b>	<b>2.53</b>	<b>2.39</b>

#### **Notes**

1 Provision for Gratuity

Before conversion to company, the firm had not recognised gratuity liability as per actuarial valuation as required by Accounting Standard 15 for the financial years 31 March 2013, 31 March 2014, 31 March 2015, 31 March 2016 and 06 February 2017. However, on conversion to Company, gratuity liability is recognised and effect of the same is given in respective years.

2 Accrued Interest

Provision for interest accrued on borrowed funds is not done by the firm for the period ended on 31 March 2013, 2014, 2015 & 2016. Same is provided for restatement.

3 Change in Depreciation

Company was incorporated on 07th February, 2017, prior to that business was carried out under the form of partnership entity and therefore Companies Act was not applicable. Depreciation on Assets was calculated as per the provisions of Income Tax Act-1961, depreciation as per the Companies Act has been calculated as applicable for the period. However, Opening Written Down value as on 01st April, 2011 is taken as base as per Income Tax Act due to absence of information of records of cost of fixed assets prior to 2011. Therefore, it is impractical to derive WDV as per Companies Act of all Assets.

4 Change in Profit/(Loss) on sale of assets

Depreciation of all year is recalculated and accordingly profit / (loss) on sale of asset is changed in respective years.

5 Provision for Income Taxes

The provision for Income tax is not provided in the period before conversion of firm into company, that have been provided in every year in the restated financial statements.

6 Deferred Tax Impact on Adjustments

The provision for Income tax is not provided in the period before conversion of firm into company, that have been provided in every year in the restated financial statements. The same has been provided as per AS-21.

**Annexure VI Statement of Capital as Restated :**

**(Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Authorised:</b>						
Equity shares of Rs. 10/- each						
<b>No of Shares</b>	8,000,000					
Amount	800.00	-	-	-	-	-
<b>Issued, subscribed &amp; fully paid up:</b>						
<b>No of Shares</b>	4,500,000	-	-	-	-	-
Amount	450.00	473.53	131.92	130.15	168.41	199.76

<b>Total</b>	<b>450.00</b>	<b>473.53</b>	<b>131.92</b>	<b>130.15</b>	<b>168.41</b>	<b>199.76</b>
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**Reconciliation of number of shares outstanding:**

Particulars	31.03.17	06.02.17	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Equity shares outstanding at the beginning of the year	-	-	-	-	-	-
Add : Shares issued during the year	4,100,000	-	-	-	-	-
Add : Right shares issued during the year	400,000	-	-	-	-	-
Less : Shares bought back during the year	-	-	-	-	-	-
<b>Equity shares outstanding at the end of the year</b>	<b>4,500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Terms/Rights attached to equity shares**

- The company has only one class of equity shares having par value of Rs. 10 Per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential shares amounts, if any. The distributions will be in proportion to the numbers of equity shares held by the shareholders.
- The status of the company up to 6th February 2017 was partnership firm. For the purpose of Restated Financial Statements, the accounts of the partnership firm for the year ended on March 31 2013, 2014, 2015, 2016 and for the period ended on 6th February 2017 have been recast in accordance with the requirements of Schedule III of the Companies Act, 2013. Thus Share Capital disclosed in this report for these years represents Partners' Capital in the partnership firm.

**Details of shareholders holding more than 5% of the aggregate shares in the Company:**

(In case of period before the conversion of partnership firm to company, Profit sharing ratio of Partners more than 5% have been disclosed)

Name of Share Holder	31st March, 2017		06th February 2017	31st March, 2016
	No. of Shares	Percentage	Profit Sharing Ratio	Profit Sharing Ratio
Parshottambhai L Vaghasiya	1,160,000	25.78%	23%	50%
Vijaybhai G. Shingala	1,160,000	25.78%	23%	50%

Niteshbhai P. Vaghasiya (On Behalf of Niteshbhai P. Vaghasiya- HUF)	740,000	16.44%	18%	-
Vasantbhai H Shingala (On Behalf of Vasantbhai H. Shingala- HUF)	260,000	5.78%	6%	-

Name of Share Holder	31st March, 2015	31st March, 2014	31st March, 2013
	Profit Sharing Ratio	Profit Sharing Ratio	Profit Sharing Ratio
Parshottambhai L Vaghasiya	50%	25%	-
Tarunbhai G. Shingala	-	25%	50%
Manojbhai P. Vaghasiya	-	25%	50%
Gopalbhai H. Shingala	-	25%	-
Vijaybhai G. Shingala	50%	-	-

As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**Annexure VII Statement of Reserves & Surplus as Restated :**

**(Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b><u>(A) General Reserve</u></b>						
Opening Balance	-	-	-	-	-	-
Add: Additions during the year/period	-	-	-	-	-	-
Add: Utilisation during the year / period	-	-	-	-	-	-
<b>Closing Balance</b>	-	-	-	-	-	-
<b><u>(B) Surplus in statement of Profit &amp; Loss</u></b>						
Opening Balance	-	-	-	-	-	-
Add: Profit for the year/ period	0.13	-	-	-	-	-
<b>Amount available for appropriation</b>	<b>0.13</b>	-	-	-	-	-
<b>Appropriation :</b>	-	-	-	-	-	-
Proposed Dividend	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
<b>Closing Balance</b>	<b>0.13</b>	-	-	-	-	-
<b><u>(C) Securities Premium</u></b>						
Opening Balance	-	-	-	-	-	-
Addition during the year	80.00	-	-	-	-	-

<b>Closing Balance</b>	<b>80.00</b>	-	-	-	-	-
<b>Total (A +B+C)</b>	<b>80.13</b>	-	-	-	-	-

**Annexure VIII Statement of Long Term Borrowings as Restated :**

**(Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Secured</b>						
<b><u>Term Loan</u></b>	-	-				
ICICI Bank Loan No. LVGNL 00033816221	-	-	2.28	-	-	-
ICICI Bank Loan No. LVGNL 00033816231	-	-	2.28	-	-	-
The Co Op. Bank Of Rajkot 00018	-	-	1.91	14.63	25.73	-
<b><u>Car Loan</u></b>						
SBI Alto Car loan	-	-	-	-	0.99	1.57
HDFC XUV Loan	9.29	9.76	12.02	-	-	-
HDFC BANK -CIAZ LOAN	5.09	5.61	-	-	-	-
<b>Total</b>	<b>14.38</b>	<b>15.38</b>	<b>18.48</b>	<b>14.63</b>	<b>26.72</b>	<b>1.57</b>

**Term Loan A ICICI Loan No .6221**

It is repayable in 36 EMI of Rs.12,306/- commencing from January 2016.

The Loan is for the purchase of the Commercial Vehicle. It is secured against hypothecation of the Asset purchased.

It is also secured by personal guarantee of the directors of the company.

Interest Rate : 14.01%

**Term Loan B ICICI Loan No. 6231**

It is repayable in 36 EMIs of Rs.12,306/- each commencing from January 2016.

The Loan is for the purchase of the Commercial Vehicle. It is secured against hypothecation of the Asset purchased.

It is also secured by personal guarantee of the directors of the company.

Interest Rate: 14.01%

**Term Loans C From Co-Op. Bank of Rajkot 00018**

It is repayable in 60 EMIs of Rs.1,16,250/- each commencing from November 2013.

It is secured against hypothecation by way of first and exclusive charge on all stocks, book debts and equitable mortgage of Industrial Land & building situated at Gondal & Rajkot.

It is also secured by personal guarantee of the directors of the company.

Interest Rate:13.5%

**SBI Alto Car loan**

It is repayable in 48 EMIs of Rs. 6,000/- each commencing from December 12, 2011.

It is secured against hypothecation of ALTO Car.

Interest Rate 10.55%

#### **Car Loan XUV**

It is repayable in 60 EMI of Rs.31,326/- each commencing from February 2016.

It is secured against hypothecation of XUV Car

Interest Rate 9.58%

#### **Car Loan CIAZ**

It is repayable in 36 EMI of Rs.30,500/- each commencing from October 2016.

It is secured against hypothecation of CIAZ Car

Interest Rate 9.69%

### **Annexure IX Statement of Deferred Tax Liabilities / Deferred Tax (Assets) (Net) as Restated : (Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Deferred Tax Liability</b>						
Differences between book and tax depreciation	1.29	1.24	0.90	0.95	1.36	0.88
<b>Subtotal</b>	<b>1.29</b>	<b>1.24</b>	<b>0.90</b>	<b>0.95</b>	<b>1.36</b>	<b>0.88</b>
<b>Deferred Tax Assets</b>	-	-	-	-	-	-
Gratuity	1.69	1.64	1.34	1.17	0.62	0.69
Accrued Interest	-	-	0.79	0.35	0.48	-
Company registration expenses	2.81	-	-	-	-	-
<b>Subtotal</b>	<b>4.50</b>	<b>1.64</b>	<b>2.12</b>	<b>1.51</b>	<b>1.10</b>	<b>0.69</b>
<b>Total</b>	<b>-3.21</b>	<b>-0.40</b>	<b>-1.22</b>	<b>-0.57</b>	<b>0.25</b>	<b>0.19</b>

### **Annexure X Statement of Long Term Provision as Restated :**

**(Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Provision for Employee Benefits	4.57	4.54	2.80	2.40	1.55	1.73
<b>Total</b>	<b>4.57</b>	<b>4.54</b>	<b>2.80</b>	<b>2.40</b>	<b>1.55</b>	<b>1.73</b>

### **Annexure XI Statement of Short Term Borrowings as Restated :**

**(Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Secured Loans</b>						
<b>Cash Credit</b>	-					
The Co Op. Bank Of Rajkot	484.20	498.88	489.86	499.56	497.20	268.88
<b>Sub Total</b>	<b>484.20</b>	<b>498.88</b>	<b>489.86</b>	<b>499.56</b>	<b>497.20</b>	<b>268.88</b>
<b>Unsecured Loans</b>	-	-	-	-	-	-
Loans from promoter group	5.33	-	30.08	104.62	1.47	11.58
Other unsecured loans	-	-	-	1.75	-	-
<b>Total</b>	<b>489.54</b>	<b>498.88</b>	<b>519.94</b>	<b>605.93</b>	<b>498.67</b>	<b>280.47</b>

**Cash Credit- The Co-Op. Bank of Rajkot Ltd.**

a) It is secured against hypothecation by way of first and exclusive charge on all present & future current assets inclusive of all stocks, book debts and plant and machinery and equitable mortgage of Industrial Land & building situated at Lalpur and Factory Building at Jamnagar of the company.

b) It is repayable on demand

Interest Rate 13.50% 13.50% 13.50% 13.50% 13.50% 13.50%

**Unsecured Loan from promoters, promoters group and others**

It is repayable on demand

No interest is paid on unsecured loans

**Annexure XII Statement of Trade Payables as Restated :**

(Rs. In Lakhs)

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Trade Payable as defined under The Micro Small and Medium Enterprise Act, 2006-	-	-	-	-	-	-
Others	21.74	53.94	108.68	86.28	111.25	216.99
<b>Total</b>	<b>21.74</b>	<b>53.94</b>	<b>108.68</b>	<b>86.28</b>	<b>111.25</b>	<b>216.99</b>

**Annexure XIII Statement of Other Current Liabilities as Restated :**

(Rs. In Lakhs)

Particulars	As At
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	31st March 2017	6th Februar y 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Advance from customers	-	0.30	2.04	0.01	0.39	1.35
Current maturities of long term debt	7.64	9.79	17.34	12.09	21.97	21.66
Statutory Dues	0.83	16.95	0.27	0.49	0.44	3.29
<b>Total</b>	<b>8.47</b>	<b>27.04</b>	<b>19.65</b>	<b>12.59</b>	<b>22.79</b>	<b>26.31</b>

**Annexure XIV Statement of Short Term Provision as Restated :**

**(Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Provision for Employee Benefit	4.31	4.47	10.13	1.97	2.35	2.79
Provision for Income tax	1.75	0.76	-3.34	-3.63	-2.58	1.72
Provision for Expenses	3.65	2.03	-	-	-	0.10
Provision for Interest Payable on Credit Facilities	0.72	1.52	2.70	1.46	2.08	-
<b>Total</b>	<b>10.43</b>	<b>7.27</b>	<b>9.49</b>	<b>0.20</b>	<b>1.86</b>	<b>1.17</b>

**Annexure XV :Statement of Tangible Assets as Restated :**

**(Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	6th Februar y 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Land*</b>						
Opening Balance of Block	1.42	1.42	1.42	1.42	1.42	1.42
Addition during the year	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>1.42</b>	<b>1.42</b>	<b>1.42</b>	<b>1.42</b>	<b>1.42</b>	<b>1.42</b>

Particulars	As At					
	31st March 2017	6th Februar y 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013



<b>Building</b>						
Opening Balance of Block	44.38	44.38	44.29	44.29	20.61	20.61
Addition during the year	-	-	0.09	-	23.67	-
Deduction during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>44.38</b>	<b>44.38</b>	<b>44.38</b>	<b>44.29</b>	<b>44.29</b>	<b>20.61</b>
<b>Depreciation</b>						
Opening Balance	15.12	12.55	9.21	5.52	1.96	-
Addition during the year	0.40	2.58	3.33	3.69	3.57	1.96
Deduction during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>15.53</b>	<b>15.12</b>	<b>12.55</b>	<b>9.21</b>	<b>5.52</b>	<b>1.96</b>
<b>Closing Balance of Block</b>	<b>28.86</b>	<b>29.26</b>	<b>31.84</b>	<b>35.08</b>	<b>38.76</b>	<b>18.65</b>

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Capital WIP*</b>						
Opening Balance of Block	12.36	-	-	-	13.75	-
Addition during the year	13.28	12.36	-	-	-	13.75
Deduction during the year	-	-	-	-	13.75	-
<b>Closing Balance of the Block</b>	<b>25.64</b>	<b>12.36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.75</b>

\* Note: The factory construction has been carried out on leasehold land Plot no. 164/13 situated at Gondal-II, GIDC, which is in the name of Vasantbhai H. Shingala, however the same is transferred in the name of Jigar Cables Ltd on 17.04.2017.

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Furniture &amp; Fixtures</b>						
Opening Balance of Block	4.90	4.90	4.43	4.43	3.77	3.68
Addition during the year	-	-	0.47	-	0.65	0.09
Deduction during the year	0.09	-	-	-	-	-
<b>Closing Balance</b>	<b>4.81</b>	<b>4.90</b>	<b>4.90</b>	<b>4.43</b>	<b>4.43</b>	<b>3.77</b>
<b>Depreciation</b>						
Opening Balance	3.47	3.07	2.50	1.83	0.97	-
Addition during the year	0.05	0.40	0.57	0.67	0.86	0.97
Deduction during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>3.52</b>	<b>3.47</b>	<b>3.07</b>	<b>2.50</b>	<b>1.83</b>	<b>0.97</b>
<b>Closing Balance of Block</b>	<b>1.28</b>	<b>1.42</b>	<b>1.82</b>	<b>1.92</b>	<b>2.59</b>	<b>2.80</b>

Particulars	As At					
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	31st March 2017	6th Februar y 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Computer</b>						
Opening Balance of Block	1.27	1.27	1.20	1.20	0.97	0.44
Addition during the year	-	-	0.07	-	0.23	0.53
Deduction during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>1.27</b>	<b>1.27</b>	<b>1.27</b>	<b>1.20</b>	<b>1.20</b>	<b>0.97</b>
<b>Depreciation</b>						
Opening Balance	1.16	1.13	1.06	0.89	0.59	-
Addition during the year	0.00	0.04	0.07	0.17	0.30	0.59
Deduction during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>1.16</b>	<b>1.16</b>	<b>1.13</b>	<b>1.06</b>	<b>0.89</b>	<b>0.59</b>
<b>Closing Balance of Block</b>	<b>0.10</b>	<b>0.10</b>	<b>0.14</b>	<b>0.14</b>	<b>0.31</b>	<b>0.38</b>

Particulars	As At					
	31st March 2017	6th Februar y 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Vehicles</b>						
Opening Balance of Block	44.84	37.05	11.76	11.76	6.65	7.64
Addition during the year	-	11.25	25.29	-	5.11	-
Deduction during the year	-	3.46	-	-	-	1.00
<b>Closing Balance</b>	<b>44.84</b>	<b>44.84</b>	<b>37.05</b>	<b>11.76</b>	<b>11.76</b>	<b>6.65</b>
<b>Depreciation</b>						
Opening Balance	17.59	9.64	6.49	4.10	2.23	-
Addition during the year	1.23	7.95	3.15	2.39	1.87	2.23
Transfer from Reserve	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>18.82</b>	<b>17.59</b>	<b>9.64</b>	<b>6.49</b>	<b>4.10</b>	<b>2.23</b>
<b>Closing Balance of Block</b>	<b>26.02</b>	<b>27.25</b>	<b>27.41</b>	<b>5.26</b>	<b>7.66</b>	<b>4.41</b>

Particulars	As At					
	31st March 2017	6th Februar y 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Plant &amp; Machinery</b>						
Opening Balance of Block	107.00	94.94	91.67	89.65	80.90	60.00
Addition during the year	0.69	12.06	3.27	2.02	8.75	20.90
Deduction during the year	3.42	-	-	-	-	-
<b>Closing Balance</b>	<b>104.28</b>	<b>107.00</b>	<b>94.94</b>	<b>91.67</b>	<b>89.65</b>	<b>80.90</b>
<b>Depreciation</b>						
Opening Balance	46.01	38.00	29.22	19.17	8.81	-

Addition during the year	1.26	8.01	8.78	10.05	10.36	8.81
Deduction during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>47.27</b>	<b>46.01</b>	<b>38.00</b>	<b>29.22</b>	<b>19.17</b>	<b>8.81</b>
<b>Closing Balance of Block</b>	<b>57.01</b>	<b>60.99</b>	<b>56.93</b>	<b>62.45</b>	<b>70.48</b>	<b>72.09</b>

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Office Equipment</b>						
Opening Balance of Block	0.19	0.19	0.19	0.19	0.19	0.19
Addition during the year	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>0.19</b>	<b>0.19</b>	<b>0.19</b>	<b>0.19</b>	<b>0.19</b>	<b>0.19</b>
<b>Depreciation</b>						
Opening Balance	0.18	0.18	0.16	0.13	0.09	-
Addition during the year	0.00	0.00	0.01	0.03	0.05	0.09
Deduction during the year	-	-	-	-	-	-
<b>Closing Balance</b>	<b>0.18</b>	<b>0.18</b>	<b>0.18</b>	<b>0.16</b>	<b>0.13</b>	<b>0.09</b>
<b>Closing Balance of Block</b>	<b>0.02</b>	<b>0.02</b>	<b>0.02</b>	<b>0.03</b>	<b>0.06</b>	<b>0.11</b>

**Annexure XVI Statement of Long Term Loans and Advances as Restated :**

(Rs. In Lakhs)

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b><u>Unsecured, Considered Good</u></b>						
Advances for Conversion expenses	3.03	3.03	-	-	-	-
Security Deposit	2.38	2.38	2.38	2.40	2.41	2.29
<b>Total</b>	<b>5.41</b>	<b>5.41</b>	<b>2.38</b>	<b>2.40</b>	<b>2.41</b>	<b>2.29</b>

**Annexure XVII Statement of Non Current Investment as Restated :**

(Rs. In Lakhs)

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b><u>Non-Trade Investment (valued at cost unless</u></b>						

<b><u>stated otherwise)</u></b>						
Investment in shares of The Rajkot Co- Op. Bank Ltd. ( 55,000 shares of Rs. 25 each)	-	-	-	-	13.75	-
<b>Total</b>	-	-	-	-	<b>13.75</b>	-

**Annexure XVIII Statement of Inventories as Restated**

**(Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Raw Material and Consumables	132.11	83.24	19.28	37.77	29.23	32.11
Finished Goods	393.08	347.90	483.35	479.72	414.99	289.31
Scrap	5.85	6.33	3.15	6.90	9.08	11.77
<b>Total</b>	<b>531.05</b>	<b>437.47</b>	<b>505.77</b>	<b>524.39</b>	<b>453.30</b>	<b>333.19</b>

**Annexure XIX Statement of Trade Receivables as Restated :**

**(Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Outstanding for a period exceeding six months	0.49	4.93	6.04	23.53	13.02	9.04
Unsecured, Consider Good	201.40	259.20	73.01	85.74	125.88	231.93
Unsecured, Consider doubtful	-	-	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-	-	-
Other Debts	-	-	-	-	-	-
Unsecured , Considered Good	-	-	-	-	-	-
<b>Total</b>	<b>201.89</b>	<b>264.13</b>	<b>79.05</b>	<b>109.28</b>	<b>138.90</b>	<b>240.97</b>

**Annexure XX Statement of Cash and Bank Balances as Restated :**

**(Rs. In Lakhs)**

Particulars	As At
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	31st March 2017	6th Februar y 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Cash on Hand	5.36	15.76	8.70	20.83	22.11	10.44
<u>Balances with banks</u>						
Current Account	7.65	4.11	9.38	1.32	2.18	5.71
<u>Fixed Deposits</u>						
Less Than six months	-	-	-	11.00	0.35	-
More than six months	89.28	125.81	39.57	4.23	4.23	0.83
<b>Sub Total</b>	<b>96.93</b>	<b>129.92</b>	<b>48.95</b>	<b>16.55</b>	<b>6.76</b>	<b>6.54</b>
<b>Total</b>	<b>102.30</b>	<b>145.68</b>	<b>57.65</b>	<b>37.38</b>	<b>28.87</b>	<b>16.98</b>

**Annexure XXI Statement of Loans and Advances as Restated :**

(Rs. In Lakhs)

Particulars	As At					
	31st March 2017	6th Februar y 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b><u>Unsecured, Considered Good</u></b>						
Loans and Advances to related parties	3.42	3.42	18.51	27.76	22.01	0.01
<b><u>Other Loans and Advances</u></b>						
Balance with Revenue Authorities	17.06	10.36	1.14	1.99	0.84	0.90
Advances to Suppliers	53.84	58.08	8.11	8.00	19.31	18.45
Advances to others	17.93	18.56	15.56	32.83	30.60	1.25
Prepaid Expense account	0.46	0.92	0.31	0.10	0.12	0.34
	<b>92.71</b>	<b>91.34</b>	<b>43.63</b>	<b>70.69</b>	<b>72.89</b>	<b>20.95</b>

**Annexure XXII Statement of Other Current Assets as Restated :**

(Rs. In Lakhs)

Particulars	As At					
	31st March 2017	6th Februar y 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Others	2.35	3.31	1.65	0.77	0.10	0.20
<b>Total</b>	<b>2.35</b>	<b>3.31</b>	<b>1.65</b>	<b>0.77</b>	<b>0.10</b>	<b>0.20</b>

**Annexure XXIII Statement of Revenue from Operation as Restated :**

(Rs. In Lakhs)

Particulars	For the year ended					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Sales of Manufactured Goods	124.76	1,320.21	917.27	803.42	1,013.03	1,508.30
Other operating income	0.72	8.53	11.30	-	-	-
<b>Total</b>	<b>125.48</b>	<b>1,328.74</b>	<b>928.57</b>	<b>803.42</b>	<b>1,013.03</b>	<b>1,508.30</b>

**Annexure XXIV Statement of Other Income as Restated :**

(Rs. In Lakhs)

Particulars	For the year ended					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Other Income	1.80	7.73	7.81	1.72	0.69	0.38
Net Profit before tax as restated	0.32	13.40	0.94	-0.36	4.33	5.16
<b>Percentage</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Source of Income</b>						
<b><u>Recurring and not related to business activity</u></b>						
Interest Income	0.88	4.58	5.43	0.76	0.69	0.22
Other Income	0.92	3.15	2.38	0.96	-	0.17
<b>Total Other Income</b>	<b>1.80</b>	<b>7.73</b>	<b>7.81</b>	<b>1.72</b>	<b>0.69</b>	<b>0.38</b>

**Annexure XXV Statement of Cost of Material Consumed :**

Particulars	For the year ended					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Opening Stock</b>						
Raw Material	83.24	19.28	37.77	29.23	32.11	70.06
Scrap	6.33	3.15	6.90	9.08	11.77	2.56
<b>(A)</b>	<b>89.57</b>	<b>22.43</b>	<b>44.67</b>	<b>38.32</b>	<b>43.88</b>	<b>72.62</b>
<b>Purchase</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Material	161.34	1,086.34	722.46	703.00	935.50	1,297.82
<b>(B)</b>	<b>161.34</b>	<b>1,086.34</b>	<b>722.46</b>	<b>703.00</b>	<b>935.50</b>	<b>1,297.82</b>
<b>Closing Stock</b>						
Raw Material	132.11	83.24	19.28	37.77	29.23	32.11
Scrap	5.85	6.33	3.15	6.90	9.08	11.77
<b>(C)</b>	<b>137.97</b>	<b>89.57</b>	<b>22.43</b>	<b>44.67</b>	<b>38.32</b>	<b>43.88</b>
<b>Total (A+B-C)</b>	<b>112.94</b>	<b>1,019.20</b>	<b>744.71</b>	<b>696.65</b>	<b>941.07</b>	<b>1,326.56</b>

**Annexure XXVI Statement of (Increase)/ Decreases in Inventories of Finished Goods, Work in Progress and Traded goods**

(Rs. In Lakhs)

Particulars	For the year ended					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<b>Opening Inventories</b>						
Finished Goods/ Traded Goods	347.90	483.35	479.72	414.99	289.31	267.13
<b>(A)</b>	<b>347.90</b>	<b>483.35</b>	<b>479.72</b>	<b>414.99</b>	<b>289.31</b>	<b>267.13</b>
<b>Closing Inventories</b>	-	-	-	-	-	-
Finished Goods/ Traded Goods	393.08	347.90	483.35	479.72	414.99	289.31
<b>(B)</b>	<b>393.08</b>	<b>347.90</b>	<b>483.35</b>	<b>479.72</b>	<b>414.99</b>	<b>289.31</b>
	-	-	-	-	-	-
<b>Change in Inventory</b>	<b>-45.18</b>	<b>135.44</b>	<b>-3.63</b>	<b>-64.73</b>	<b>-125.68</b>	<b>-22.18</b>

**Annexure XXVII Statement of Employee Benefit Expenses as Restated :**

(Rs. In Lakhs)

Particulars	For the year ended					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Salary, Wages & Bonus	3.99	22.68	23.25	31.76	36.02	40.71
Contribution to Provident and Other Funds	0.34	1.26	1.36	1.17	1.07	1.38
Staff Welfare Expenses	1.64	7.17	5.01	4.98	4.89	5.59
<b>Total Employee Benefit Expenses</b>	<b>5.97</b>	<b>31.11</b>	<b>29.62</b>	<b>37.91</b>	<b>41.98</b>	<b>47.67</b>

**Annexure XXVIII Statement of Finance Cost as Restated :**

(Rs. In Lakhs)

Particulars	For the year ended					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Bank Commission	0.14	1.04	0.78	6.62	0.49	2.06
Bank Charges	3.91	0.96	1.46	-	9.12	-
Bank Interest	7.95	52.31	67.72	70.90	52.04	36.23
Other Interest expense	0.00	0.04	0.15	0.02	0.03	0.05
Interest expense on vehicle	0.29	2.28	0.42	0.14	0.19	0.24
Interest expense on capital	-	6.80	7.19	3.26	7.67	8.79
Delayed payment interest	-	-	0.04	0.41	-	-

Accrued Interest reversal	-1.30	-2.55	-1.12	-1.57	-	-
Accrued Interest	0.70	1.30	2.55	1.12	1.57	-
<b>Total</b>	<b>11.69</b>	<b>62.18</b>	<b>79.17</b>	<b>80.91</b>	<b>71.11</b>	<b>47.36</b>

**Annexure XXIX Statement of Other Expenses as Restated :**

**(Rs. In Lakhs)**

Particulars	For the year ended					
	31st March 2017	6th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Advertising And Sales Promotion	-	2.06	1.78	1.50	5.09	7.74
Auditor's Remuneration	0.35	1.07	-	0.10	-	0.10
Communication Cost	0.05	0.73	0.88	1.31	2.06	1.88
Consumption of Stores	0.03	2.40	2.67	1.78	1.40	3.17
Insurance	0.72	0.31	0.71	0.62	0.85	0.54
Legal & Consultation Charges	0.98	0.59	1.77	0.30	0.74	0.67
Office Admin Charges	1.21	0.99	1.35	1.58	3.19	2.58
Other Expense	15.63	19.21	39.53	14.25	24.19	47.47
Company registration Expenses	11.37	-	-	-	-	-
Power and Fuel	5.86	23.84	11.45	8.57	8.19	10.99
Rates And Taxes	2.34	1.40	7.13	2.21	7.50	5.87
Repairs And Maintenance Others	0.06	3.41	2.22	4.11	6.90	5.63
Travelling And Conveyance	-	0.14	0.18	1.43	3.79	2.82
<b>Total Other Expenses</b>	<b>38.59</b>	<b>56.16</b>	<b>69.66</b>	<b>37.76</b>	<b>63.91</b>	<b>89.46</b>

**Annexure - XXX Statement of Related Party Transactions as Restated**

**(Rs. In Lakhs)**

Name of Party	Nature of Transaction	Amount of Transaction from 07.02.2017 to 31.03.2017	Amount of Transaction upto 06.02.2017	Amount of Transaction in 2015-16	Amount of Transaction in 2014-15	Amount of Transaction in 2013-14	Amount of Transaction in 2012-13
<b><u>Relatives of Key Managerial</u></b>		-	-	-	-	-	-



<b><u>Personal</u></b>							
Gopalbhai Shingala	Interest and Remunerat ion	-	-	-	-	1.52	-
Manojbhai Vaghasiya	Interest & Remunerat ion	-	-	-	-	5.52	7.29
Parshottambhai Vaghasiya	Interest and Remunerat ion	-	5.64	6.12	3.22	1.50	-
Tarunbhai G. Shingala	Interest & Remunerat ion	-	-	-	-	5.13	7.50
Tarunbhai G. Shingala	Transfer of Fixed Asset	-	1.80	-	-	-	-
Vijaybhai G. Singhala	Interest and Remunerat ion	-	6.16	7.06	4.04	-	-
Anilbhai B. Vaghasiya		-	-	-	-	-	-
Bharatbhai N. Vaghasiya		-	-	-	-	-	-
Bhumiben R. Vaghasiya		-	-	-	-	-	-
Harsukhbhai A. Vaghasiya		-	-	-	-	-	-
Jayaben P. Vaghasiya		-	-	-	-	-	-
Jayeshkumar B. Patel		-	-	-	-	-	-
Kanchanben V. Shingala		-	-	-	-	-	-
Kiranben V. Harkhani		-	-	-	-	-	-
Madhubhai J. Thummar		-	-	-	-	-	-
Nitaben P. Shingala		-	-	-	-	-	-
Niteshbhai P. Vaghasiya (on behalf of Niteshbhai P. Vaghasiya HUF)		-	-	-	-	-	-
Arvindbhai P. Vaghasiya		-	-	-	-	-	-
Pravinbhai H. Shingala		-	-	-	-	-	-

Pravinbhai H. Shingala (on behalf of Pravinbhai H. Shingal HUF)		-	-	-	-	-	-
Ramaben G. Shingala		-	-	-	-	-	-
Ramnikbhai P. Vaghasiya		-	-	-	-	-	-
Sangitaben N. Vaghasiya		-	-	-	-	-	-
Vaishali V. Shingala		-	-	-	-	-	-
Vasantbhai Shingala		-	-	-	-	-	-
		-	-	-	-	-	-
<b><u>Enterprises in which relatives of key management have significant influence</u></b>		-	-	-	-	-	-
Ultracab (India) Limited	Purchases	73.54	770.20	592.79	534.11	-	-
Ultracab (India) Limited-Rajkot	Sales	29.15	95.79	-	-	-	-
Ultracab Agency-Pune	Sales	1.86	10.54	-	-	-	-
Ultracab Wires Pvt. Ltd.	Purchases	-	-	-	-	427.01	-

**Balance  
Outstanding as at  
End**

Name of Party		07.02.2017 to 31.03.2017	06.02.2017	2015-16	2014-15	2013-14	2012-13
Unsecured Loans		-	-	-	-	-	-
ALPESHBHAI GHUSABHAI BHUVA	Unsecured Loans	-	-	1.75	1.75	0.40	0.40
Arvinbhai P. Vaghasiya	Unsecured Loans	-	-	3.32	3.32	-	-
Bavalal L. Vaghasiya	Unsecured Loans	-	-	-	9.98	-	-
Gopalbhai Shingala	Unsecured Loans	-	-	0.51	0.51	-	-
Gopalbhai Shingala -HUF	Unsecured Loans	-	-	14.00	10.00	-	0.48
Jalpaben T. Singhala	Unsecured Loans	-	-	-	-	-	8.08
Jayaben P.	Unsecured	-	-	-	0.30	0.30	0.30

Vaghasiya	Loans						
Kanchanaben V. Singhala	Unsecured Loans	-	-	-	0.54	0.54	0.54
Naranlal Vaghasiya L	Unsecured Loans	-	-	9.98	9.98	-	-
MEHUL SHINGALA V.	Unsecured Loans	-	-	-	0.03	0.03	0.03
Ramaben Singhala G	Unsecured Loans	-	-	12.95	-	-	-
Rekhaben Vaghasiya M	Unsecured Loans	-	-	-	-	-	1.55
Ramanikbhai Vaghasiya P.	Unsecured Loans	-	-	3.34	3.34	-	-
Sangitaben Vaghasiya N	Unsecured Loans	-	-	-	0.21	0.21	0.21
Jaysukhbhai Thummar	Unsecured Loans	-	-	48.68	-	-	-
Tarunbhai Shingala- HUF G.	Unsecured Loans	-	-	49.83	49.83	-	-
Vijay Vaghasiya V	Unsecured Loans	-	-	6.76	6.76	-	-
Vijay Vaghasiya HUF V	Unsecured Loans	-	-	4.00	-	-	-
Vasantbhai Vaghasiya L.	Unsecured Loans	-	-	9.83	9.83	-	-
Parshottambhai Vaghasiya	Unsecured Loans	2.67	-	-	-	-	-
Vijaybhai Singhala G.	Unsecured Loans	2.67	-	-	-	-	-
<u>Trade Payables</u>		-	-	-	-	-	-
Ultracab (India) Limited	Trade payable	-	-	86.53	36.60	79.51	-
<u>Advances to Suppliers</u>		-	-	-	-	-	-
Ultracab (India) Limited-Rajkot	Advance to suppliers	51.75	48.80	-	-	-	-
<u>Trade Receivables</u>		-	-	-	-	-	-
Ultracab Agency-Pune	Sales	4.21	3.34	-	-	-	-
Ultracab (India) Limited	Sales	103.35	80.81	-	-	-	-
<b>TOTAL</b>		<b>159.31</b>	<b>132.95</b>	<b>86.53</b>	<b>36.60</b>	<b>79.51</b>	<b>-</b>

**Annexure XXXI Statement of Contingent Liabilities as Restated :**

**(Rs. In Lakhs)**

Particulars	As At					
	31st March 2017	06th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013

Central Excise Appeal, CESTAT (Period of dispute : 2009 to 2011)	85.65	85.65	85.65	-	-	-
Bank Guarantee	89.28	125.81	39.57	15.23	4.58	0.83
<b>Total</b>	<b>174.93</b>	<b>211.46</b>	<b>125.22</b>	<b>15.23</b>	<b>4.58</b>	<b>0.83</b>

**Annexure XXXII Statement of Capitalisation as Restated :**

**(Rs. In Lakhs)**

Particular	Pre Issue as on 31.03.2017	As Adjusted for Issue
<b><u>Debt</u></b>		
Long Term Debt	14.38	14.38
Short Term Debt	489.54	339.54
<b>Total Debts (A)</b>	<b>503.92</b>	<b>353.92</b>
<b><u>Equity (shareholders' funds)</u></b>	-	-
Equity Share Capital	450.00	636.40
Reserve and surplus	80.13	452.93
<b>Total Equity (B)</b>	<b>530.13</b>	<b>1,089.33</b>
<b><u>Long Term Debt / Equity Shareholders' funds</u></b>	<b>0.03</b>	<b>0.01</b>
<b><u>Total Debt / Equity Shareholders' funds</u></b>	<b>0.95</b>	<b>0.32</b>

**Annexure XXXIII Statement of Tax Shelters as Restated :**

**(Rs. In Lakhs)**

Particulars	As at					
	31st March 2017	06th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Normal Corporate Tax Rates for Business Income	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Capital Gain Tax Rates for Capital Gain	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Normal Corporate Tax Rates for Other Source Income	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
MAT Rates	19.20%	0.00%	0.00%	0.00%	0.00%	0.00%
Profit before tax as per re-stated profit/loss	0.32	13.40	0.94	-0.36	4.33	5.16

	<b>0.10</b>	<b>4.14</b>	<b>0.29</b>	<b>-0.11</b>	<b>1.34</b>	<b>1.59</b>
Dividend Income	-	-	-	-	-	-
<b>Total Exempted Incomes (B)</b>	-	-	-	-	-	-
<b>Permanent Differences</b>						
Late payment interest	-	-	0.04	-	-	-
Donation Disallowed	0.26	2.39	0.06	-	0.81	0.10
Commission expense disallowed	-	-	-	-	0.01	-
<b>Total Permanent Difference ( C )</b>	0.26	2.39	0.10	-	0.82	0.10
<b>Timing Differences</b>	-	-	-	-	-	-
Depreciation as per Companies Act, 2013	2.95	18.97	15.91	17.00	17.00	14.66
Depreciation as per Income Tax Act, 1961	-3.05	-17.33	16.01	-15.97	-18.54	-14.51
Profit/Loss on sale of assets	-	-2.76	-	-	-	-0.17
Gratuity	0.17	0.98	0.54	1.77	-0.23	2.23
Accrued Interest Expense	-	-2.55	1.43	-0.45	1.57	-
Company registration expense	9.09	-	-	-	-	-
<b>Total Timing Difference (D)</b>	9.15	-2.67	1.87	2.36	-0.20	2.21
<b>Income Considered under other heads of Income</b>						
Capital Gain as per books of accounts	-	-	-	-	-	-
<b>Total Income Considered under other heads (E)</b>	-	-	-	-	-	-
<b>Total Adjustments (F) = (B+C+D+E)</b>	9.41	-0.28	1.97	2.36	0.63	2.31

<b>Tax on Business Income Expenses / (savings) thereon (G)=(F)*Tax rate</b>	<b>2.91</b>	<b>-0.09</b>	<b>0.61</b>	<b>0.73</b>	<b>0.19</b>	<b>0.71</b>
<b>Income under The Head Capital Gain (H)</b>	-	-	-	-	-	-
Tax Expenses thereon (I)	-	-	-	-	-	-
<b>Income under The Head Other Sources (J)</b>	-	-	-	-	-	-
Tax Expenses thereon (K)	-	-	-	-	-	-
<b>Tax payable as per normal provisions (other than 115JB )of the Act (L) = (A+G+I+K)</b>	<b>3.01</b>	<b>4.05</b>	<b>0.90</b>	<b>0.62</b>	<b>1.53</b>	<b>2.31</b>
<b>Tax under MAT (M)</b>	<b>0.06</b>	-	-	-	-	-
<b>Tax payable for the Year maximum of (L) or (M)</b>	<b>3.01</b>	<b>4.05</b>	<b>0.90</b>	<b>0.62</b>	<b>1.53</b>	<b>2.31</b>

**Annexure XXXIV Statement of Accounting Ratios as Restated :**

**(Rs. In Lakhs)**

Accounting Ratio	As at					
	31st March 2017	06th February 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Net Worth	530.13	473.53	131.92	130.15	168.41	199.76
Restated PAT as per statement of Profit and Loss	0.13	8.25	0.64	-0.21	2.53	2.39
Weighted average number of equity shares at the end of the year / period	41,16,438	4,100,000	4,100,000	4,100,000	4,100,000	4,100,000
Share Capital / Partner's Capital as at the end of	450.00	473.53	131.92	130.15	168.41	199.76

the year / period						
Net profit after tax (as restated) attributable to shareholders	0.13	8.25	0.64	-0.21	2.53	2.39
<b>Earning Per Share</b>	<b>0.02</b>	<b>0.20</b>	<b>0.02</b>	<b>-0.01</b>	<b>0.06</b>	<b>0.06</b>
<b>Return on Net Worth</b>	<b>0.02%</b>	<b>1.74%</b>	<b>0.48%</b>	<b>-0.16%</b>	<b>1.50%</b>	<b>1.19%</b>
<b>Net Asset Value per share (Rs) (Pre - Bonus)</b>	<b>11.78</b>	<b>11.55</b>	<b>3.22</b>	<b>3.17</b>	<b>4.11</b>	<b>4.87</b>
Nominal value per Equity Share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00

Notes :

**(a) Basic earnings per share (Rs.) =**

$$\frac{\text{Net profit after tax (as restated) attributable to shareholders}}{\text{Weighted average number of equity shares outstanding during the year /period}}$$

(EPS Calculation has been done as per Accounting Standard-20, "Earnings Per Share" issued by The Institute of Chartered Accountants of India.)

**(b) Return on Net Worth =**

$$\frac{\text{Net profit after tax (as restated) attributable to shareholders}}{\text{Shareholders' Equity}}$$

**(c) Net Assets value per share =**

$$\frac{\text{Net worth at the end of the year / period}}{\text{Total No. of Equity Shares outstanding at the end of the year / period}}$$

The status of the Company prior to 07th February 2017 was that of partnership firm. However, EPS and NAV per share have been computed based on the shares outstanding as on 07th February 2017 on conversion of firm into company.

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

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the financial years ended March 31, 2017, 2016 and 2015 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "*Financial Statements*" on page 154 of this Draft Prospectus.

Indian GAAP differs in certain material aspects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "*Risk Factors*" and "*Forward-Looking Statements*" on pages 17 and 16, of this Draft Prospectus beginning respectively.

The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for the financial years ended March 31, 2017, 2016 and 2015.

### OVERVIEW

Our Company was incorporated by conversion of partnership firm M/s. Jigar Industries . We are engaged in manufacturing of wires and cables wires in India. Our promoters are in business of wires and cable wire since 1997.

The registered office and manufacturing plant of our Company is situated at Gondal, Rajkot, Maharashtra. We manufacture PVC/XLPE, Power and Control Cables, House Wires/ Building Wires, Flat Cables for Submersible pumps and Aerial Bunched cables under the brand name "**SIGMA**".

We strive to achieve quality by maintaining consistency in our products. Our Company procures major raw material i.e. Copper and Aluminum Coil from Ultracab (India) Limited. Other raw materials like PVC and XLPE are procured from Amrish Sales Corporation, Keshariya Polymers, Renol Enterprise and Nishan Multitrade.

Our manufacturing facilities are well equipped with in-house testing laboratory to ensure that the finished products match the quality standards and certifications as specified. Before commencement of the manufacturing process, the raw materials procured by also undergoes a quality check conducted by our in house testing laboratory to ensure that the same matches the quality standards required in our finished products. Testing of products takes place during different levels of our manufacturing process to ensure that any errors or quality defects in the products can be rectified on a real time basis and the final output is again checked by our testing laboratory before it is finally packed and dispatched.

We are an ISO 9001:2015 complied Company and follow strict quality standards during manufacturing process. Once the product is ready, it is closely checked for safety and quality assurance. Our facilities involve modern technology, tools, high-tech machines which spin out the best quality standard of cables.

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

We have incorporated a new Company under the name of Jigar Polymers Limited, for manufacturing of PVC and XLPE. Thus we strive to achieve operational efficiency by backward integration. Post commencement of business of Jigar Polymers Limited, all major raw materials required in manufacturing of our products would be in house which would allow us to provide utmost quality and consistency to our customers.



## SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay.

We have passed a Board resolution on May 20, 2017 to authorize the Board of Directors to raise funds by making an initial public offering

We have passed a special resolution on June 3, 2017 to authorize the Board of Directors to raise funds by making an initial public offering.

We have issued Equity Shares on preferential basis held by vide a resolution passed in the Board Meeting May 17, 2017.

HDFC Bank Limited has recently sanctioned loan of Rs. 490.00 Lakhs which shall be takeover from Rajkot Cooperative Bank Limited.

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 17 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- High Dependency on limited no. of Suppliers
- Increase in raw material price
- Dependency on Group Company for Copper and Aluminum

## DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the financial years ended March 31, 2017, 2016 and 2015.

### OVERVIEW OF REVENUE & EXPENDITURE

#### Revenues

##### *Income from operations:*

Our principle component of income is from manufacturing and selling of Wires and Cables.

##### *Other Income:*

Our other income mainly includes interest income from Interest on Bank FDR.

Amount (Rs. In Lakhs)

Particulars	For year ended March 31,		
	2017	2016	2015
<b>Income</b>			
Revenue from Operations	1454.23	928.57	803.42
As a % of Total Revenue	99.35%	99.17%	99.79%
Other Income	9.52	7.81	1.72
As a % of Total Revenue	0.65%	0.83%	0.21%
<b>Total Revenue</b>	<b>1463.75</b>	<b>936.38</b>	<b>805.14</b>

**Figures for the year ended March 31, 2017 are combined for the period ended February 6, 2017 and March 31, 2017.**

#### Expenditure

Our total expenditure primarily consists of direct expenditure i.e. purchase of Stock in trade and changes in inventories of finished goods, work- in- progress and stock- in- trade, finance cost, employee benefit expenses , depreciation and amortization and other expenses.

#### Direct Expenditure

Our direct expenditure includes purchase of Raw Materials Copper and Aluminum Coil, PVC and XLPE are procured domestically.

#### Employee benefits expense

Our employee benefits expense primarily comprise of director's remuneration, salaries and wages expenses and provision for gratuity funds.

#### Finance Costs

Our finance costs include interest on long term loans from banks and other borrowing costs.

#### Depreciation

Depreciation includes depreciation on Plant and Machinery

#### Other Expenses

Other expenses mainly include Advertising and Sales Promotion, Auditors Remuneration, Communication Cost, Consumption Stores, Insurance, Legal and Consultation Charges, Office Admin Charges, Company Registration Expense, Power and Fuel, Rates and Taxes, Repairs maintenance and others, Travelling and Conveyance, packing expense, selling and distribution expense, etc.

#### Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

*Amount (Rs. In Lakhs)*

Particulars	For the Year Ended March 31,		
	2017	2016	2015
<b>INCOME</b>			
Revenue from operations/ Operating income	1454.23	928.57	803.42
As a % of Total Revenue	99.35%	99.17%	99.79%
Other income	9.52	7.81	1.72
As a % of Total Revenue	0.65%	0.83%	0.21%
<b>Total Revenue (A)</b>	<b>1463.75</b>	<b>936.38</b>	<b>805.14</b>
<b>EXPENDITURE</b>			
Cost of materials consumed	1132.14	744.71	696.51
As a % of Total Revenue	77.35%	79.53%	86.51%
Changes in inventories of finished goods, traded goods and WIP	90.26	-3.63	-64.73
As a % of Total Revenue	6.17%	-0.39%	-8.04%
Employee benefit expenses	37.08	29.62	37.91
As a % of Total Revenue	2.53%	3.16%	4.71%
Finance costs	73.87	79.17	80.91
As a % of Total Revenue	5.05%	8.45%	10.05%
Depreciation and amortization expense	21.92	15.91	17.00
As a % of Total Revenue	1.50%	1.70%	2.11%
Other expenses	94.75	69.66	37.76
As a % of Total Revenue	6.47%	7.44%	4.69%
<b>Total Expenses (B)</b>	<b>1450.02</b>	<b>935.44</b>	<b>805.36</b>
As a % of Total Revenue	99.06%	99.90%	100.03%
Profit before exceptional, extraordinary items and tax	13.73	0.94	(0.22)
As a % of Total Revenue	0.94%	0.10%	(0.03)%
Exceptional items	-	-	-
Profit before extraordinary items and tax	13.73	0.94	(0.22)
As a % of Total Revenue	0.94%	0.10%	(0.03)%

Particulars	For the Year Ended March 31,		
	2017	2016	2015
Extraordinary items	-	-	-
Profit before tax	13.72	0.94	(0.22)
<b>PBT Margin</b>	<b>0.94%</b>	<b>0.10%</b>	<b>(0.03)%</b>
Tax expense :			
(i) Current tax	7.33	0.96	0.67
(ii) Deferred tax	(1.99)	(0.66)	(0.82)
(iii) MAT Credit	-	-	-
Total Tax Expense	5.34	0.30	(0.15)
Profit for the year/ period	8.38	0.64	-0.07
<b>PAT Margin</b>	<b>0.57%</b>	<b>0.07%</b>	<b>(0.05)%</b>

## COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2017 WITH FINANCIAL YEAR ENDED MARCH 31, 2016

### INCOME

#### Income from Operations

(Rs. In lakhs)

Particulars	2016-17	2015-16	Variance in %
Operating Income	1454.23	928.57	56.61%

The operating income of the Company for the year ending March 31, 2017 is Rs. 1454.23 lakhs as compared to Rs. 928.57 lakhs for the year ending March 31, 2016, showing a increase 56.61%. This increase was due to increase in sales and new order procurement.

#### Other Income

Our other income increased by 22% from Rs. 7.81 lakhs in FY 2016-17 to Rs. 9.52 lakhs in FY 2016-17. The increase was mainly due to increase in interest income and profit on sale of assets.

### EXPENDITURE

#### Direct Expenditure

(Rs. In lakhs)

Particulars	2016-17	2015-16	Variance in %
Cost of materials consumed	1,132.14	744.17	52.02%
Changes in Inventories of finished goods, WIP and stock in Trade	90.26	-3.63	-2586.50
<b>Total</b>	<b>1,222.40</b>	<b>741.08</b>	<b>64.95%</b>

Our direct expenditure has increased from Rs. 741.08 lakhs in Financial Year 2015-16 to Rs. 1222.40 lakhs in Financial Year 2016-2017 showing an increase of 64.95% over the previous year. The increase was mainly due to increase in purchases made during the year corresponding to increase in turnover.

#### Administrative and Employee Costs

(Rs. In lakhs)

Particulars	2016-17	2015-16	Variance in %
Employee Benefit Expenses	37.08	29.62	25.21%
Other Expenses	94.75	69.66	36.02%

Employee benefit expenses increased from Rs. 29.62 lakhs in financial year 2015-16 to Rs. 37.08 lakhs in financial year 2016-17 due to increase in Bonus Expense, Gratuity provisions, Factory Staff provisions, Marketing Staff Salary.

Our other expenses increased by 6.47% from Rs. 69.66 lakhs in financial year 2015-16 to Rs. 94.75 lakhs in financial year 2016-17. The increase was mainly due to increase in Advertising and Sales Promotion, Auditors Remuneration, Insurance, office Administrative Charges, Company Registration expense, Power and Fuel, Repairs and Maintenance.

### Finance Charges

Our finance charges have decreased from Rs. 79.17 lakhs in financial year 2016-17 to Rs. 73.87 lakhs in financial year 2015-16. The increase in finance cost is due to increase Bank Commission, Bank charges, Interest Expenses on Vehicles.

### Depreciation

Depreciation expenses for the Financial Year 2016-2017 have increased to Rs. 21.92 lakhs as compared to Rs. 15.91 lakhs for the Financial Year 2015-2016 showing an increase of 37.73 %. The increase was mainly due to addition of new plant and machineries.

### Profit before Tax

(Rs. In lakhs)

Particulars	2016-17	2015-16	Variance in %
Profit Before Tax	13.73	0.94	1360.64%

Profit before tax increased from Rs. 3.15 lakhs in financial year 2016-16 to Rs. 54.68 lakhs in financial year 2016-17. The increase was mainly due to increased revenue from trading of cloth and chemicals.

### Provision for Tax and Net Profit

(Rs. In lakhs)

Particulars	2016-17	2015-16	Variance in %
Taxation Expenses	5.34	0.30	663.54%
Profit after Tax	8.38	0.64	1209.37%

Tax expenses were higher in Financial Year 2016-17 and there was increase in Profit after tax in 2016-17 to Rs 8.38 lakhs from Rs 5.34 lakhs due to increase in our business operations.

## COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015

### INCOME

#### Revenue from Operations

(Rs. in

lakhs)

Particulars	2015-16	2014-15	Variance in %
Operating Income	928.57	803.42	15.58%

The operating income of the Company for the financial year 2015-2016 was Rs. 928.57 lakhs as compared to Rs. 803.42 lakhs for the financial year 2014-2015. This increase was due to increase in sales.

#### Other Income

Other Income of the Company for the financial year 2015-2016 was Rs. 7.81 lakhs compared to Rs.1.72 lakhs for the financial year 2014-15. The additional income was due to Subsidy received, Profit on sale of assets and Government fees.

### EXPENDITURE

#### Direct Expenditure

(Rs. in lakhs)

Particulars	2015-16	2014-15	Variance in %
Cost of Material Consumed	744.71	696.51	6.92%
Changes in Inventories of finished goods, WIP and stock in Trade	-3.63	-64.73	94.39%
<b>Total</b>	<b>741.08</b>	<b>631.78</b>	<b>17.30%</b>

The direct expenditure increased from Rs. 631.78 lakhs in financial year 2014-15 to Rs. 741.08 lakhs in financial year 2015-16 showing an increase of 17.30% over the previous year. The increase in direct expenditure was in line with the increase in our business operations.

### Administrative and Employee Costs

(Rs. in lakhs)

Particulars	2015-16	2014-15	Variance in %
Employee Benefit Expenses	29.62	37.91	21.87%
Other expenses	69.66	37.76	84.48%

Employee Benefit Expenses in financial year 2015-2016 have decreased by 21.87% to Rs. 29.62 lakhs as against Rs. 37.91 lakhs in financial year 2014-2015. The decrease was due to decrease in salary, wages and bonus.

Other expenses increased from Rs. 37.76 lakhs in financial year 2014-15 to Rs. 69.66 lakhs in financial year 2015-16 showing a increase of 84.48 % over the previous financial year. The increase was mainly due to advertising, sales and promotion, consumption of stores, Legal and Consultation charges, Job work Expenses and Late delivery Fees.

### Finance Charges

The finance charges for the Financial Year 2015-2016 decreased to Rs. 79.17 lakhs from Rs. 80.91 lakhs during the financial year 2014-15. The decrease was primarily due to decrease in Bank Commission and Bank Interest.

### Depreciation

Depreciation for the year financial year 2015-16 has decreased by Rs. 15.91 lakhs as compared Rs. 17.00 to the financial period 2014-15. The increase was mainly due to addition of new plant and machineries.

### Profit before Tax, Provision for Tax and Net Profit

(Rs. in lakhs)

Particulars	2015-16	2014-15	Variance in %
Profit Before Tax	0.94	(0.22)	19.51%
Taxation Expenses	0.30	(0.15)	300.00%
Profit after Tax	0.64	(0.07)	1014.29%

Taxation Expenses increased to 5.34 lakhs during the financial year 2015-16 from Rs. 0.30 lakhs compared with the financial year 2014-15.

Profit after tax increased to Rs. 8.38 lakhs in the financial year 2015-16 as compared to Rs. 0.64 lakhs in the financial year 2014-15 due to increase in our business operation.

### OTHER MATTERS

#### 1. Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

#### 2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled “*Risk Factors*” beginning on page 17 of this Draft Prospectus to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the section titled “*Risk Factors*” beginning on page 17 of this Draft Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**4. Future relationship between Costs and Income.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies, global market situation and prices of raw and traded material.

**5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices.**

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

**6. Total turnover of each major industry segment in which the issuer company operates.**

The Company is operating in Wires and Cables industry. Relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 93 of this Draft Prospectus.

**7. Status of any publicly announced new products/projects or business segments**

Our Company has not announced any new projects or business segments, other than disclosed in the Draft Prospectus.

**8. The extent to which the business is seasonal**

Our Company’s business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers**

Our Company’s customer and supplier vis a vis the total revenue from operations and raw materials/ finished goods cost respectively as March 31, 2017 is as follows:

	Customers	Suppliers
Top 5 (%)	100%	100%
Top 10 (%)	100%	100%

**10. Competitive Conditions**

We face competition from existing and potential organized and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “*Our Business*” on page 108 of this Draft Prospectus.

## FINANCIAL INDEBTNESS

Our Company utilizes various credit facilities from banks, for conducting its business. Set forth below is a brief summary of our Company's secured borrowings from banks together with a brief description of certain significant terms of such financing arrangements.

### 1. Loan from Co- operative Bank of Rajkot Ltd as per latest Sanction Letter

(Rs. In lakhs)

Particulars		
Nature of Facility	Cash Credit	Industrial Loan
Amount	500.00 ( Rupees Five crores only)	50.00 ( Rupees Fifty Lakhs only)
Purpose	To meet working capital requirement	Factory Building
Disbursement	To be disbursed as per drawing power	-
Rate Of Interest	13.5 %	13.5 %
Tenor	1 Year ( Renewable every year)	5 year
Margin	25% for cash credit (Stock & Book Debts upto 90 days)	20%
Repayment	On Demand	Monthly Rs. 116250.00
Primary Security	The Bank will have first charge over the stock & Book Debts of the borrower towards the Cash Credit facility.	
	The Bank will have first charge over the below mentioned Assets of the borrower towards the Term Loan / Industrial facility.	
	Particulars	Amt. (Rs in Lacs)
	Stock	453.30
	Book Debt	138.89
Total	592.19	
Collateral Security	The Bank will have registered mortgage on the following security owned by the borrower and/or guarantors as collateral security:	
	Ownership& Address of the Property	Nature of Property
	Property in the ownership of Jigar Industries Plot no.164-14/15, GIDC 2 Gondal	Industries GIDC
	Property in the ownership of Tarunbhai Gopalbhai Shingala sr no 31/32, Paikey plot no. 50, Silver stone, Nana Mava, Rajkot	Residential
	Property in the ownership of Vasantbhai Hardasbhai Shingala, Plot No: 164/13, GIDC-2, Jamvadi Gondhal	Industrial plot GIDC
Outstanding as on 31 March, 2017	491.84 Lakhs	

**Key Restrictive Covenants:**

During the currency of bank credit, the firm / company will not, without the bank's prior permission in writing:

1. Create or permit any mortgage, charge, pledge, other lien or encumbrance or interest over the property / assets of the unit / guarantors to be charged / charged to the bank in favour of any other bank, financial institution, firm or person.
2. Sell, assign, mortgage or otherwise dispose off any of fixed assets charged to the bank.
3. Formulate any scheme of amalgamation / re – construction.
4. Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies); normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended.
5. Effect changes in the firm / Company's capital structure
6. The Firm / Company should not make any drastic change in its constitution, management, set – up, partners etc. without the prior approval of the bank.

The Loan has been sanctioned and shall be taken over by HDFC Bank Limited vide their sanction letter dated March 27, 2017 amounting to Rs. 490.00.

**AUTO LOAN**

## 1. Sanction Letter from HDFC Bank Limited for Auto Loan

*(Amount in Rs. lakhs)*

Loan Type	Auto Loan
Security	Mahendra XUV
Tenure	30 Months
Outstanding Amount as on March 31, 2017	Rs. 9.29

## 2. Agreement with HDFC Bank Limited for Auto Loan

*(Amount in Rs. lakhs)*

Loan Type	Auto Loan
Security	Maruti Ciaz
Tenure	30 Months
Outstanding Amount as on March 31, 2017	Rs. 5.09

**UNSECURED BORROWINGS***(Amount in Rs. lakhs)*

Particulars	Amount
Purshottam Vaghasiya	Rs. 2.67
Vijay Shingala	Rs. 2.67



## **SECTION VI – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except, as stated in this section and mentioned elsewhere in this Draft Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, Subsidiaries or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on May 20, 2017 determined that outstanding dues to creditors in excess of Rs. 5 lakhs as per last audited financial statements shall be considered as material dues (“Material Dues”).

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered ‘material’ for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds 1 lakhs as determined by our Board, in its meeting held on May 20, 2017.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered ‘material’ only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to contrary, the information provided is as of date of this Prospectus.

#### **LITIGATIONS INVOLVING OUR COMPANY**

#### **LITIGATIONS AGAINST OUR COMPANY**

##### **Criminal Litigations**

Nil

##### **Civil Proceedings**

Nil

## **Taxation Matters**

### **1. INCOME TAX PROCEEDING AGAINST JIGAR INDUSTRIES (NOW JIGAR CABLES LIMITED) FOR AY 2010-11**

Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand dated February 11, 2011 under Section 143(1)(a) of the Income Tax Act, 1961 (hereinafter referred to as the "Act") and dated May 4, 2017 under Section 245 of the Act amounting to **Rs. 630/-**. The amount is currently outstanding.

### **2. INCOME TAX PROCEEDING AGAINST JIGAR INDUSTRIES (NOW JIGAR CABLES LIMITED) FOR AY 2013-14**

Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand dated July 16, 2016 under Section 220(2) of the Income Tax Act, 1961 (hereinafter referred to as the "Act") and dated May 4, 2017 under Section 245 of the Act amounting to **Rs. 1,096/-**. The amount is currently outstanding.

### **Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

### **Proceedings against Our Company for economic offences/securities laws/ or any other law**

Nil

### **Penalties in Last Five Years**

Nil

### **Pending Notices against our Company**

Nil

### **Past Notices to our Company**

Nil

### **Disciplinary Actions taken by SEBI or stock exchanges against Our Company**

Nil

### **Defaults including non-payment or statutory dues to banks or financial institutions**

Nil

### **Details of material frauds against the Company in last five years and action taken by the Companies.**

Nil

## **LITIGATIONS FILED BY OUR COMPANY**

### **Criminal Litigations**

Nil

### **Civil Proceedings**

Nil

### **Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law**

Nil

**LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY**

**LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

*Mr. Parshottambhai L. Vaghasiya and Mr. Vijay Gopalbhai Shingala are the Promoters as well as Directors of our Company. For any litigation pertaining to them kindly refer the head "LITIGATION INVOLVING PROMOTERS OF OUR COMPANY."*

**1. INCOME TAX PROCEEDING AGAINST PARSHOTAM MITHABHAI SAKHIA (INDEPENDENT DIRECTOR) FOR AY 2009-10**

Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand dated March 10, 2011 under Section 143(1)(a) of the Income Tax Act, 1961 (hereinafter referred to as the "Act") and dated July 5, 2016 under Section 245 of the Act amounting to **Rs. 1,020/-**. The Company has submitted response to the Income Tax Department. The website displays amount is currently outstanding.

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Directors**

Nil

**Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law**

Nil

**Directors on list of wilful defaulters of RBI**

Nil

**LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY****LITIGATIONS AGAINST OUR PROMOTER/S****Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Promoters**

Nil

**Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years**

Nil

**Penalties in Last Five Years**

Nil

**Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past.**

Nil

**Adverse finding against Promoter for violation of Securities laws or any other laws**

Nil

**LITIGATIONS FILED BY OUR PROMOTER/S****Criminal Litigations****1. FIRST INFORMATION REPORT (FIR) FILED BY VIJAY SHINGALA UNDER INDIAN PENAL CODE, 1860 (IPC)**

Mr. Vijay Shingala (hereinafter referred to as the “**Complainant**”) was driving his Maruti Suzuki JJ3 JC 5861 from Ahmedabad to Gondal, Gujarat. A driver of XUV GJ04 CA 9053 (hereinafter referred to as the “**Accused – 1**”) stopped the Car of the Complainant while changing the lane

near Hotel Sahyog, Bavada. The Accused - 1 started argument, verbal abuse and fight with the Complainant. He then broke the front windshield of Complainant's vehicle which resulted in loss amounting to Rs. 10,000/-. Further the Accused – 1 hit the Complainant on his head and threatened to kill him. The Complainant filed a First Information Report (FIR) dated February 8, 2017 having FIR number II/41/2017 under Section 135, 427, 323, 504, 506 (2) and 114 of IPC at Bavada Police Station. The FIR was filed against Accused - 1 and two other persons. The accused were not traceable and the matter is currently pending.

#### **Civil Proceedings**

Nil

#### **Taxation Matters**

Nil

#### **Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

### **LITIGATIONS INVOLVING OUR GROUP COMPANIES**

#### **LITIGATIONS AGAINST OUR GROUP COMPANIES**

##### **Criminal Litigations**

Nil

##### **Civil Proceedings**

Nil

##### **Taxation Matters**

#### **1. INCOME TAX PROCEEDING AGAINST ULTRACAB (INDIA) LIMITED FOR AY 2015-16**

Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand dated March 1, 2016 and dated May 4, 2017 under Section 245 of the Act amounting to **Rs. 23,02,960/-**. The Company has submitted response to the Income Tax Department clarifying the same. The website shows the amount is currently outstanding.

#### **2. CENTRAL EXCISE CASE OF ULTRACAB (INDIA) PRIVATE LIMITED**

M/s Ultracab (India) Private Limited (hereinafter referred to as the "Assessee") is the manufacturer of excisable goods i.e. "Industrial Cable and Flex (85446020) and Power Cable Arm/Unarm "Forged" (85447090) of Central Excise and Tariff Act, 1985. During the course of audit it was observed that the Assessee has done job work of M/s Paschim Gujarat Vij Company Limited (hereinafter referred to as "PGVCL"), Dhoraji, Jamnagar and Porbandar and charged towards job-work:

- a. For AY 2008-09 an amount of Rs. 2,89,950/-
- b. For AY 2009-10 an amount of Rs. 1,97,247/-
- c. For AY 2010-11 an amount of Rs. 49,800/-

On verification it was observed that the Assessee was attending the work of XLPE insulation (Cross Linked Polythelene) over the aluminium wires supplied by PGVCL. PGVCL placed an order through tenders of XLPE insulation. The Audit Officer asked the Assessee to pay duty on the assessable value of jobbed goods inclusive of the value of aluminium wires and job charges,

but it wasn't agreed by the Assessee. The Assessee reversed the actual amount of central excise of Rs. 31,095/-. However, as per audit officer the amount liable to be recovered amounted for AY 2008-09, AY 2009-10 and AY 2010-11 amounted to Rs. 2,41,059/-. The Assistant Commissioner of Central Excise, Rajkot (hereinafter referred to as the "**Assessing Authority**") issued a show cause notice dated May 11, 2012 to the Assessee for providing reason to not impose the following:

- i. Central Excise duty including education cess and higher and secondary education cess of **Rs. 2,41,059/-** under proviso to Section 11A(5) of the Central Excise Act, 1944 (hereinafter referred to as the "**Act**")
- ii. Interest under Section 11AA of the Act on the above mentioned duty and
- iii. Penalty under Section 11AC (1)(b) of the Act equivalent to **50%** of the duty.

The Assessing Authority passed an Order-in-Original bearing number 08/D/2012-13 dated March 25, 2013 (hereinafter referred to as the "**Original Order**") mentioning that the process of XLPE insulation is covered within the definition of manufacture under Section 2 (f) of the Act and confirmed point (i) and (iii) of the notice above. Being aggrieved by the Original Order, an appeal is filed before the Commissioner of Appeal, Rajkot. The matter is currently pending.

#### **Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

#### **Past Penalties imposed on our Group Companies**

Nil

#### **Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law**

Nil

#### **Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies**

Nil

#### **Adverse finding against Group Companies for violation of Securities laws or any other laws**

Nil

#### **LITIGATIONS FILED BY OUR GROUP COMPANIES**

##### **Criminal Litigations**

##### **1. DILJEETBHAI GAJENDRABHAI BHATTI V. VINOD MACHINERY STORE AND VINODBHAI BALCHANDBHAI SHAH**

Diljeetbhai Gajendrabhai Bhatti (hereinafter referred to as the "**Complainant**") is an employee of M/s Ultra Cab (India) Private Limited ("**Group Company**") and a resolution was passed in favour of Complainant to carry necessary proceeding and represent the Group Company in the criminal proceeding. Vinod Machinery Store (hereinafter referred to as the "**Accused – 1**") is a proprietorship firm engaged in the same business as Complainant and Vinodbhai Balchandbhai Shah (hereinafter referred to as the "**Accused – 2**") is the proprietor of Accused – 1 firm. The Accused – 1 regularly purchased manufacturing products from Accused – 2. The goods purchased were on credit basis with an outstanding dues amounting to **Rs. 5,66,732/-** till November 30, 2015. Accused – 2 on behalf of Accused – 1 issued total three cheques in favour of the Complainant as follows:

- i. Cheque number 00436 dated December 10, 2015 amounting to Rs. 1,50,000/-
- ii. Cheque number 00437 dated December 16, 2015 amounting to Rs. 1,84,659/-
- iii. Cheque number 00475 dated January 28, 2016 amounting to Rs. 2,32,073/-

The Cheques were presented for encashment and one cheque was dishonoured on March 2, 2016 and two others on March 9, 2016 due to “exceed arrangement” from bank. The Complainant has filed a Criminal Complainant dated April 19, 2016 having criminal case number 5224/2016 under Section 138 and Section 142 of the Negotiable Instrument Act, 1881 before the Hon’ble Court of Chief Judicial Magistrate, Rajkot.

**2. DILJEETBHAI G. BHATTI (ON BEHALF OF ULTRA CAB (INDIA) PRIVATE LIMITED) V. ANMOL AGENCY AND VISHAL SHARMA**

Anmol Agency is a proprietorship firm and Mr. Vishal Sharma is the proprietor of the firm (hereinafter referred to as the “**Respondents**”) had purchased materials from Ultra Cab (India) Private Limited (hereinafter referred to as the “**Complainant**”) on credit basis and towards consideration a cheque bearing no. 762394 amounting **Rs. 5,47,771/-** was drawn on the State Bank of Patiala, Millerganj, Ludhiana branch was issued dated June 12, 2012. Upon presentation of cheque on June 13, 2012 the same was returned with remark “Today’s opening balance insufficient.” Our Company issued a legal notice dated July 7, 2012 to make payment of the dishonoured cheques. However, the accused failed to reply to the notice or make payment. Mr. Diljeetbhai G. Bhatti, employee of Complainant Company has filed a Criminal case no. 8759/2012 dated August 17, 2012 under Section 135 and Section 142 of the Negotiable Instrument Act, 1881 before the Chief Judicial Magistrate Court, Rajkot. An order was passed on December 6, 2014 to transfer the negotiable complaint in the court of holding jurisdiction of the banks of defendants as per criminal appeal dated August 1, 2014 having no. 2287/2009, 1593-1604/2014 Dashrathsinh Rupsinh v. State of Maharashtra. The Complainant then filed a Summary Suit no. 36/2015 in 2015 before the Hon’ble court of Principal Civil Judge at Rajkot. The matter is currently pending.

**3. DILJEETBHAI G. BHATTI (ON BEHALF OF ULTRA CAB (INDIA) PRIVATE LIMITED) V. PREETI ELECTRICALS AND JAI KESHWANI**

Preeti Electricals and Jai Keshwani, proprietor of Preeti Electrical (hereinafter referred to as the “**Respondents**”) purchased materials from Ultra Cab (India) Private Limited (hereinafter referred to as the “**Complainant**”) on credit basis and towards consideration of **Rs. 6,41,868/-** issued cheque no. 18508 dated January 21, 2013 drawn on State Bank of Bikaner and Jaipur in favour of the Complainant. The Complainant presented the cheque for payment and the same was dishonoured dated January 22, 2013 with remark “Today’s opening balance insufficient.” The Complainant issued a legal notice dated February 12, 2013 to the Respondents to make payment of dishonoured cheques. The Respondents failed to reply to the said notice or make payment towards the same. Consequently, Mr. Diljeetbhai G. Bhatti, employee of the Complainant Company has filed a criminal complaint number 2156/2013 dated March 5, 2013 under Section 138 and Section 142 of the Negotiable Instruments Act, 1881 (hereinafter referred to as the “**Act**”) against the Respondents. The matter is currently pending for final disposal of Order.

**4. DILJEETBHAI G. BHATTI (ON BEHALF OF ULTRA CAB (INDIA) PRIVATE LIMITED) V. PREETI ELECTRICALS AND JAI KESHWANI**

Preeti Electricals and Jai Keshwani, proprietor of Preeti Electrical (hereinafter referred to as the “**Respondents**”) purchased materials from Ultra Cab (India) Private Limited (hereinafter referred to as the “**Complainant**”) on credit basis and towards consideration of **Rs. 1,00,000/-** issued cheque no. 18507 dated January 21, 2013 drawn on State Bank of Bikaner and Jaipur in favour of the Complainant. The Complainant presented the cheque for payment and the same was

dishonoured dated January 22, 2013 with remark “Today’s opening balance insufficient.” The Complainant issued a legal notice dated February 12, 2013 to the Respondents to make payment of dishonoured cheques. The Respondents failed to reply to the said notice or make payment towards the same. Consequently, Mr. Diljeetbhai G. Bhatti, employee of the Complainant Company has filed a criminal complaint number 2157/2013 dated March 3, 2013 under Section 138 and Section 142 of the Negotiable Instruments Act, 1881 (hereinafter referred to as the “Act”) against the Respondents. The matter is currently pending for final disposal of Order

**5. DILJEETBHAI G. BHATTI (ON BEHALF OF ULTRA CAB (INDIA) PRIVATE LIMITED) V. PREETI ELECTRICALS AND JAI KESHWANI**

Preeti Electricals and Jai Keshwani, proprietor of Preeti Electrical (hereinafter referred to as the “Respondents”) purchased materials from Ultra Cab (India) Private Limited (hereinafter referred to as the “Complainant”) on credit basis and towards consideration of **Rs. 50,000/-** issued cheque no. 18506 dated January 21, 2013 drawn on State Bank of Bikaner and Jaipur in favour of the Complainant. The Complainant presented the cheque for payment and the same was dishonoured dated January 22, 2013 with remark “Today’s opening balance insufficient.” The Complainant issued a legal notice dated February 12, 2013 to the Respondents to make payment of dishonoured cheques. The Respondents failed to reply to the said notice or make payment towards the same. Consequently, Mr. Diljeetbhai G. Bhatti, employee of the Complainant Company has filed a criminal complaint number 2158/2013 dated March 3, 2016 under Section 138 and Section 142 of the Negotiable Instruments Act, 1881 (hereinafter referred to as the “Act”) against the Respondents. The matter is currently pending for final disposal of Order

**6. DILJEETBHAI G. BHATTI (ON BEHALF OF ULTRA CAB (INDIA) PRIVATE LIMITED) V. PADMANNIL VENTURES AND SHRIKANT R.**

Padmannil Ventures and Shrikant R., proprietor of Padmannil Ventures (hereinafter referred to as the “Respondents”) purchased materials from Ultra Cab (India) Private Limited (hereinafter referred to as the “Complainant”) on credit basis and towards consideration of **Rs. 2,72,847/-** issued cheque no. 918308 dated April 22, 2013 drawn on Canara Bank, Mallapally Branch, Kerala in favour of the Complainant. The Complainant presented the cheque for payment and the same was dishonoured dated April 23, 2013 with remark “Today’s opening balance insufficient.” The Complainant issued a legal notice dated May 18, 2013 to the Respondents to make payment of dishonoured cheques. The Respondents failed to reply to the said notice or make payment towards the same. Consequently, Mr. Diljeetbhai G. Bhatti, employee of the Complainant Company has filed a criminal complaint number 6050/2013 dated June 17, 2013 under Section 138 and Section 142 of the Negotiable Instruments Act, 1881 (hereinafter referred to as the “Act”) against the Respondents. The Additional Chief Judicial Magistrate of Rajkot on December 6, 2014 transferred the negotiable complaint in the court of holding jurisdiction as per criminal appeal 2287/2009, 1593-1604/2014 dated August 1, 2014 Dashrathsinh Rupsinh v. State of Maharashtra. The Complainant filed a Summary Suit dated August 28, 2015 before the Hon’ble Court of Principal Civil Judge of Rajkot at Rajkot. The matter is currently pending.

**7. DILJEETBHAI G. BHATTI (ON BEHALF OF ULTRA CAB (INDIA) PRIVATE LIMITED) V. A. N. TRADERS AND SINUJRAJ K. K.**

A. N. Traders and Mr. Sinuraj K. K proprietor of A. N. Traders (hereinafter referred to as the “Respondents”) purchased materials from Ultra Cab (India) Private Limited (hereinafter referred to as the “Complainant”) on credit basis and towards consideration issued the cheques drawn on South Indian Bank Limited, Ernakulam, Kerala for total amount of **Rs. 2,72,949/-** of following amounts:

- a. cheque no. 591003 dated February 2, 2013 of Rs. 50,000/-



- b. cheque no. 591004 dated February 9, 2013 of Rs. 50,000/-
- c. cheque no. 591005 dated February 16, 2013 of Rs. 50,000/-
- d. cheque no. 591006 dated February 23, 2013 of Rs. 50,000/-
- e. cheque no. 591007 dated February 23, 2013 of Rs. 72,949/-

The Complainant presented the cheque for payment and the same were dishonoured upon presentation on April 23, 2013 with remark "Today's opening balance insufficient." The Complainant issued a legal notice dated May 18, 2013 to the Respondents to make payment of dishonoured cheques. The Respondents failed to reply to the said notice or make payment towards the same. Consequently, Mr. Diljeetbhai G. Bhatti, employee of the Complainant Company has filed five criminal complaints having number 6051/2013, 6052/2013, 6053/2013, 6054/2013 and 6055 of 2013 under Section 138 and Section 142 of the Negotiable Instruments Act, 1881 (hereinafter referred to as the "Act") against the Respondents. The Chief Judicial Magistrate of Rajkot passed an order dated December 6, 2014 to transfer the negotiable complaint in court of holding jurisdiction as per criminal appeal 2287/2009, 1593-1604/2014 dated August 1, 2014 Dashrathsinh Rupsinh v. State of Maharashtra. The Complainant filed a summary suit number 37/2015 for the above mentioned criminal complainants. The matter is currently pending.

**8. DILJEETBHAI G. BHATTI (ON BEHALF OF ULTRA CAB (INDIA) PRIVATE LIMITED) V. PANNA SALES AGENCY AND JAYPRAKASH NARAYAN**

Panna Sales Agency and Jayprakash Narayan proprietor of Panna Sales Agency (hereinafter referred to as the "Respondents") purchased materials from the Ultra Cab (India) Private Limited (hereinafter referred to as the "Complainant") on credit basis and towards consideration of **Rs. 2,00,215/-** issued cheque no. 150243 dated September 17, 2013 drawn on State Bank of Bikaner and Jaipur in favour of the Complainant. Complainant presented the cheque for payment and the same was dishonoured dated October 30, 2013 with remark "Today's opening balance insufficient." The Complainant issued a legal notice dated November 19, 2013 to the Respondents for payment of dishonoured cheques. The Respondents failed to reply to the said notice or make payment towards the same. Consequently, Mr. Diljeetbhai G. Bhatti, employee of the Complainant Company has filed a criminal complaint number 1179/2014 dated January 1, 2014 under Section 138 and Section 142 of the Negotiable Instruments Act, 1881 (hereinafter referred to as the "Act") against the Respondents. The matter is currently pending.

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES**

**LITIGATIONS AGAINST OUR SUBSIDIARY COMPANIES**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Subsidiaries**

Nil

**Proceedings initiated against our Subsidiaries for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Subsidiaries**

Nil

**Adverse finding against Subsidiaries for violation of Securities laws or any other laws**

Nil

**LITIGATIONS BY OUR SUBSIDIARIES**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**OTHER MATTERS**

Nil

**DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES**

Nil

**OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

Nil

**MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter — “Management Discussion and Analysis of Financial Condition and Result of Operation” on page 195 of this Draft Prospectus, there have been no material developments, since the date of the last audited balance sheet.

#### **OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

As of March 31, 2017, our Company had 4 creditors (for materials), to whom a total amount of Rs. 12.58 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated May 20, 2017, considered creditors to whom the amount due exceeds Rs. 1 lakh as per our Company’s restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

<b>Creditors</b>	<b>Amount (Rs. in Lakhs)</b>
Amrish Sales Corporation	6.87
Kanjam Chemicals	1.54
K L J Organic India	3.98

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see website of our Company [www.sigmacab.com](http://www.sigmacab.com).

Information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, [www.sigmacab.com](http://www.sigmacab.com), would be doing so at their own risk.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of manufacturing of cables and wires for industrial and domestic use, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer chapter “Key Industry Regulations and Policies” on page 116 of this Draft Prospectus.

The Company has its business located at:

**Registered Office:** Plot No.164/14 & 164/15, G.I.D.C, Gondal – II Industrial Estate, Jamwadi, Gondal, Rajkot, Gujarat, India.

**Manufacturing Unit:** Plot No.164/14 & 15, Jamwadi G.I.D.C, Gondal, Rajkot, Gujarat, India.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### **APPROVALS FOR THE ISSUE**

#### **Corporate Approvals:**

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on May 20, 2017, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting/Annual General Meeting held on June 3, 2017 authorized the Issue.

#### **In- principle approval from the Stock Exchange**

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].

#### **Agreements with NSDL and CDSL**

1. The Company has entered into an agreement dated [●] with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Bigshare Services Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated [●] with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is [●].

### **INCORPORATION AND OTHER DETAILS**

1. A partnership deed was entered into in the name of “Jigar Industries” on August 1, 1997 at Gujarat.
2. On January 1, 2017, the name of “Jigar Industries” a partnership firm was changed to “JIGAR CABLES” and all the partners agreed to convert it under Part I, Chapter XXI of the Companies Act, 2013.

3. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on February 27, 2017 by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli in the name of “JIGAR CABLES LIMITED”.
4. The Corporate Identification Number (CIN) of the Company is U28999GJ2017PLC095651

#### **APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES**

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Office of Jt. Director General Of Foreign Trade Government of India, Ministry of Commerce	2405002558	Original : August 11, 2005	NA
2	Udyog Aadhar Memorandum/ Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit	Ministry of Micro, Small and Medium Enterprise, Government of India	GJ20B0024452	February 10, 2017	NA
3	License to work a factory (under the Factories Act, 1948 and Rules made thereunder)	Joint Director, Industry Safety and Health, Rajkot, Directorate Industrial Safety & Health Gujarat State	1033/31300/2008 License No: 2748 Certificate No: 063478	Original: April 1, 2008 Renewed: January 11, 2017	Original: December 31, 2021
4.	Government Purchase Enlistment Certificate – Certificate of Registration under Single Point	The National Small Industries Corporation Limited (NSIC), ISO 9001:2008 Rajkot	NTSC/RAJ/GP/RS/GUJ/J-58	Original: January 20, 2014 September 28, 2015	August 29, 2017

	Registration Scheme units				
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#### **TAX RELATED APPROVALS/LICENSES/REGISTRATIONS**

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AADCJ8955B	February 24, 2017	Perpetual
2	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited, Government of India	RKTJ01320E	December 8, 2005	Perpetual
3	Certificate of Registration (under Gujarat Value Added Tax Act, 2002 read with Rule 6 of the Gujarat Value Added Tax Rules, 2005)	Commercial Tax Department, Government of Gujarat	24092701312	March 20, 2017  Effective from: July 1, 2002	NA
4	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Superintendent, Service Tax Department, Rajkot, Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AABFJ5914BSD001	April 18, 2012	NA
5	Certificate of Registration Central Sales Tax (Under Rule 5(1) of Central Sales Tax (Registration and Turnover)	Commercial Tax Department, Government of Gujarat	24592701312	March 20, 2017  Valid from: January 1, 1900	Until Cancelled

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Rules, 1957)				
6	Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002)	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AABFJ5914BEM001	Original: February 22, 2011	Till the registrant carries on the business for which it was issued or surrenders it or revokes or suspends

#### **LABOUR RELATED APPROVALS/REGISTRATIONS**

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Employees Provident Fund Organisation, Rajkot, Ministry of Labour, Government of India	GJ/PFC/RJT/76562/ENF/498 Code No. GJ/RJT/76562	July 28, 2011

#### **OTHER BUSINESS RELATED APPROVALS**

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Certification marks for PVC insulated cables for working voltages upto and including 1100V  IS 694:2010	Bureau of Indian Standards, Rajkot Branch	RJBO/L-7505065 License No.: CM/L-7505065	Original: July 13, 2015 Renewed from: April 1, 2017	March 31, 2019
2	Certification Marks for PVC insulated (heavy duty) electric cables: part 1	Bureau of Indian Standards, Rajkot Branch	RJBO/L-765589 Licence No. CM/L7655589	Original: October 13, 2015 Renewed from: April	March 31, 2019

	for working voltages upto and including 1100V  IS 1554: Part I :1988			1, 2017	
3	Quality management system certification for Manufacture, Supply, Export Of PVC wires and Cables, Submersible flat cables, L.T. power & control cables, Industrial flexible cables, L.T. aerial bunched cables. ISO 9001:2015	Crescent Quality Certificate Private Limited	CQCPL/QMS/1116/7466	November 21, 2016 1 <sup>st</sup> Surveillance: November 2017  2 <sup>nd</sup> Surveillance: November 2018	November 20, 2019

## **INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS**

### **TRADEMARKS**

Sr. No.	Trademark	Trade mark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration status
1.	[INSERT LOGO]	Device	9	Niteshbhai Parshotambhai Vaghasiya trading as "Jigar Industries"	1338571	February 15, 2005 Renewal date: February 15, 2015	10 years from February 15, 2015	Registered

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc. except as below:





is registered in the name Jigar Industries for a period of ten years from February 15, 2015 with Trade Mark Registry.

**MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY**

1. Certificate of Registration under Bombay Shops and Establishment Act, 1948
2. Professional Tax Enrollment Certificate (PTEC) under Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976.
3. Registration for Employees State Insurance (under Employees State Insurance Act, 1948)

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorised by the Board of Directors of our Company vide a resolution passed at its meeting held on May 20, 2017 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on June 03, 2017.

### PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither our Company nor any of our Company, our Directors, our Promoter, relatives of Promoter, our Promoter Group and our Group Companies has been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoter, Promoter Group, Directors or Group Companies have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoter, nor any of our Directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities.

None of our Directors are associated with the securities market in any manner, including securities market related business.

### ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M(1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

#### **We confirm that:**

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 55 of this Draft Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Draft Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled “*General Information*” beginning on page 55 of this Draft Prospectus.

5. The Company has Net Tangible assets of at least Rs. 114.70 as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 530.13 as per the latest audited financial results.
7. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months.
8. The Distributable Profit of the Company as per the restated financial statements for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 is as set forth below:

(Rs. In lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Distributable Profits*	8.38	0.64	-0.21	2.53	2.39
Net Tangible Assets**	114.70	119.58	106.31	121.28	99.87
Net Worth***	530.13	131.92	130.15	168.41	199.76

\* “Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

\*\* ‘Net tangible assets’ are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India and excluding deferred tax assets.

\*\*\* “Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

9. The Post-issue paid up capital of the Company shall be at least Rs. 3 crore. The post issue paid up capital of the Company shall be Rs. 703.20 lakhs.
10. The Company shall mandatorily facilitate trading in demat securities and has entered into an agreement with both the depositories.
11. The Company has not been referred to Board for Industrial and Financial Reconstruction.
12. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
14. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.
15. The Company has a website sigmacab.com

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of regulations 6(1), 6(2), 6(3), regulation 8, regulation 9, regulation 10, regulation 25, regulation 26, regulation 27 and

sub- regulation (1) of regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE AND WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE**

**“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - A. THE DRAFT PROSPECTUS FILED WITH THE EXCHANGE / BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

- C. THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
  - 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE**
  - 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.**
  - 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**
  - 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.**
  - 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
  - 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE**

**FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**

- 10.WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE, AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT FORM ONLY**
- 11.WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12.WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:**
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13.WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE**
- 14.WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**
- 15.WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. - NOTED FOR COMPLIANCE**
- 16.WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”**
- 17.WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.” *COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS***

**ADDITIONAL CONFIRMATIONS / CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT**

**PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES / ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. – NOTED FOR COMPLIANCE**
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS. – NOT APPLICABLE**
- (6) WE CONFIRM THAT UNDERWRITING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**
- (7) WE CONFIRM THAT MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE : NOTED FOR COMPLIANCE**

**Note:**

The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under Section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Managers any irregularities or lapses in the Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad, Gujarat, in terms of Section 26 and Section 30 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.sigmacab.com](http://www.sigmacab.com) would be doing so at his or her own risk.

**Caution**



The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated June 03, 2017, the Underwriting Agreement dated June 03, 2017 entered into among the Underwriter and our Company and the Market Making Agreement dated June 03, 2017 entered into among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

**Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.**

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer "Annexure A" to this Draft Prospectus and the website of the Lead Manager at [www.pantomathgroup.com](http://www.pantomathgroup.com)

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.



Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

As required, a copy of this Draft Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to ROC

#### **FILING**

The Draft Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the SEBI Regional Office, Western Regional Office, Unit No: 002, Ground Floor SAKAR I, Near Gandhigram Railway Station opposite Nehru Bridge Ashram Road, Ahmedabad- 380 009.. A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the RoC situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013

#### **LISTING**

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principle approval for using its name in our Draft Prospectus *vide* its letter dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in

default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within six Working Days from the Issue Closing Date.

## CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Chief Executive Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Lead Managers, Underwriter, Market Maker Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

## EXPERT TO THE ISSUE

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

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
- Report of the Peer Reviewed Auditor on the Restated Financial Statements for the financial year ended on May 1, 2017, March 31, 2017 2016, 2015, 2014, 2013 & 2012 of our Company

## EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 81 of this Draft Prospectus.

## DETAILS OF FEES PAYABLE

### Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated June 03, 2017 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send allotment advice by registered post / speed post / under certificate of posting.

### Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

#### **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION**

We have not made any previous rights and / or public issues since incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

#### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 63 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

#### **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:**

Except one of our Group Company viz. Ultracab (India) Limited, none of the equity shares of our Group Companies or subsidiary are listed on any recognized stock exchange.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

#### **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF OUR COMPANY AND/OR LISTED GROUP COMPANIES AND SUBSIDIARIES OF OUR COMPANY**

One of our Group Company viz. Ultracab (India) Limited has undertaken public issue on SME Platform of BSE as on October 10, 2014 and subsequently Migrated on BSE Main Board as on January 20, 2017. The objects of the IPO in 2014 were requirement for working capital and General corporate Purposes. Consequently there has not been any non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of Initial public issue of our Group Company viz. Ultracab (India) Limited. For more details on our Group Companies please refer to chapter titled “Our Group Companies” on page 147 of this Draft Prospectus. Except as mentioned above none of our Group Company or subsidiary has undertaken any public or rights issue in the last ten years preceding the date of this Draft Prospectus.

#### **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

#### MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

#### DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on April 7 ,2017. For further details, please refer to the chapter titled “*Our Management*” beginning on page 131 of this Draft Prospectus.

Our Company has appointed Chandni Chhabariya as Compliance Officer and she may be contacted at the following address:

**Chandni Chhabariya**

**Jigar Cables Limited**

*Plot No. 164/15,*

*G.I.D.C.- II, Jamwadi,*

*Gondal-360 311,*

*Dist-Rajkot (Guj.) India*

**Tel:** +91 2825 221422

**Fax:** +91 2825 227422

**Email:** cs@sigmacab.com

**Website:** www.sigmacab.com

**Corporate Identification Number:** U28999GJ2017PLC095651

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

#### CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

The Company is incorporated in November 2016 and since then, there has been no change in Auditors of our Company except appointment of M N Mawar and Co. as a result of casual vacancy of Maharshi and Co.

## **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 63 of this Draft Prospectus, our Company has not capitalized its reserves or profits during the last five years.

## **REVALUATION OF ASSETS**

Our Company have revalued its assets post incorporation.

## **PURCHASE OF PROPERTY**

Other than as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus.

Except as stated elsewhere in this Draft Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

## **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## SECTION VII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued and transferred are subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, our Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Draft Prospectus, the Prospectus, Application Form, ASBA Application form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

### RANKING OF EQUITY SHARES

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 285 of this Draft Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. Our Company shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” on page 153 of this Draft Prospectus.

### FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs 30 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Managers and is justified under the section titled “*Basis for Issue Price*” beginning on page 88 of this Draft Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

### COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.



## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 285 of this Draft Prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 4000 Equity Shares and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 4000 Equity Shares subject to a minimum allotment of 4000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 4000 Equity Share subject to a minimum allotment of 4000 Equity Shares to the successful applicants.

## MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

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

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

## **JOINT HOLDER**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

## **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the first applicant along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

## **PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE**

<b>ISSUE OPENS ON</b>		•	
<b>ISSUE CLOSES ON</b>		•	

## **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvment of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.



The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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

#### **MIGRATION TO MAIN BOARD**

*Our company may migrate to the Main Board of BSE from the SME Platform at a later date subject to the following condition and/or such other conditions as applicable from time to time:*

*a) If the Paid up Capital of our Company is likely to increase above Rs. 2,500 Lacs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

*Or*

*b) If the Paid up Capital of our company is more than Rs. 1,000 Lacs and upto Rs. 2,500 Lacs, our Company may still apply for migration to the Main Board if the Company fulfils the eligible criteria for listing laid down by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

#### **MARKET MAKING**

The shares offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing of shares offered through the Prospectus. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 55 of this Draft Prospectus.

#### **ARRANGEMENT FOR DISPOSAL OF ODD LOT**

The trading of the equity shares will happen in the minimum contract size of 4000 shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE.

#### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person

Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

#### **NEW FINANCIAL INSTRUMENTS**

The Issuer Company is not issuing any new financial instruments through this Issue.

#### **APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI**

It is to be understood that there is no reservation for Eligible NRIs or FPIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page number 63 of this Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page number 285 of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Managers are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M) (1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer, whose post issue face value capital does not exceed ten crore rupees, shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 233 and 240 of this Draft Prospectus.

### Following is the issue structure:

Public Issue of 18,64,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs.30 per Equity Share aggregating Rs. 559.20 lakhs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 17,68,000 Equity Shares ('the Net Issue'), a reservation of 96,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion')

Particulars	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	18,64,000 Equity Shares	96,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.85 % of the Issue Size	5.15% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 4000 equity shares and further allotment in multiples of 4000 equity shares each.  For further details please refer to the section titled " <i>Issue Procedure–Basis of Allotment</i> " on page 240 of the Draft Prospectus.	Firm allotment
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process	ASBA Process
<b>Minimum Application</b>	<b><u>For QIB and NII:</u></b> Such number of Equity Shares in multiples of 4000 Equity Shares such that the Application Value exceeds Rs. 2,00,000  <b><u>For Retail Individual</u></b> 4000 Equity shares	96,000 Equity Shares of Face Value of Rs.10/- each.
<b>Maximum Application Size</b>	<b><u>For QIB and NII:</u></b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable.  <b><u>For Retail Individuals:</u></b> 4000 Equity shares	96,000 Equity Shares of Face Value of Rs.10/- each.
<b>Mode of Allotment</b>	Compulsorily in dematerialized	Compulsorily in

Particulars	Net Issue to Public*	Market Maker Reservation Portion
	mode.	dematerialized mode.
<b>Trading Lot</b>	4000 Equity Shares	4000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations
<b>Terms of payment</b>	The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the Issue.	

\*allocation in the net offer to public category shall be made as follows:

- (a) minimum fifty per cent to retail individual investors; and
- (b) remaining to:
  - (i) individual applicants other than retail individual investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- (c) the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

For the purpose of sub-regulation 43 (4), *if the retail individual investor category is entitled to more than fifty per cent. on proportionate basis, the retail individual investors shall be allocated that higher percentage.*

#### WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Managers, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. However, if our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Managers, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

#### ISSUE PROGRAMME

<b>ISSUE OPENS ON</b>	[•]
<b>ISSUE CLOSES ON</b>	[•]

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under section “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Managers would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.*

*This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.*

### FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Application Collecting Intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Managers may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form.

Further the Equity shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

### APPLICATION FORM

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA Mode. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding under the QIB Portion), applying on a repatriation basis (ASBA )	Blue

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- i) an SCSB, with whom the bank account to be blocked, is maintained
- ii) a syndicate member (or sub-syndicate member)
- iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

#### *Availability of Prospectus and Application Forms*

*The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Managers to the Issue, Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com).*

*\*excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank



## WHO CAN APPLY?

In addition to the category of Applicants set forth under “– **General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue**”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

## OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.*
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.*
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.*

## PARTICIPATION BY ASSOCIATED/ AFFILIATES OF LEAD MANAGERS AND SYNDICATE MEMBERS

The Lead Managers and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Managers and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

## APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

## APPLICATIONS BY ELIGIBLE NRI'S/RFPI's ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead Managers. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the

prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

**As per the current regulations, the following restrictions are applicable for investments by FPIs:**

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - b) Nothing contained in clause (a) shall apply to:
    - i. Any transactions in derivatives on a recognized stock exchange;
    - ii. Short selling transactions in accordance with the framework specified by the Board;
    - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - iv. Any other transaction specified by the Board.
  - c) No transaction on the stock exchange shall be carried forward;
  - d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
    - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
    - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
- iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
- v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
- vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- viii. Any other transaction specified by the Board.

- e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

- 4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as an foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

#### **APPLICATIONS BY MUTUAL FUNDS**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *Equity shares of a company*: The least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. *The entire group of the investee company*: not more than 15% of the respective funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. *The industry sector in which the investee company operates*: not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lacs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

## APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

## INFORMATION FOR THE APPLICANTS

- 1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.*
- 2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.*
- 3. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.*
- 4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).*
- 5. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.*
- 6. The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.*
- 7. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.*
- 8. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the*

*Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.*

## **METHOD AND PROCESS OF APPLICATIONS**

*Applicants are required to submit their applications during the Issue Period only through the following Application Collecting intermediary*

- i) an SCSB, with whom the bank account to be blocked, is maintained
- ii) a syndicate member (or sub-syndicate member), if any
- iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.

The Applicant cannot apply on another Application Form after one Application Form has been submitted to Application Collecting intermediaries. Submission of a second Application Form to either the same or to another Application Collecting Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.

1. The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.
2. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

3. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.
4. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a

TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

5. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## **APPLICATIONS BY BANKING COMPANIES**

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “Banking Regulation Act”), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks’ own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company’s paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

## **APPLICATIONS BY SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

## **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE OFFER**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant

## **TERMS OF PAYMENT**

### **Terms of Payment**

The entire Issue price of Rs.30 share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Registrar to the Issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account post finalisation of Basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.



The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

#### *Payment mechanism for Applicants*

*The Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.*

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

#### **ELECTRONIC REGISTRATION OF APPLICATIONS**

1. The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
2. The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m of the next Working day from the Issue Closing Date.
3. The Application collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be re will be responsible for blocking the necessary amounts in the ASBA Accounts (v) Application accepted and uploaded but not sent to SCSBs for blocking of funds..
4. Neither the Lead Managers nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Application Collecting Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Managers on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Numbers of Equity Shares Applied for;
  - Bank account number.
7. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
8. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
9. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Application Collecting Intermediaries shall have no right to reject applications, except on technical grounds.
11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
12. The Application Collecting Intermediaries will be given time till 1.00 P.M on the next working day after the Issue Closing Date to verify the PAN No, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

#### **ALLOCATION OF EQUITY SHARES**

1. The Issue is being made through the Fixed Price Process wherein 96,000 Equity Shares shall be reserved for Market Maker. 17,68,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.



2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

## **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) Our Company has entered into an Underwriting agreement dated June 3, 2017.
- b) A copy of the Prospectus will be filed with the RoC in terms of Section 26 of the Companies Act.

## **PRE- ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

## **ISSUANCE OF ALLOTMENT ADVICE**

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

## **GENERAL INSTRUCTIONS**

### ***Do's:***

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- 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.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a acknowledgement;
- All applicants should submit their applications through the ASBA process only.

### ***Don't's:***

- Do not apply for lower than the minimum Application size;

- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Application Collecting Intermediaries. Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant
- Do not submit more than five Application Forms per ASBA Account.

Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

#### *Instructions for Completing the Application Form*

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Application Collecting Intermediaries. Application Forms, which do not bear the stamp of the Application Collecting Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker ('broker') network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broadbase the reach of Investors by substantially enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com).

#### *Applicant's Depository Account and Bank Details*

Please note that, providing bank account details, PAN Nos, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **SUBMISSION OF APPLICATION FORM**

All Application Forms duly completed shall be submitted to the Application Collecting Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

#### **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

#### **IMPERSONATION**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*“Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

#### **UNDERTAKINGS BY THE COMPANY**

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;

2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed on sixth day from issue closure date. Working Days from the Issue Closing Date;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment

## **UTILIZATION OF THE ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Lead Managers undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

## **EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL**

*To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:*

- a. Agreement dated [•] among NSDL, the Company and the Registrar to the Issue;*
- b. Agreement dated [•] among CDSL, the Company and the Registrar to the Issue;*

*The Company's shares bear ISIN no [•].*

## **PART B**

### **GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES**

*This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus before investing in the Issue.*

## SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

## SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

### 2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under chapter XB of the SEBI (ICDR) Regulations, wherein as per:

- Regulation 106M (1): An issuer whose post-issue face value Capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

### 2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire

application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 73 of the Companies Act, 1956

- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Managers shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (e) The Company has track record of distributable profits in terms of section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. The net worth of the Company is positive.
- (f) The Post-issue paid up capital of the Company shall not be more than Rs. 25 Crore
- (g) The Issuer shall mandatorily facilitate trading in demat securities.
- (h) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (i) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (j) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (k) The Company should have a website.
- (l) Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M(2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds Rs. 1,000 lakhs but does not exceed Rs 2,500 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

## **2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES**

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a

**Fixed Price Issue (“Fixed Price Issue”).** An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## **2.4 ISSUE PERIOD**

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period.

Details of Issue Period are also available on the website of Stock Exchange(s).

## **2.5 MIGRATION TO MAIN BOARD**

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

(a) *If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board*

OR

(b) *If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*



## 2.1 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows





### **SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE**

*Each Applicant should check whether it is eligible to apply under applicable law.* Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

### **SECTION 4: APPLYING IN THE ISSUE**

**Fixed Price Issue:** Applicants should only use the specified Application Form either bearing the

stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available Designated Branches of the SCSBs, at the registered office of the Issuer and at the corporate office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue
Anchor Investors (where applicable) & Applicants applying in the reserved category	Not Applicable

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

#### **4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)**

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

## R Application Form

<p><b>COMMON APPLICATION FORM</b></p> <p>AN ISO 9001:2015 CERTIFIED COMPANY</p> <p><b>SIGMA</b> Wires &amp; Cables</p>	<p align="center"><b>JIGAR CABLES LIMITED - INITIAL PUBLIC ISSUE - R</b></p> <p align="center">Registered Office: Plot No.164/14 &amp; 15 Janmewadi, G.I.D.C. Gandol, Rajkot 360311, Gujarat, India Tel. No.: +2825-221422; Fax No.: Not Available Email: [●]; Website: www.sigmacab.com; CIN No.: U28999GJ2017PLC095651</p>	<p align="center"><b>FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs, ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b></p>
<p><b>To,</b> <b>The Board of Directors</b> <b>JIGAR CABLES LIMITED</b></p>		<p align="center"><b>FIXED PRICE SME ISSUE</b> <b>ISIN: INE551Q01028</b></p>
<p><b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b></p> <p>Mr / Ms: _____ Age: _____</p> <p>Address: _____</p> <p>Email: _____</p> <p>Tel. No (with STD code) / Mobile: _____</p>		<p align="right">Date: _____</p> <p align="right">Application Form No. _____</p>
<p><b>2. PAN OF SOLE/FIRST APPLICANT</b></p> <p>_____</p>	<p><b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL</p> <p>For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.</p>	
<p><b>4. APPLICATION DETAILS</b></p> <p>No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ 30/- per share <sup>1&amp;2</sup></p> <p>(In Figures) _____ (In Words) _____</p>	<p><b>5. CATEGORY</b></p> <p><input type="checkbox"/> Retail Individual</p> <p><input type="checkbox"/> Non-Institutional</p> <p><input type="checkbox"/> QIB</p>	
<p><b>6. INVESTOR STATUS</b></p> <p><input type="checkbox"/> Individual(s) - IND</p> <p><input type="checkbox"/> Hindu Undivided Family* - HUF</p> <p><input type="checkbox"/> Bodies Corporate - CO</p> <p><input type="checkbox"/> Banks &amp; Financial Institutions - FI</p> <p><input type="checkbox"/> Mutual Funds - MF</p> <p><input type="checkbox"/> Non-Resident Indians (Non-Repatriation Basis) - NRI</p> <p><input type="checkbox"/> National Investment Funds - NIF</p> <p><input type="checkbox"/> Insurance Funds - IF</p> <p><input type="checkbox"/> Insurance Companies - IC</p> <p><input type="checkbox"/> Venture Capital Funds - VCF</p> <p><input type="checkbox"/> Alternative Investment Funds - AIF</p> <p><input type="checkbox"/> Others (Please Specify) - OTH</p> <p><small>*HUF should apply only through Karta (Application by HUF would be treated on par with Individual)</small></p>		
<p><b>7. PAYMENT DETAILS</b> <span style="float: right;">PAYMENT OPTION : Full Payment</span></p> <p>Amount Blocked (₹ in Figures) _____ (₹ in words) _____</p> <p>ASBA Bank A/c No. _____</p> <p>Bank Name &amp; Branch _____</p>		
<p><small>I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDER TAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.</small></p>		
<p><b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b></p> <p>_____</p> <p>Date: _____, 2017</p>	<p><b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)</b></p> <p>I/We authorize the SCSEB to do all acts as are necessary to make the Application in the issue</p> <p>1) _____</p> <p>2) _____</p> <p>3) _____</p>	<p><b>BROKER / SCSEB / DP / RTA STAMP</b> (Acknowledging upload of Application in Stock Exchange System)</p> <p>_____</p>
TEAR HERE		
<p><b>SIGMA</b> Wires &amp; Cables</p>	<p align="center"><b>JIGAR CABLES LIMITED - INITIAL PUBLIC ISSUE - R</b></p>	
<p><b>DPID / CLID</b></p> <p>_____</p>	<p align="center"><b>Acknowledgement Slip for Broker/SCSEB/DP/RTA</b></p> <p align="right">Application Form No. _____</p>	
<p>Amount Blocked (₹ in figures) _____</p> <p>ASBA Bank A/c No. _____</p> <p>Received from Mr./Ms. _____</p> <p>Telephone / Mobile _____ Email _____</p>	<p>Bank &amp; Branch _____</p> <p>Stamp &amp; Signature of SCSEB Branch _____</p>	<p align="right">PAN of Sole/First Bidder _____</p>
TEAR HERE		
<p><b>JIGAR CABLES LIMITED - INITIAL PUBLIC ISSUE - R</b></p> <p>No. of Equity Shares _____</p> <p>Amount Blocked (₹) _____</p> <p>ASBA Bank A/c No.: _____</p> <p>Bank &amp; Branch: _____</p>	<p><b>Stamp &amp; Signature of Broker / SCSEB / DP / RTA</b></p> <p>_____</p>	<p><b>Name of Sole / First Applicant</b></p> <p>_____</p> <p align="center"><b>Acknowledgement Slip for Applicant</b></p> <p align="right">Application Form No. _____</p> <p align="right"><b>JIGAR CABLES LIMITED</b> <b>1</b></p>

# NR Application Form

<b>COMMON APPLICATION FORM</b>	<b>JIGAR CABLES LIMITED - INITIAL PUBLIC ISSUE - NR</b> Registered Office: Plot No.164/14 & 15 Janmadi, G.I.D.C Gandol, Rajkot 360311, Gujarat, India Tel. No.: +2825-221422; Fax No.: Not Available Email: [●]; Website: www.sigmacab.com; CIN No.: U 28999GJ2017PLC095651	<b>FOR NON-RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCIs ETC. APPLYING ON A REPATRIATION BASIS</b>
 <b>SIGMA</b> WIRES & CABLES	<b>To,</b> <b>The Board of Directors</b> <b>JIGAR CABLES LIMITED</b>	<b>FIXED PRICE SME ISSUE</b> <b>ISIN: INE551Q01028</b>
		Date: _____ Application Form No. _____

<b>BROKER'S / SCSB / DP / RTA STAMP &amp; CODE</b>   	<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>   	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr / Ms _____ _____ Age _____ Address _____ _____ Email _____ Tel. No (with STD code) / Mobile _____
<b>SCSB / BANK BRANCH STAMP &amp; CODE</b>  	<b>SCSB / BANK BRANCH SERIAL NO.</b>  	<b>2. PAN OF SOLE/FIRST APPLICANT</b> _____

<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	<b>6. INVESTOR STATUS</b>
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	<input type="checkbox"/> Non-Resident Indians (Repatriation basis)    NRI <input type="checkbox"/> FII or Sub Account not a Corporate / Foreign Individual    FII <input type="checkbox"/> FII Sub Account Corporate/Individual    FII SA <input type="checkbox"/> Foreign Venture Capital Investor    FVCI <input type="checkbox"/> Foreign Portfolio Investors    FPI <input type="checkbox"/> Others (Please Specify)    OTH

<b>4. APPLICATION DETAILS</b> No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ 30/- per share <sup>1&amp;2</sup> (In Figures) _____ (In Words) _____	<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
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<sup>1</sup>Please note that applications must be made in minimum of 4000 shares and further multiples of 4000 shares accordingly.  
<sup>2</sup>Please note that the trading of equity shares will be only in dematerialised mode on the SME Platform of BSE.

<b>7. PAYMENT DETAILS</b> Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____	<b>PAYMENT OPTION : Full Payment</b>
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I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDER TAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>  Date: _____, 2017	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	<b>BROKER / SCSB / DP / RTA STAMP</b> (Acknowledging upload of Application in Stock Exchange System)
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 <b>SIGMA</b> WIRES & CABLES	<b>JIGAR CABLES LIMITED - INITIAL PUBLIC ISSUE - NR</b>	Acknowledgement Slip for Broker/SCSB/DP/RTA Application Form No. _____ PAN of Sole/First Bidder _____
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DPID / CLID _____	Amount Blocked (₹ in figures) _____ Bank & Branch _____	Stamp & Signature of SCSB Branch _____
	ASBA Bank A/c No. _____	
	Received from Mr./Ms. _____	
	Telephone / Mobile _____ Email _____	

<b>GAUTAM EXIM LIMITED - INITIAL PUBLIC ISSUE - NR</b>	<b>GAUTAM EXIM LIMITED - INITIAL PUBLIC ISSUE - NR</b>	Acknowledgement Slip for Applicant Application Form No. _____ <b>GAUTAM EXIM LIMITED 1</b>
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#### **4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT**

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or
- makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of the said Act.

- (d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

#### **4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT**

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

#### **4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

#### **4.1.4 FIELD NUMBER 4: APPLICATION DETAILS**

- (a) The Issuer may mention Price in the Draft Prospectus. However a prospectus registered with RoC contains one price.
- (b) Minimum And Maximum Application Size

##### **i. For Retail Individual Applicants**

The Application must be for a minimum of 4000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 4000 Equity Shares.

##### **ii. For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 4000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to any other Application Collecting

Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
  - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
  - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
  - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
  - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
  - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD 7: PAYMENT DETAILS**

- (a) Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

#### **4.1.7.1 Payment instructions for Applicants**

- (a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.
- (b) Applicants should specify the Bank Account number in the Application Form.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one Bank Account, a maximum of five Application Forms can be submitted.
- (f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained. In case Applicant applying through Application Collecting Intermediary other than SCSB, after verification and upload, the Application Collecting Intermediary shall send to SCSB for blocking of fund.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### **4.1.8 Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite



amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

#### **4.1.8.1 Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

#### **4.1.8.2 Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

### **4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

#### **4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.
  - ii. In case of applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
  - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
  - i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application And ASBA Account Number and Name.
  - ii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise/withdraw their applications till closure of the Issue period
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

## Revision Form – R

<b>COMMON APPLICATION FORM</b>	<b>JIGAR CABLES LIMITED - INITIAL PUBLIC ISSUE - REVISION - R</b> Registered Office: Plot No.164/14, & 15 Janmawadi, G.I.D.C. Gondal, Rajkot 360311, Gujarat, India Tel. No.: +2825-221422; Fax No.: Not Available Email: [•] Website: www.sigmacab.com; CIN No.: U28999GJ2017PLC095651	<b>FOR RESIDENT INDIANS &amp; QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS</b>
 <b>SIGMA</b> WIRES & CABLES	<b>To,</b> <b>The Board of Directors</b> <b>JIGAR CABLES LIMITED</b>	<b>FIXED PRICE SME ISSUE</b> <b>ISIN: INE551Q01028</b>
		Date: _____ Application Form No. _____
BROKER'S / SCSB / DP / RTA STAMP & CODE   SCSB / BANK BRANCH STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE   SCSB / BANK BRANCH SERIAL NO.	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ _____ Age _____ Tel. No. (with STD code) / Mobile _____ <b>2. PAN OF SOLE/FIRST APPLICANT</b> _____ <b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID
PLEASE CHANGE MY APPLICATION <input type="checkbox"/> PHYSICAL		
<b>4. FROM (as per last Application or Revision)</b>		
Options	No. of Equity Shares applied (Application must be in multiples of 4000 equity shares) (In Figures)	Price per Equity Share (₹) 30:- (In Figures)
	Issue Price      Discount, if any      Net Price	
Option 1	7   6   5   4   3   2   1	4   3   2   1   4   3   2   1   4   3   2   1
(OR) Option 2	NOT APPLICABLE	NOT APPLICABLE
(OR) Option 3	NOT APPLICABLE	NOT APPLICABLE
<b>5. TO (Revised Application)</b>		
Options	No. of Equity Shares applied (Application must be in multiples of 4000 equity shares) (In Figures)	Price per Equity Share (₹) 30:- (In Figures)
	Issue Price      Discount, if any      Net Price	
Option 1	7   6   5   4   3   2   1	4   3   2   1   4   3   2   1   4   3   2   1
(OR) Option 2	NOT APPLICABLE	NOT APPLICABLE
(OR) Option 3	NOT APPLICABLE	NOT APPLICABLE
<b>7. PAYMENT DETAILS</b>		
PAYMENT OPTION : Full Payment		
Amount Blocked (₹ in Figures) _____ (₹ in words) _____		
ASBA Bank A/c No. _____ Bank Name & Branch _____ _____		
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.		
<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b> _____ Date: _____, 2017		
<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____		
<b>BROKER / SCSB / DP / RTA STAMP</b> (Acknowledging upload of Application in Stock Exchange System)		
TEAR HERE		
Application Form No. _____		
Acknowledgement Slip for Broker/SCSB/DP/RTA		
Application Form No. _____		
DP ID / CLID _____ PAN _____		
Additional Amount Blocked (₹ in figures) _____ Bank & Branch _____		
ASBA Bank A/c No. _____		
Received from Mr./Ms. _____		
Telephone / Mobile _____ Email _____		
TEAR HERE		
Stamp & Signature of Broker / SCSB / DP / RTA		
Name of Sole / First Applicant		
Acknowledgment Slip for Applicant		
ASBA Bank A/c No.: _____		
Bank & Branch: _____		
Application Form No. _____		

## Revision Form – NR

<b>COMMON APPLICATION FORM</b>	<b>JIGAR CABLES LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b> Registered Office: Plot No.164/14 & 15 Janmewadi, G.I.D.C. Gondal, Rajkot 360311, Gujarat, India Tel. No.: +2825-221422; Fax No.: Not Available Email: [•] Website: www.sigmacab.com; CIN No.: U28999GJ2017PLC095651	<b>FOR NRIs, FIIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS</b>																																																																																																								
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## **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

### **4.2.1 FIELD 4 & 5: APPLICATION REVISION ‘FROM’ AND ‘TO’**

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should not exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

### **4.2.2 FIELD 6: PAYMENT DETAILS**

- (a) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

### **4.2.3 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

## **4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM**

### **4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-**

Mode of Application	Submission of Application Form
All Investors Application	To the Application Collecting Intermediaries as mentioned in the Prospectus/ Application Form

## **SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

### **5 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE**

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

## **GROUND OF REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 (other than minor having valid depository accounts as per demographic details provided by the depository);
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing

Date , unless the extended time is permitted by NSE.

- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

**APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

## **SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

This being Fixed Price Issue, this section is not applicable for this Issue.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

### **7.1 BASIS OF ALLOTMENT**

Allotment will be made in consultation with the SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For applications where the proportionate allotment works out to less than 4000 equity shares the allotment will be made as follows:
  - i. Each successful Applicant shall be allotted 4000 equity shares; and
  - ii. The successful Applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- (d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 4000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 4000 equity shares subject to a minimum allotment of 4000 equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 4000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:

- i. As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
- ii. The balance net offer of shares to the public shall be made available for allotment to
  - individual applicants other than retail individual investors and
  - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
- iii. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

‘Retail Individual Investor’ means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE – the Designated Stock Exchange in addition to Lead Managers and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

## 7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**  
  
Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant’s depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 5 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 5 Working Days of the Issue Closing Date.

### 8.2 GROUNDS FOR REFUND

#### 8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is



sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

### **8.2.2 MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitution or additional provisions as has been or may be notified under the Companies Act, 2013).

### **8.2.3 MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

## **8.3 MODE OF REFUND**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

### **8.3.1 Mode of making refunds**

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

## **8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not done within the 4 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Issue Closing Date, if Allotment is not made.

## SECTION 9: GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

Term	Description
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the Lead Managers, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Application Collecting Intermediaries	<ul style="list-style-type: none"> <li>i) an SCSB, with whom the bank account to be blocked, is maintained</li> <li>ii) a syndicate member (or sub-syndicate member)</li> <li>iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')</li> <li>iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> <li>v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> </ul>
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Banker(s) to the Issue/ Public Issue Bank and Refund Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account(s) may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer

Term	Description
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified)
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on- <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a>
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Draft Prospectus	The draft prospectus filed with the Designated stock exchange in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
Fixed Price Issue/ Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
FPI(s)	Foreign Portfolio Investor
FPO	Further public offering
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issue Closing Date	The date after which the SCSBs may not accept any Application for

Term	Description
	the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the Prospectus for the Issue Opening Date
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Lead Manager(s)/Lead Manager/ LM	The Lead Managers to the Issue as disclosed in the Draft Prospectus/ Prospectus and the Bid Application Form of the Issuer.
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition — nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account

Term	Description
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009
Refunds through electronic transfer of funds	Refunds through ASBA
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Draft Prospectus / Prospectus and Bid cum Application Form
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 2,00,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 2,00,000.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
RTGS	Real Time Gross Settlement
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on

Term	Description
	<a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Specified Locations	Refer to definition of Broker Centres
Stock Exchanges/SE	The stock exchanges as disclosed in the Draft Prospectus/ Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated June 3, 2017 entered into between the Underwriter and our Company
Working Day	All days other than Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India

## **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 Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are Foreign Investment Promotion Board (“**FIPB**”) and the Reserve Bank of India (“**RBI**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2016 (“**FDI Policy 2016**”), which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. Further, DIPP has issued Press note 5, dated June 24, 2016 which introduces few changes in FDI Policy 2016. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2016 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the 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 the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2016, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FII, FPI,



NRI, FVCI, LLPs, DRs and Investment Vehicles under Schedule 1, 2, 2A, 3, 6, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49 % or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

**i. Investment by FIIs under Portfolio Investment Scheme (PIS):**

With regards to purchase/sale of share/s convertible debentures by a registered FII under PIS the total holding by each FII/SEBI approved sub-account of FII shall not exceed 10 % of the total paid-up equity capital or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs/sub-accounts of FIIs put together shall not exceed 24 % of paid-up equity capital or paid-up value of each series of convertible debentures. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body. For arriving at the ceiling on holdings of FIIs, shares/ convertible debentures acquired both through primary as well as secondary market will be included. However, the ceiling will not include investment made by FII through off-shore Funds, Global Depository receipts and Euro-Convertible Bonds. With regard to convertible debentures, these investments permitted to be made shall not exceed 5 % of the total paid-up equity capital or 5% of the paid-up value of each series of convertible debentures issued by an Indian Company, and shall also not exceed the over-all ceiling limit of 24 % of paid-up equity capital or paid up value of each series of convertible debentures.

**ii. Investment by Registered Foreign Portfolio Investor (RFPI) under Foreign Portfolio Investment (FPI) Scheme**

With respect to purchase/sale of shares or convertible debentures or warrants, a RFPI registered in accordance with SEBI (FPI) Regulations, 2014 as amended in regular intervals may purchase shares or convertible debentures or warrants of an Indian company under FPI scheme. The total holding by each RFPI shall be below 10 % of the total paid-up equity capital or 10 % of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all RFPI put together shall not exceed 24 % of paid-up equity capital or paid up value of each series of convertible debentures. The said limit of 24 % will be called aggregate limit. However, the aggregate limit of 24 % may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its General Body. For arriving at the ceiling on holdings of RFPI, shares or convertible debentures or warrants acquired both through primary as well as secondary market will be included. However, the ceiling will exclude investment made by RFPI through off-shore Funds, Global Depository Receipts and Euro-Convertible Bonds but include holding of RFPI and deemed RFPI in the investee company for computation of 24 % or enhanced limit.

**iii. Investment by NRI on repatriation and non-repatriation basis under PIS:**

With respect to purchase/sale of shares and/or convertible debentures by a NRI on a stock exchange in India on repatriation and/or non-repatriation basis under PIS is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2000. Further, with regard to limits:

- the paid-up value of shares of an Indian company, purchased by each NRI both on repatriation and on non-repatriation basis, does not exceed 5 % of the paid-up value of shares issued by the company concerned;



- the paid-up value of each series of convertible debentures purchased by each NRI both on repatriation and non-repatriation basis does not exceed 5 % of the paid-up value of each series of convertible debentures issued by the company concerned;
- the aggregate paid-up value of shares of any company purchased by all NRIs does not exceed 10 % of the paid up capital of the company and in the case of purchase of convertible debentures
- the aggregate paid-up value of each series of debentures purchased by all NRIs does not exceed 10 % of the paid-up value of each series of convertible debentures;
- However, 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 concerned.

#### **iv. Investment by NRI on Non-repatriation basis**

As per current FDI Policy 2016, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase and sale of shares and convertible debentures or warrants by a NRI on Non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Prospectus.**

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

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION  
THE COMPANIES ACT, 2013  
[COMPANY LIMITED BY SHARES]**

**ARTICLES OF ASSOCIATION**

**OF**

**JIGAR CABLES LIMITED**

<b>Sr. No</b>	<b>Particulars</b>	
<b>1.</b>	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any	<b>Table F Applicable.</b>
	<b>Interpretation Clause</b>	
<b>2.</b>	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) “These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) “Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) * “The Company” shall mean <b>JIGAR CABLES LIMITED</b>	

<b>Sr. No</b>	<b>Particulars</b>	
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	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General	<b>Executor or Administrator</b>
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) "Meeting" or "General Meeting" means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding	<b>Extra-Ordinary General Meeting</b>
	(o) "National Holiday" means and includes any declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>

<b>Sr. No</b>	<b>Particulars</b>	
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) "Public Company" means a company which— (a) is not a private company; (b) has a minimum paid-up share capital of five lakh rupees or such higher paid-up capital, as may be prescribed: Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be private.	<b>Public Company</b>
	(v) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.	<b>Register of Members</b>
	(w) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(x) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	<b>Special Resolution</b>
	(y) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(z) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(aa) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(bb) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(cc) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being	<b>Expressions in the Act to bear the same meaning in Articles</b>
<b>Sr. No</b>	<b>Particulars</b>	

	<b>CAPITAL</b>	
<b>3.</b>	(a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital.</b>
<b>4.</b>	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been	<b>Increase of capital by the Company how carried into effect</b>
<b>5.</b>	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>
<b>6.</b>	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for	<b>Non Voting Shares</b>
<b>7.</b>	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
<b>8.</b>	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>
<b>Sr. No</b>	<b>Particulars</b>	

<p><b>9.</b></p>	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions- shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The</p>	<p><b>Provisions to apply on issue of Redeemable Preference Shares</b></p>
<p><b>10.</b></p>	<p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not</p>	<p><b>Reduction of capital</b></p>

Sr. No	Particulars	
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<b>11.</b>	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a	<b>Debentures</b>
<b>12.</b>	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed	<b>Issue of Sweat Equity Shares</b>
<b>13.</b>	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by	<b>ESOP</b>
<b>14.</b>	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	<b>Buy Back of shares</b>
<b>15.</b>	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the	<b>Consolidation, Sub-Division and Cancellation</b>
<b>16.</b>	Subject to compliance with applicable provision of the Act and rules framed there under the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>

<b>Sr. No</b>	<b>Particulars</b>	
<b>17.</b>	Subject to compliance with applicable provision of the Act and rules framed there under the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed there under.	<b>Issue of Securities</b>
	<b>MODIFICATION OF CLASS RIGHTS</b>	
<b>18.</b>	<p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three- fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of</p>	<b>Modification of rights</b>
<b>19.</b>	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
<b>20.</b>	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of	<b>Shares at the disposal of the Directors.</b>
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	Shall be deemed to be fully paid shares.	



<b>21.</b>	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section(1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed there	<b>Power to issue shares on preferential basis.</b>
<b>22.</b>	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub- divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
<b>23.</b>	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a	<b>Acceptance of Shares.</b>
<b>24.</b>	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid- up</b>
<b>25.</b>	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the Allottees thereof, and shall be paid by him, accordingly.	<b>Deposit and call etc. to be a debt payable immediately.</b>
<b>26.</b>	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the	<b>Liability of Members.</b>
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<b>27.</b>	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>

	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
<b>28.</b>	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	<b>CERTIFICATES</b>	
<b>29.</b>	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two	<b>Share Certificates.</b>

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	<p>certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
30.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<p><b>Issue of new certificates in place of those defaced, lost or destroyed.</b></p>

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<b>31.</b>	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the	<b>The first named joint holder deemed Sole holder.</b>
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>Maximum number of joint holders.</b>
<b>32.</b>	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or	<b>Company not bound to recognize any interest in share other than that of registered holders.</b>
<b>33.</b>	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	<b>Installment on shares to be duly paid.</b>
	<b>UNDERWRITING AND BROKERAGE</b>	
<b>34.</b>	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid	<b>Commission</b>
<b>35.</b>	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>

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<b>36.</b>	<b>CALLS</b>	
<b>37.</b>	<p>(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p>	<b>Directors may make calls</b>
<b>38.</b>	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call	<b>Notice of Calls</b>
<b>39.</b>	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by	<b>Calls to date from resolution.</b>
<b>40.</b>	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
<b>41.</b>	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
<b>42.</b>	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it	<b>Calls to carry interest.</b>
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	demand or recover any interest from any such member.	

<b>43.</b>	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment	<b>Sums deemed to be calls.</b>
<b>44.</b>	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters	<b>Proof on trial of suit for money due on shares.</b>
<b>45.</b>	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
<b>46.</b>	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made <del>the Board may pay or allow interest at such rate as</del>	<b>Payments in Anticipation of calls may carry interest</b>
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	<p>paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of <del>this Article shall not extend to calls on</del></p>	
	<b>LIEN</b>	
<b>47.</b>	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare	<b>Company to have Lien on shares.</b>
<b>48.</b>	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorised some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon	<b>As to enforcing lien by sale.</b>
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	and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	



<b>49.</b>	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	<b>Application of proceeds of sale.</b>
	<b>FORFEITURE AND SURRENDER OF SHARES</b>	
<b>50.</b>	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the	<b>If call or installment not paid, notice may be given.</b>
<b>51.</b>	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.  The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	<b>Terms of notice.</b>

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<b>52.</b>	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually	<b>On default of payment, shares to be forfeited.</b>
<b>53.</b>	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	<b>Notice of forfeiture to a Member</b>
<b>54.</b>	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion	<b>Forfeited shares to be property of the Company and maybe sold etc.</b>
<b>55.</b>	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
<b>56.</b>	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	<b>Effect of forfeiture.</b>
<b>57.</b>	A declaration in writing that the declaring is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<b>Evidence of Forfeiture.</b>
<b>58.</b>	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re- allotted or disposed of may be registered as the	<b>Title of purchaser and allottee of Forfeited shares.</b>
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	he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	
<b>59.</b>	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	<b>Cancellation of share certificate in respect of forfeited shares.</b>
<b>60.</b>	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem	<b>Forfeiture may be remitted.</b>
<b>61.</b>	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person <del>aggrieved by the sale shall be in damages only and</del>	<b>Validity of sale</b>
<b>62.</b>	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may <del>think fit</del>	<b>Surrender of shares.</b>
	<b>TRANSFER AND TRANSMISSION OF SHARES</b>	
<b>63.</b>	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder	<b>Execution of the instrument of shares.</b>
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	the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	

<b>64.</b>	<p>The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.</p> <p>The instrument of transfer shall be in a common form</p>	<b>Transfer Form.</b>
<b>65.</b>	<p>The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to</p>	<b>Transfer not to be registered except on production of instrument of transfer.</b>
<b>66.</b>	<p>Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—</p> <p>(a) any transfer of shares on which the company has a</p>	<b>Directors may refuse to register transfer.</b>
<b>67.</b>	<p>If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force</p>	<b>Notice of refusal to be given to transferor and transferee.</b>
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<b>68.</b>	<p>No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.</p>	<b>No fee on transfer.</b>

<b>69.</b>	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made there under close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debenture holder or other security holders..</b>
<b>70.</b>	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	<b>Custody of transfer Deeds.</b>
<b>71.</b>	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	<b>Application for transfer of partly paid shares.</b>
<b>72.</b>	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
<b>73.</b>	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognizing any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may</p>	<b>Recognition of legal representative.</b>
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	<p>some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by</p>	
<b>74.</b>	<p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a</p>	<b>Titles of Shares of deceased Member</b>
<b>75.</b>	<p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.</p>	<b>Notice of application when to be given</b>
<b>76.</b>	<p>Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the</p>	<b>Registration of persons entitled to share otherwise than by transfer.(transmission clause).</b>
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	nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is	
<b>77.</b>	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register nominee.</b>
<b>78.</b>	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept	<b>Board may require evidence of transmission.</b>
<b>79.</b>	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>
<b>80.</b>	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in form SH4 hereof as	<b>Form of transfer Outside India.</b>
<b>81.</b>	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
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	<b>NOMINATION</b>	

82.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be</p>	Nomination
83.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the</p>	Transmission of Securities by nominee
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	<p>requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	



<b>84.</b>	<b>DEMATERIALIZATION OF SHARES</b>	
<b>85.</b>	Subject to the provisions of the Act and Rules made there under the Company may offer its members facility to hold securities issued by it in dematerialized form.	<b>Dematerialization of Securities</b>
	<b>JOINT HOLDER</b>	
<b>86.</b>	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>
<b>87.</b>	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any	<b>Title of survivors.</b>
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall	<b>Delivery of certificate and giving of notices to first named holders.</b>
	<b>SHARE WARRANTS</b>	
<b>88.</b>	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share	<b>Power to issue share warrants</b>
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	fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board	



<b>89.</b>	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice,</p>	<b>Deposit of share warrants</b>
<b>90.</b>	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	<b>Privileges and disabilities of the holders of share warrant</b>
<b>91.</b>	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
	<b>CONVERSION OF SHARES INTO STOCK</b>	
<b>92.</b>	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination</p>	<b>Conversion of shares into stock or reconversion.</b>

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<b>93.</b>	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the	<b>Transfer of stock.</b>
<b>94.</b>	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose. But no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares , have conferred that privilege or advantage.	<b>Rights of stock holders.</b>
<b>95.</b>	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.	<b>Regulations.</b>
	<b>BORROWING POWERS</b>	
<b>96.</b>	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit  or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the	<b>Power to borrow.</b>
<b>97.</b>	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares.	<b>Issue of discount etc. or with special privileges.</b>
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	otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General	
<b>98.</b>	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to <del>secure and guarantee the performance by the Company</del>	<b>Securing payment or repayment of Moneys borrowed.</b>
<b>99.</b>	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
<b>100.</b>	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
<b>101.</b>	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or	<b>Indemnity may be given.</b>
	<b>MEETINGS OF MEMBERS</b>	
<b>102.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>

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<b>103.</b>	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
<b>104.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>
<b>105.</b>	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one	<b>Chairman of General Meeting</b>
<b>106.</b>	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
<b>107.</b>	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or	<b>Chairman with consent may adjourn meeting.</b>

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	notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	
<b>108.</b>	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
<b>109.</b>	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
<b>110.</b>	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	<b>Demand for poll not to prevent transaction of other business.</b>
	<b>VOTES OF MEMBERS</b>	
<b>111.</b>	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any	<b>Members in arrears not to vote.</b>
<b>112.</b>	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his	<b>Number of votes each member entitled.</b>
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<b>113.</b>	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
<b>114.</b>	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote	<b>Vote of member of unsound mind and of minor</b>
<b>115.</b>	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the	<b>Postal Ballot</b>
<b>116.</b>	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
<b>117.</b>	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<b>Votes of joint members.</b>
<b>118.</b>	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
<b>119.</b>	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorised such person by resolution of its	<b>Representation of a body corporate.</b>
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	fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an <del>individual member creditor or holder of debentures of</del>	
<b>120.</b>	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was <del>taken</del>	<b>Members not prohibited if share not held for any specified period.</b>
<b>121.</b>	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty- eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have <del>previously admitted his right to vote at such</del>	<b>Votes in respect of shares of deceased or insolvent members.</b>
<b>122.</b>	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution <del>shall be accepted by the Company as sufficient evidence</del>	<b>No votes by proxy on show of hands.</b>
<b>123.</b>	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the <del>meeting or adjourned meeting at which the person</del>	<b>Appointment of a Proxy.</b>
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	vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as	



<b>124.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
<b>125.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting	<b>Validity of votes given by proxy notwithstanding death of a member.</b>
<b>126.</b>	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>Time for objections to votes.</b>
<b>127.</b>	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
	<b>DIRECTORS</b>	
<b>128.</b>	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special	<b>Number of Directors</b>
<b>129.</b>	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
<b>130.</b>	The First Directors of the Company are:  1. MR. VIJAY GOPALBHAI SHINGALA  2. MR. PARSHOTTAMBHAI LALJIBHAI VAGHASIYA	<b>First Directors</b>
<b>131.</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not	<b>Directors power to fill casual vacancies.</b>
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<b>132</b>	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding</p>	<b>Nominee Directors.</b>
<b>133.</b>	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring	<b>Appointment of alternate Director.</b>
<b>134.</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting.	<b>Additional Director</b>
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<b>135.</b>	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees	<b>Sitting Fees.</b>
<b>136.</b>	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses incurred by Director on Company's business.</b>
	<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>	
<b>137.</b>	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>	<b>Meetings of Directors.</b>
<b>138.</b>	<p>a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within Fifteen minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.</p> <p>b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as</p>	<b>Chairperson</b>
<b>139.</b>	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
<b>140.</b>	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
<b>Sr. No</b>	<b>Particulars</b>	

141.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in	<b>Directors may appoint committee.</b>
142.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors	<b>Committee Meeting show to be governed.</b>
143.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	<b>Chairperson of Committee Meetings</b>
144.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	<b>Meetings of the Committee</b>
145.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed.	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>
146.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would	<b>Power to fill casual vacancy</b>
<b>Sr. No</b>	<b>Particulars</b>	
	<b>POWERS OF THE BOARD</b>	

<b>147.</b>	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which	<b>Powers of the Board</b>
<b>148.</b>	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	<b>Certain powers of the Board</b>
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on in any part of	<b>To acquire any property , rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe or may be advised	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the	<b>To erect &amp; construct.</b>

Sr. No	Particulars	
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the	<b>To pay for property.</b>
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in	<b>To insure properties of the Company.</b>
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think	<b>To open Bank accounts.</b>
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a	<b>To secure contracts by way of mortgage.</b>
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or	<b>To appoint trustees for the Company.</b>
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe	<b>To conduct legal proceedings.</b>

Sr. No	Particulars	
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realize such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and	<b>To give Security by way of indemnity.</b>
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers.</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the	<b>Commission or share in profits.</b>
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	<b>Bonus etc. to employees.</b>

Sr. No	Particulars	
	<p>(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from</p>	<b>Transfer to Reserve Funds.</b>
	<p>(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the</p>	<b>To remove officers and other employees.</b>
<b>Sr. No</b>	<b>Particulars</b>	



	<p>(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to</p>	<b>To appoint Attorneys.</b>
	<p>(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p>	<b>To enter into contracts.</b>
	<p>(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.</p>	<b>To make rules.</b>
	<p>(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of</p>	<b>To effect contracts etc.</b>
	<p>(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests</p>	<b>To apply &amp; obtain concessions licenses etc.</b>



Sr. No	Particulars	
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.  (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	

Sr. No	Particulars	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities</p>	

Sr. No	Particulars	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	
149.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole- time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such</p>	<b>Powers to Appoint Managing/ Whole time Directors.</b>
150.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these	<b>Remuneration of Managing or Whole -time Director.</b>
151.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and</p>	<b>Powers and duties of Managing Director or Whole-time Director.</b>

Sr. No	Particulars	
	<p>withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole time Director or Whole time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for</p>	
	<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>	
<b>152.</b>	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	<b>Board to appoint Chief Executive Officer/Manager/Company Secretary/ Chief Financial Officer</b>

Sr. No	Particulars	
	<b>THE SEAL</b>	
<b>153.</b>	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use</p>	<b>The seal, its custody and use.</b>
<b>154.</b>	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	<b>Deeds how executed.</b>
	<b>Dividend and Reserves</b>	
<b>155.</b>	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	<b>Division of profits.</b>

Sr. No	Particulars	
156.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general	<b>The company in General Meeting may declare Dividends.</b>
157.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve</p>	<b>Transfer to reserves</b>
158.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company	<b>Interim Dividend.</b>
159.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
160.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>
161	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>

Sr. No	Particulars	
162.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or <del>shall duly transfer the same</del>	<b>Retention of dividends until completion under Articles.</b>
163.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
164.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the	<b>Effect of transfer of shares.</b>
165.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
166.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. <del>b) Every such cheque or warrant shall be made payable</del>	<b>Dividends how remitted.</b>
167.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
168.	No unclaimed dividend shall be forfeited and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>
	<b>CAPITALIZATION</b>	
169	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:  (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or	<b>Capitalization.</b>

Sr. No	Particulars	
	<p>distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p>	
170.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) Generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for</p>	Fractional Certificates.



Sr. No	Particulars	
	<p>application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue</p>	
171.	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy</p>	<b>Inspection of Minutes Books of General Meetings.</b>
172.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or</p>	<b>Inspection of Accounts</b>
	<b>FOREIGN REGISTER</b>	
173.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	<b>Foreign Register.</b>

Sr. No	Particulars	
	<b>DOCUMENTS AND SERVICE OF NOTICES</b>	

<b>174.</b>	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed	<b>Signing of documents &amp; notices to be served or given.</b>
<b>175.</b>	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the	<b>Authentication of documents and proceedings.</b>
	<b>WINDING UP</b>	
<b>176.</b>	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to</p>	<b>Winding Up</b>
	<b>INDEMNITY</b>	
<b>177.</b>	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses,	<b>Directors' and others right to Indemnity.</b>

Sr. No	Particulars	
	Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	
178.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of	Not responsible for acts of others
	<b>SECRECY</b>	
179.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will	Access to property information etc.

## **SECTION IX – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus and Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Plot No.164/14 & 15 Jamwadi G.I.D.C Gondal Rajkot 360311, Gujarat, India from date of filing the Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### **Material Contracts**

1. Issue Agreement dated June 3, 2017 between our Company and the Lead Manager
2. Agreement dated June 3, 2017 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated June 3, 2017 between our Company and Underwriter
4. Market Making Agreement dated June 3, 2017 between our Company, Market Maker and the Lead Manager.
5. Agreement dated June 3, 2017 amongst our Company, the BRLM, Public Issue Bank and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated [●]
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated [●]

#### **Material Documents**

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated May 20, 2017 authorizing the Issue
3. Special Resolution of the shareholders passed at the EGM dated June 3, 2017 authorizing the Issue.
4. Statement of Tax Benefits dated June 6, 2017 issued by our Peer Reviewed Auditor M/s Maharishi & Co, Chartered Accountants.
5. Report of the Peer Reviewed Auditor, M/s Maharishi & Co., Chartered Accountants dated June 6, 2017 on the Restated Financial Statements for the financial year ended as on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Statutory Auditors, Peer Reviewed Auditors, Legal Advisor to the Issue, the Book Running Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue, Bankers to the Company to act in their respective capacities.
7. Due Diligence Certificate by Lead Manager dated June
8. Copy of approval from BSE Limited *vide* letter dated [●], to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.

None of the contracts or documents mentioned in this Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

**Signed by all the Directors of our Company**

Name and Designation	Signature
<b>Vijay Shingala</b> <i>Chairman &amp; Managing Director</i>	Sd/-
<b>Parshottambhai Vaghasiya</b> <i>Whole Time Director</i>	Sd/-
<b>Vaishali Shingala</b> <i>Executive Director</i>	Sd/-
<b>Bipinkumar Vora</b> <i>Independent Director</i>	Sd/-
<b>Dhirajbhai Sakhiya</b> <i>Independent Director</i>	Sd/-
<b>Parshotam Sakhia</b> <i>Independent Director</i>	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance officer of the Company.

\_\_\_\_\_  
**Kalpesh Dobariya**  
Chief Financial Officer

\_\_\_\_\_  
**Chandni Chhabariya**  
Company Secretary and Compliance  
Officer

**Place:**

**Date:**

## Annexure A

### DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Maheshwari Logistics Limited	27.17.	68	January 16, 2017	71.80	5.51% (0.97%)	38.97% (8.64%)	Not Applicable
2.	Madhav Copper Limited	4.48	81	February 06, 2017	90.50	55.86% (1.66%)	132.84% (5.83%)	Not Applicable
3.	Chemcrux Enterprises Limited	2.40	18	March 28, 2017	21.60	117.22 (2.46%)	Not Applicable	Not Applicable
4.	Manomay Tex India Limited	11.41	30	March 28, 2017	32.40	13.33% (2.46%)	Not Applicable	Not Applicable
5.	Oceanic Foods Limited	6.50	65	March 31, 2017	65.00	50.77% (1.02%)	Not Applicable	Not Applicable
6.	Euro India Fresh Foods Limited	51.25	78	March 31, 2017	82.40	15.19% (1.53%)	Not Applicable	Not Applicable
7.	Bohra Industries Limited	25.14	55	April 05, 2017	57.85	-0.82% (1.02%)	Not Applicable	Not Applicable
8.	Creative Peripherals and Distribution Limited	13.50	75	April 10, 2017	83.25	74.80% (1.47%)	Not Applicable	Not Applicable
9.	Panache Digilife Limited	14.58	81	April 25, 2017	84.00	14.20% (0.58%)	Not Applicable	Not Applicable
10.	Zota Health Care Limited	58.50	125	May 10, 2017	140.40	Not Applicable	Not Applicable	Not Applicable

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index

2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> days, scrips are not traded then last trading price has been considered.
5. As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

### SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at discount on 180 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 180 <sup>th</sup> Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
15-16	****9	54.01	-	-	1	3	2	3	-	1	1	4	3	-
16-17	****24##\$	204.56	-	-	5	6	3	8	-	1	5	5	1	5
17-18	*****4\$\$	111.72	-	-	1	1	-	1	-	-	-	-	-	-

\*\*\*The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

\*\*\*\*The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos (India) Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Checmcrux Enterprises Limited, Manomay Tex India Limited, Oceanice Foods Limited and Euro India Fresh Foods Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016, November 16, 2016, December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017, March 28, 2017, March 31, 2017 and March 31, 2017 respectively.

##The Scripts of Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Checmcrux Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days and 180 Days respectively from the date of listing.

\*\*\*\*\*The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited and Zota Health Care Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017 and May 10, 2017 respectively.

\$\$ The scripts of Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited and Zota Health Care Limited have not completed 180 Day, 180 Day, 180 Day and 30 Day respectively from the date of listing.