



RELICAB CABLE MANUFACTURING LIMITED

CIN: U27201DD2009PLC004670

Our Company was incorporated as Relicab Cable Manufacturing Pvt. Ltd. on February 23, 2009 under the Companies Act, 1956, with the Registrar of Companies, Goa, Daman and Diu bearing Registration Number 004670. The status of our Company was changed to public limited company and the name of our Company was changed to Relicab Cable Manufacturing Limited by a special resolution passed on, 2015. A fresh Certificate of Incorporation consequent to the change of name was granted to our Company on September 22, 2015, by the Registrar of Companies, Goa, Daman and Diu, bearing CIN U27201DD2009PLC004670. For further details, please see the chapter “History and Certain Corporate Matters” on page no. 118 of this Draft Prospectus.

Registered Office: 57/1, (4-B) Benslore Industrial Estate, Village Dunetha, Nani Daman, Daman – 396 210

Tel Fax No.: +91 – 260- 3255493; **Email:** investor.relicab@gmail.com; **Website:** www.relicab.com

Contact Person: Mr. Monil Kothari, Company Secretary and Compliance Officer.

Our Promoters: Mr. Suhir H. Shah and Mr. Parag J. Shah

THE ISSUE

PUBLIC ISSUE OF 20,04,000 EQUITY SHARES OF ₹10/- EACH (“EQUITY SHARES”) OF RELICAB CABLE MAUFACTURING LIMITED (“RCML” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹20/- PER SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹400.80 LAKHS (“THE ISSUE”), OF WHICH 1,08,000 EQUITY SHARES OF ₹10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 18,96,000 EQUITY SHARES OF ₹10/- EACH IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 40.25% AND 38.08%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.

For further details see “Issue Related Information” beginning on page no. 199 of this Draft Prospectus.

All potential investors may participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page no. 205 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Company, there has been no formal market for the securities of the company. The face value of the shares is ₹ 10/- per Equity Share and the Issue Price is 2.00 times of the face value. The Issue Price (as determined by Company in consultation with the Lead Manager) as stated under the paragraph on “Basis for Issue Price” on page no. 68 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision investors must rely on their own examination of our Company and the Issue including the risks involved. The securities have not been recommended or approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this document. **Specific attention of the Investors is invited to the statement of Risk Factors given on page no. 11 of this Draft Prospectus under the Section “Risk Factors”.**

ISSUE’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE”). In terms of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended, we are not required to obtain any in principle listing approval for the shares being offered in this Issue. However, our Company has received an in-principle approval letter dated [●] from BSE for using its name in the Offer Document for listing our shares on the SME Platform of the BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).

LEAD MANAGER

REGISTRAR TO THE ISSUE



ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Ground Floor,
 Alkesh Dinesh Modi Marg, Fort,
 Mumbai – 400 001
 Tel No.: +91 – 22 – 2261 8264 / 8635
 Fax No.: +91 – 22 – 2263 0434
 Email: info@afsl.co.in
 Web: www.afsl.co.in
 Contact Person: Mr. Shreyas Shah
 SEBI Registration No. INM000011344

Sharex Dynamic (I) Private Limited

Unit No 1, Luthra Ind. Premises, 1st Floor, 44 – E,
 M. Vasanji Marg, Andheri Kurla Road, Safed Pool,
 Andheri (E), Mumbai – 400 072
 Tel: +91- 22 – 2851 5606
 Fax: +91- 22 – 2851 2885
 Email: shareindia@vsnl.com;
 Website: www.sharexindia.com
 Contact Person: Mr. K. C. Ajitkumar
 SEBI Registration No.: INR000002102

ISSUE OPENS ON

ISSUE CLOSES ON

[●]

[●]

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
Relicab Cable Manufacturing Limited / RCML / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Relicab Cable Manufacturing Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Daman.

Company related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Relicab Cable Manufacturing Limited
Auditor of the Company (Statutory Auditor)	D.K. Vora & Company, Chartered Accountants, having their office at B-1/ 505, 4 th Floor, Laram Centre, M.A. Road, Opp Andheri Railway Station, Andheri (West), Mumbai- 400 058.
Audit Committee	The Audit Committee constituted by our Board of Directors on October 01, 2015
Board of Directors / Board	The Board of Directors of Relicab Cable Manufacturing Limited, including all duly constituted Committees thereof.
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Relicab Cable Manufacturing Limited, unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
Group Companies	All companies or ventures which would be termed as Group Companies as per the definition given in Schedule VIII of SEBI ICDR Regulations, 2009. For details of Group Companies of the Company, please see the chapter titled “Our Group Entities” beginning on page no. 135 of this Draft Prospectus
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
Peer Review Auditor (Peer Review Certified)	The peer review auditor of our company, being M/s. R.T. Jain & Co., Chartered Accountants, having their office at Lotus Bldg., 2 nd Floor, 59, Mohamedali Road, Mumbai- 400 003.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Relicab Cable Manufacturing Limited
Non Residents	A person resident outside India, as defined under FEMA.
NRI / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability

Term	Description
	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.
Promoter / Core Promoter(s)	Mr. Suhir H. Shah and Mr. Parag J. Shah
Promoter Group	Promoter Group consist of Individuals, HUFs, Companies, Firms, etc. as mentioned in the chapter titled “ <i>Our Promoter, Promoter Group and Group Companies</i> ” beginning on page no. 132 of this Draft Prospectus.
Registered Office	The Registered Office of our company which is located at: 57/1 (4B), Bhenslore Industrial Estate, Bhenslore Road, Village Dunetha, Nani Daman, Daman – 396 210
RoC	Registrar of Companies, Goa, Daman and Diu.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and 2011, as amended from time to time depending on the context of the matter being referred to.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited.

Issue related Terms

Term	Description
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been issued.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for QIBs (except Anchor Investors) and Non-Institutional Applicants participating in the Issue
ASBA Account	Account maintained by an ASBA Applicant with a SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Applicant(s)	Prospective investors in this Issue who apply through the ASBA process. Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, Non- Retail Investors i.e. QIBs and Non-Institutional Investors participating in this Issue are required to mandatorily use the ASBA facility to submit their Applications.
Banker(s) to the Company	[•]
Banker(s) to the Issue/ Escrow Collection Bank(s)	The banks which are Clearing Members and registered with SEBI as Banker to an issue with whom the Escrow Account(s) will be opened and in this case being [•] and [•]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page no. 205 of this Draft Prospectus.
Business Day	Monday to Friday (except public holidays)
BSE	BSE Limited
Category III FPI	Investors including endowments, charitable societies, charitable trusts, foundations, corporate bodies, trust, individuals and family offices which are not eligible for registration under Category I and II under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
CAN / Confirmation of	The note or advice or intimation sent to each successful Applicant indicating the Equity



Term	Description
Allocation Note	Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Controlling Branches	Such Branches of the SCSBs which co-ordinate Bids by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in 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	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the Board of Directors shall allot Equity Shares to successful Applicants in the Issue.
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited)
Designated Stock Exchange	SME Exchange of BSE Limited
Eligible NRIs	An NRI from such a jurisdiction outside India where it is not unlawful to make an offer or invitation under this Offer and in relation to whom the Draft Prospectus constitutes an invitation to Application on the basis of the terms thereof.
Equity Shares	Equity shares of our Company of ₹ 10 each
Escrow Account	Account opened/to be opened with the Escrow Collection Bank(s) and in whose favour the Applicant (excluding the ASBA Applicant) will issue cheques or drafts in respect of the Application Amount when submitting an Application
Escrow Agreement	Agreement entered / to be entered into amongst the Company, Lead Manager, the Registrar, the Escrow Collection Bank(s) for collection of the Application Amounts and for remitting refunds (if any) of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and condition thereof
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Bankers to the Issue at which bank(s) the Escrow Account of the Company will be opened
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Issue / Issue Size / Public Issue	The Public Issue of 20,04,000 Equity Shares of ₹ 10 each at ₹ 20 (including share premium of ₹ 10) per Equity Share aggregating to ₹ 400.80 lakhs by Relicab Cable Manufacturing Limited
Issue Closing date	The date on which the Issue closes for subscription being [●]
Issue Opening date	The date on which the Issue opens for subscription being [●]
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹ 20.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “Objects of the Issue” beginning on page no. 62 of this Draft Prospectus
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996,



Term	Description
	as amended
Non-Institutional Applicant	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Net Issue	The Issue of 18,96,000 Equity Shares of ₹ 10 each at ₹ 20 (including share premium of ₹ 10) per Equity Share aggregating to ₹ 379.20 lakhs by Relicab Cable Manufacturing Limited.
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the Escrow Account on or after the Issue Opening Date
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI
Qualified Institutional Buyers / QIBs	Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹ 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount (excluding to the ASBA Applicants), if any, shall be made.
Refund Banker	The bank(s) which is/ are clearing members and registered with the SEBI as Bankers to the Issue, at which the Refund Accounts will be opened, in this case being [●].
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable.
Registrar/ Registrar to the Issue	Registrar to the Issue being Sharex Dynamic (I) Private Limited
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Regulation / SEBI (ICDR) Regulations / Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (PFUTP) Regulations / PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003.
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended.
Self Certified Syndicate Bank(s) / SCSBs	A Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/pmd/scsb.pdf
SME Platform of BSE	The SME Platform of BSE for listing of equity shares issued under Chapter X-B of the



Term	Description
	SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	Aryaman Financial Services Limited and Aryaman Capital Markets Limited.
Underwriting Agreement	The Agreement among the Underwriters and our Company dated October 09, 2015.
U.S. Securities Act	U.S. Securities Act of 1933, as amended

Technical / Industry related Terms

Term	Description
°C	Degree Celsius
AC	Alternating Current
AEs	Advanced Economies
BIS	Bureau of Indian Standards
BTG	Boilers, Turbines And Generators
CAGR	Compound Annual Growth Rate
CSO	Central Statistics Office
CSP	Chloro - Sulphoneted Polyethelene
DC	Direct Current
DD	Daman & Diu
DNH	Dadra & Nagar Haveli
EMDEs	Emerging Market and Developing Economies
EPR	Ethylene Propelene Rubber
FR	Fire Retardant
FRLS	Fire Retardant Low Smoke
GDP	Gross Domestic Product
GI Strip	Galvanised Iron Strip
GI Wire	Galvanised Iron Wire
gms	Grams
GVA	Gross Value Added
GW	GigaWatt
HR	Heat Resistant
Hrs	Hours
ICT	Information, Communications And Technology
ISO	International Organization for Standardization
JV	Joint Venture
Kg	Kilogram
Km	Kilometer
KV	Kilo-volts
KVA	Kilovolt-ampere
LAN	Local Area Network
LDPE	Low-Density Polyethylene
LSI	Large-Scale Integration
M	Meter
MCA	Ministry of Corporate Affairs
NH	National Highway
mm	Millimetre

Term	Description
MNC	Multinational Corporation
MSI	Medium-Scale Integration
MSME	Micro, Small and Medium Enterprises
Mtrs	Meters
Nos	Numbers
NPAs	Non- Performing Assets
Ohm	The SI unit of electrical resistance
OIDC	Omnibus Industrial Development Corporation
PCC	Pollution Control Committee
PCP	Polychloroprene
PE	Polyethylene
PVC	PolyVinyl Chloride
QMS	Quality Management System
RPM	Revolutions Per Minute
RTD	Resistance Temperature Detectors
SMEs	Small And Medium-Sized Enterprises
Sq ft	Square Feet
SSI	Small-Scale Integration
SWOT	Strengths, Weakness, Opportunities and Threats
T&D	Transmission & Distribution
TRS	Tough Rubber-Sheathed Cables
URS	United Registrar of Systems
VIR	Vulcanized India Rubber
UT	Union Territory
ZHFR	Zero Halogen Flame Retardant

Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AEs	Advanced Economies
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
CAD	Current Account Deficit
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EPS	Earnings Per Share
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

Term	Description
	regulations framed there under
FII's	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
IPO	Initial Public Offering
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Rs. or ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
Sec.	Section
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Days	All days other than a Sunday or a public/ Bank holiday (except during the Issue Period where a working day means all days other than a Saturday, Sunday and any public holiday), on which commercial bank in Mumbai are open for business.



CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this Draft Prospectus are to the Republic of India. In this Draft Prospectus, our Company has presented numerical information in “lakhs” units. One lakhs represents 1,00,000.

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our audited financial statements as on and for the Fiscal Years ended March 31, 2015, 2014, 2013, 2012 and 2011 and for three months period ended June 2011 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Draft Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Draft Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, U.S. GAAP and 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 Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos 11, 91 and 163 of this Draft Prospectus, respectively, and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

Currency, Units of Presentation and Exchange Rates

All references to “Rupees”, “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

This Draft Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

Definitions

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page no. 1 of this Draft Prospectus. In the Section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page no. 229229 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as 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 that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.



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



FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Cable and Wire industry in India and overseas in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- ✓ Our ability to manage our growth effectively;
- ✓ Our ability to develop, maintain or enhance our brand recognition;
- ✓ Our ability to retain the services of our senior management, key managerial personnel and capable employees;
- ✓ Our ability to renew rents for our Properties used for business activities or conduct new rent arrangements on commercially acceptable terms;
- ✓ Significant fluctuation in price levels of raw materials especially copper and aluminium.
- ✓ Our ability to adequately protect / obtain trademarks;
- ✓ Changes in consumer demand;
- ✓ Failure to successfully upgrade our products and service portfolio, from time to time; and
- ✓ Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 11, 91 , and 163 of this Draft Prospectus, respectively.

By their nature, certain 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. Forward-looking statements speak only as of this Draft Prospectus. Our Company, our Directors, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled “Our Business and Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page nos. 91 and 163 of this Draft Prospectus respectively as well as other financial and statistical information contained in this Draft Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto.

Materiality

The Risk factors have been determined and disclosed on the basis of their materiality. The following factors have been considered for determining the materiality:

1. Some events may have material impact quantitatively;
2. Some events may have material impact qualitatively instead of quantitatively;
3. Some events may not be material individually but may be found material collectively;
4. Some events may not be material at present but may be having material impact in future.

Internal Risk Factors

1. There are outstanding legal proceedings involving our Company, Promoters, Directors and our Promoter Group Entities

There are outstanding legal proceedings involving our Company, Promoters, Directors and our Promoter Group Entities. These proceedings are pending at different levels before various courts, tribunals, affiliate tribunals, enquiry officers, etc. For further details, see chapter titled “Outstanding Litigations and Material Developments” on page no. 177 of this Draft Prospectus. Brief summary of such outstanding legal proceedings or disputes as of the date of this Draft Prospectus are as follows:

Litigation involving our Company

Nature of Case	No. of outstanding cases	Amount involved (₹ in lakhs)
Criminal Case filed by us	1	10.23

Further, the Company has received notices from the Income Tax Department u/s143 regarding returns filed for Assessment Years 13-14 and 14-15, and a notice from Central Excise Department for assessment years 2012-13, 2013-14 and 2014-15 requesting further records. We are in the process of complying with these notices and they may result in potential litigations in the future.

2. If we are not able to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business it may have a material adverse effect on our business.

We require certain statutory and regulatory permits and approvals to operate our existing and proposed business. For more information on the status of our material statutory and regulatory permits, please refer to the Chapter titled “Government and Other Key Approvals” beginning on page no. 183 of this Draft Prospectus. We are required to renew certain permits and approvals and obtain new permits if we increase the scope of our business. While we typically apply for the renewal of any existing regulatory approvals prior to their expiry dates, there can be no assurance that we will receive such renewal in time or at all. Following regulatory approvals have not been received as of the date of this Draft Prospectus :

- authorisation for collection/ reception/ treatment/ transports/ storage/ disposal of hazardous wastes under sub-rule (3) of rule 5 of the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, with Pollution Control Committee, Daman& Diu.
- No Objection Certificate (NOC) from the Daman & Diu Directorate of fire & Emergency Services, Fire Force Headquarters, Daman.

In addition to the above, there are certain approvals and licenses which need to be renewed by us due to our change in constitution from Pvt. to Public Limited. While we believe that we will be able to renew or obtain the required permits and approvals as and when required; here can be no assurance that the relevant authorities will issue any or all requisite permits or approvals in the timeframe anticipated by us, or at all. Failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations or delay or prevent our expansion plans, if any and may have a material adverse effect on our business, financial condition and results of operations.

3. Underutilization of capacity of our Existing Manufacturing Facilities or Proposed Project may adversely affect our business, results of operations and financial condition.

The capacities of various product types at our manufacturing plant have not been fully utilized over the last three financial years, the details of which are as follows:

Product	2012-13		2013-14		2014-15	
	Installed	Utilized	Installed	Utilized	Installed	Utilized
Panel Wires (in Km)	5800	2700	5800	2800	5800	3000
Flat Cables (in Km)	270	39	270	42	270	56
Flexible Multi Core Cables (in Km)	160	78	160	82.5	160	87.5
Power & Control Cables (in Km)	300	150	300	160	300	168
Instrumentation Cables (in Km)	160	30	160	33	160	37.5
Special Cables (in Km)	820	40	820	43	820	46
PVC Compounds (in Tons)	1500	220	1500	240	1500	400

Our Company currently has facilities for manufacturing of about 7500 km / year of wires and cables and 1500 tons / year of PVC Compound which are currently utilised to the extent of approximately 54% for wires & cables and 25% for PVC compounds. We propose to upgrade our plant with certain minor augmentations and modifications which would further increase our installed capacities, specifically our PVC Compound capacities which would double from its existing levels. Due to lack of working capital and financial capabilities, we have not been fully utilising these capacities and we cannot assure that we shall be able to utilize our existing or

proposed manufacturing facilities to their full capacity or up to an optimum capacity. Non-utilisation of the same may lead to loss of profits or can result in lower than expected margins, and may adversely affect our business, results of operations and financial condition. Even use of the proposed production capacity is subject to several variables like availability of raw material, power, water, proper working of machinery, orders on hand, supply/demand, manpower, etc.

4. *Inventories and trade receivables form a major part of our current assets and net worth. Failure to manage our inventory and trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.*

We are in the business of manufacturing of wires and cables and PVC compound as part of our backward integration. Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets and net worth. The results of operations of our business are dependent on our ability to effectively manage our inventory (traded goods, raw materials and finished goods) and trade receivables.

To effectively manage our inventory, we must be able to accurately estimate customer demand / potential orders and supply requirements and purchase new inventory accordingly. However, if our management misjudges expected customer demand / potential orders, it could cause either a shortage of products or an accumulation of excess inventory. Further, if we fail to convert the inventory we purchase by manufacturing our products, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and dealers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in case of increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

5. *We have not entered into any long-term agreements with our suppliers for traded goods and raw materials and accordingly may face disruptions in supply from our current suppliers*

We generally do not enter into long-term agreements with our raw material suppliers including suppliers of copper wires, GI wires and strips and also raw materials relating to manufacturing of PVC Compounds like PVC Resin, Stabilisers, Plasticisers, etc. and typically transact on an invoice basis for each order. There can be no assurance that there will not be a significant disruption in the supply of raw materials from current sources or, in the event of a disruption, that we would be able to locate alternative suppliers of materials or third party manufacturers of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier or a third party service provider is an involved process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labour and other ethical practices.

Further, since we do not generally enter into any long term contracts for the raw materials required for manufacture of wires & cables and PVC compound and any disruption raw material supply may also lead to disruption of our manufacturing activity or a complete stopping of the same. If we are unable to maintain our relationship with our current raw material suppliers it may prove difficult to obtain the same from other regulated players.

Any delay, interruption or increased cost in the supply of raw materials pertaining to our products arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

6. *We operate in the electrical equipment industry which is a highly technical and regulated sector and if we fail to comply with the regulations prescribed or standards set by our customers our business, results of operations, cash flows and financial condition could be adversely affected.*

Our operations of manufacturing wires and cables, forming part of the electrical equipment industry, are operated in a highly technical and regulated sector and are subject to stringent quality standards. The products manufactured by us need to comply with certain standards as prescribed by the Bureau of Indian Standards (BIS). The registration requires our Company to comply with the specific provisions of the various acts enforceable by the BIS for electrical equipments, most of which are stringent and they may continue to be stricter in the future. The penalties for non-compliance with these regulations can vary from revocation or suspension of the registration to imposition of fines or confiscation of the products manufactured, stored or sold.

These regulations are not only required to be adhered to as part of our regulatory mandate but also technical specifications and pre-qualifications of our products is a substantial issue for our customers. Our customers, who are into the electrical, telecommunication and other industrial sector, prefer products that adhere to strict standards and regulations and hence variations in product quality could result in loss of a substantial customer.

We hold license from the Bureau of Indian Standards for the last 15 years confirming that all our products meet the requirements of IS 694: 1990 and IS 1554: Part 1: 1988. However, we cannot guarantee that these licenses will be available to us in future or they will be renewed in proper time. Additionally, regulatory and procedural requirements are subject to change and as a result, may, at times, be unclear or inconsistent. Consequently, there is an increased risk that we may inadvertently fail to comply with such regulations or procedures, which could lead to a variety of sanctions being imposed by the relevant authorities, as well as withholding or delay in further production process. Further, any adverse change in the regulatory environment or client procedures in the future may subject us to increased obligations and may adversely affect our business, cash flows and results of operations.

7. *Our Company has not entered into any long-term contracts with any of its customers and we typically operate on the basis of orders. Inability to maintain regular order flow would adversely impact our revenues and profitability*

Our Company has had long standing business relationships with certain customers and has been supplying our products to such customers, including overseas customers, for several years. We have a strong client base some of which are one of the leading industrial, electrical and telecommunication names in India and abroad. We have developed a long standing relationship with our clients which include companies like, ABB India, Schneider Electric, Crompton Greaves, Bharat Bijlee, Siemens, Maktel Control & Systems, etc., to name a few. However, we have not entered into any contracts with any of our domestic customers and we cater to them on an order-by-order basis. As a result, our customers can terminate their relationships with us without any notice and, without consequence, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, fluctuation in demand for our Company's products and customer's inventory management.

Also, our company does not export goods directly so far and we sell our goods to a distributor / exporter, who in turn export it to various countries such as Russia, Uganda, Indonesia, Nigeria, Singapore, and UAE. Due to this arrangement, we have no direct dealing with the end-users and we may not be able to respond to their specific requirement in time or at all. If these end-users terminate or change their current purchase patterns or supplier, it would indirectly affect our customer base.

Although we place a strong emphasis on quality, timely delivery of our products and after sales service such as feedback on the trends in their market, personal interaction by the top management with the customers, etc., in the absence of contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

- 8. We depend on a limited number of customers for a significant portion of our revenues. The loss of a major customer or significant reduction in production and sales of, or demand for our products from, our major customers may adversely affect our business, financial condition, results of operations and prospects.**

A significant majority of our income from operations is from sales of PVC Compound and PVC Wires and Cables in the domestic markets. We depend on a limited number of customers for a significant portion of our revenues. Revenue from our top 10 customers constituted 76.53%, 70.48% and 49.36%, of our total income for fiscal 2015, 2014 and 2013, respectively. Demand for our products is related to various factors such as general economic conditions, growth in infrastructure spending, real estate market demands, demand of specific formulations and PVC Compounds and the quality of goods supplied by us. Further, with the advancement of medical science, various new formulations are invested and we always run the risk of manufacturing products that are no longer required by buyers. This may result in our customers opting for other products or products of other makers. Any loss of client base, out of our existing clients, will impact our overall sales, resulting in a sharp decline in our revenues. Further, we face immense competition from other PVC wires and cables and PVC Compound suppliers and manufacturers, organised as well as unorganised, which may result in some of our customers reducing their orders to us. Any reduction in orders from our existing clients may result in a decline in our revenues.

While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

- 9. We have availed of certain loans from Banks, pursuant to the Financing Agreements that we have entered into with them. Pursuant to the terms of such arrangements, we require consents from the respective Bankers for a number of corporate actions, including for undertaking this IPO, some of which have not been obtained as on date. Any failure to obtain such consents may result in a default under the terms of these arrangements.**

Pursuant to the Financing arrangements entered into by us with Union Bank of India, we are required to obtain consents from UBI to undertake certain actions, including this IPO and for completion of the requirements pertaining to this IPO. We have not obtained consents from our banker, i.e. Union Bank of India (“UBI”) for undertaking this IPO, and the same is awaited.

While our Company intends to obtain all the necessary consents in relation to this issue from UBI prior to the filing of the Prospectus with the RoC, undertaking this issue without obtaining UBI’s consents, or in contravention of any conditions contained in such contents, may constitute a breach of the Financing Arrangements. Any such material default may enable UBI to cancel any outstanding commitments, accelerate the repayment and enforce their security interests. If our obligations under the Financing arrangements are accelerated, our financial condition and operations could materially and adversely be affected.

- 10. We intend to utilise Rs. 50 lakhs from the net proceeds of this issue to make payments to our Promoter Group entity towards refundable security deposit for our factory premises which is owned by them.**

Our company operates a factory since its incorporation from a land and building situated at Daman within the Bhenslore Industrial Estate. These land and building are not owned by our company. They are owned by our Promoters group Entity – M/s. Reliance Cable Corporation. Being a private limited closely held company since incorporation, we had not regularised these arrangements as per market norms. Further, being a small company, we do not wish to substantially increase our rents being paid to the land lords in the near term as the same would affect our bottom line numbers materially at this stage. Hence, we have entered into an agreement dated October 12, 2015 with the owners of this asset and we propose to pay an interest free refundable security deposit to the owner of Rs. 50 lakhs in order to compensate for the lower rents. The same is proposed to be funded from the net proceeds of this issue. We believe this would help us secure hassle free possession of our main property for the coming years, ensure lower operating costs and hence improve overall profitability.

However to that extent, we do intend to utilise the net proceeds of the issue towards making payment to our promoters group

11. Our Promoter Directors have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amount due or termination of the facilities.

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

12. The Land and Building offered for hypothecation for working capital loan availed by our Company are not owned by our Company and they belong to our Promoters Group Entity.

We have availed a working capital facilities from Union Bank of India for an amount of ₹ 620.00 lakhs including Fund based as well as non-fund based facilities. This loan is hypothecated by the land & building where our registered office and manufacturing plant is situated, among other things. This land and building is not owned by our company and is owned by M/s. Reliance Cable Corporation, a partnership firm of our promoters. In the event the owner, decides to withdraw the hypothecation of its land & building for any reason, we may have to provide additional hypothecation to the bank, or may have to replay the amounts outstanding pertaining to such loan, or the bank may terminate the loan facility altogether. In the event any of the above are to occur, our company's financial condition may be adversely affected.

13. We sell our products in highly competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.

India is our primary market and we face competition in our business from local as well as nationwide manufacturers of wires and cables. The products that we sell are of a industrial nature, i.e. there are a large number of players manufacturing same or similar products. Thus, competition in these markets is based primarily on demand and price. As a result, to remain competitive in our market, we must continuously strive to reduce our procurement, transportation and distribution costs, improve our operating efficiencies and secure our materials requirements. If we fail to do so, other manufacturers and suppliers of similar products may be able to sell their products at prices lower than our prices, which would have an adverse effect on our market share and results of operations. Increased consolidation in the electrical equipment industry means that many of our competitors may benefit from greater economies of scale, including the ability to negotiate preferential prices for products or receive discounted prices for bulk purchases of goods that may not be available to us.

Our export market is equally competitive and we compete with various international manufacturers based on quality, durability and pricing of our products. Customers, specifically in European markets are very particular about quality and durability and any deficiency of our product on these parameters may lead to our competitor bagging the future orders from these customers.

Further, we cannot assure you that our current or potential competitors will not offer products comparable or superior to our products. Failure to match our product quality and consistency accordingly might have an adverse effect on our operations and financial results.

14. Our cost of production of wires & cables and PVC compound is exposed to fluctuations in the prices of raw materials like copper wires, GI wires and strips, PVC resin, stabilisers, plasticisers and other ancillary raw materials as well as their availability.

Our Company is exposed to fluctuations in the prices of various raw materials like copper wires, GI wires and strips, PVC resin, stabilisers, plasticizers, etc. as well as its availability, particularly as we typically do not enter

into any supply agreements with our suppliers and all the above mentioned raw materials are bought by our Company from various suppliers on a order to order basis. For instance, the prices of PVC compound, used to manufacture wires and cables, are subject to, in turn, fluctuations in the prices of PVC resin, stabilisers in the form of metal powders, plasticisers and fillers. Further, as many of the raw materials our Company procures from our suppliers are manufactured from materials procured from international markets, the price of these goods is also subject to fluctuations in foreign exchange rates. We may be unable to make adequate provisions for the price fluctuations and, consequently, any adverse fluctuations that we have not factored in or provided for may adversely affect the consolidated results of our operations and our consolidated financial conditions.

We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our competitors being able to sell the products at lower rates than ours due to their economies of scales, if we pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our historical margins. Upward fluctuations in the prices of the various raw materials may thereby affect our margins and profitability, resulting in a material adverse effect on our overall business, consolidated financial condition and results of operations. For further details of various raw materials required and their procurement, see “*Our Business*” on page no. 91 of this Draft Prospectus.

15. Our Company has reported certain negative cash flows from its operating activity, investing activity and financing activity, details of which are given below. Sustained negative cash flow could impact our growth and business

Our Company had reported certain negative cash flows from our operating activities, investing activities and financing activities in the previous years as per the restated financial statements and the same are summarised as under:

(₹ in lakhs)

Particulars	June 30, 2015	For the year ended March 31,				
		2015	2014	2013	2012	2011
Cash flow from Operating Activities	(1.08)	99.25	16.55	66.70	47.00	242.12
Cash flow from Investing Activities	(0.69)	5.62	(8.76)	(22.11)	5.46	1.24
Cash flow from Financing Activities	5.66	(94.33)	(15.98)	(38.67)	(42.43)	(221.54)

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 our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

16. Our Company has entered into certain related party transactions and may continue to do so in the future

Our Company has entered into related party transactions with our Promoters, Directors and the Promoter Group. While our Company believes that all such transactions have been conducted on the arms length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company 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, please refer to “*Annexure XXI - Related Party Transactions*” under section titled “*Financial Statements*” on page no. 157 of this Draft Prospectus.

17. We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations

As of June 30, 2015, we have ₹ 351.76 lakhs (excluding non-fund based) of outstanding debt on our consolidated balance sheet. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;

- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

If any of these risks were to materialise, our business and results of operations may be adversely affected.

18. There are various negative covenants in the agreements entered into by us and our lenders, which could put us at a competitive disadvantage and could have an adverse effect on our business, results of operations and financial condition.

Our financing agreements contain provisions that restrict our ability to do, among other things, any of the following:

- Change or alter capital structure, unless stipulated by the Bank
- Effect any scheme of amalgamation or reconstitution.
- Implement a new scheme of expansion or take up an allied line of business / manufacture.
- Divert the funds raised to Inter Corporate Deposits, Debentures, Stocks & Shares, Real Estate, etc.
- Declare dividends without paying the due instalments, interests etc. to the Bank and without regularizing the Bank Accounts.
- Enlarge the scope of other manufacturing / trading activities.
- Withdraw moneys brought in by promoters / directors / friends and relatives.
- Invest any fund by way of deposits or loans or in share capital.
- Borrow or obtain credit facilities from any other Bank / Institution..

We must obtain the approval of the lenders under our financing agreements before undertaking these significant corporate actions. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities.

Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future) and by a personal guarantee of our Promoters. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, your ownership interest in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost.

If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

19. Our Group Entities have incurred losses during the last three financial years

Some of our Promoter Group Entities have incurred losses during the last three financial years, details of which are as under:

(₹ in lakhs)			
Name of the Company	March 31, 2015	March 31, 2014	March 31, 2013
Divine Electricals Private Limited	(0.14)	(0.12)	(0.06)

20. Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations

We may encounter problems in executing the orders in relation to our manufactured products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, since we do not execute contracts with our customers, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business

In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

21. We are susceptible to product liability claims that may not be covered by insurance and may subject us to substantial expenditure thereby adversely affecting our reputation and if the claim is successful, could require us to pay substantial amounts.

We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. We may also be subject to claims resulting from our manufacturing defects or negligence in storage, packaging or handling which may lead to leakage in wires, deficient safety norms, or inconsistent PVC compound. Even unsuccessful product liability claims would likely require us to incur substantial expenses on litigation, divert management's time, adversely affect our goodwill and impair the marketability of products.

We undergo extensive testing in-house and we are liable for the quality of the products manufactured by us for the duration of their shelf life, if any. Disputes over non-conformity of the wires & cables with prescribed quality standards or specifications of the BIS including storage specifications are generally referred to independent testing laboratories. If any independent laboratory confirms that the products do not conform to the prescribed or agreed standards and specifications, we may be required to bear the expenses of replacing and testing such products, which could adversely affect our business, results of operations, cash flows and financial condition.

Further, we do not have any insurance coverage for product liability and if we are to take the same, it may result in additional expense. From time to time, the industry has experienced difficulty in obtaining desired product liability insurance coverage. If any product liability claim not covered by insurance were sustained against us, it could adversely affect our business, financial condition, results of operations and cash flows.

22. Our Company has a manufacturing plant located in Bhenslore Industrial Estate, Daman. Any delay in production at, or shutdown of, these facilities may in turn adversely affect our business, financial condition and results of operations.

Our Company has a manufacturing facility which is located in the Union Territory of Daman. These facilities may be subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, raw material shortage or unsuitability, obsolescence, labour disputes, strikes, lock-outs, non-availability of services of our external contractors, our ability to respond to technological advances and emerging industry and safety standards and practices in the industries we operate and propose to operate on a cost-effective and timely basis, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities, and any other factors

which may or may not be within our control. The occurrence of any of these risks could significantly affect our operating results. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition, results of operations and the trading price of our Equity Shares may be adversely affected by any disruption of operations at our facilities, including due to any of the factors mentioned above.

23. *Our success largely depends on our ability to attract and retain our Key Managerial Personnel. Any loss of our Key Managerial Personnel could adversely affect our business, operations and financial condition*

Our Company is depending significantly on the expertise, experience and continued efforts of our key managerial personnel. If one or more members of our Key Managerial Personnel are unable or unwilling to continue in his/her present position, it may be difficult to find a replacement, and business might thereby be adversely affected. Our industry requires personnel with specific technical knowledge and experience for our trading and more particularly our subsidiary's manufacturing business.

Competition for Key Managerial Personnel in our industry is intense and it is possible that our Company may not be able to retain existing Key Managerial Personnel or may fail to attract/ retain new employees at equivalent positions in the future. As such, loss of Key Managerial Personnel could adversely affect our business, results of operations and financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled "Our Management" beginning on page no. 121 of this Draft Prospectus.

24. *Our failure to accurately forecast demand or in case of order based procurements, any cancellation of orders or delay in supply of raw materials, could result in an unexpected shortfall or surplus in the stock of inventory, which could adversely affect our operations and profitability.*

We maintain inventory of raw materials and finished goods at our plant based on existing demand trends to meet a certain unexpected demand. We monitor such inventory levels based on our own projections of future demand. In the past, we have experienced high levels of inventory of ₹ 585.27 lakhs as per the restated financials as at June 30, 2015 to meet the demand. If we are unable to appropriately estimate the demand for our products for any reason, the same could result in surplus of inventory levels or unavailability of raw materials for manufacture of our products resulting in below potential sales. Additionally, in case of order based procurements pertaining to exports, any cancellation of orders by our dealers could also result in surplus or shortfall raw materials, which could adversely affect our operations. Further, excess stock subjects us to additional risks related to storage of raw materials such as health and safety hazard and environmental damage and theft, which could adversely affect our operations and profitability.

25. *We rely on our systems including information technology systems to manage our business processes and reporting and their failure could adversely affect our operations.*

We rely on our information technology systems to manage our business processes and reporting. Any failure or malfunction in these information technology systems could result in business interruptions, including disruption in tracking, recording and analyzing work in progress, processing financial information, managing creditors/debtors or engaging in normal business activities. This could adversely affect our reputation, competitive position and operational efficiencies.

26. *We do not own some of our key properties which are used by us currently*

Our registered office and manufacturing facility situated at 57/1 (4B), Bhenslore Industrial Estate, Bhenslore Road, Village Dunetha, Nani Daman, Daman – 396 210 is owned in the name of M/s. Reliance Cable Corporation, a partnership firm of one of our Promoters. As on date, we are using the same and the premises thereon pursuant to a agreement dated October 12, 2015 entered into between us and the owners of such premises.

We cannot guarantee the continuity of this arrangement and the owners of this property may cancel such arrangements subject to the terms mentioned in the agreement. In case of such an event, we may lose our main income generating property and may have to bear substantial costs to replace this property. Further, if the owner, demands payment for the past usage, we may have to incur substantial cash outflow resulting in an adverse effect on our profitability. Any further arrangement for rent or cancellation of the arrangement may result in additional cost, disruption of day-to-day activities and increased rent burden which would adversely affect our financial condition.

In addition to the above, our company also operates a Mumbai Office for Marketing and other general corporate purposes situated at 207, Sahakar Bhavan, Kurla Industrial Estate, L. B. S. Marg, Ghatkopar (W), Mumbai – 400 086, Maharashtra. This office premises is also owned by our Promoters Group. We do not have any official arrangement with them for occupying these office premises. Any ad-hoc cancellation of such arrangements may also lead to additional costs and operational hazards in the future.

For details regarding such the properties, please refer to “*Our Business – Properties*” on page no. 106 of this Draft Prospectus.

27. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

28. We are dependent on third party transportation providers for the delivery of our raw materials to our manufacturing plant. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.

We are engaged in the manufacture of wires & cables and PVC compounds and the raw materials for these products are procured from various locations and delivered to our plant by third party transportation providers. Also, our finished products are transported from our manufacturing unit in Daman by third party transportation providers. Transportation strikes could have an adverse effect on our receipt of goods, raw materials and our ability to deliver our products to our customers. Non-availability of ships, barges, trucks and railway cars could also adversely affect our receipt of goods, raw materials and the delivery of our products.

In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects.

Further, India’s physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of goods, raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India’s physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs

to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

29. Our operations may be adversely affected by strikes, work stoppages or increased wage demands by our or our contractors' workforce or any other industrial unrest or dispute

While we have not experienced any industrial unrest or dispute in our Daman unit in the past, we cannot be certain that we will not suffer any disruption to our operations due to strikes, work stoppages or increased wage demands in the future. Further, if our work force in Daman, unionizes in the future, collective bargaining efforts by labour unions may divert our management's attention and result in increased costs.

We may be unable to negotiate acceptable collective wage settlement agreements with those workers who have chosen to be represented by unions, which may lead to union-initiated strikes or work stoppages. Any shortage of skilled and experienced workers caused by such industrial unrest or disputes may adversely affect our business, results of operations and financial condition. Further, under Indian law, we may be held liable for wage payments or benefits and amenities made available to "daily wage" workers. Any requirement to discharge such payment obligations, benefits or amenities or to absorb a significant portion of the "daily wage" workers on our own rolls may adversely affect our business, results of operations and financial condition.

30. We have not made any provisions for decline in value of our Investments

As on June 30, 2015, we have made investments in Quoted and Unquoted Equity Instruments aggregating to ₹ 34.36 lakhs and ₹ 32.29 lakhs, respectively, as per Restated Financial Statements. We have not made any provision for the decline in value of these investments and hence as and when these investments are liquidated, we may book losses based on the actual value we can recover for these investments and the same could adversely affect our results of operations.

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

A principal component of our strategy is to continuously grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

32. We are required to incur substantial expenditure for our business operations and if we are not able to manage our financial requirements in the future, we may be required to obtain additional financing which may not be on terms commercially acceptable to us.

We are required to incur substantial expenditure for conducting our business operations primarily in relation to making payments to our suppliers for the raw materials purchased by us for our manufacturing business. Also, substantial expenditure is incurred for obtaining registrations for factory license, pollution approvals, storage and other manufacturing approvals for wires & cable and PVC compounds. The actual amount and timing of our future capital requirements may differ from estimated requirements as a result of, amongst other things, unforeseen delays in conducting tests and trials, seeking or grant of registrations, or cost overruns while seeking registrations, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. If we are not able to manage our financial requirements from our internal accruals in the future, we may be required to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to comply with restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company, and could adversely impact the price of our Equity Share.

Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors. We cannot assure that we will be able to raise additional financing on acceptable terms in a timely manner or at all which could adversely impact our planned capital expenditure and our business.

33. The acquisition of other companies, businesses or technologies in the future could result in operating difficulties, integration issues and other adverse consequences due to our limited past experience in acquiring businesses.


We have acquired an ongoing business of manufacturing wires and cables from the partnership concern of our Promoters, M/s. Relicab Cable Corporation in the year 2009, thus corporatizing the business. This enabled us to have a greater reach with multinational, national and government customers and expand our geographic presence.


To foster our growth, we may consider making additional acquisitions in the future to expand our business. However, we have limited experience in acquiring businesses, and any acquisitions we undertake could limit our ability to integrate an acquired business and may create unforeseen operating difficulties and expenditures, including potentially dilutive issuances of the Equity Shares, incurrence of debt, contingent liabilities or amortization expenses or write-offs of goodwill, difficulties in integrating the operations, technologies, research and development activities, personnel and distribution, marketing and promotion activities of acquired businesses and ineffectiveness or incompatibility of acquired technologies. Our inability to identify suitable acquisition opportunities, entering into agreement with such parties or obtain the necessary financing to make such acquisitions could adversely affect our future growth. Moreover, the costs of identifying and consummating acquisitions may be significant. Also, acquired assets or businesses may not generate the financial results we expect. We may also have to obtain approvals and licenses from the relevant government authorities for the acquisitions and to comply with any applicable laws and regulations, which could result in increased costs and delay. We cannot assure you that we will be able to achieve the strategic objective for such an acquisition. Furthermore, if an acquisition generates insufficient revenues or if we are unable to manage our expanded business operations efficiently, our consolidated results of operations could be materially and adversely affected.

34. Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us. Our success also depends upon the services of our key managerial personnel and our ability to attract and retain key managerial personnel and our inability to attract them may affect our operations.

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day to day operations and management since the incorporation of the Company. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Further, we rely on the continued services and performance of our key executives and senior management for continued success and smooth functioning of the operations of the Company. If we lose the services of any of our key managerial personnel, we may be unable to locate suitable or qualified replacements, and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Moreover, we do not maintain key person insurance to insure against the loss of key personnel.

Our Promoters, along with the key managerial personnel, have over the years built relations with suppliers, third party service providers, customers, regulators and other persons who are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

35. We do not own the “” trademark, and our ability to use the trademark, name and logo may be impaired.

The “” trademark, name and logo do not belong to us. The “” trademark belongs to Mr. Parag Shah (Promoter) and Mr. Hiralal Shah (Promoter Group) (‘Registered Owners’), and we make use of it through an informal arrangement with registered owners of the trademark as a part of the promoter / promoter group. The registered owners have given their written consent to our company for the use of the trademark and we have not made, nor are we required to make any payments to the registered owners for use of this trademark. If the registered owners withdraw, refuse to renew or terminate this arrangement, we will not be able to make use of the trademark, name or logo in connection with our business and consequently, we may be unable to capitalize on the brand recognition associated with the ‘Relicab’ brand. Accordingly, we may be required to invest significant resources in developing a new brand. For further details, see “*Our Business — Intellectual Property*” on page no. 106 of this Draft Prospectus.

36. We have various group companies where our Promoters / Directors are actively involved. Further, there may be potential conflict of interests between our company and other venture or enterprises promoted by our promoters or directors.

Our Company is part of a business group and our Promoters and Directors are also actively involved in various other group companies. Our Promoters may devote substantial time and resources to develop and grow the business of other group companies, which could result in lack of leadership in our Company and lead to negligence of business operations, quality and safety standards, customer and supplier relations and certain regulatory affairs. We cannot guarantee that our promoters will divide their time and energy between our group companies and us. Though our key managerial personnel are well experienced to carry out the business activities, lack of involvement of our Promoters could have an adverse effect on our goodwill and financial performance.

Further, the Main Object Clause of our one of our group entities, Divine Electricals Private Limited, and a partnership concern - M/s. Reliance Cable Corporation, permits them to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Though each company has its independent business, we cannot be assured that we shall be able to adopt necessary measures for mitigating these conflicts and hence the same if not managed well, could adversely affect our results of operations and financial condition.

Also, our Company does not have any non-compete or such other agreement / arrangement with the above said companies. For further details, please refer to the chapters titled ‘*Our Business*’, ‘*Our Group Companies*’, beginning on pages 91 and 135, respectively and “*Annexure XXI - Related Party Transactions*” on page 157 of this Draft Prospectus.

37. If we suffer a large uninsured loss or if we suffer an insured loss that significantly exceeds our insurance coverage, our financial condition and results of operations may be adversely affected.

Our business, assets and stocks could suffer damage from fire, natural calamities, theft, burglary, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. While we believe that we maintain insurance coverage in amounts consistent with industry norms, our insurance policies do not cover all risks and are subject to exclusions and deductibles. There can be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

Further, we are required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, we may face significant uninsured losses. If we suffer a large uninsured loss or if any insured loss suffered by

us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

38. Some of the forms filed by us with the Registrar of Companies and our records in that respect are not traceable.

We have been unable to locate certain corporate records of our Company for the period prior to March 2010 in respect of Allotment of shares to share holders during the period. The said records pertain to allotment of 50,000 equity shares. We may hence be liable for payment of penalty fees and additional expenses arising from our inability to furnish correct particulars, in respect of the RoC filings, and for misrepresentation of facts which may occur due to non-availability of documents. For further information, please see “Capital Structure” on page 51 of this Draft Prospectus.

39. The proposed objects of the issue for which funds are being raised have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

The objects of the issue for which part of the fund are being raised have not been appraised by any bank or financial institution. In the absence of such independent appraisal, the requirement of funds raised through this issue, as specified in the chapter titled “Objects of the Issue” on page 62 of this Prospectus, are based on the company’s estimates and deployment of these funds is at the discretion of the management and the Board of Directors of the company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

40. We have contingent liabilities, which if materialize could adversely affect our financial condition

The contingent liabilities of our Company not provided for, as certified by auditors are as under:

(Rs in Lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Bank Guarantees - NSIC	287.98	287.89	-	-	-	-
Bank Guarantees - Others	6.52	6.52	6.52	6.52	6.52	6.52
Letter of Credits	-	-	240.75	224.45	169.75	205.27
TOTAL	294.50	294.41	247.27	230.97	176.27	211.79

In the event the above contingent liability gets crystallized, our financial condition may be adversely affected. For further information, please refer “Annexure XIX- Contingent Liability” under Chapter titled “Financial Statements” beginning on page 156 of the Draft Prospectus.

RISK FACTORS RELATED TO EQUITY SHARES

41. Any further issuance of Equity Shares by our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares

Any future issuance of Equity Shares by our Company could dilute the investors’ shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

42. There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Prior to the Issue, there has not been a public market for the Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our quarterly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about our future performance or the performance of Indian electrical equipment companies generally;
- Performance of our competitors in the Indian electrical equipment manufacturing industry and the perception in the market about investments in the electrical equipment sector;
- Significant developments in the regulation of the electrical equipment industry in our key locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalisation and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share

Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

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

The price of the Equity Shares will be subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

44. We have allotted shares in the last 12 months at a price below the issue price.

We have allotted following securities in the last twelve months which are at a price lower than the issue price:

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
February 10, 2015	2,40,000	10	-	Bonus Allotment	Other than Cash
March 31, 2015	17,34,530	10	10	Further Allotment	Cash

EXTERNAL RISK FACTORS

45. Political, economic or other factors that are beyond our control may have an adverse impact on our business and results of operations.

Our performance and growth are dependent on the health of the Indian economy. Any slowdown in the Indian economy could materially and adversely impact our business, our results of operations and our financial condition. The following external risks may have an adverse impact on our business and results of operations should any of them materialize:

- Political instability, resulting from a change in the government or a change in the economic and deregulation policies may adversely affect economic conditions in India in general and our business in particular;
- A change in government policy towards controlling the electrical equipment sector in India, including any decision to further open the sector to private sector and Chinese competition;
- A slowdown in economic growth in India may adversely affect the demand for our products and consequently our business and results of operations. The growth of our business and our financial performance is linked to the performance of the overall Indian economy;
- Civil unrest, acts of violence, terrorist attacks, regional conflicts of situations or war involving India, or other countries may adversely affect the financial markets which may impact our business. Such incidents may impact economic growth or create a perception that investment in Indian companies involves a higher degree in risk which may reduce the value of the Equity Shares;
- Natural disasters in India may disrupt or adversely affect the Indian economy, on the health of which our business depends;
- Any downgrading of India's sovereign rating by international credit rating agencies may negatively impact our business, credit ratings and access to capital. In such an event, our ability to grow our business and operate profitably may be severely constrained; and
- Instances of corruption in India have the potential to discourage investors and derail the growth prospects of the Indian economy. Corruption creates economic and regulatory uncertainty and may have an adverse effect on our business, profitability and results of operations.

The Indian economy has sustained periods of high inflation. Should inflation continue to increase sharply, our profitability and results of operations may be adversely impacted. High rates of inflation in India may increase our employee costs, decrease the disposable income available to our customers and decrease our operating margins, which may have an adverse effect on our profitability and results of operations.

46. Our growth is dependent on the Indian economy.

Our performance and the growth of our business are dependent on the performance of the Indian economy. India's economy could be adversely affected by a general rise in interest rates, currency exchange rates, adverse conditions affecting food and agriculture, commodity and electricity prices or various other factors. A slowdown in the Indian economy could adversely affect our business, including our ability to implement our strategies. The Indian economy is currently in a state of transition and it is difficult to predict the impact of certain fundamental economic changes upon our business. Conditions outside India, such as slowdowns in the economic growth of other countries or increases in the price of oil, have an impact on the growth of the Indian economy, and government policy may change in response to such conditions. While recent governments have been keen on encouraging private participation in the industrial sector, any adverse change in policy could result in a slowdown of the Indian economy. Additionally, these policies will need continued support from stable regulatory regimes that stimulate and encourage the investment of private capital into industrial

development. Any downturn in the macroeconomic environment in India could adversely affect the price of the Equity Shares, our business, prospects, financial condition and results of operations.

We presently do not know what the nature or extent of the statutory and regulatory changes will be made affecting our industry, and cannot provide assurance that such changes will not have an adverse impact on our financial condition and results of operations.

47. Any change in the government policies vis-à-vis expenditure, subsidies and incentives etc. in electrical equipment sector could affect the ability to spend on industrial / electrical products, thereby affecting our business and profitability.

Any changes in government policies relating to the electrical equipment sector such as reduction of government expenditure, withdrawal or changes in incentives and subsidy systems (if any), pricing restriction on industrial products and electrical equipments, or adverse changes in PVC prices and/or minimum support prices could have an adverse effect on the ability of consumers to spend on electrical / electronic / industrial products.

Our ability to freely set prices for wires and cables may be restricted by the government and our profits may reduce. End users of our wires & cables and related manufacturers may seek to find ways to reduce or contain related costs. We currently sell wires and cables and PVC compounds in the various locations across the country and also export the same across various continents. We cannot predict the nature of the measures that may be adopted by governments or private organisations or their impact on our revenues. In the event such measures result in increased costs of raw materials and increased costs for manufacturing the wires & cables, their demand for our products may reduce, resulting in reduction of our cash flows. Also, if electrical equipment related legislation or third party payer influence results in lower prices for such products, our overall revenues may decrease and our cash flows and profits could be adversely affected even in cases where the demand increases.

48. The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation.

To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavour to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or

clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013, which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

49. Any changes in the regulatory framework could adversely affect our operations and growth prospects

Our Company is subject to various regulations and policies. For details see section titled “*Key Industry Regulations and Policies*” beginning on page no. 108 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

50. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse affects on our operations and financial performance

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

51. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

52. Instability in financial markets could materially and adversely affect our results of operations and financial condition.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors’ reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in

SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

53. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

54. Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

55. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.

Our financial statements, including the financial statements provided in this Draft Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, see "*Presentation of Financial, Industry and Market Data*" on page no. 8 of this Draft Prospectus. 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 Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" ("IFRS"), which was announced by the MCA, through the press note dated January 22, 2010. These "IFRS based / synchronized Accounting Standards" are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, the Finance Minister, during the Budget speech, 2014, proposed the adoption of IND (AS) by Indian companies from fiscal 2016 on a voluntary basis, and from fiscal 2017 on a mandatory basis. Accordingly, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e., IND (AS)) and for future periods.

Further, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares.

Moreover, our transition to IFRS reporting may be hampered by increasing competition and increased costs for the relatively small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements. Any of these factors relating to the use of IFRS-converged Indian Accounting Standards may adversely affect our financial condition.

PROMINENT NOTES

1. Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Offer. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
2. The Net Worth of our Company is ₹ 315.86 lakhs and the book value of each Equity Share is ₹ 10.62 as of three month period ended June 30, 2015 as per our Restated Financial Statements. The Net Worth of our Company was ₹ 312.58 lakhs and the book value of each Equity Share was ₹ 10.51 as of the latest year ended March 31, 2015 as per our Restated Financial Statements. For more information, please refer the Section titled “*Financial Information*” beginning on page no. 141 of this Draft Prospectus.
3. Public Issue of 20,04,000 Equity Shares for cash at price of ₹ 20 per share including a premium of ₹ 10 aggregating to ₹ 400.80 lakhs. The Issue will constitute 40.25% of the post-Issue paid-up Equity Share capital of our Company.
4. The average cost of acquisition of Equity Shares by our Promoters is.

Promoter	Average cost (₹)
Mr. Suhir H. Shah	8.97
Mr. Parag J. Shah	9.33

5. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page no. 68 of this Draft Prospectus.
6. The details of transactions by our Company with our Group Companies during the last year are disclosed under “*Annexure XXI - Related Party Transactions*” on page no. 157 of this Draft Prospectus.
7. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, 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 6 (six) months immediately preceding the date of this Draft Prospectus.
8. Our Company was incorporated as Relicab Cable Manufacturing Pvt. Ltd. on February 23, 2009 under the Companies Act, 1956, with the Registrar of Companies, Goa, Daman and Diu bearing Registration Number - 004670. The status of our Company was changed to a public limited company and the name of our Company was changed to Relicab Cable Manufacturing Limited by a special resolution passed on September 09, 2015. A fresh certificate of incorporation consequent to the change of name was granted to our Company on September 22, 2015, by the Registrar of Companies, Goa, Daman and Diu. The Company’s Corporate Identity Number is U27201DD2009PLC004670 and its Registered Office is situated at 57/1, (4-B) Benslore Industrial Estate, Village Dunetha, Nani Daman, Daman – 396 210.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

OVERVIEW OF THE GLOBAL AND INDIAN ECONOMY

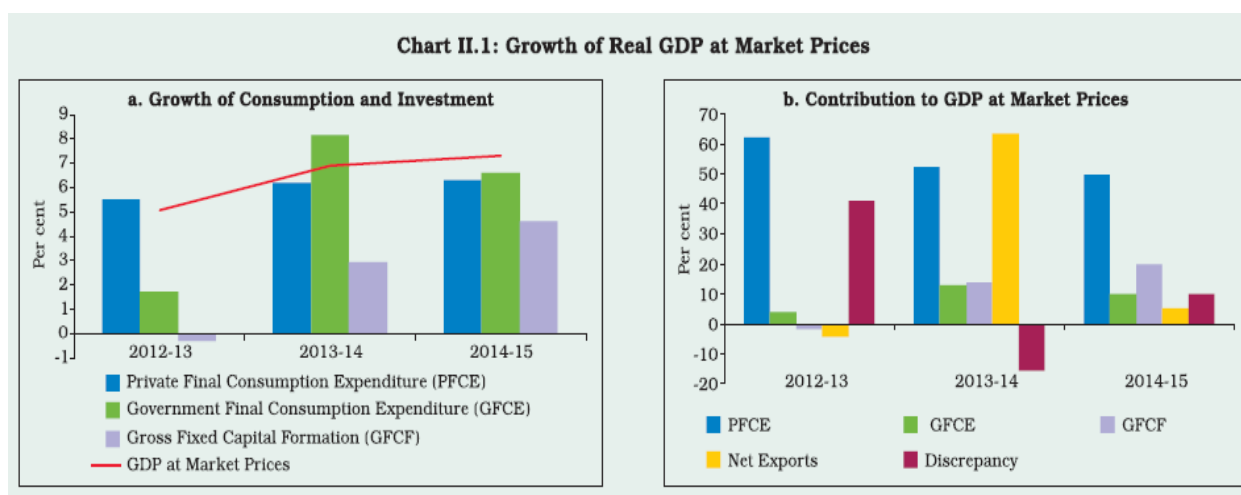
Global Scenario

Global economic recovery still seems to be far from being self-sustaining even as spill-overs from the monetary policy stance in advanced economies (AEs) are increasing the challenges for emerging market and developing economies (EMDEs). Developments on the Greek debt crisis front and uncertainty over the timing of rate increases by the US Federal Reserve remain immediate possible triggers for global financial market volatility.

(Source: RBI – Financial Stability Report, June 2015)

Indian Scenario

In January 2015, the Central Statistics Office (CSO) released a new series on India's national accounts. The distinguishing features of the new series are: (i) updating the base year from 2004-05 to 2011-12; (ii) improved coverage of corporate activity by (a) using the MCA 21 database¹ of the Ministry of Corporate Affairs, (b) employing value-based indicators such as sales tax collections in conjunction with volume-based indicators such as industrial production, and (c) use of results from the latest surveys, including on activity in the unorganised sector; and (iii) methodological changes such as shifting from the 'establishment' to the 'enterprise' approach for estimating value added in mining and manufacturing. In line with international practices, GDP at market prices will henceforth be the headline measure for output. Gross value added (GVA) at basic prices will measure activity from the supply side instead of GDP at factor cost. In terms of the new series, real activity (at market prices) picked up in 2014-15, rising by 7.3 per cent on top of a growth of 6.9 per cent in 2013-14. The firming up of growth during 2014-15 was driven mainly by private consumption and supported by fixed investment, even as government consumption and net exports slackened considerably.



(Source: RBI – Annual Report, 2014 – 2015)

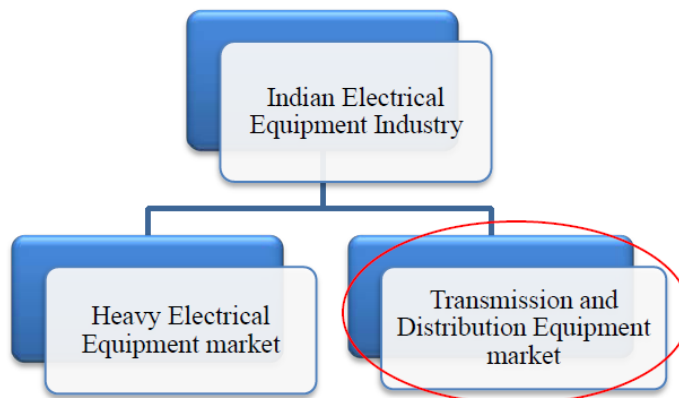
ELECTRICAL EQUIPMENT INDUSTRY

The electrical equipment industry in India plays a key role in the Indian economy, providing direct employment to more than half a million persons and indirect employment to over a million. In the recent years, the electrical equipment sector has witnessed sluggish growth owing to the decline in domestic demand and increase in imported products.

Electrical equipment is broadly classified as generation equipment, transmission & distribution (T&D) equipment and other allied equipment. Electrical equipment market in India was valued at INR 1,300 billion in 2012-13. Transmission & distribution equipment accounted for about 53%.

(Source: <http://www.consultmcg.com/blog/electrical-equipment-sector-in-india/>; published on July 23, 2014)

Bifurcation of the Indian Electrical Equipment Industry

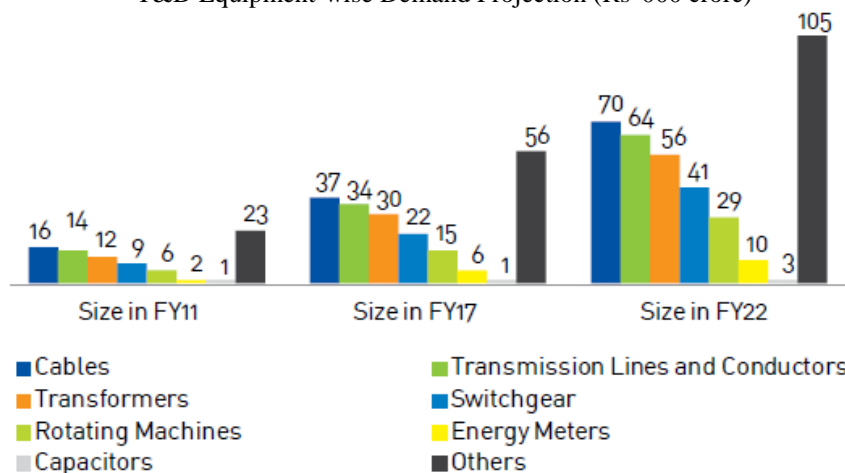


(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

Transmission & Distribution Equipment Industry

India's T&D equipment industry is heterogeneous and manufactures a wide variety of equipment from transmission line towers, transformers, switchgear to energy meters. The industry is also characterised by the presence of a large number of SMEs. The size of this industry (including other electrical equipment) is estimated to be Rs 89,235 crore (US\$ 18.6 billion) as on 2011-12.

T&D Equipment-wise Demand Projection (Rs '000 crore)



(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

There is significant capacity in India's T&D equipment segment, which is operating broadly at 70% capacity utilization. The domestic T&D segment is geared to cater to the expected growth in the demand for T&D equipment. India has come a long way in electrical equipment manufacturing. Today, the country manufactures a large variety of electrical equipment. In the T&D segment, it makes and exports a wide array of equipment from transformers to cables. New technologies that are being introduced have been brought into the domestic manufacturing domain by

foreign players. These players have come into India either independently and set up their own manufacturing facilities or through the JV route.

(Source: *Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India*)

WIRES & CABLES

Wire and Cable industry has established itself as one of the backbones of modern information age. The increasing importance for power, light and communication has kept demand high for wire and cable. This trend will continue as demand for reliable, efficient energy and data communications will strengthen the wire and cable industry. The industry is a volume-driven product and has evolved from the unorganised to the organised sector. However, about 35 per cent of this industry is still in the unorganised segment.

(Source: *Wire and cable sector opening up, <http://www.eprmagazine.com/article.php?ItemId=922&CategoryId=2>, November 2014*)

The ₹ 14,000 crores (\$2.6 billion) cables market is expected to grow as the demand for cables will be driven by growing power sector, real estate, telecom and industries such as steel, oil & gas, chemicals, etc. (Source: *Management research*).

Investment made by various private companies in power sector has opened up the wire and cable industry. Even the growth potential in the telecom sector as well as the various policy pronouncements by the government towards bringing about improved digital connectivity has added advantage to the industry. The rollout of 3G and broadband on a pan-India basis is an important growth driver because this will boost the market. Government impetus in refineries, power and fertilizers will offer a boost to the cable industry as almost all manufacturing companies need cables. Auto sector and railways are also important sectors consuming wires and cables on a large scale. Power sector is the biggest driver in the mainstay of cable demand, accounting for more than three-quarters of the market. Telecom cables are confined to the relatively narrower domain of the health of the global information, communications and technology (ICT) domains. For the industry, the current focus is to supply cables for specific applications, pertaining to the industry needs. Sectors like oil and gas, metro, cement industry and steel industry have a lot of growth potential. The wire and cable industry is also focusing on specialised cables like extra high-voltage cables and elastomer cables, which are now used for special applications in the industries like oil and gas, shipbuilding, construction equipment, elevator, renewable power, windmill solutions, security systems and so forth. (Source: *Wire and cable sector opening up, <http://www.eprmagazine.com/article.php?ItemId=922&CategoryId=2>, November 2014*)

Export Import of Wires & Cables

During the recent period of September 2015 to October 2015, India exported Electric Cables worth US\$ 4,092,598. United Arab Emirates is the largest importer of Electric Cables accounting for exports worth US\$ 1,326,793 followed by Ghana and United Kingdom which imported Electric Cables worth US\$ 356,060 and US\$ 319,152 respectively. Average value per shipment of Electric Cable exports in India is US\$ 75,789. Total export shipments of Electric Cables reported were 787 during this period. Average price per meter was US\$ 3.21.

(Source: *Infodrive India Global Export Import Market Intelligence, <http://www.infodriveindia.com/indiaexportdata/electriccableexportdata.aspx>*)

During the recent period of September 2015 to October 2015, India imported Electric Cable worth US\$ 5,068,574. United Arab Emirates is the largest supplier of Electric Cable accounting for imports worth US\$ 1,504,868 followed by Indonesia and Thailand which exported Electric Cable worth US\$ 1,161,807 and US\$ 1,125,485 respectively. Average value per shipment of Electric Cable imports in India is US\$ 144,816. Total import shipments of Electric Cable reported were 528 during this period. Average price per meter was US\$ 2.86

(Source: *Infodrive India Global Export Import Market Intelligence, <http://www.infodriveindia.com/indiaimportdata/electriccableimportdata.aspx>*)

The Future

The wire and cable industry is expanding with every new day, and there are several leading wire brands in India. The Indian cabling industry has reached new heights by manufacturing quality wires at nominal prices. The wire and cable industry in India has definitely transformed for better in the past 20 years. Although, cabling industry has been enjoying a great time, only 14 per cent of cabling market is organised and 35 per cent of the industry is still occupied by the unorganised players.

(Source: Wire and cable sector opening up, <http://www.eprmagazine.com/article.php?ItemId=922&CategoryId=2>, November 2014)



SUMMARY OF OUR BUSINESS

OVERVIEW

Our company Relicab Cable Manufacturing Pvt. Ltd. was incorporated in 2009 with an aim to corporatize the business of wires and cables manufacturing being carried out since 1999 in the name and style of M/s. Relicab Cable Corporation (Partnership concern). After receiving our certificate of incorporation, we have taken over the running business of this partnership concern through a business takeover agreement dated April 01, 2009. *For further details please refer to "History and other corporate matters" beginning on page no 118 of this Draft Prospectus.*

Our Company is engaged in the business of manufacturing and marketing of PVC Compounds and Wires and Cables and we have successfully developed a wide base of business network and made our presence in this industry since over 15 years. We manufacture wires and cables to provide cost-effective and quality solutions for various electrical connectivity requirements, mainly for the industrial segments. We accomplish this through customised design and development, continuous research & development initiatives, quality manufacturing and reliable delivery of all varieties of cables. We are involved in manufacturing a complete array of wires and cables that are used in diverse sectors encompassing virtually all industries like telecom, electrical, automotive and household appliances and the new field of wind energy.

Our product range includes a wide range of wires and cables including armored / unarmored and single core as well as multi core flexible cables, control & power cables, instrumentation cables etc. using high quality copper wires in HR, FR, FRLS, ZHFR forms and other raw materials. Our Company has as part of its backward integration initiative; an in-house PVC Compound manufacturing facility which supplies compound raw material for our Wires and Cables manufacturing business as well as being sold directly as finished goods to other users of PVC Compound. We offer all types of PVC Compounds i.e. Insulation, Sheathing, Inner sheath, HR, FR, FRLS & Master batches.

To support our operations and carry out in-depth testing & quality management activities, our Company maintains a number of well designed and equipped test facilities and laboratories, which enable various designs and conceptions to be tested and implemented. Our Company also carries out periodic calibrations of instruments which are required in day-to-day use, to ensure higher accuracy of products. These laboratories and testing facilities ensure that all RELICAB products adhere to strict quality norms and also adhere to the relevant ISI and international specifications.

Our focus on quality products and services has enabled us to garner clients who are some of the leading industrial, electrical and telecommunication names in India and abroad. We have developed a long standing relationship with our clients which include companies like, ABB India, Schneider Electric, Crompton Greaves, Bharat Bijlee, Siemens, Maktel Control & Systems, etc., to name a few. Our products are being exported through exporters to countries such as Russia, Uganda, Indonesia, Nigeria, Singapore, and UAE. We supply our products under our own brand name – 'Relicab'.

Over the years we have strengthened our manufacturing capacity by undertaking expansion from time to time. Our manufacturing facility located at Daman (Union Territory) has an capacity to manufacture approximately 7,510 Km per year of wires and cables and almost 1500 tons of PVC Compound per annum. We have also been improving our technologies and constantly developing products and features to our PVC Compound, Moulded Wire Harness, Wires and Cables etc. in order to differentiate ourselves from competitors and increase our product qualities in the future. However, due to lack of available working capital, we have not been able to grow our turnovers and business capacity utilizations substantially. With the political and macro-economic scenario in India, we believe that demands for quality products within our space would increase and hence we propose to augment our working capital fund base in order to better utilize our installed capacities and formulations thereby increase sales volumes and improve margins.

Our total income from operations has remained range bound around ₹ 1,200 lakhs since the last three years and have changed from ₹ 1197.17 lakhs in fiscal 2012-13 to ₹ 1,183.68 lakhs in fiscal 2014-15. However, our earnings before interest, tax, depreciation and amortization have increased from ₹ 87.25 lakhs in 2012-13 to ₹ 132.88 lakhs in 2014-



15, representing a CAGR of 15.05%. Our profit after tax has increased from ₹ 4.04 lakhs in fiscal 2012-13 to ₹ 12.93 lakhs in fiscal 2014-15, representing a CAGR of 47.37%.

As on August 30, 2015, we employed 39 employees on our payroll and 2 executive full time directors.

Our Strengths

Well qualified and experienced Management Team

Our Promoters, Mr. Suhir H. Shah and Mr. Parag J. Shah have been actively involved in the business since 2002 and have around 15 years of experience in the wires and cable industry. They started the business under a partnership firm, M/s. Relicab Cable Corporation. They incorporated our Company in 2009 and acquired the running business of the partnership to create a more professional approach to the business. Also, our board of directors are supported by a team of well experienced personnel; many of whom are working with the organization for over 3 years now. For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please refer to chapter titled “Our Management” beginning on page no. 121 of this Draft Prospectus. We believe that our management team’s experience and their understanding of the electrical equipment industry, more specifically – PVC Compound, wires and cables industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business.

Consistent and Standardised Product Quality

Our Company has received ISO Certification from United Registrar of Systems (URS) certifying that our Quality Management System was found to be in accordance with the requirements of ISO 9001:2008 in regards to manufacture and supply of PVC wires and cables, moulded cord, harness and PVC compound. This certification provides assurance to our domestic as well as overseas customers for the quality and durability of our wires and cables. Also, we hold license from the Bureau of Indian Standards (BIS) confirming that our products meet the requirements of IS 694: 1990 and IS 1554: Part 1: 1988. Our compliance with the BIS norms has enables our Company to enlist itself as a supplier for various multinational companies and government companies / projects.

Our Company undertakes stringent quality control as mandated in its Quality Manual to adhere to the quality norms of ISO and BIS. The brief details of the internal Quality Manual detailing the Quality Management System (QMS) is enumerated in the section ‘Quality Manual’ in the chapter ‘Our Business’ on page no. 91 of this Draft Prospectus.

Established Brand Name with diversified Domestic and International customer base

Our promoters have over a decade of experience in the wires and cable industry and over this period they have successfully developed long standing relations with various domestic customers. Our brand “Relicab’ has achieved country-wide acceptance with various electronics and telecommunications companies. Further, our products are being well received in the overseas market as well, wherein we are currently selling through local exporters. We believe that we enjoy the confidence of our customers because of our ability to offer in-house integrated manufacturing, thereby assuring the customers of timely delivery and quality. Our overseas customers from contract manufacturing include companies from across 3 continents including countries such as Russia, Uganda, Indonesia, Nigeria, Singapore, and UAE. In the domestic market our customers include various international and domestic companies like ABB, Schneider, Bharat Bijlee, etc. We believe that our long standing relationship with our customers provides us a competitive advantage.

In- house integrated unit and well established manufacturing facilities

Our Company has purchased the existing and working plant and machinery of M/s Relicab Cable Corporation in the year 2009. It is a high automated well established integrated manufacturing facility at Daman, India wherein we have integrated backward integration i.e. manufacturing of PVC Compound for wires and cables. All activities, right from sourcing the raw material to manufacturing of PVC compound, bunching and stranding, insulation, armouring, sheathing and packing of the wires and cables is carried out in-house. We operate automated machines like Extruder

machines of different grades for melting PVC raw material, bunching and stranding machines for processing copper wires, coiling & moulding machines for processing of various types of cables, etc. These machines are being operated by experienced and well trained technical personnel and thus help us to utilise the machines in the most efficient manner. These modern machineries also help us in maintaining high quality standards. The latest technology enables radical design and innovation in creating durable, corrosion-free and high resistant wires and cables in a very short time. Affiliation to latest technology has helped us in rolling out new combinations such flexible cables with single core / multi core, flat water resistant wires, high tensile elevator and communication wires, etc. The in-house packaging and dispatching of the products also enables us to stream line inventory management and production process with the help of technology. We believe that our well established in-house integrated manufacturing unit would help us in achieving a high sales growth and an improvement in operating margins once we improve our working capital finance capabilities.

Strategic Location of Manufacturing Unit

We operate from a manufacturing facility at Daman where we have set up our registered office and manufacturing plant, which is strategically located and is well connected by roads with the rest of the country.

Following are the key locational advantages of our manufacturing unit:

Connectivity: Our manufacturing plant is situated approximately 190 kms from our Mumbai office and just 2 km away from NH-8 phase 2 which is part of the NH-8 and connects to various parts of the Country including Gujarat, Rajasthan and Delhi. Also, our access to highway enables us to cover other regions of the country like central, eastern and southern India with ease.

Infrastructure: Uninterrupted power supply from Daman & Dui (U.T.) Electricity Department with very low power tariff for High tension and Low tension consumers for industrial purpose. Daman has developed a well established communications network, transport centres, health and safety facilities, all of which provide the necessary infrastructural advantage.

Tax Benefits: The following tax benefits are available in Daman, giving us a edge over our competitors in other locations:

- All categories of units i.e. SSI, MSI and LSI in Daman & Diu are exempted from payment of Sales Tax for a period of 15 years from the date of commencement of production.
- There is no Octroi Duty in Daman being a UT.
- In Daman and Diu 50% Exemption is available on Stamp Duty to SSI units for executing legal documents like lease/mortgage agreements etc.

Development of Industrial Estates: Omnibus Industrial Development Corporation (OIDC) of Daman & Diu and Dadra & Nagar Haveli has been incorporated by the Government of India specifically to aid, assist, finance, promote, expedite and accelerate the economic development of these UTs. The Industrial estates developed by the OIDC are well planned with all basic infrastructural facilities like internal roads, water supply, power, streetlights & other common facilities like Canteen, Banks, Meeting Halls, etc. Also, OIDC along with the Administration of Daman & Diu and Dadra & Nagar Haveli has simplified procedures for SSI registration and other clearances like Pollution Control Committee, power connections etc. for eligible units.

Raw Material: The major raw material required by us is PVC related raw material and copper wires. Recognising the need for easy availability of PVC raw materials at reasonable prices, OIDC has acquired distributorship of Plastic raw materials. Due to this, Daman has emerged as an important centre for plastic industries. Also, copper and various types of wires are available at competitive prices from Gujarat and near-by State of Maharashtra procurement of which is quicker and cheaper due freight savings.

Scalable Business Model

Our business model comprises of optimum utilization of our manufacturing facilities, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years. We can scale vertically (capacity expansion) and horizontally (product expansion) as per the requirement generated by our Company. The business scale generation is basically due to the development of new markets both international and domestic, innovation in the product range and by maintaining the consistent quality of the product.

Our Strategies

Augment our working capital base in order to better utilize our installed capacities

Our business of manufacturing of Wires & Cables and PVC Compounds is working capital intensive. We need to maintain sufficient inventory for the production process and also maintain a balance between debtors & creditors cycle. Since, we are not fully utilising our installed capacities, our growth depends on our ability to increase our utilization over the next few years and also adding new capacity subsequently. This expansion needs access to a larger amount of liquid funds and sufficient working capital. The same are proposed to be funded from the IPO proceeds and from Banking Facilities. For further details of the proposed working capital requirements of the company, kindly refer to the Chapter titled “*Objects of the Issue*” beginning on page no. 62 of this Draft Prospectus. We believe that being well funded in the working capital domain will help us in the following strategic initiatives:

- Accelerate development of new products to suit different needs of customers.
- Increase our export presence and add influential brands in our contract manufacturing vertical.
- Respond to market dynamics and provide custom based designs with focus on customer satisfaction.
- Focus on producing/marketing high value priced products.
- Tap new markets and add new dealers or authorised distributors into our distribution network by providing adequate credit.

Broaden our marketing base

We currently cater to various clients who are some of the leading industrial, electrical and telecommunication names in India. We have developed a long standing relationship with our clients which include companies like, ABB India, Schneider Electric, Crompton Greaves, Bharat Bijlee, Siemens, Maktel Control & Systems, etc., to name a few. However, our growth depends on our ability to maintain our relationship with these clients in addition to adding more clientele to our list. We currently export our products to various countries through local exporters.

We have scope to expand our reach to un-explored portions of the domestic markets including selling through distributors channels. Also, we intend to be part of the empanelled suppliers on various government projects as we believe that this will give us a good reputation and steady flow of orders, keeping in tune with the infrastructural development in the country.

Improve our manufacturing facilities by carrying out key value additions

We have in the recent years, identified certain key “low cost high value” items which we believe would help us strengthen our manufacturing facilities. For e.g. we have recently begun a value addition process in our PVC Compound division, which would almost double our available production capacity. For details regarding these capex items, please refer to “*Objects of the Issue*” beginning on page 62 of this Draft Prospectus. These minor adjustments and augmentations would help us improve our overall manufacturing capabilities and hence ensure our ability to respond to better market demand conditions.

Increase focus on PVC Compound exports business

We have as part of the backward integration program, set up in-house manufacturing facilities for making PVC compound which is a raw material used in our wire and cables manufacturing set up. We have spent last few years carrying out research and development on this product division and developed formulations for PVC Compound. In addition to being a strong raw material source for our wires and cables business, we are looking at this product to be a revenue and margins generator by selling directly as finished goods to other users of PVC Compound in domestic as well as international markets.



SUMMARY OF FINANCIAL INFORMATION

The following summary financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations 2009 and restated as described in the Independent Auditor's Report of R T Jain & Co., Chartered Accountants, dated October 16, 2015 in the chapter titled "Financial Statements" beginning on page 141 of this Draft Prospectus. The summary financial information presented below should be read in conjunction with our restated financial statements for the period ended June 30, 2015 and for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 including the notes thereto and the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 163 of this Draft Prospectus

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹. In lakhs)

Particulars	For the period ended June 30, 2015	As at March 31,				
		2015	2014	2013	2012	2011
EQUITY AND LIABILITIES						
Shareholders' Funds						
a. Share Capital	297.45	297.45	100.00	100.00	100.00	50.00
b. Reserves & Surplus	18.41	15.13	25.67	20.14	16.79	9.75
Share Application Money Pending Allotment	-	-	-	-	-	-
Non Current Liabilities						
a. Long Term Borrowings	-	-	121.41	96.28	83.36	102.02
Current Liabilities						
a. Short Term Borrowings	351.76	322.78	356.48	296.60	259.77	250.93
b. Trade Payables	510.51	434.97	318.53	431.36	331.53	462.86
c. Other Current Liabilities	40.46	37.20	38.05	39.96	31.88	27.98
d. Short Term Provisions	4.57	2.76	0.00	0.00	2.16	1.80
T O T A L	1,223.16	1,110.28	960.14	984.33	825.50	905.34
ASSETS						
Non-Current Assets						
a. Fixed Assets						
i. Tangible Assets	94.74	93.29	86.65	88.58	82.65	81.08
Less: Accumulated Depreciation	57.53	55.46	44.53	39.44	31.25	21.97
Net Block	37.21	37.84	42.12	49.14	51.40	59.11
b. Deferred Tax Assets (Net)	1.20	1.50	0.37	0.21	0.33	0.19
c. Non-current Investments	34.36	32.29	21.68	8.27	-	-
d. Other Non-Current Assets	24.49	13.02	8.80	4.87	9.60	-
Current Assets	-	-	-	-	-	-
a. Current Investment	-	-	12.50	12.50	-	-
b. Inventories	585.27	582.51	490.03	480.55	359.92	329.15
c. Trade Receivables	387.60	286.58	269.21	269.70	296.10	391.08
d. Cash and Cash Equivalents	97.22	93.33	82.79	90.99	85.07	75.04
e. Short Term Loans & Advances	55.81	63.20	32.64	67.52	22.51	49.03
f. Other Current Assets	-	-	-	0.58	0.58	1.73
T O T A L	1,223.16	1,110.28	960.14	984.33	825.50	905.34



STATEMENT OF PROFIT AND LOSS AS RESTATED

(₹. In lakhs)

Particulars	For the period ended June 30, 2015	For the year ended March 31,				
		2015	2014	2013	2012	2011
INCOME						
Revenue from Operations	375.22	1,183.68	1,109.30	1,197.17	1,576.59	1,556.51
Other Income	2.81	10.38	5.48	4.59	7.02	8.20
Total Income (A)	378.04	1,194.06	1,114.78	1,201.77	1,583.61	1,564.71
EXPENDITURE						
Cost of materials consumed	305.36	1,007.37	934.48	1,115.80	1,373.72	1,372.48
Changes in inventories of finished goods, traded goods and work-in-progress	(5.23)	(107.97)	(49.08)	(146.04)	(17.51)	(3.85)
Employee benefit expenses	20.72	73.09	65.14	72.62	67.74	63.14
Finance costs	23.32	112.67	101.00	88.40	82.61	69.09
Depreciation and amortisation expense	2.07	10.36	7.36	8.19	9.28	10.97
Other Expenses	26.40	80.22	48.10	57.78	57.59	47.18
Total Expenses (B)	372.65	1,175.75	1,107.00	1,196.76	1,573.43	1,559.01
Profit before extraordinary items and tax	5.39	18.32	7.78	5.01	10.19	5.70
Extraordinary items	-	-	-	-	-	(0.52)
Profit before tax	5.39	18.32	7.78	5.01	10.19	5.18
<i>Tax expense :</i>	-	-	-	-	-	-
(i) Current tax	1.81	5.42	2.41	1.55	3.29	1.80
(ii) Deferred tax	0.30	(1.13)	(0.16)	0.11	(0.14)	(0.20)
Total Tax Expense	2.11	4.29	2.25	1.66	3.15	1.60
Profit for the year (D-E)	3.28	14.02	5.53	3.35	7.04	3.58



STATEMENT OF CASH FLOW AS RESTATED

(₹. In lakhs)

Particulars	For the period ended June 30, 2015	For the year ended March 31,				
		2015	2014	2013	2012	2011
Cash flow from operating activities:						
Net Profit before tax as per Profit And Loss A/c	5.39	18.32	7.78	5.01	10.19	5.70
Adjusted for:	-	-	-	-	-	-
Preliminary Expenses w/off	-	-	0.58	0.58	0.58	0.58
Loss on Sale of Fixed Asset	-	-	0.50	-	-	-
Profit on sale of Mutual Fund	-	(2.57)	-	-	-	-
Depreciation & Amortisation	2.07	10.36	7.36	8.19	9.28	10.97
Interest & Finance Cost	23.32	112.67	101.00	88.40	82.61	69.09
Interest income	(2.81)	(7.81)	(5.48)	(4.59)	(7.02)	(3.49)
Operating Profit Before Working Capital Changes	27.97	130.97	111.73	97.59	95.63	82.84
Adjusted for (Increase)/ Decrease:						
Trade Receivables	(101.02)	(17.38)	0.50	26.40	94.98	85.27
Inventories	(2.76)	(92.48)	(9.48)	(120.63)	(30.76)	(53.72)
Short Term Loans and Advances	7.39	(31.39)	35.31	(47.11)	27.16	17.10
Trade payables	75.55	116.44	(112.83)	99.83	(131.32)	106.90
Current Liabilities	3.26	(0.86)	(1.90)	8.07	3.90	5.83
Other Non-Current Assets	(11.47)	(4.22)	(3.93)	4.15	(9.02)	-
Cash Generated From Operations Before Extra-Ordinary Items	(1.08)	101.09	19.38	68.30	50.57	244.22
Add:- Extra-Ordinary Items	-	-	-	-	-	-
Cash Generated From Operations	(1.08)	101.09	19.38	68.30	50.57	244.22
Direct Tax Paid	-	(1.84)	(2.84)	(1.60)	(3.57)	(2.10)
Net Cash Flow from/(used in) Operating Activities: (A)	(1.08)	99.25	16.55	66.70	47.00	242.12
Cash Flow From Investing Activities:						
Purchase of Fixed Assets	(1.44)	(6.65)	(1.43)	(5.93)	(1.57)	(2.26)
Sale of fixed asset	-	-	0.60	-	-	-
Profit on Sale of Mutual Fund	-	2.57	-	-	-	-
Investment/Redemption of Mutual Fund	-	12.50	-	(12.50)	-	-
Investment in Recurring Deposit	(2.06)	(10.61)	(13.41)	(8.27)	-	-
Interest Income	2.81	7.81	5.48	4.59	7.02	3.49
Net Cash Flow from/(used in) Investing Activities: (B)	(0.69)	5.62	(8.76)	(22.11)	5.46	1.24
Cash Flow from Financing Activities:						
Proceeds From Share Capital	-	173.45	-	-	50.00	-
Increase/(Decrease) Long Term Borrowing	(0.00)	(121.41)	25.13	12.91	(18.66)	(167.46)
Increase/ (Decrease) in Short Term Borrowing	28.98	(33.71)	59.89	36.82	8.84	15.00
Interest & Financial Charges	(23.32)	(112.67)	(101.00)	(88.40)	(82.61)	(69.09)
Net Cash Flow from/(used in) Financing Activities (C)	5.66	(94.33)	(15.98)	(38.67)	(42.43)	(221.54)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	3.89	10.54	(8.20)	5.92	10.03	21.82
Cash & Cash Equivalents As At Beginning of the Year	93.33	82.79	90.99	85.07	75.04	53.22
Cash & Cash Equivalents As At End of the Year	97.22	93.33	82.79	90.99	85.07	75.04



THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS

Equity Shares Offered: Present Issue of Equity Shares by our Company	20,04,000 Equity Shares of ₹10 each for cash at a price of ₹ 20 per share aggregating ₹400.80 lakhs
<i>Of which:</i>	
Issue Reserved for the Market Makers	1,08,000 Equity Shares of ₹ 10 each for cash at a price of ₹. 20 per share aggregating ₹21.60 lakhs
Net Issue to the Public	18,96,000 Equity Shares of ₹10 each for cash at a price of ₹. 20 per share aggregating ₹379.20 lakhs
Equity Shares outstanding prior to the Issue	29,74,530 Equity Shares
Equity Shares outstanding after the Issue	49,78,530 Equity Shares
Objects of the Issue	Please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 62 of this Draft Prospectus

This issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please see the section titled “*Issue Related Information*” beginning on page no. 199 of this Draft Prospectus.

The present issue has been authorised by our Board vide resolution passed at its meeting held on September 23, 2015 and by our Shareholders vide a special resolution passed pursuant to section 62 (1) (C) of the Companies Act, 2013 at the EGM held with a shorter notice on September 30, 2015



GENERAL INFORMATION

Our Company was incorporated as Relicab Cable Manufacturing Pvt. Ltd. on February 23, 2009 under the Companies Act, 1956, with the Registrar of Companies, Goa, Daman and Diu bearing Registration Number - 004670. The status of our Company was changed to a public limited company and the name of our Company was changed to Relicab Cable Manufacturing Limited by a special resolution passed on September 09, 2015. A fresh certificate of incorporation consequent to the change of name was granted to our Company on September 22, 2015, by the Registrar of Companies, Goa, Daman and Diu. The Company's Corporate Identity Number is U27201DD2009PLC004670 and its Registered Office is situated at 57/1, (4-B) Benslore Industrial Estate, Village Dunetha, Nani Daman, Daman – 396 210.

For further details, please see chapter titled “*History and Certain Corporate Affairs*” beginning on page no. 118 of this Draft Prospectus.

Brief Company and Issue Information

Registered Office	57/1, (4-B) Benslore Industrial Estate, Village Dunetha, Nani Daman, Daman – 396 210. Tel Fax No.: +91 – 260- 3255493. Email: investor.relicab@gmail.com Website: www.relicab.com
Date of Incorporation	February 23, 2009
Company Registration No.	004670
Company Identification No.	U27201DD2009PLC004670
Address of Registrar of Companies	Company Law Bhawan, EDC Comlex, Plot No. 21, Patto, Panaji, Goa-403 001 Tel No.: +91 – 832 – 243 8617 Fax No.: +91 – 832 – 243 8618
Issue Programme	Issue Opens on : [●] Issue Closes on : [●]
Designated Stock Exchange	SME Platform of BSE Limited
Company Secretary & Compliance Officer	Name: Mr. Monil Kothari 57/1, (4-B) Benslore Industrial Estate, Village Dunetha, Nani Daman, Daman – 396 210. Tel Fax No.: +91 – 260- 3255493. Email: investor.relicab@gmail.com

Board of Directors of our Company

The following table sets forth the Board of Directors of our Company:

Name	Designation	Director's Identification No.
Mr. Suhir H. Shah	Managing Director	02420617
Mr. Parag J. Shah	Whole-Time Director	02485384
Ms. Vijaya More	Non-Executive Independent Director	07283800
Mr. Mushtaque Khan	Non-Executive Independent Director	07295171
Mr. Rajesh Gor	Non-Executive Independent Director	07302407

For further details pertaining to the educational qualification and experience of our Directors, please see the chapter titled “*Our Management*” beginning on page no 121 of this Draft Prospectus.



Note: Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and refund orders. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the SCSBs, giving full details such as name, address of applicant, application number, number of Equity Shares applied for, amount paid on application and designated branch or the collection centre of the SCSB where the ASBA Application Form was submitted by the ASBA Applicants.

Details of Key Intermediaries pertaining to this Issue and our Company

Lead Manager of the Issue

Name : Aryaman Financial Services Limited
Address : 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001
Tel. No. : +91 – 22 – 2261 8264
Fax No. : +91 – 22 – 2263 0434
Website : www.afsl.co.in
Email : ipo@afsl.co.in / info@afsl.co.in
Investor Grievance Email : feedback@afsl.co.in
Contact Person : Mr. Shreyas Shah
SEBI Registration No.: INM000011344

Registrar to the Issue

Name : Sharex Dynamic (I) Private Limited
Address : Unit No 1, Luthra Ind. Premises, 1st Floor, 44 – E, M.Vasanji Marg, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072
Tel. No. : +91 – 22 – 28515606
Fax No. : +91 – 22 – 28512885
Email : shareindia@vsnl.com
Website : www.sharexindia.com
Contact Person : Mr. K. C. Ajitkumar
SEBI Registration No : INR000002102

Legal Advisor to the Issue

Name : M/s Kanga & Company (Advocates & Solicitors)
Address : Readymoney Mansion, 43, Veer Nariman Road, Mumbai - 400 001
Tel. No. : +91 – 22 – 66230000, +91 – 22 – 66332288
Fax No. : +91 – 22 – 66339656 / 57
Website : www.kangacompany.com
Email : chetan.thakkar@kangacompany.com
Contact Person : Mr. Chetan Thakkar

Statutory Auditors of our Company

Name : M/s D.K. Vora & Company (Chartered Accountants)
Address : B-1/ 505, 4th Floor, Laram Centre, M.A. Road, Opp: Andheri Railway Station, Andheri (West), Mumbai- 400 058.
Tel. No. : +91 – 22 - 2628 4557 / 2624 2886
Email : voradk@gmail.com
Contact Person : Mr. D.K. Vora



Peer Review Auditors

Name : M/s. R.T. Jain & Co.
Address : Lotus Bldg., 2nd Floor, 59, Mohamedali Road, Mumbai- 400 003.
Tel. No. : +91 – 22 – 2346 5218/ 2346 4955.
Fax No. : +91 – 22 – 2346 2531/ 2346 4955
Email : rtjain_ca@yahoo.co.in
Contact Person : Mr. Bankim Jain

Bankers to our Company

[●]

Bankers to the Issue / Escrow Collection Banks

[●] (to be appointed later)

Refund Banker to the Issue

[●] (to be appointed later)

Self Certified Syndicate Banks

The list of Banks that have been notified by SEBI to act as SCSBs for the ASBA process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSBs collecting the ASBA Application Forms, please see the above mentioned SEBI link.

Statement of Inter-se Allocation of Responsibilities

Aryaman Financial Services Limited is the Sole Lead Manager to this issue, and hence is responsible for all the issue management related activities.

Monitoring Agency

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the issue size is below ₹ 50000 lakhs. Since the Issue size is below ₹ 50000 lakhs, our Company has not appointed a monitoring agency for this issue. However, as per the Clause 52 of the SME Listing Agreement to be entered into with BSE upon listing of the equity shares and the corporate governance requirements, the audit committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

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.

Trustees

This being an Issue of Equity Shares, the appointment of trustees is not required.

Details of the Appraising Authority

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

Credit Rating

This being an Issue of Equity Shares, no credit rating is required.

Expert Opinion

Except the reports of the Peer Review Auditor of our Company on the Restated Financial Statements and on the Statement of Tax Benefits included in this Draft Prospectus, our Company has not obtained any other expert opinion.

Underwriting

This Issue is 100% Underwritten. The Underwriting agreement is dated October 09, 2015. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten (₹ in lakhs)	% of the Total Issue Size Underwritten
Aryaman Financial Services Ltd. 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 2261 8264 Fax No.: +91 – 22 – 2263 0434 Email: ipo@afsl.co.in	18,96,000	379.20	94.61
Aryaman Capital Markets Ltd. 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 2261 8264 Fax No.: +91 – 22 – 2263 0434 Email: aryacapm@gmail.com	1,08,000	21.60	5.39
Total	20,04,000	400.80	100.00

As per Regulation 106 P (2) of SEBI (ICDR) Regulations, 2009, the LM has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above – mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Market Maker

Name	:	Aryaman Capital Markets Limited
Address	:	60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001
Tel. No.	:	+91 – 22 – 2261 8635
Fax No.	:	+91 – 22 – 2263 0434
Website	:	http://www.afsl.co.in/Acml/index.html
Investor Grievance Email	:	aryacapm@gmail.com
Contact Person	:	Mr. Harshad Dhanawade

SEBI Registration No.: : INB011465938
Market Maker Registration No. : SMEMM0651421122012

Details of the Market Making Arrangement for this Issue

Our Company and the Lead Manager, Aryaman Financial Services Limited have entered into an agreement dated October 09, 2015 with Aryaman Capital Markets Ltd., a Market Maker registered with the SME Platform of BSE in order to fulfil the obligations of Market Making.

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker 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.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME Platform from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
7. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
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 or 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 shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

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 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, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers 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 five or as specified by the relevant laws and regulations applicable at that particular point of time.

The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

10. **Risk containment measures and monitoring for Market Maker:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker 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. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 25000 lakhs, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
 - Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.

The following spread will be applicable on the BSE SME Exchange/ Platform:

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

All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.



CAPITAL STRUCTURE

The share capital of the Company as on the date of this Draft Prospectus is set forth below:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A	Authorised Share Capital		
	50,00,000 Equity Shares of face value of ₹ 10 each	500.00	-
B	Issued, Subscribed and Paid-up Share Capital before the Issue		
	29,74,530 Equity Shares of face value of ₹ 10 each	297.45	-
C	Present Issue in terms of this Draft Prospectus*		
	Issue of 20,04,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per equity Share	200.40	400.80
	<i>Which comprises:</i>		
	1,08,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share reserved as Market Maker Portion	10.80	21.60
	Net Issue to Public of 18,96,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share to the Public	189.60	379.20
	<i>Of which:</i>		
	9,48,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	94.80	189.60
	9,48,000 Equity Shares of ₹ 10 each at a price of ₹ 20 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	94.80	189.60
D	Equity Share Capital after the Issue		
	49,78,530 Equity Shares of ₹ 10 each	497.85	
E	Securities Premium Account		
	Before the Issue (as on June 30, 2015)	Nil	
	After the Issue	200.40	

* The present Issue has been authorized pursuant to a resolution of our Board dated September 23, 2015 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held with a shorter notice on September 30, 2015.

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

Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

Date of Change/Meeting	Existing Capital		Additional Capital		Total Capital		Remarks
	No. of Shares	₹ / Share	No. of Shares	₹ / Share	No. of Shares	₹ / Share	
On Incorporation	-	-	10,000	100	10,000	100	Incorporation
May 15, 2009	10,000	100	15,000	100	25,000	100	Increase
February 15, 2010	25,000	100	75,000	100	1,00,000	100	Increase

Date of Change/Meeting	Existing Capital		Additional Capital		Total Capital		Remarks
	No. of Shares	₹ / Share	No. of Shares	₹ / Share	No. of Shares	₹ / Share	
February 09 2015	Sub Division of the Face Value of the Equity Shares from ₹ 100 to ₹ 10 each				10,00,000	10	Share Split
February 09, 2015	10,00,000	10	20,00,000	10	30,00,000	10	Increase
September 11, 2015	30,00,000	10	20,00,000	10	50,00,000	10	Increase

Notes to the Capital Structure

1. Share Capital History of our Company:

a) Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. The following is the Equity Share Capital Build-up of our Company:

Since incorporation, the capital structure of our Company has been altered in the following manner:

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
As on March 31, 2010 ⁽¹⁾	50,000	100	100	Not Available	Cash and Other than Cash ⁽¹⁾	50,000	50,00,000	Nil
March 19, 2012 ⁽²⁾	50,000	100	100	Further Allotment	Cash	1,00,000	1,00,00,000	Nil
February 09, 2015 ⁽³⁾	Sub Division of the Face Value of the Equity Shares from ₹. 100 to ₹. 10 each					10,00,000	1,00,00,000	Nil
February 10, 2015 ⁽⁴⁾	2,40,000	10	-	Bonus Allotment	Other than Cash	12,40,000	1,24,00,000	Nil
March 31, 2015 ⁽⁵⁾	17,34,530	10	10	Further Allotment	Cash	29,74,530	2,97,45,300	Nil

Notes:

(1) As per the initial Memorandum of Association of the Company, the initial paid-up capital of the Company is 1,000 Equity Shares of ₹. 100/- each aggregating to ₹. 1,00,000/-. After incorporation the Company has taken over the running business of /s. Relicab Cable Corporation (Partnership concern of the Promoter) through a business takeover agreement dated April 01, 2009 against allotment of Equity Share to the Promoter & Promoter Group of the Company. However the exact details of dates & shares allotment are not available with the Company. The list of shareholders along with their shareholding as on March 31, 2010 is given below:

Sr. No.	Name of the Shareholders	No. of Shares	% of Shares of then Paid-up Capital
1	Suhir H. Shah	24,998	49.99%
2	Parag J. Shah	25,000	50.00%
3	Suhir H.Shah (HUF)	1	Negligible
4	Rupa Shah	1	Negligible
	Total	50,000	100.00%

(2) The Company allotted 50,000 Equity Shares of face value of ₹. 100/- each at par as per the details given below:

Sr. No.	Name of the Shareholders	No. of Shares
1	Suhir H. Shah	25,000
2	Parag J. Shah	25,000
	Total	50,000

(3) Pursuant to Extra-Ordinary General Meeting held on February 09, 2015, our Company has split the Equity Shares of face value ₹. 100/- each to Equity Shares of face value ₹. 10/- each.

(4) Pursuant to Extra-Ordinary General Meeting held on February 09, 2015, the member have authorized our Board to issue 2,40,000 Bonus Shares in the ratio of 24:100 i.e. 24 equity shares for every 100 equity share held to the shareholders.

Sr. No.	Name of the Shareholders	No. of Shares
1	Suhir H. Shah	1,19,994
2	Parag J. Shah	1,20,000
3	Suhir H. Shah (HUF)	3
4	Rupa Shah	3
	Total	2,40,000

(5) The Company allotted 17,34,530 Equity Shares of face value of ₹. 10/- each at par as per the details given below:

Sr. No.	Name of the Shareholders	No. of Shares
1	Suhir H. Shah	5,51,380
2	Parag J. Shah	11,83,150
	Total	17,34,530

b) Our Company has not issued Equity Shares for consideration other than cash except for the Equity Shares as mentioned under:

Date of Allotment	No. of Equity Shares	FV (₹)	Issue Price (₹)	Nature of Allotment	Allotted Person	Benefits Accrued to the Company
As on March 31, 2010 ⁽¹⁾	50,000	100	100	Not Available	Promoter & Promoter Group	Fixed Assets Acquired
February 10, 2015 ⁽²⁾	2,40,000	10	-	Bonus Allotment	Allotted to all the Shareholders of the Company as on the date of allotment	Expansion of capital

Note:

(1) As per the initial Memorandum of Association of the Company, the initial paid-up capital of the Company is 1,000 Equity Shares of ₹. 100/- each aggregating to ₹. 1,00,000/-. After incorporation the Company has taken over the running business of /s. Relicab Cable Corporation (Partnership concern of the Promoter) through a business takeover agreement dated April 01, 2009 against allotment of Equity Share to the Promoter & Promoter Group of the Company. However the exact details of dates & shares allotment are not available with the Company. The list of shareholders along with their shareholding as on March 31, 2010 is given below:

Sr. No.	Name of the Shareholders	No. of Shares	% of Shares of then Paid-up Capital
1	Suhir H. Shah	24,998	49.99%
2	Parag J. Shah	25,000	50.00%
3	Suhir H. Shah (HUF)	1	Negligible
4	Rupa Shah	1	Negligible
	Total	50,000	100.00%

- (2) Pursuant to Extra-Ordinary General Meeting held on February 09, 2015, the member have authorized our Board to issue 2,40,000 Bonus Shares in the ratio of 24:100 i.e. 24 equity shares for every 100 equity share held to the shareholders.

Sr. No.	Name of the Shareholders	No. of Shares
1	Suhir H. Shah	1,19,994
2	Parag J. Shah	1,20,000
3	Suhir H. Shah (HUF)	3
4	Rupa Shah	3
	Total	2,40,000

- c) No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956.
- d) No bonus shares have been issued out of Revaluation Reserves.
- e) No shares have been issued at a price lower than the Issue Price within the last one year from the date of this Draft Prospectus except as mentioned below :

Date of Allotment	Name of the Allottees	Number of Shares	Issue Price (₹)	Reasons	Promoter / Promoter Group
February 10, 2015	Suhir H. Shah	1,19,994	0	Bonus Allotment	Yes
	Parag J. Shah	1,20,000	0		
	Suhir H. Shah (HUF)	3	0		
	Rupa S. Shah	3	0		
March 31, 2015	Suhir H. Shah	5,51,380	10	Further Allotment	Yes
	Parag J. Shah	11,83,150	10		

f) Shareholding of our Promoters

Set forth below are the details of the build-up of shareholding of our Promoters:

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	Face Value (₹)	Issue Price (₹)	Cumulative no. of Shares	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital
Mr. Suhir H. Shah								
As on March 31, 2010 ⁽¹⁾	Not Available	Cash and Other than Cash ⁽¹⁾	24,998	100	100	24,998	NA	NA
March 19, 2012	Further Allotment	Cash	25,000	100	100	49,998	NA	NA
February 09, 2015	Sub Division of the Face Value of the Equity Shares from ₹ 100 to ₹ 10 each					4,99,980	16.81%	10.04%
February 10, 2015	Bonus Allotment	Other than Cash	1,19,994	10	-	6,19,974	20.84%	12.45%



March 31, 2015	Further Allotment	Cash	5,51,380	10	10	11,71,354	39.38%	23.53%
Mr. Parag J. Shah								
As on March 31, 2010 ⁽¹⁾	Not Available	Cash and Other than Cash ⁽¹⁾	25,000	100	100	25,000	NA	NA
March 19, 2012	Further Allotment	Cash	25,000	100	100	50,000	NA	NA
February 09, 2015	Sub Division of the Face Value of the Equity Shares from ₹ 100 to ₹ 10 each					5,00,000	16.81%	10.04%
February 10, 2015	Bonus Allotment	Other than Cash	1,20,000	10	-	6,20,000	20.84%	12.45%
March 31, 2015	Further Allotment	Cash	11,83,150	10	10	18,03,150	60.62%	36.22%

Notes:

- (1) As per the initial Memorandum of Association of the Company, the initial paid-up capital of the Company is 1,000 Equity Shares of ₹. 100/- each aggregating to ₹. 1,00,000/-. After incorporation the Company has taken over the running business of /s. Relicab Cable Corporation (Partnership concern of the Promoter) through a business takeover agreement dated April 01, 2009 against allotment of Equity Share to the Promoter & Promoter Group of the Company. However the exact details of dates & shares allotment are not available with the Company. The list of shareholders along with their shareholding as on March 31, 2010 is given below:

Sr. No.	Name of the Shareholders	No. of Shares	% of Shares of then Paid-up Capital
1	Suhir H. Shah	24,998	49.99%
2	Parag J. Shah	25,000	50.00%
3	Suhir H.Shah (HUF)	1	Negligible
4	Rupa Shah	1	Negligible
	Total	50,000	100.00%

- (2) None of the shares belonging to our Promoters have been pledged till date.
- (3) The entire Promoters' shares shall be subject to lock-in from the date of listing of the equity shares (issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations. For details please see Note no. 2 of "Capital Structure" on page no. 51 of this Draft Prospectus.
- g) None of the members of the Promoter Group, Directors and their immediate relatives have entered into any transactions in the Equity shares of our Company within the last six months from the date of this Draft Prospectus.
- h) None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Prospectus.

2. Promoters' Contribution and other Lock-In details:

a) Details of Promoters' Contribution locked-in for 3 years

Pursuant to the Regulation 32(1) and 36(a) of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoters shall be considered as promoters' contribution ("Promoters' Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters'



Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of Promoter	No. of Shares locked in	As a % of Post Issue Share Capital
Suhir H. Shah	4,98,000	10.00%
Parag J. Shah	5,04,000	10.12%
Total	10,02,000	20.13%

For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please see Note 1(f) under "Notes to Capital Structure" on page no. 54 of this Draft Prospectus.

We confirm that in compliance with regulation 33 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters' Contribution constituting 20% of the post-Issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

We further confirm that our Promoters' Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds.

b) Details of Shares locked-in for one year

- Pursuant to Regulation 37 of the SEBI (ICDR) Regulations, in addition to the Promoters' Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue.
- Pursuant to Regulation 39 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Draft Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.

- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

3. Pre-Issue and Post Issue Shareholding of our Promoters and Promoters' Group

Set forth is the shareholding of our Promoters and Promoter Group before and after the proposed issue:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	As a % of Pre-Issued Equity	No. of Equity Shares	As a % of Issued Equity
A	Promoters				
1	Suhir H. Shah	11,71,354	39.38%	11,71,354	23.53%
2	Parag J. Shah	18,03,150	60.62%	18,03,150	36.22%
	Total (A)	29,74,504	99.99%	29,74,504	59.75%
B	Promoter Group & Relatives				
1	Suhir H. Shah (HUF)	13	Negligible	13	Negligible
2	Rupa S. Shah	10	Negligible	10	Negligible
3	Parag J. Shah (HUF)	1	Negligible	1	Negligible
4	Harsha P. Shah	1	Negligible	1	Negligible
5	Nivish Shah	1	Negligible	1	Negligible
	Total (B)	26	Negligible	26	Negligible
	Grand Total (A+B)	29,74,530	100.00%	29,74,530	59.75%

4. The top ten shareholders of our Company and their Shareholding is as set forth below:

- a. The top ten Shareholders of our Company as on the date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Parag J. Shah	18,03,150	60.62%
2	Suhir H. Shah	11,71,354	39.38%
3	Suhir H. Shah (HUF)	13	Negligible
4	Rupa S. Shah	10	Negligible
5	Parag J. Shah (HUF)	1	Negligible
6	Harsha P. Shah	1	Negligible
7	Nivish Shah	1	Negligible
8	-	-	-
9	-	-	-
10	-	-	-
	Total	29,74,530	100.00%

b. The top ten Shareholders of our Company ten days prior to date of this Draft Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Parag J. Shah	18,03,150	60.62%
2	Suhir H. Shah	11,71,350	39.38%
3	Suhir H. Shah (HUF)	13	Negligible
4	Rupa S. Shah	10	Negligible
5	Parag J. Shah (HUF)	1	Negligible
6	Harsha P. Shah	1	Negligible
7	Nivish Shah	1	Negligible
8	-	-	-
9	-	-	-
10	-	-	-
Total		29,74,530	100.00%

c. The top ten Shareholders of our Company two years prior to date of this Draft Prospectus are

Sr. No.	Particulars	No. of Shares	% of Shares of then Paid-up Capital
1	Suhir H. Shah	49,998	49.99%
2	Parag J. Shah	50,000	50.00%
3	Suhir H. Shah (HUF)	1	Negligible
4	Rupa S. Shah	1	Negligible
5	-	-	-
6	-	-	-
7	-	-	-
8	-	-	-
9	-	-	-
10	-	-	-
10	-	-	-
Total		1,00,000	100.00%

5. Neither the Company, nor its Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
6. None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled “Our Management” beginning on page no. 121 of this Draft Prospectus.
7. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “Issue Procedure” beginning on page no. 223 of this Draft Prospectus.
8. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
9. An over-subscription to the extent of 18,000 Equity Shares i.e. 0.90% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a

maximum of 0.90% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

10. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
11. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
12. As on date of this Draft Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
13. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
14. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
15. Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of this Draft Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
16. Except as disclosed in the Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or issue of bonuses or rights or further public issue of specified securities or Qualified Institutional Placement.
17. We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Draft Prospectus.
18. As on date of this Draft Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
19. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24hours of such transaction.
20. The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
21. Our Company has Seven (7) shareholders, as on the date of this Draft Prospectus.
22. Our Company has not revalued its assets since incorporation.
23. Our Company has not made any public issue or rights issue since its incorporation.

24. Shareholding Pattern of the Company

The following is the shareholding pattern of the Company in compliance with Clause 37 of the Listing Agreement as on the date of this Draft Prospectus:

Category code	Category Shareholder of	(Pre-Issue)			Number of shares held in dematerialized form	(Post-Issue)			Shares Pledged or otherwise Encumbered	
		No. of Share-holders	No. of Shares	%		No. of Share-holders	No. of Shares	%	No. of Shares	As a %
(A)	Shareholding of Promoter and Promoter Group									
1	Indian									
(a)	Individuals / Hindu Undivided Family	7	29,74,530	100.00	-	7	29,74,530	59.75	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Any Others(Specify)	-	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	7	29,74,530	100.00	-	7	29,74,530	59.75	-	-
2	Foreign									
(a)	Individuals (Non-Residents / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Any Other, Specify	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	7	29,74,530	100.00	-	7	29,74,530	59.75	-	-
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(c)	Insurance Companies	-	-	-	-	-	-	-	-	-
(d)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
2	Non-institutions									
(a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(b)	Individuals									
I	Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
II	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	-	-	-	-	-	-	-	-	-
(c)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Market Maker	-	-	-	-	1	1,08,000	2.17	-	-
(d)	Public Issue / IPO	-	-	-	-	1	18,96,000	38.08	-	-
	Sub-Total (B)(2)	-	-	-	-	1	20,04,000	40.25	-	-
	Total Public Shareholding (B) = (B)(1)+(B)(2)	-	-	-	-	1	20,04,000	40.25	-	-
	TOTAL (A)+(B)	7	29,74,530	100.00	-	1	49,78,530	100.00	-	-
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	7	29,74,530	100.00	-	1	49,78,530	100.00	-	-



Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoters and Promoter Group”

Sr. No	Name of the Shareholder	Details of Shares held		Encumbered Shares		Details of Warrants / Convertible Securities		Total Shares	
		No. of shares held	As a % of (A+B+C)	No. of shares	As a % of (A+B+C)	No. of Warrants / Convertible Securities	As a % of (A+B+C)	No. of shares	As a % of (A+B+C)
1	Suhir H. Shah	11,71,354	39.38%	-	-	-	-	11,71,354	39.38%
2	Parag J. Shah	18,03,150	60.62%	-	-	-	-	18,03,150	60.62%
3	Suhir H. Shah (HUF)	13	0.00%	-	-	-	-	13	0.00%
4	Rupa S. Shah	10	0.00%	-	-	-	-	10	0.00%
5	Parag J. Shah (HUF)	1	0.00%	-	-	-	-	1	0.00%
6	Harsha P. Shah	1	0.00%	-	-	-	-	1	0.00%
7	Nivish Shah	1	0.00%	-	-	-	-	1	0.00%
	Total	29,74,530	100.00%	-	-	-	-	29,74,530	100.00%

Public Shareholders holding more than 1% of the pre-issue paid-up capital of our Company

Sr. No.	Particulars	No. of Shares	% of Shares Pre-Issue Share Capital
1	Nil	-	-
	Total	-	-



SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Objects of the Issue are to raise funds for:

- Technological modifications and certain augmentations in the factory
- Long Term Working Capital
- Refundable Security Deposit for Factory Premises
- General Corporate Purposes

Further, we propose to achieve the benefits of listing of our shares on the Stock Exchange platform. We believe that equity capital markets is an ideal source for meeting long term as well as working capital funding requirements of a growing company like ours. In addition, the listing of our Equity Shares will, among other things, enhance our visibility, pre-qualification credibility and brand name among our existing and potential customers. We also believe that as a listed entity we would be able to attract high quality and talented personnel and also be able to increase our credibility to prospective lenders or joint venture partners in the future.

Net Proceeds from the Issue

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

(₹ in lakhs)		
Sr. No.	Particulars	Amount
(a)	Gross Proceeds from the Issue	400.80
(b)	Issue related Expenses	45.00
	Net Proceeds from the Issue	355.80

Requirements of Funds

The fund requirements described below are based on management estimates and our Company's current business plan and have not been appraised by any bank or financial institution.

We intend to utilise the Net Proceeds of the Issue ("Net Proceeds") of ₹ 355.80 lakhs for financing the objects as set forth below:

(₹ in lakhs)		
Sr. No.	Particulars	Amount
1.	Technological modifications and certain augmentations in the factory	34.00
2.	Long Term Working Capital	265.24
3.	Refundable Security Deposit for Factory Premises	50.00
4.	Funding expenditure for General Corporate Purposes	6.56
	Total	355.80

Means of Finance

The Means of Finance for funding the above requirements as estimated by our company are as shown below:

(₹ in lakhs)		
Sr. No.	Particulars	Amount
1.	Net Proceeds from the Issue	355.80
	Total	355.80

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

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may, subject to compliance with applicable laws and regulations, also include rescheduling the proposed utilization of Issue Proceeds and increasing or decreasing expenditure for a particular object *vis-à-vis* the utilization of Issue Proceeds.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required and general corporate purposes.

In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured / Bridge Loans and in such case the Funds raised shall be utilized towards repayment of Unsecured Loans or recouping of Internal Accruals. However, we confirm that except as mentioned below no unsecured / bridge financing has been availed as on date for the above mentioned objects, which is subject to being repaid from the Issue Proceeds.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled “*Risk Factors*” beginning on page 11 of this Prospectus.

Details of the Fund Requirements

1. Technological modifications and certain augmentations in the factory

We have been over the last 15 years working on our product specifications and increasing our capacities over the years. We have recently initiated certain augmentation work in our plant and machinery section in order to improve overall productivity and enhance actual production capabilities / capacities. Following are the list of capital expenditure and re-maintenance works we propose to fund from the net proceeds of the issue:

Sr. No.	Particulars of Machine / Equipment	Amount (₹ in lakhs)	Estimate / Costing based on
1.	Test Equipments – including DTC Hot Set Oven with Air pump and Weights; Vacuum oven with Vacuum pump; Dessicator 6 Inch Diameter; Smoke Density New Controller	1.58	Proforma Invoice from M/s. Lalit Test Equipment
2.	Automatic Coiling Machine (Take Up630mm with 5hp Drive)	11.39	Invoice from M/s. Supertec Machine Pvt. Ltd.
3.	Braiding Machine	8.02	Quotation from M/s. Akshit International
4.	Cutter Machine	0.41	Invoice from M/s. Yash Engineering Works
5.	Screw Barrel 100 mm	2.85	Quotation from M/s. Yash Engineering Works
6.	Weighing Scale	0.30	Invoice from M/s. Shree Jalaram Scale Work
7.	New Twin Drum Drive and Mechanical Travers	1.44	Invoice from M/s. A.H. Engineering
8.	Air Compressor	0.52	Invoice from M/s. Alfa Machinery Stores
9.	Repair and Maintenance Works (Misc.)	5.31	Estimate from M/s. RGK Construction
10.	Contingencies	2.18	Management Estimates
Total		34.00	

2. Long Term Working Capital

Working Capital Cycle:

We operate as manufacturer of PVC Compound and PVC Wires and Cables.

For our Wires and Cables business, we procure copper, Galvanized Iron Wire (GI Wire), Galvanized Iron Strip (GI Strip) and other materials in large quantities from major suppliers and upon receiving orders from customers, we manufacture PVC Wires and Cables using our in-house manufactured PVC Compound.

The lead time for procuring our raw materials is high and also in order to ensure available customized product along with a low lead time for our customers, we need to stock different grades and dimensions of raw materials to meet varied need of our customers. Also, we provide a wide range of products in different specifications and sizes. For e.g. in the 1.50 sq. mm. range we may have different types of wires and cables such as Single Core to 47 cores and similarly the same repeats fro 2.50 sq. mm and other sizes hence we may have to stock all different varieties for ensuring ready r\delivery to our clients. Having a vast range of products increases our finished goods inventories. Further, we are required to provide sufficient credit period to our customers resulting in high receivables and we enjoy credit from our suppliers through RMA facilities availed from NSIC and other client specific terms.

Despite having large production capabilities we have not been able to increase our turnovers in the last few years owing to lack of working capital availability. Further, due to the slowing down of global economy since 2008 and the subsequent volatility of economic activity in India in the recent past, various industries to whom, we supply, have faced liquidity pressures and if the same were to continue we may have to provide additional credit to our customers in order to continue our high growth rates. This too is one of the major reasons for increase in our working capital requirements.

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

Sr. No.	Particulars	Holding Levels (days)	Fiscal 2015	Holding Levels (days)	Fiscal 2016
I.	Current Assets:				
1	Inventories	200	582.51	190	746.43
2	Sundry Debtors	90	286.58	95	463.29
3	Other Assets		124.07		227.31
	Total Current Assets (A)		993.16		1,437.03
II.	Current Liabilities				
1	Sundry Creditors	160	434.97	143	561.79
2	Other Current Liabilities		42.47		75.00
	Total Current Liabilities (B)		477.44		636.79
III.	Total Working Capital Gap (A – B)		515.72		800.24
IV.	Funding Pattern:				
1	Working Capital Facilities from Banks*		322.77		310.00
2	Internal Accruals / Owned Funds		192.95		225.00
3	Part of the Net proceeds to be utilized		0.00		265.24

* We currently enjoy working capital facilities from Union Bank of India aggregating to Rs. 310.00 lakhs of fund based facilities and 310.00 lakhs of non-fund based facilities. For further details regarding our working facilities kindly refer to the Chapter titled "Financial Indebtedness" beginning on page 176 of this Draft Prospectus.

Justification for “Holding Period” levels

Inventories	The Company expects to rationalize its inventory portfolio going ahead by better inventory management and keep the stock of various specifications and sizes in line with the requirement of its customers. The Company plans to hold optimum inventory for regular products and keep minimum inventory for products with specific demand. Hence the inventory holding period for FY 2016 has been estimated to be 190 days as compared to 200 days in FY 2015.
Debtors	We supply to big industrial companies and MNCs across India. Depending upon customer to customer, we provide credit upto 90 days period. Post this issue we propose to rapidly expand our customer base and increase our total turnovers. We also plan to increase our customer base and provide better credit terms to our customers. The receivables period for FY 2016 is estimated to be 95 days.
Creditors	In year 2015 the average credit period was 160 days. This included the amounts owed to NSIC as part of its Raw Material Assistance Scheme. The estimated average credit period for year 2016 is considered at 143 days due to proposed improvement in finance availabilities.

3. Refundable Security Deposit for Factory Premises

Our company operates a factory since its incorporation from a land and building situated at Daman within the Bhenslore Industrial Estate. These land and building are not owned by our company. They are owned by our Promoters group Entity – M/s. Reliance Cable Corporation. Being a private limited closely held company since incorporation, we had not regularised these arrangements as per market norms. Further, being a small company, we do not wish to substantially increase our rents being paid to the land lords in the near term as the same would affect our bottom line numbers materially at this stage. Hence, we have entered into an agreement dated October 12, 2015 with the owners of this asset and we propose to pay an interest free refundable security deposit to the owner of Rs. 50 lakhs in order to compensate for the lower rents. The same is proposed to be funded from the net proceeds of this issue. We believe this would help us secure hassle free possession of our main property for the coming years, ensure lower operating costs and hence improve overall profitability. *For further details of this arrangement please refer “Our Business” beginning on page 91 of this Draft Prospectus.*

4. Funding expenditure for General Corporate Purposes

We propose to deploy the balance Net Proceeds of the Issue aggregating ₹ 6.56 lakhs towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

Schedule of Implementation

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the Fiscal year 2015-16. The detail of estimated schedule of implementation is as explained below:

Sr. No.	Particulars	Estimated Completion
1.	Technological modifications and certain augmentations in the factory	Q4 2016
2.	Refundable Security Deposit for Factory Premises	Q3 2016
3.	Funding expenditure for General Corporate Purposes	Q4 2016

For details of the estimated schedule of deployment of funds towards working capital, kindly refer to “*Basis of estimation of working capital requirement and estimated working capital requirement*” on page 64 of this Draft Prospectus.

Funds Deployed

M/s. D.K. Vora & Co., Chartered Accountant have vide their certificate dated October 10, 2015 certified that as of September 30, 2015 ₹ 7.76 lakhs have been deployed towards the purchase of machineries as part of the “*Technological modifications and certain augmentations in the factory*” object of the issue mentioned in this chapter. The certificate further confirms that these funds have been used from the internal accruals of the company.

Appraisal of the Objects

None of the objects for which the Net Proceeds will be utilised have been financially appraised. The estimates of the costs of objects mentioned above are based on internal estimates of our Company.

Issue related Expenses

The expenses for this Issue include lead management fees, underwriting and selling commission, registrar’s fees, advertisement and marketing expenses, printing and distribution expenses, legal fees, SEBI filing fees, bidding software expenses, depository charges and listing fees to the Stock Exchanges.

The details of the estimated Issue expenses are set forth below:

Issue related expenses activity	Amount (Rs. in lakhs)	% of Total Expenses	% of Total Issue size
Issue Management fees including underwriting and selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses	33.00	73.33%	8.23%
Printing & Stationery, Distribution, Postage, etc.	2.25	5.00%	0.56%
Advertisement & Marketing Expenses	2.25	5.00%	0.56%
Regulatory & other expenses	7.50	16.67%	1.87%
Total Estimated Issue related Expenses	45.00	100.00	11.23%

Bridge Financing

We have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds of the Issue. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue. For further details in relation to our borrowing arrangements, kindly refer to the Chapter titled “*Financial Indebtedness*” beginning on page 176 of this Draft Prospectus.

Interim Use of Funds

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

Monitoring of Utilisation of Funds

There is no requirement for a monitoring agency as the Issue size is less than N 50,000 lakhs. Our audit committee shall monitor the utilization of the proceeds of the Issue. We will disclose the utilization of the Net Proceeds, including interim use, under a separate head specifying the purpose for which such proceeds have been utilized along with details, if any in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue in our balance sheet for the relevant financial years commencing from Fiscal 2016.

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

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, except for the internal adjustments / deviations between objects mentioned in the Draft Prospectus, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional vernacular language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

Other Confirmations

No second-hand equipment is proposed to be purchased out of the Net Proceeds. Further, the Promoters, Directors, Key Managerial Personnel, Senior Management Personnel and the Group Companies do not have any existing or anticipated interest in the proposed acquisition of the equipments and items or in the entity from whom we have obtained quotations for the same

Except for the payment of Security Deposit for Factory Premises of ₹ 50 lakhs, no part of the Net Proceeds will be paid by our Company as consideration to our Promoters and Promoters Group, our board of Directors, our Key Management Personnel or Group Companies other than in the normal course of business and in compliance with applicable law..



BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is ₹ 20 per Equity Shares and is 2.0 times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on page nos. 11, 141 and 91 respectively, of this 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

We believe that the following strengths help differentiate us from our competitors and enable us to compete successfully in our industry:

- ✓ Well Qualified and Experienced Promoters
- ✓ Consistent and Standardised Product Quality
- ✓ Established Brand Name with diversified Domestic and International customer base
- ✓ In- house integrated unit and well established manufacturing facilities
- ✓ Strategic Location of Manufacturing Unit
- ✓ Scalable Business Model

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see “Our Business – Our Strengths” on page 92 of this Prospectus.

Quantitative Factors

Information presented in this chapter is derived from our unconsolidated and consolidated restated financial statements prepared in accordance with Indian GAAP.

1) Earnings per Share (EPS)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹)	Weight
2015	1.13	3
2014 ⁽¹⁾	0.45	2
2013 ⁽¹⁾	0.27	1
Weighted Average		0.76
Period ended June 30, 2015		0.11 ⁽²⁾

⁽¹⁾The Face Value of the Equity Shares for the year March 31, 2014 and 2013 was ₹ 100/-. However, for comparison purposes, the same has been considered as face value of ₹ 10/- per Equity Share and No. of Shares accordingly adjusted.

⁽²⁾ Not Annualised

Notes:

- a. Basic EPS has been calculated as per the following formula:
(Net profit/ (loss) as restated, attributable to Equity Shareholders)/ (Weighted average number of Equity Shares outstanding during the year/period)
- b. Diluted EPS has been calculated as per the following formula:
(Net profit/ (loss) as restated, attributable to Equity Shareholders) / (Diluted weighted average number of Equity Shares outstanding during the year/period)
- c. Earnings per share calculations are in accordance with Accounting Standard 20 “Earnings per Share” prescribed by the Companies (Accounting Standard) Rules, 2006
- d. The face value of each Equity Share is ₹ 10.

2) Price Earnings Ratio (P/E) in relation to the Issue price of ₹ 20 per share of ₹ 10 each

Particulars	P/E Ratios
P/E ratio based on basic and diluted EPS for Fiscal 2015 at the Issue Price	17.70
P/E ratio based on Weighted Average EPS for Fiscal 2014 at the Issue Price	26.32
Industry P/E*	
Highest – Finolex Cables	20.1
Lowest – Torrent Cables	17.9
Industry P/E	20.0

*Source: Capital Market, Vol XXX/17 Oct 12- 25, 2015; Segment – Finance & Investments.

3) Return on Net Worth (RoNW)

Year ended March 31,	RoNW (%)	Weight
2015	4.49%	3
2014	4.40%	2
2013	2.80%	1
Weighted Average		4.18
Period ended June 30, 2015		1.04% ⁽¹⁾

⁽¹⁾ Not Annualised

Note: Return on Net worth has been calculated as per the following formula:
Net profit/loss after tax, as restated / Net worth excluding revaluation reserve

4) Minimum Return on Net Worth after Issue needed to maintain the Pre-Issue Basic and Diluted EPS for the year ended March 31, 2015 (based on Restated Financials) at the Issue Price of ₹ 20 is 7.89%.

5) Net Asset Value (NAV)

Particulars	NAV (in ₹)
NAV as at March 31, 2015	10.51
Issue Price	20.00
NAV after the Issue	14.33

Note: Net Asset Value has been calculated as per the following formula: Net worth excluding preference share capital and revaluation reserve number of Equity shares outstanding during the year/ period.



6) Comparison with Industry peers

Particulars	Face Value (₹)	Basic EPS (₹)	P/E Ratio	RONW (%)	NAV (₹)
Ultracab (India) Limited	10	0.42	117.28	2.23	18.81
Precision Wires India Limited	10	8.74	14.27	5.41	161.58
Cords Cable Industries Limited	10	2.36	10.62	2.52	93.70
Tentiwal Wire Products Limited	10	0.51	19.32	3.22	15.90

Source: Company Annual Reports 2014- 15

Relicab Cable Manufacturing Limited	10	1.13	17.70	4.49	10.51
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Note: All comparisons of the Peers and our Company are as per the Standalone Financials for the year ended March 31, 2015

The Company in consultation with the Lead Manager believes that the issue price of ₹ 20 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is 2.0 times of the face value i.e. ₹ 20 per share.



BASIC TERMS OF ISSUE

Terms of the Issue

The Equity Shares, now being offered, are subject to the terms and conditions of this Draft Prospectus, the Application form, the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, BSE, RBI, ROC and / or other authorities as in force on the date of the Issue and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

Authority for the Issue:

The present issue has been authorized pursuant to a resolution of our Board dated September 23, 2015 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held with a shorter notice on September 30, 2015.

Other Details

Face Value	The Equity Shares having a face value of ₹ 10 each are being offered in terms of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.
Issue Price	The Equity Shares pursuant to this Draft Prospectus are being offered at a price of ₹ 20 each.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 6,000 (Six Thousand) and in multiples of 6,000 thereafter; subject to a minimum allotment of 6,000 Equity Shares to the successful applicants.
Terms of Payment	Applications should be for a minimum of 6,000 equity shares and 6,000 equity shares thereafter. The entire price of the equity shares of ₹ 20 per share (₹ 10 face value + ₹ 10 premium) is payable on application. In case of allotment of lesser number of equity shares than the number applied, the excess amount paid on application shall be refunded by us to the applicants.
Ranking of the Equity Shares	The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank <i>pari-passu</i> in all respects including dividends with the existing Equity Shares of the Company. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

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 40 of the Companies Act, 2013.



STATEMENT OF POSSIBLE TAX BENEFITS

To
The Board of Directors,
Relicab Cable Manufacturing Limited
57/1 (4B), Bhenslore Industrial Estate,
Village Dunetha, Nani Daman, Daman – 396210

Dear Sirs,

Sub: Statement of Possible Tax Benefits

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

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

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

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

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

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

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

For D. K. Vora & Co.
Chartered Accountants
Firm Registration No. 111622W

(CA. D. K. Vora)
Proprietor
Membership No. 31809

Place: Mumbai
Date: 14th October, 2015

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO RELICAB CABLE MANUFACTURING LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2015-16.

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

1. General tax benefits

A. Dividends

As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. Such dividend is to be excluded while computing Minimum Alternate Tax (MAT) liability.

The Company distributing dividend to its shareholders will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education cess).

B. Buy Back of Shares

As per section 115QA of the Act, an Indian unlisted company will have to be pay 20% tax on ‘distributed income’ on buyback of shares. Distributed income has been defined to mean consideration paid by the Indian unlisted company for purchase of its own shares as reduced by the amount which was received by the Indian unlisted company at the time of issue of such shares. The said provision has come into effect from June 1, 2013.

Such tax is payable by the company notwithstanding that no income tax is payable on its total income. No deduction shall be allowed to the company or shareholder in respect of the income which has been subject to such distribution tax or the tax thereon.

C. Business Income

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

D. MAT Credit

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax (“MAT”) paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- As per Section 115JB, Minimum Alternate Tax (“MAT”) is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 5% would be levied if the total income exceeds Rs.100 lakhs but does

not exceed Rs 1000 lakhs. A surcharge at the rate of 10% would be levied if the total income exceeds Rs 1000 lakhs. Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge.

- MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to ten years succeeding the assessment year in which the MAT credit arises.

E. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- Short - term capital gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by -:
 1. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
 2. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

F. Securities Transaction Tax

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

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

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

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

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

B. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long - term capital assets.
- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% (plus applicable surcharge and cess) with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% (plus

- applicable surcharge and cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
 - As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
 - As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.

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

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

C. Tax Treaty Benefits

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

D. Non-Resident Taxation

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

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

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

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

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 12% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon) on the total amount distributed as dividend.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

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

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

C. Capital Gains

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

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

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

D. Securities Transaction Tax

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

E. Tax Treaty benefits

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

BENEFITS AVAILABLE TO MUTUAL FUNDS UNDER THE ACT

a) Dividend income

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

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

GIFT OF SHARES NOT LIABLE TO TAX, SUBJECT TO SATISFACTION OF CERTAIN CONDITIONS

a) Gift of shares would not attract gift tax as such. However, pursuant to section 56 (2) (vii) of the Act, if shares of the company, the fair market value whereof is more than Rs. 50,000/- are transferred by the shareholder of the Company to a Hindu Undivided Family or any individual who is not a relative as defined in the explanation to section 56(2)(vi)] of the shareholder, without consideration or for an inadequate consideration, then, the fair market value of the shares or the difference between the fair market value of the shares and the actual consideration, as the case may be, shall be included in the taxable income of the transferee and taxed as per the provisions of the Act.

b) After the shares of the Company are listed, transfer of the shares of the Company by any person to any partnership firm, Limited Liability Partnership or closely held company would not attract tax liability under section 56(viia) in the hands of the transferee in a case where the transfer is effected without any consideration or for an inadequate consideration.

Notes:

1. The tax benefits listed above are not exhaustive.

2. The above Statement of possible tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or list of all potential tax consequences.

3. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreements, if any, between India and the country in which the non-resident has fiscal domicile.

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

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the offer document which the Company intends to submit to the Stock Exchange(s) and Securities and Exchange Board of India.

SECTION V – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, the information in this section is derived from a combination of various official and unofficial publicly available materials and sources of information. It has not been independently verified by the Company; the Lead Manager and their respective legal or financial advisors, and no representations is made as to the accuracy of this information, which may be inconsistent with information available or compiled from other sources. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness, underlying assumptions and reliability cannot be assured. Accordingly, investment decisions should not be based on such information.

OVERVIEW OF THE GLOBAL AND INDIAN ECONOMY

Global Scenario

Global economic recovery still seems to be far from being self-sustaining even as spill-overs from the monetary policy stance in advanced economies (AEs) are increasing the challenges for emerging market and developing economies (EMDEs). Developments on the Greek debt crisis front and uncertainty over the timing of rate increases by the US Federal Reserve remain immediate possible triggers for global financial market volatility.

(Source: RBI – Financial Stability Report, June 2015)

Global growth hit a soft patch at the start of the year, but remains broadly on track to reach about 2.8 percent in 2015, somewhat below earlier forecasts, with a modest pickup in 2016–17. However, important shifts are emerging. The recovery in high-income countries is expected to gather momentum, while a broad-based slowdown appears to be underway in developing countries this year (Figure 1.1). Looking forward, global activity should be supported by continued low commodity prices and generally still-benign financing conditions, notwithstanding the expected modest tightening in U.S. monetary policy. Among major economies, growth in the Euro Area and Japan is picking up, and the United States should continue to expand at a robust pace despite recent setbacks, while the slowdown in China is proceeding as anticipated in January. High-income countries are expected to grow by 2 percent in 2015 and 2.3 percent in 2016–17.

(Source: World Bank Report – Global Economic Prospects – June 2015)

Turning to 2015-16, the outlook for the global economy has been adversely impacted by the contraction in output in North America in the first quarter of 2015. In the second and third quarters, there are indications of demand picking up in advanced economies; however, the continuing slowdown in emerging economies holds back a fuller global recovery. At the same time, with hardening bond yields and risk premia, emerging economies are contending with volatile currency movements and capital flows. Going forward, these factors could pose risks to the global recovery. Accordingly, the IMF has pared its forecast for global growth in 2015 to 3.3 per cent in its July update, marginally lower than in 2014.

(Source: RBI – Annual Report, 2014 – 2015)

INDIAN SCENARIO

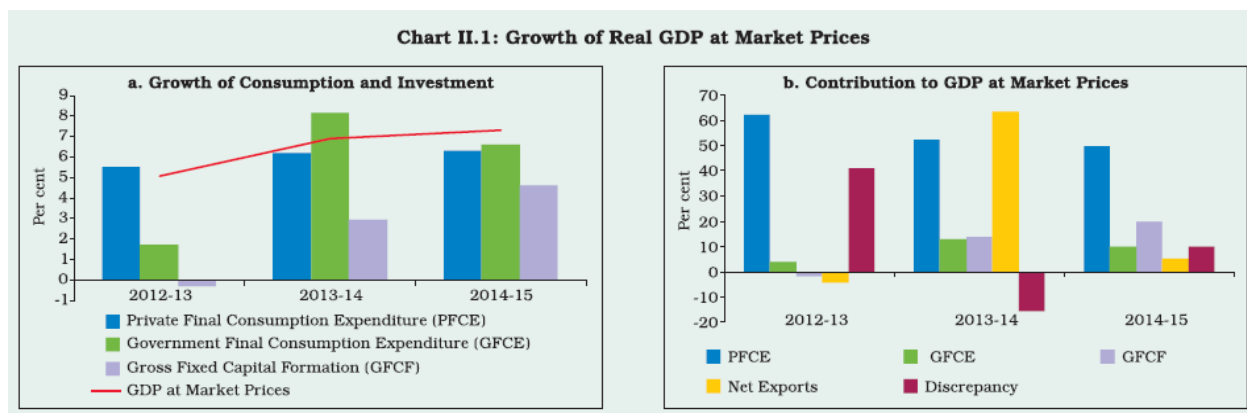
Despite the immense efforts in recent years of both the Government and RBI to restore macroeconomic stability to the economy, three areas are still “work in progress” from RBI’s perspective. First, economic growth is still below levels that the country is capable of. Second, inflation projections for January 2016 (as of early August 2015) are still at the upper limits of RBI’s inflation objective. Third, the willingness of banks to cut base rates – whereby they forego income on existing borrowers in order to attract more new business – is muted; not only does weak corporate investment reduce the volume of new profitable loans, some bank capital positions, weakened by NPAs, may prevent them from lending freely.

For a country as big and populous as India, reforms cannot be shots in the dark, subjecting the economy to great uncertainty and risk. Wherever possible, we have to move steadily but firmly, ever expanding the scope of reforms

while always limiting the uncertainty they create. The Chinese term this ‘Crossing the river by feeling the stones’. It is an appropriate metaphor to guide our own reforms.

Over the year gone by, the Indian economy remained resilient in a global environment characterised by falling macroeconomic risks but rising financial stability risks. While a modest recovery is tentatively gaining foothold in advanced economies, activity slowed across a broad swath of emerging economies as commodity prices fell, financing conditions tightened and structural constraints started building. India is a notable exception. Globally, financial risks increased as investors reached for yields, expecting US monetary policy to normalise more slowly. Incipient threats to financial stability were also evident in rising corporate indebtedness in both advanced and emerging economies, stretched asset valuations in some sectors, marked increase in exchange rate volatility and the debt crisis in Greece in the closing months of 2014-15. Spill overs from these external shocks impacted various segments of the financial markets in India, asset prices and capital flows, although the latter remained by and large buoyant.

In January 2015, the Central Statistics Office (CSO) released a new series on India’s national accounts. The distinguishing features of the new series are: (i) updating the base year from 2004-05 to 2011-12; (ii) improved coverage of corporate activity by (a) using the MCA 21 database of the Ministry of Corporate Affairs, (b) employing value-based indicators such as sales tax collections in conjunction with volume-based indicators such as industrial production, and (c) use of results from the latest surveys, including on activity in the unorganised sector; and (iii) methodological changes such as shifting from the ‘establishment’ to the ‘enterprise’ approach for estimating value added in mining and manufacturing. In line with international practices, GDP at market prices will henceforth be the headline measure for output. Gross value added (GVA) at basic prices will measure activity from the supply side instead of GDP at factor cost. In terms of the new series, real activity (at market prices) picked up in 2014-15, rising by 7.3 per cent on top of a growth of 6.9 per cent in 2013-14. The firming up of growth during 2014-15 was driven mainly by private consumption and supported by fixed investment, even as government consumption and net exports slackened considerably.



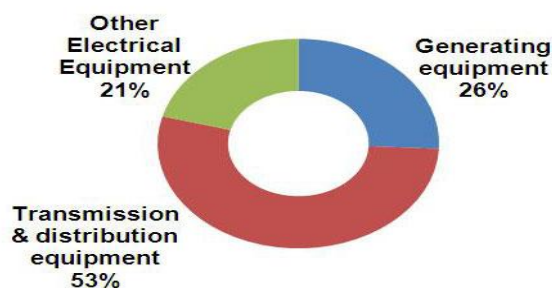
(Source: RBI – Annual Report, 2014 – 2015)

ELECTRICAL EQUIPMENT INDUSTRY

The electrical equipment industry in India plays a key role in the Indian economy, providing direct employment to more than half a million persons and indirect employment to over a million. In the recent years, the electrical equipment sector has witnessed sluggish growth owing to the decline in domestic demand and increase in imported products.

Electrical equipment is broadly classified as generation equipment, transmission & distribution (T&D) equipment and other allied equipment. Electrical equipment market in India was valued at INR 1,300 billion in 2012-13. Transmission & distribution equipment accounted for about 53%.

Electrical equipment: Break-up by Segment, 2012-13 (%)



The Indian electrical equipment industry is highly diverse and manufactures a wide range of high and low technology products. The industry comprises large, small and medium enterprises as well as foreign players who have a direct presence or through collaboration with domestic players.

The annual installed capacity for Boilers, turbines and generators (BTG) equipment segment was estimated at 25 GW in 2011-12. Some generation equipment requiring advanced or critical technology is also imported. Boilers and turbines are manufactured locally and are also imported. Apart from the state owned, Bharat Heavy Electricals, there are number of Indian and international firms present in India in the BTG segment. Diesel generating sets are in significant demand owing to the prevailing power shortages in the country. India is one among the major markets for portable gensets in the 0.5 kVA to 5.5 kVA range.

The size of electrical T&D equipment segment was valued at around INR 690 billion in 2012-13. Cables & conductors, transformers, switchgears & control gears are some of the product groups in the T&D segment. The T&D sector has a large a number of players in the MSME sector. There are around 400 transformers and 160 switchgear manufacturers in the country.

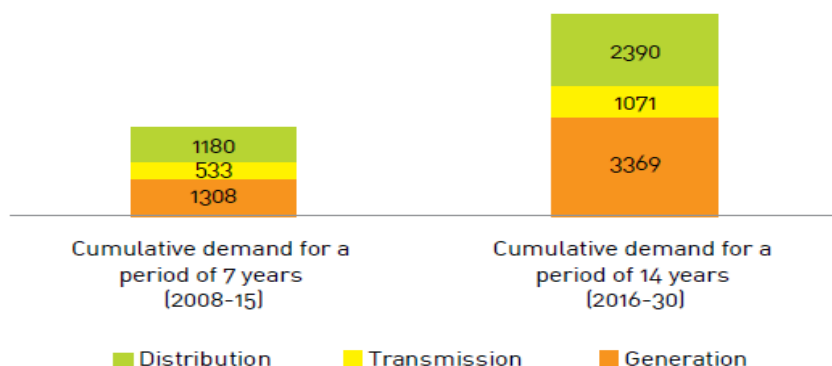
(Source: <http://www.consultmcg.com/blog/electrical-equipment-sector-in-india/>; published on July 23, 2014)

Global Trend

The Electrical Equipment industry consists of the following two segments:

- The Heavy Electrical Equipment market, including boilers, turbines, generators, wind turbines, solar power systems, etc.,
- The Transmission & Distribution Equipment market, including electric power cables, transformers, electrical switchgear, transmission line towers, conductors, control equipment, meters, etc.

The global Electrical Equipment 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.

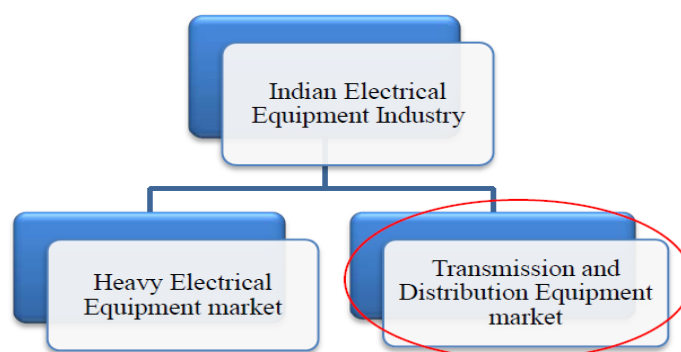


Asia-Pacific and Europe together account for more than 70% of the global market, with the Asia-Pacific region's share being 45%. This region is expected to see the strongest demand in future due to the region's strong expected economic growth rates.

(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

India Scenario

Bifurcation of the Indian Electrical Equipment Industry



(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

India's electrical equipment industry is highly diverse and manufactures a wide range of high and low technology products. The industry directly employs around half million persons and provides indirect employment to another one million people. The industry can be broadly classified into two sectors – Generation Equipment and T&D Equipment. For 2011-12, the industry size is estimated at ₹ 1.20 lakh crore (US\$ 25 billion), of which generation equipment segment consisting of BTG contributed ₹ 31,000 crore (US\$ 6.5 billion) while the major T&D equipment segment of transformers, cables, transmission lines, switchgears, capacitors, energy meters, etc., provided the larger share of ₹ 64,235 crore (US\$ 13.4 billion). Other electrical equipment, including instrument transformers, surge arrestors, stamping and lamination, insulators, insulating material, industrial electronics, indicating instruments, winding wires, etc., contributed to ₹ 25,000 crore (US\$ 5.2 billion).

Estimated Segment-wise Electrical Equipment Industry Size

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

(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

Demand Drivers

The demand for electrical equipment in India is expected to witness a significant expansion on the back of the growth of the power sector. The government is likely to add around 88.5 GW and 93 GW, respectively, under its 12th and 13th Five Year Plans. Based on investment estimates and capacity addition targets, it is expected that the domestic demand for BTG will be in the range of ₹ 125,000-150,000 crore (US\$ 25-30 billion) by 2022, while that of the T&D equipment industry will be ₹ 350,000 – 375,000 crore (US\$ 70-75 billion)

Plan-wise Equipment Demand (Cumulative)

Equipment	12th Plan (2012-2017) (₹ '000 crore)	13th Plan (2017-2022) (₹ '000 crore)
Generation equipment (BTG)	300-350	500-600
T&D equipment	700-750	1000-1150

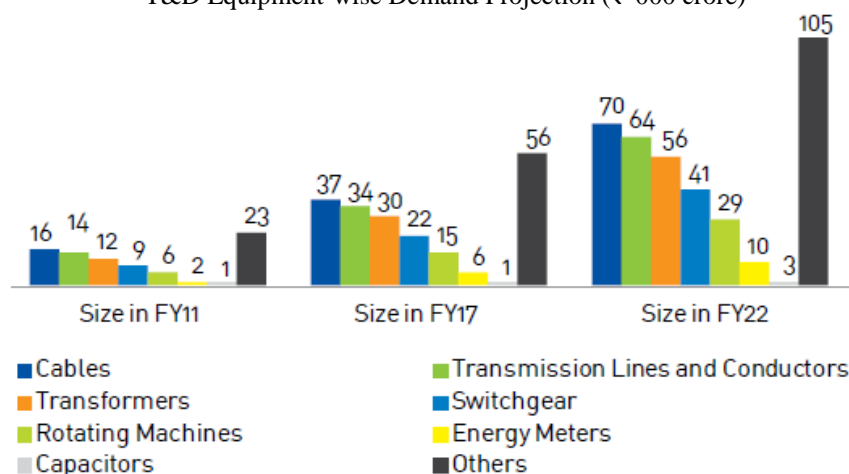
(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

There has been an overall growth in most segments of the electrical equipment industry — in boilers, turbines, generators, transformers, switchgears, and wires and cables due to the high demand from central and state power utilities. India's Electrical Equipment industry is expected to grow steadily and witness growth opportunities as a result of the government's focus on capacity augmentation across generation, transmission and distribution.

Transmission & Distribution Equipment Industry

India's T&D equipment industry is heterogeneous and manufactures a wide variety of equipment from transmission line towers, transformers, switchgear to energy meters. The industry is also characterised by the presence of a large number of SMEs. The size of this industry (including other electrical equipment) is estimated to be ₹ 89,235 crore (US\$ 18.6 billion) as on 2011-12.

T&D Equipment-wise Demand Projection (₹ '000 crore)



(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

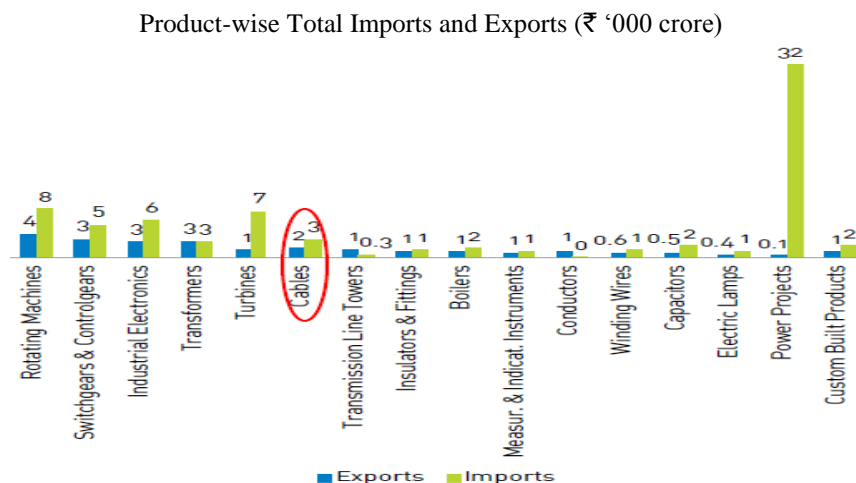
There is significant capacity in India's T&D equipment segment, which is operating broadly at 70% capacity utilization. The domestic T&D segment is geared to cater to the expected growth in the demand for T&D equipment. India has come a long way in electrical equipment manufacturing. Today, the country manufactures a large variety of electrical equipment. In the T&D segment, it makes and exports a wide array of equipment from transformers to

cables. New technologies that are being introduced have been brought into the domestic manufacturing domain by foreign players. These players have come into India either independently and set up their own manufacturing facilities or through the JV route.

(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

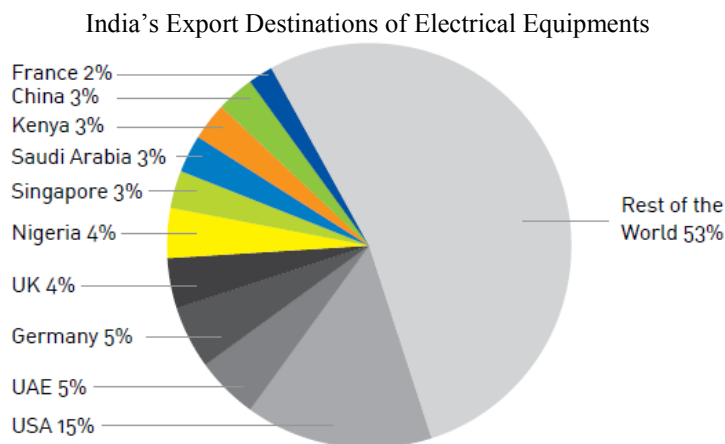
Export – Import Scenario

India’s exports of electrical equipment stand at approximately ₹ 22,200 crore (US\$ 4.6 billion), while imports were ₹ 75,057 crore (US\$ 15.7 billion).



(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

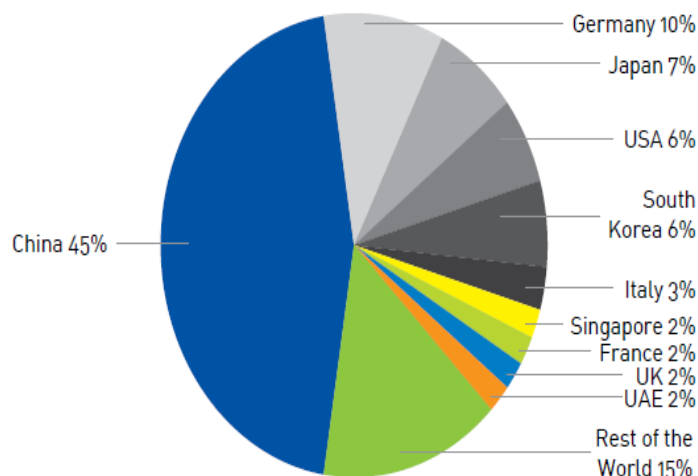
The US is India’s top export destination with nearly 15% share. Other top exports destinations include the UAE, Germany, the UK, Nigeria and Singapore.



China contributes 45% to the Indian electrical equipment imports, including power project imports. Germany, Japan, the US, South Korea and Italy are the other major countries from which significant imports are taking place.

(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

India's Import Sources of Electrical Equipments



Indian manufacturers need to explore international markets to address low capacity utilisation. Some large Indian electrical equipment manufacturers are already expanding their global presence. Indian companies are aggressively targeting exports, mainly to developing countries in Africa and Latin America.

(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

SWOT Analysis of Electrical Equipment Industry

Strengths	Weakness
<ul style="list-style-type: none"> • Diversified, mature and strong manufacturing base, with robust supply chain, fully equipped to meet domestic demand / capacity addition. • Rugged performance design of domestic electrical equipment to meet tough network demand. • Good mix of large private and public sector enterprises, multinational companies and small and medium companies. • Domestic presence of major foreign players, either directly or through technical collaborations with domestic manufacturers. • State-of-art technology in most sub-sectors at par with global standards. • Domestic availability of low-cost skilled manpower. • Emerging global reputation of Indian electrical equipment for sourcing products and components and also of Indian transmission and other EPC contractors. 	<ul style="list-style-type: none"> • Upward volatility in raw material and other metal prices. • High cost, poor quality and shortage of raw materials and other inputs. • Dependence of some sub-sectors on import of critical inputs. • Low investment in in-depth testing & quality management and no structured long term approach for basic research. • Looming shortage of skilled technical manpower and low productivity. • Inadequate and costly domestic testing and calibrating facilities for electrical equipment. • Lack of standardisation of product specifications, design parameters and ratings for generation & distribution equipment across different utilities. • Bunching of orders by utilities, because of factors beyond their control such as government approvals, release of funds, etc., resulting in sub-optimal utilisation of available domestic manufacturing capacity. • Badly designed and diverse procurement policies and qualifying criteria of utilities. • Outdated tendering procedures and contract awarding based on L1 bidder by utilities.

Opportunities	Threats
<ul style="list-style-type: none"> • <i>Domestic demand:</i> to sustain the envisaged annual GDP growth rate of around 8-9% over the next 20 years, it has been estimated that India will require to increase its electricity generation capacity by around five times by 2032. • Rapid growth in metros, airports and other infrastructure projects is expected to generate huge demand for matching BTG and T&D equipment. • <i>External demand:</i> Currently, share of India's exports in the global market is less than 1 per cent. With the electricity sector being a sunrise sector across the entire developing world, there exists a significant export potential for the domestic industry. 	<ul style="list-style-type: none"> • Problems of fuel linkages, land acquisition, environmental clearances, etc. are impeding growth in the country's power sector which may lead to less than anticipated growth in demand for electrical equipment. • Absence of a level playing field for the domestic industry to compete with escalating imports of electrical equipment. • Poor financial health of DISCOMs and very high AT&C losses may have a cascading effect on the growth of BTG as well T&D equipment industry. • Rising global concerns on the trade-offs between economic growth, energy security and environmental sustainability.

(Source: Indian Electrical Equipment Industry Mission Plan 2012-2022, Ministry of Heavy Industries & Public Enterprises, Government of India)

WIRES & CABLES

Cable and wire industry has established itself as one of the backbones of modern information age. The increasing importance for power, light and communication has kept demand high for wire and cable. This trend will continue as demand for reliable, efficient energy and data communications will strengthen the wire and cable industry. The industry is a volume-driven product and has evolved from the unorganised to the organised sector. However, about 35 per cent of this industry is still in the unorganised segment.

(Source: Wire and cable sector opening up, <http://www.eprmagazine.com/article.php?ItemId=922&CategoryId=2>, November 2014)

Wires and cables sector basically consists of two areas: power and telecommunication. Power cables are PVC or PE clad, while the cables for telecommunication sector are based on PE (Polyethylene). Power cables are of 3 types depending on the intensity of power. Low-tension sector requires cables upto 1.1 KV and predominantly uses PVC insulation and jacketing. The medium tension power cables between 1.1 KV and 11 KV are based on PE as well as PVC. The high tension sector beyond 11 KV uses PE only. The low tension cables are used for tertiary distribution of power mainly from substations to buildings. Housing sector requires many other products for myriad applications. The medium tension cables generally use cross-linkable PE compounds while the high-tension cables use continuous vulcanization cables made from PE (LDPE). Electrical power cables used for transmission and distribution purposes consist of conductors stranded from plain high conductivity annealed copper wires insulated with oil impregnated paper tapes. Aluminium conductors have progressively come into use.

(Source: NIIR Project Consultancy Services, <http://www.niir.org/projects/projects/z,,61,0,64/index.html>)

There are varieties of cables being in present usage depending on specific conditions likely to effect. The manufacturing range covers power and control cables, thermocouple extension and compensating cables that find application in various industries and projects. The various cable ranges in existence are as summarized below:

- i. Single and multicore flexible cables
- ii. Control and power cables,
- iii. Instrumentation, RTD cables,
- iv. Thermocouple extension and compensating cables,
- v. Computer LAN co-axial and data communication cables,
- vi. Security and alarm cables,
- vii. Lead wires and high voltage ignition cables,
- viii. Rubber cables – VIR / TRS / EPR, PCP / CSP silicon rubber cables,
- ix. Welding cables,
- x. Material handling equipment cables, lift cables,

- xi. Marine and offshore cables,
- xii. High temperature cables – FG, Asbestos, Silicon, Teflon Mica and Ceramic Cables,
- xiii. FRL and Zero Halogen LSF fire survival cables.

PVC cable industry is one of the oldest and conventional industries in the country. It is dominated by the Manufacturer in organised sector like HMT, Nicco Cable, Bharatcab, Polycab, Finolex, Anchor, Havells, Newcab, Cable Corporation of India, Skytone, Phonix, Plaza, etc. and the same is flooded in the market. However, the local small scale PVC cable unit has got a pretty good market to cater the demand. The brand from small scale sectors are also capturing substantial good share of domestic market.

(Source: Status Report on PVC Cables & Conductor, Small Industries Service Institute, Ministry of SSI & ARI, Govt. of India)

The ₹ 14,000 crores (\$2.6 billion) cables market is expected to grow as the demand for cables will be driven by growing power sector, real estate, telecom and industries such as steel, oil & gas, chemicals, etc. *(Source: Management research)*. Investment made by various private companies in power sector has opened up the wire and cable industry. Even the growth potential in the telecom sector as well as the various policy pronouncements by the government towards bringing about improved digital connectivity has added advantage to the industry. The rollout of 3G and broadband on a pan-India basis is an important growth driver because this will boost the market. Government impetus in refineries, power and fertilizers will offer a boost to the cable industry as almost all manufacturing companies need cables. Auto sector and railways are also important sectors consuming wires and cables on a large scale. Power sector is the biggest driver in the mainstay of cable demand, accounting for more than three-quarters of the market. Telecom cables are confined to the relatively narrower domain of the health of the global information, communications and technology (ICT) domains. For the industry, the current focus is to supply cables for specific applications, pertaining to the industry needs. Sectors like oil and gas, metro, cement industry and steel industry have a lot of growth potential. The wire and cable industry is also focusing on specialised cables like extra high-voltage cables and elastomer cables, which are now used for special applications in the industries like oil and gas, shipbuilding, construction equipment, elevator, renewable power, windmill solutions, security systems and so forth.

(Source: Wire and cable sector opening up, <http://www.eprmagazine.com/article.php?ItemId=922&CategoryId=2>, November 2014)

Much of the volatility in the cable market is tied to the raw material costs on the supply side. As a result, the pricing trends of cables and wires are not entirely driven by market demand. The market is also far from being homogenous, with the end user profiles ranging from wholesale purchasers, telecom operators, retail users, utility managers, power supply companies as well as enterprises. The leverage enjoyed by the buyers is by and large directly proportional to their off take and inversely proportional to the criticality of cables and wires to their operations.

(Source: Wire and Cable: Materials, Technologies and Global Markets, BCC Research, July 2014)

Export Import of Wires & Cables

During the recent period of September 2015 to October 2015, India exported Electric Cables worth US\$ 4,092,598. United Arab Emirates is the largest importer of Electric Cables accounting for exports worth US\$ 1,326,793 followed by Ghana and United Kingdom which imported Electric Cables worth US\$ 356,060 and US\$ 319,152 respectively. Average value per shipment of Electric Cable exports in India is US\$ 75,789. Total export shipments of Electric Cables reported were 787 during this period. Average price per meter was US\$ 3.21.

(Source: Infodrive India Global Export Import Market Intelligence, <http://www.infodriveindia.com/indiaexportdata/electriccableexportdata.aspx>)

During the recent period of September 2015 to October 2015, India imported Electric Cable worth US\$ 5,068,574. United Arab Emirates is the largest supplier of Electric Cable accounting for imports worth US\$ 1,504,868 followed by Indonesia and Thailand which exported Electric Cable worth US\$ 1,161,807 and US\$ 1,125,485 respectively. Average value per shipment of Electric Cable imports in India is US\$ 144,816. Total import shipments of Electric Cable reported were 528 during this period. Average price per meter was US\$ 2.86

(Source: Infodrive India Global Export Import Market Intelligence, <http://www.infodriveindia.com/indiaimportdata/electriccableimportdata.aspx>)

Challenges

The biggest challenge for the industry is operation and service, including reduced lifetime of cables due to mishandling and deployment times. Increasing price and competition from Chinese imports is also one of the biggest challenges for the industry. The rising price of copper has also becoming a major issue as it has squeezed the profit margins, and copper has become uncompetitive in the international market. Then there is lack of initiatives from the government to change the rules and regulations for wire manufacturers.

The Future

The wire and cable industry is expanding with every new day, and there are several leading wire brands in India. The Indian cabling industry has reached new heights by manufacturing quality wires at nominal prices. The wire and cable industry in India has definitely transformed for better in the past 20 years. Although, cabling industry has been enjoying a great time, only 14 per cent of cabling market is organised and 35 per cent of the industry is still occupied by the unorganised players.

Government Initiative

The “Make in India” campaign launched by the Prime Minister of India on September 25, according to the website, “represents an attitudinal shift in how India relates to investors: not as a permit-issuing authority, but as a true business partner.” It is a new deal for India, and “The Wire and Cable Industry” has a big expectation from it. Also, increasing budget allocation by the government on the power sector has opened up the wire and cable industry.

(Source: Wire and cable sector opening up, <http://www.eprmagazine.com/article.php?ItemId=922&CategoryId=2>, November 2014)



OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements” on page nos. 11, 163 and 141 of this Draft Prospectus, respectively. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated audited financial statements. Further, all references to ‘Relicab’, ‘RCML’, ‘the Company’, ‘our Company’ and ‘the Issuer’ and the terms ‘we’, ‘us’ and ‘our’, are to Relicab Cable Manufacturing Limited and includes as of and for the periods prior to 1999 and 2009, to cable manufacturing business under the ‘Relicab’ brand, while it was a part of Partnership concern.

OVERVIEW

Our company Relicab Cable Manufacturing Pvt. Ltd. was incorporated in 2009 with an aim to corporatize the business of wires and cables manufacturing being carried out since 1999 in the name and style of M/s. Relicab Cable Corporation (Partnership concern). After receiving our certificate of incorporation, we have taken over the running business of this partnership concern through a business takeover agreement dated April 01, 2009. *For further details please refer to “History and other corporate matters” beginning on page no 118 of this Draft Prospectus.*

Our Company is engaged in the business of manufacturing and marketing of PVC Compounds and Wires and Cables and we have successfully developed a wide base of business network and made our presence in this industry since over 15 years. We manufacture wires and cables to provide cost-effective and quality solutions for various electrical connectivity requirements, mainly for the industrial segments. We accomplish this through customised design and development, continuous research & development initiatives, quality manufacturing and reliable delivery of all varieties of cables. We are involved in manufacturing a complete array of wires and cables that are used in diverse sectors encompassing virtually all industries like telecom, electrical, automotive and household appliances and the new field of wind energy.

Our product range includes a wide range of wires and cables including armored / unarmored and single core as well as multi core flexible cables, control & power cables, instrumentation cables etc. using high quality copper wires in HR, FR, FRLS, ZHFR forms and other raw materials. Our Company has as part of its backward integration initiative; an in-house PVC Compound manufacturing facility which supplies compound raw material for our Wires and Cables manufacturing business as well as being sold directly as finished goods to other users of PVC Compound. We offer all types of PVC Compounds i.e. Insulation, Sheathing, Inner sheath, HR, FR, FRLS & Master batches.

To support our operations and carry out in-depth testing & quality management activities, our Company maintains a number of well designed and equipped test facilities and laboratories, which enable various designs and conceptions to be tested and implemented. Our Company also carries out periodic calibrations of instruments which are required in day-to-day use, to ensure higher accuracy of products. These laboratories and testing facilities ensure that all RELICAB products adhere to strict quality norms and also adhere to the relevant ISI and international specifications.

Our focus on quality products and services has enabled us to garner clients who are some of the leading industrial, electrical and telecommunication names in India and abroad. We have developed a long standing relationship with our clients which include companies like, ABB India, Schneider Electric, Crompton Greaves, Bharat Bijlee, Siemens, Maktel Control & Systems, etc., to name a few. Our products are being exported through exporters to countries such as Russia, Uganda, Indonesia, Nigeria, Singapore, and UAE. We supply our products under our own brand name – ‘Relicab’.

Over the years we have strengthened our manufacturing capacity by undertaking expansion from time to time. Our manufacturing facility located at Daman (Union Territory) has a capacity to manufacture approximately 7,510 Km per year of wires and cables and almost 1500 tons of PVC Compound per annum. We have also been improving our technologies and constantly developing products and features to our PVC Compound, Moulded Wire Harness,



Wires and Cables etc. in order to differentiate ourselves from competitors and increase our product qualities in the future. However, due to lack of available working capital, we have not been able to grow our turnovers and business capacity utilizations substantially. With the political and macro-economic scenario in India, we believe that demands for quality products within our space would increase and hence we propose to augment our working capital fund base in order to better utilize our installed capacities and formulations thereby increase sales volumes and improve margins.

Our total income from operations has remained range bound around ₹ 1,200 lakhs since the last three years and have changed from ₹ 1197.17 lakhs in fiscal 2012-13 to ₹ 1,183.68 lakhs in fiscal 2014-15. However, our earnings before interest, tax, depreciation and amortization have increased from ₹ 87.25 lakhs in 2012-13 to ₹ 132.88 lakhs in 2014-15, representing a CAGR of 15.05%. Our profit after tax has increased from ₹ 4.04 lakhs in fiscal 2012-13 to ₹ 12.93 lakhs in fiscal 2014-15, representing a CAGR of 47.37%.

As on October 20, 2015, we employed 39 employees on our payroll and 2 executive full time directors.

Our Strengths

Well qualified and experienced Management Team

Our Promoters, Mr. Suhir H. Shah and Mr. Parag J. Shah have been actively involved in the business since 2002 and have around 15 years of experience in the wires and cable industry. They started the business under a partnership firm, M/s. Relicab Cable Corporation. They incorporated our Company in 2009 and acquired the running business of the partnership to create a more professional approach to the business. Also, our board of directors are supported by a team of well experienced personnel; many of whom are working with the organization for over 3 years now. For further details regarding the educational qualifications and experience of our Board of Directors and our Key Managerial Personnel please refer to chapter titled "Our Management" beginning on page no. 121 of this Draft Prospectus. We believe that our management team's experience and their understanding of the electrical equipment industry, more specifically – PVC Compound, wires and cables industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business.

Consistent and Standardised Product Quality

Our Company has received ISO Certification from United Registrar of Systems (URS) certifying that our Quality Management System was found to be in accordance with the requirements of ISO 9001:2008 in regards to manufacture and supply of PVC wires and cables, moulded cord, harness and PVC compound. This certification provides assurance to our domestic as well as overseas customers for the quality and durability of our wires and cables. Also, we hold license from the Bureau of Indian Standards (BIS) confirming that our products meet the requirements of IS 694: 1990 and IS 1554: Part 1: 1988. Our compliance with the BIS norms has enables our Company to enlist itself as a supplier for various multinational companies and government companies / projects.

Our Company undertakes stringent quality control as mandated in its Quality Manual to adhere to the quality norms of ISO and BIS. The brief details of the internal Quality Manual detailing the Quality Management System (QMS) is enumerated in the section 'Quality Manual' in the chapter 'Our Business' on page no. 121 of this Draft Prospectus.

Established Brand Name with diversified Domestic and International customer base

Our promoters have over a decade of experience in the wires and cable industry and over this period they have successfully developed long standing relations with various domestic customers. Our brand "Relicab" has achieved country-wide acceptance with various electronics and telecommunications companies. Further, our products are being well received in the overseas market as well, wherein we are currently selling through local exporters. We believe that we enjoy the confidence of our customers because of our ability to offer in-house integrated manufacturing, thereby assuring the customers of timely delivery and quality. Our overseas customers from contract manufacturing include companies from across 3 continents including countries such as Russia, Uganda, Indonesia, Nigeria, Singapore, and UAE. In the domestic market our customers include various international and domestic



companies like ABB, Schneider, Bharat Bijlee, etc. We believe that our long standing relationship with our customers provides us a competitive advantage.

In- house integrated unit and well established manufacturing facilities

Our Company has purchased the existing and working plant and machinery of M/s Relicab Cable Corporation in the year 2009. It is a high automated well established integrated manufacturing facility at Daman, India wherein we have integrated backward integration i.e. manufacturing of PVC Compound for wires and cables. All activities, right from sourcing the raw material to manufacturing of PVC compound, bunching and stranding, insulation, armouring, sheathing and packing of the wires and cables is carried out in-house. We operate automated machines like Extruder machines of different grades for melting PVC raw material, bunching and stranding machines for processing copper wires, coiling & moulding machines for processing of various types of cables, etc. These machines are being operated by experienced and well trained technical personnel and thus help us to utilise the machines in the most efficient manner. These modern machineries also help us in maintaining high quality standards. The latest technology enables radical design and innovation in creating durable, corrosion-free and high resistant wires and cables in a very short time. Affiliation to latest technology has helped us in rolling out new combinations such flexible cables with single core / multi core, flat water resistant wires, high tensile elevator and communication wires, etc. The in-house packaging and dispatching of the products also enables us to stream line inventory management and production process with the help of technology. We believe that our well established in-house integrated manufacturing unit would help us in achieving a high sales growth and an improvement in operating margins once we improve our working capital finance capabilities.

Strategic Location of Manufacturing Unit

We operate from a manufacturing facility at Daman where we have set up our registered office and manufacturing plant, which is strategically located and is well connected by roads with the rest of the country.

Following are the key locational advantages of our manufacturing unit:

Connectivity: Our manufacturing plant is situated approximately 190 kms from our Mumbai office and just 2 km away from NH-8 phase 2 which is part of the NH-8 and connects to various parts of the Country including Gujarat, Rajasthan and Delhi. Also, our access to highway enables us to cover other regions of the country like central, eastern and southern India with ease.

Infrastructure: Uninterrupted power supply from Daman & Dui (U.T.) Electricity Department with very low power tariff for High tension and Low tension consumers for industrial purpose. Daman has developed a well established communications network, transport centres, health and safety facilities, all of which provide the necessary infrastructural advantage.

Tax Benefits: The following tax benefits are available in Daman, giving us a edge over our competitors in other locations:

- All categories of units i.e. SSI, MSI and LSI in Daman & Diu are exempted from payment of Sales Tax for a period of 15 years from the date of commencement of production.
- There is no Octroi Duty in Daman being a UT.
- In Daman and Diu 50% Exemption is available on Stamp Duty to SSI units for executing legal documents like lease/mortgage agreements etc.

Development of Industrial Estates: Omnibus Industrial Development Corporation (OIDC) of Daman & Diu and Dadra & Nagar Haveli has been incorporated by the Government of India specifically to aid, assist, finance, promote, expedite and accelerate the economic development of these UTs. The Industrial estates developed by the OIDC are well planned with all basic infrastructural facilities like internal roads, water supply, power, streetlights & other common facilities like Canteen, Banks, Meeting Halls, etc. Also, OIDC along with the Administration of Daman & Diu and Dadra & Nagar Haveli has simplified procedures for SSI registration and other clearances like Pollution Control Committee, power connections etc. for eligible units.

Raw Material: The major raw material required by us is PVC related raw material and copper wires. Recognising the need for easy availability of PVC raw materials at reasonable prices, OIIC has acquired distributorship of Plastic raw materials. Due to this, Daman has emerged as an important centre for plastic industries. Also, copper and various types of wires are available at competitive prices from Gujarat and near-by State of Maharashtra procurement of which is quicker and cheaper due freight savings.

Scalable Business Model

Our business model comprises of optimum utilization of our manufacturing facilities, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years. We can scale vertically (capacity expansion) and horizontally (product expansion) as per the requirement generated by our Company. The business scale generation is basically due to the development of new markets both international and domestic, innovation in the product range and by maintaining the consistent quality of the product.

Our Strategies

Augment our working capital base in order to better utilize our installed capacities

Our business of manufacturing of Wires & Cables and PVC Compounds is working capital intensive. We need to maintain sufficient inventory for the production process and also maintain a balance between debtors & creditors cycle. Since, we are not fully utilising our installed capacities, our growth depends on our ability to increase our utilization over the next few years and also adding new capacity subsequently. This expansion needs access to a larger amount of liquid funds and sufficient working capital. The same are proposed to be funded from the IPO proceeds and from Banking Facilities. For further details of the proposed working capital requirements of the company, kindly refer to the Chapter titled “*Objects of the Issue*” beginning on page no. 62 of this Draft Prospectus. We believe that being well funded in the working capital domain will help us in the following strategic initiatives:

- Accelerate development of new products to suit different needs of customers.
- Increase our export presence and add influential brands in our contract manufacturing vertical.
- Respond to market dynamics and provide custom based designs with focus on customer satisfaction.
- Focus on producing/marketing high value priced products.
- Tap new markets and add new dealers or authorised distributors into our distribution network by providing adequate credit.

Broaden our marketing base

We currently cater to various clients who are some of the leading industrial, electrical and telecommunication names in India. We have developed a long standing relationship with our clients which include companies like, ABB India, Schneider Electric, Crompton Greaves, Bharat Bijlee, Siemens, Maktel Control & Systems, etc., to name a few. However, our growth depends on our ability to maintain our relationship with these clients in addition to adding more clientele to our list. We currently export our products to various countries through local exporters.

We have scope to expand our reach to un-explored portions of the domestic markets including selling through distributors channels. Also, we intend to be part of the empanelled suppliers on various government projects as we believe that this will give us a good reputation and steady flow of orders, keeping in tune with the infrastructural development in the country.

Improve our manufacturing facilities by carrying out key value additions

We have in the recent years, identified certain key “low cost high value” items which we believe would help us strengthen our manufacturing facilities. For e.g. we have recently begun a value addition process in our PVC Compound division, which would almost double our available production capacity. For details regarding these capex items, please refer to “*Objects of the Issue*” beginning on page 62 of this Draft Prospectus. These minor

adjustments and augmentations would help us improve our overall manufacturing capabilities and hence ensure our ability to respond to better market demand conditions.

Increase focus on PVC Compound exports business

We have as part of the backward integration program, set up in-house manufacturing facilities for making PVC compound which is a raw material used in our wire and cables manufacturing set up. We have spent last few years carrying out research and development on this product division and developed formulations for PVC Compound. In addition to being a strong raw material source for our wires and cables business, we are looking at this product to be a revenue and margins generator by selling directly as finished goods to other users of PVC Compound in domestic as well as international markets.

DETAILS OF OUR BUSINESS OPERATIONS

Location

Our Registered Office is located at Daman in the same premises as our manufacturing unit.

We also have a Marketing Office at 207, Sahakar Bhavan, Kurla Industrial Estate, L. B. S. Marg, Ghatkopar (W), Mumbai – 400 086, Maharashtra.

We operate our manufacturing facility at Daman, which is part of the Union Territory of Daman & Diu. The manufacturing facility includes facilities for product development from PVC Compound to Wires & Cables including testing and packing of the same.

Location	Daman, India
Addresses of Manufacturing Facilities	57/1 (4B), Bhenslore Industrial Estate, Bhenslore Road, Village Dunetha, Nani Daman, Daman – 396 210.

Plant and Machinery

Our manufacturing unit at Daman, India is equipped with state-of-the-art machines, installed to provide the best quality with latest technology and accurately tested products. Our machineries are classified into Testing Equipments, Primary Machineries and Other Machineries.

Testing Equipments:

Sr. No.	Test Equipment	Capacity [Range]	Quantity
1.	Tensile Tester	0 to 500, 1000 / 2500N	01
2.	Digital Micro Ohm Meter	1999.9 to 19.999K Ohm	01
3.	Critical Oxygen Index Flammability Test Apparatus	As per ASTM D-2863	01
4.	Thermostatically controlled Oven	0 to 300 °C	01
5.	Smoke Density Apparatus	As per ASTM D-2842	01
6.	Spark Tester	0 to 15 KV AC	02
7.	Spark Tester	0 to 20 KVA AC	01
8.	HV AC Tester	6 KVA, 0-20 KVA	01
9.	HV DC Tester	0 to 1.5 KV DC	01
10.	Thermal Stability Apparatus with all accessories	As per IS-5831	01
11.	Million Mega ohm Meter	10 M to 1000x10 ⁶ M Ohm	01
12.	Thermostatically controlled Water bath with heater	0 to 100 °C	02
13.	Dial Vernier	0 to 15 m	01
14.	Apparatus for determination of Halogen acid gas	As perm IEC-754-1	01
15.	Electronics Weighing scale	200 gms to 1000 Kg 200 gms to 2000 Kg	01 01

16.	Digital Micrometer	0 to 25 mm	02
17.	Electromechanical weighing scale	0.001 to 100 gms	01
18.	Thermometer	0 to 250 °C	02
		0 to 50 °C	01
19.	Thermal stability tester	0 to 205 °C	01
20.	LCR meter	L=200MH to 200 H C=200 F to 200 FF	01
21.	Weight Box	1 Mg to 200 gm	01
22.	Meggar	0 to 1000 M Ohm	02
23.	Electronic weighing Scale	200 mg to 300 gms	01
24.	Steel Scale, Cylinder, Mandrill, Punching dye.	-	Set
25.	Continuity tester	-	01
26.	Travelling Microscope	-	01
27.	Stop-Watch	-	01
28.	Hot Deformation Test Set	-	01
29.	Flammability Test Apparatus	-	01
30.	Digitally temperature controlled two cell ageing oven	-	01
31.	Digitally temperature controlled Humidity cum - Cold chamber	-	01
32.	Cold Bend Mandrel made in Stainless steel	-	01
33.	Cold Impact Test accessories	-	01

Primary Machinery

Sr. No.	Description of Machine	Capacity	Quantity	Make
1	Extruder AC-75 mm with caterpillar	70 Kgs/Hr	01	Indian
2	Extruder AC-50 mm with caterpillar	30 Kgs/Hr	02	Indian
3	Extruder AC-45 mm	26 Kgs/Hr	02	Indian
4	Extruder AC-35 mm	22 Kgs/Hr	01	Indian
5	Bunching machine	1500 Mtrs/Hr	05	Indian
6	Stranding Machine	1000 Mtrs/Hr	02	Indian
7	Armouring Machine	500 Mtrs/Hr	02	Indian
8	36 Bobbins Armouring Machine With Rewinding system and accessories	125 RPM	01	Indian
9	High Speed Mixture	100 Kgs/Hr	01	Indian
10	High Speed Mixture	75 Kgs/Hr	02	Indian
11	High Speed Mixture	50 Kgs/Hr	01	Indian
12	Band marking machine	1000 Mtrs/Hr	02	Indian
13	Coiling Machine	1250Mtrs/Hr	06	Indian
14	Hydraulic Moulding Machine	30 Nos/Hr	04	Indian
15	Moulding machine	30 Nos/Hr	10	Indian
16	Automatic crimping machine	1500 Nos/Hr	03	Indian
17	Inkjet Printing machine [online]	Real time.	03	Willet
18	Braiding Machine for braiding on Cables	100 Mtrs/Hr	03	Indian
19	PVC compounding extruders	90 Kgs/Hr	02	Indian
20	Auto Coiler	-	01	Indian






Other Machineries






Sr. No.	Description of Machine	Quantity
1	Cable Extruder 55mm, Dual Screw, Complete plant with Control Panel	01
2	Wire Drawing with Control Panel	01
3	Automatic Wire Cutting Machine	01
4	90 mm PVC compounding Plant with Stainless Steel Dye, Thermocouples, high speed 8" Peletizer	02
5	Extruder 75 mm with main motor panel board and Vertical extruder	01
6	Extruder 35mm with water tank, panel Board and Mixer.	01
7	Extruder 50mm with water tank, panel board and mixer	01
8	Extruder 30 mm main motor with water tank and panel board	01
9	Extra 90 mm Screw barrel made complete	01
10	75 mm Extruder with 25HP DC Motor, with caterpillar.	01
11	Extruder 50mm with main motor and water tank, panel bunching Machine.	01
12	Armouring Machine with 27 Bobbin [350 mm]	01
13	Armouring Machine with 27mm Bobbin [230 mm]	01
14	Armouring Machine with 36 Bobbin [500mm] Horizontal with 30 HP AC Motor and Drive.	01
15	Automatic Cable Printing Machine with other accessories.	04
16	Stranding Machine [6+1]	02
17	Stranding Machine [12+1]	02
18	Bunching Machine	03
19	27 Bobbins Vertical Armouring Machine	02
20	Braiding Machine 24 Spindles	02
21	Coiling Machine	05
22	Scrap Grinding Machine with 15 HP Motor	01
23	75mm Extra Screw Barrel Set	01
24	25 HP DC Motor Drive	01
25	95 mm Screw Barrel	01
26	Automatic Crimping Machine	02
27	Applicator for Automatic Crimping Machine	05
28	Hand Press Crimping Die	07
29	2 Ounce Hand Moulding Machine	10
30	1 ½ Ounce Hydraulic Injection Moulding Machine & Misc Tools.	01
31	Automatic Diameter Controller [Laser base]	01
32	Lift Cable Testing equipment	01
33	Shrink Packing Machine	01
34	Cooling Tower	01
35	Water Treatment Plant	01
36	Compact Roller Stand with 3 Roller Set	01
37	Fork Lift [Hydraulic] Manual	01
38	Pay Off System for 630 mm Bobbin [4]	02
39	UPS System	03
40	Armouring Machine upgrading with accessories	01
41	Taping Machine with Caterpuller, 2HP DC Motors [2Nos] & DC Drives	01



Products and Services

We are engaged in the manufacture of a complete array of wires and cables that are used in diverse sectors encompassing virtually all industries like telecom, electrical, automotive and household appliances and the new field of wind energy.

The details of various products manufactured and sold by us are as below:

Sr. No.	Product Name		Description
1.	PVC Insulated Flexible Single Core Wire With Copper Conductor		<p>Insulated electrical wires are used for transmission of low-voltage signals, electric motors, DC power transformers, panel boards, battery cables, etc. The characteristics of the flexible single core cable manufactured by us include good flexibility, adequate voltage resistance and manufacturing as per ISO standards. The flexible single core wire is available as Poly Flex brand PVC insulated wires, insulated electrical wires and unsheathed with bright annealed plain copper conductor, bunched and / or stranded.</p>
2.	PVC Insulated Single Core Solid/Stranded Wires With Copper Conductor		<p>The solid core insulated wires are mainly used for grounding wires, building wires for power transmission etc. The PVC insulated wires with copper conductors manufactured by us are suitable for these applications and are performance oriented as they withstand the pressure of heavy duty applications.</p>
3.	Multi Core Flexible Cables With Copper Conductor		<p>We manufacture and supply premium quality multi core flexible cables with copper conductor (DTLS) for various industrial and domestic applications. Manufactured as per the standards and norms of international market, these cables deliver flawless performance with long service life. These exhibit excellent properties and have the ability to withstand extreme conditions and repeated use. We manufacture these cables in various sizes and specifications to meet the special needs and requirements of our esteemed customers.</p>
4.	Armoured Cables With Copper / Aluminium Conductors		<p>We manufacture precision-engineered armoured cables like copper conductor cables and aluminium armoured cable for uses in various industrial applications. Superior in quality and performance, these are highly durable and comply with prescribed standards and norms of industry. These are suitable for open and concealed wiring and have found uses in cable troughs and ventilated cable ways. We manufacture these cables in various grades and specifications to meet the varied application requirements.</p>
5.	Flat Submersible Cables (3 Cores)		<p>The 3 core flat submersible cables is a specialized cable used for submersible pumps used in deep wells, pools, etc. As the area of installation is physically restrictive, and the environment is very hostile, we design and manufacture keeping in mind these factors to achieve the highest possible degree of reliability & safety. Certain features of our Flat</p>

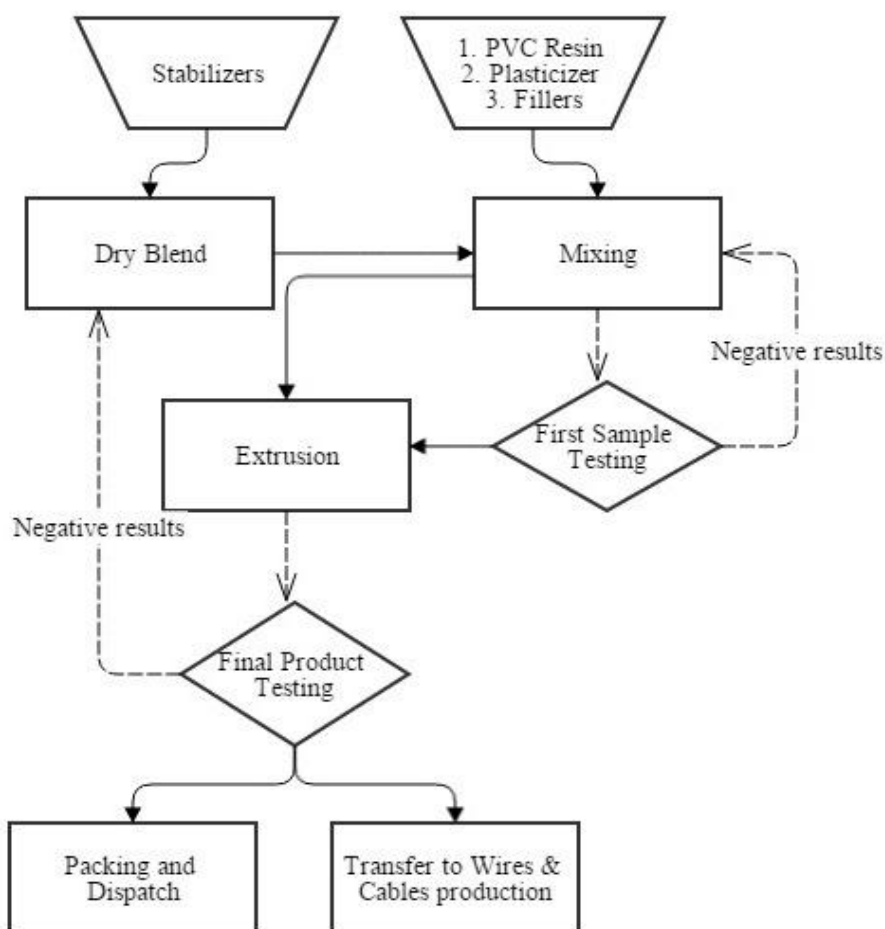
			Submersible Pump cables include excellent resistant to moisture, abrasion, grease, oil, longer flex life, excellent mechanical & electrical properties.
6.	Telephone Cables With Tinned Copper Conductor		The copper telephone cables are designed & manufactured to perfection in order to meet the needs for safe and reliable transmission of voice, video and data. These wires are available as Armoured or Un-armoured depending on the intended use. Armoured cables provide long lasting protection in case of underground installation and also protection from external agents like weather and rats.
7.	Individual And Overall Screened Armoured Instrumentation Cables (DTLS)		Instrumentation cables are designed for Transmission of Analogue & Digital signals in instruments and Control Systems. Instrumentation cables manufactured by us are designed to maintain high level of accuracy and sensitivity of the system without drop in signal. It is designed to obtain maximum rejection of electromagnetic noise, minimal cross-talk and minimal electro-statically or electromagnetically induced noise & common mode interference. Instrumentation cables are generally used for transmission of signals in control systems and for audio, intercom, control, energy measurement and alarm circuits.
8.	Harnesses		Harness is bunch of wires which are tied with the cables or places in sleeves for putting ready into sleeves, after which they are ready to connect to multiple places with clips, connectors. So electrical wire harness can be fitted to the end of the wires. Our auto wire harness is designed to perform under extreme conditions and can sustain heavy loads. Harnesses have various applications like automobile wiring, elevators, home appliances (refrigerators, televisions etc.) and chilling plants.
9.	Mains Cords - 2/3 Pins and 5/15 Amperes		We offer power cords having flexible 2 or 3 sheathed cables in specific colours and length. The power cords manufactured by us conform to international quality standards and we make sure that they are safe to use. One end of the power cord is moulded with a 5 Amp or 15 Amp plug with 2 pin or 3 pin, while the other end is either open or fitted with connector or moulded with female connectors as per the requirement of the customer.
10.	Elevator Flat Cables		Our range of flat elevator cables is made using special PVC compound for providing strength along with high flexibility and bouncing effects.

11.	Battery Cables & Automotive Cables		This cable is specifically made for battery connection & automotive applications. These cables are also offered as per user specification with special PVC compounds.
12.	PVC Compounds – Various Grades		We manufacture premium PVC cable compounds for wide application in the cable industry. Our range of compounds is available for numerous applications for Power Cables, Control and Instrumentation Cables, Winding wire for submersible Pump Motor, 3 Core Flat Cables, Appliance Cords, etc. Our PVC compounds are available for both insulation and sheathing.

Manufacturing Process

Our Company manufactures PVC Compound and PVC Wires & Cables.

The manufacturing process of PVC Compound is described as below:

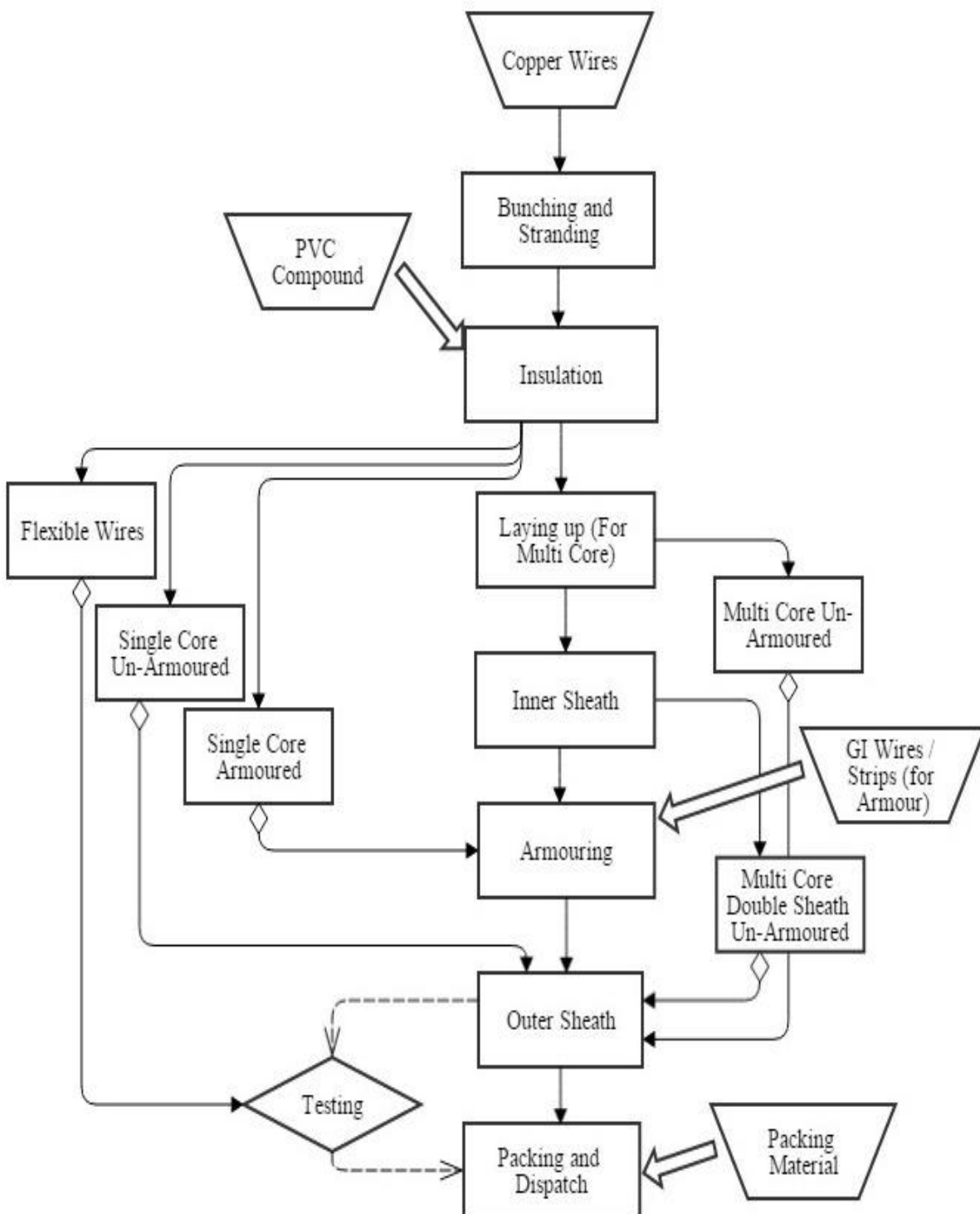


1. Once the work order is received, the production planning team arranges for the required raw material. The raw materials like stabilizers, PVC resin, Plasticizer and fillers are tested for quality and consistency.
2. The Stabilizers, usually in a dry blend state, mostly consist of inorganic and organic salts of the metals like calcium, zinc, barium, lead and tin as these salts are firmly anchored in the polymer matrix. These are mixed with the other raw material like PVC Resin, Plasticizer and Fillers. Plasticizers help to make the hardened PVC into a soft mouldable material, with properties similar to rubber.
3. These raw materials are mixed in a high speed mixture for a specified amount of time. The output, a white power-like material is tested for consistency and mix quality. If the testing team finds any inconsistency, the material is sent to the mixer again, with additions / deletions of certain material, as is analysed.
4. The mix, with correct consistency is then sent to the extruder machine. Once the mix is placed in the hopper of the extruder machine, a heated hollow steel cylinder known as the barrel slowly melts the mix and at the same time, pushes the molten plastic through a die. The die is usually a piece of steel with the shape of the desired part machined into it. Next, it is pulled through some sort of cooling apparatus, which usually cools with air or water.
5. Once cool, the finished product is tested for quality and usability and the same is sent for packing or further use as raw material for our wires & cables.

The manufacturing process of Wires & Cables is described as below:

1. Upon receipt of order, the production team arranges for the required raw materials in the manufacturing process. The main raw materials required are copper wires and PVC Compound, along with armouring material like GI wires and strips.
2. The copper wires are tested for strength and quality by the purchase team. The wires undergo a process of bunching and stranding, whereby specific numbers of wires are either bunched in a single core or twisted (stranded) around a single core to make a wire of specific capacity.
3. The PVC Compound is added to the bunched or stranded wires for providing insulation. Insulation is also done on single wires, which are of high capacity individually. The insulated wires are inspected for leakages etc.
4. Different kinds of wires can be made from this stage onwards.
 - a. Multi-core armoured double sheath wire – Insulated single cores are laid-up and bound by an inner sheath. They are further processed for armouring and then an outer sheath is put.
 - b. Multi-core un-armoured double sheath wire – In this case, insulated single cores are laid-up and bound by an inner sheath and also an outer sheath.
 - c. Multi-core armoured single sheath wire – The insulated single cores are laid-up and are armoured before being bound by an outer sheath.
 - d. Single-core armoured – Single core wires are directly sent for armouring and then are bound by an outer sheath.
 - e. Single-core armoured – In this case, the single core wire is directly sent for putting an outer sheath.
 - f. Flexible wire – These wires are not sheathed at all which gives them more flexibility than the rest. The flexible wires manufactured by us are specifically tested to be compliant with IS-694.
5. All the finished wires, armoured / un-armoured, single sheathed / double sheathed undergo inspection and testing as per the requirements of the customers.

6. The tested finished products are cut in specified sizes, packed and readied for dispatch to customers as per the orders.



Raw Materials

The main raw materials for our products are copper and materials for PVC Compound of required specifications. The key raw materials used in the manufacturing of our products are copper, Galvanised Iron Wire (GI Wire), Galvanised Iron Strip (GI Strip), PVC Resin, PVC Master Batches and various raw materials / additives required for manufacture of PVC compounds, like Plasticizers, Stabilizers, Stearic Acids and Calcium. These materials are available in the national market, especially from the state of Gujarat, Maharashtra and the UT of Daman & Diu and Dadra & Nagar Haveli. Our Company procures the raw materials primarily from Sesa Sterlite, Zenith Wires, Systematic Industries, Reliance Industries, Bhagwat Wires, Kund Kund Polymers, Natura Micron, PCL Oil & Solvents, Kalpataru Organics and Payal Polyplast. Our Company may also procure these raw materials from other local suppliers based on quality, pricing, availability and urgency of need.

The raw material to sale ratio depends on a number of factors including PVC and Copper waste, specification of wires and cables by customer, the batch size, etc. The main controlling factor of cost will be reduction of PVC and Copper waste and our ability to use recycled materials for our production process, without compromising the quality and durability of our products. With state-of-the-art manufacturing techniques and better inventory management, we have endeavoured to bring our wastage to a minimum.

All raw materials tested by us undergo stringent inspection at our end and we do not completely rely on the manufacturer test results. This again strengthens our product quality and builds up our customer confidence in us.

Quality Manual

Our Company has developed and implemented a Quality Management System (QMS) in order to help the organisation operate with increased effectiveness, consistency and enhance customer satisfaction. The key components of the Quality Manual adopted by our Company include:

1. Management Responsibility (which covers matters such as Management Commitment, Customer Focus, Quality Policy, Planning, Responsibility, Authority and Communication and Management Review)
2. Resource Management (which covers matters such as Human Resources, Infrastructure and Work Environment)
3. Product Realisation (which covers matters such as Planning, Customer related Processes, Design & Development, Purchasing, Production and Service provision and Control of Monitoring and Measuring Equipment).
4. Measurement, Analysis and Improvement (which covers matters such as Monitoring of Customer Satisfaction, Internal Audit, Control of Non-conforming Product and Overall Improvement)

Utilities

Power & Fuel

Our registered office and manufacturing facility has adequate power supply position from the Daman & Diu (U.T.) Electricity Department. Our Mumbai office obtains its power need from the local public supply utilities. The following is the sanctioned power for each location:

Details of Location	Sanctioned Load
Manufacturing Unit at Daman, India	326 KVA

Water

Our current water consumption at our manufacturing unit is sourced from the local sources maintained by the Public Works Department. It is used for our manufacturing processes, for cooling and chilling arrangements and other general purposes.

Effluent Disposal / Environment Clearance

During the manufacturing process of wires and cables, varied effluents and contaminants (PVC and metal components) are produced. The effluent treatment plants are used in the removal of high amount of debris, dirt, grit, pollution, toxic, non-toxic materials, polymers etc. Our Company has installed infrastructure to ensure adequate treatment of all effluents at our manufacturing facility. Our Company also believes in complying with common Effluent Treatment Plant regulations in relation to the discharge of treated effluents, and common treatment, storage and disposal facilities regulations with respect to the disposal of hazardous wastes.

The company has also received approval from Pollution Control Committee, Daman & Diu and Dadra & Nagar Haveli (PCC-DD&DNH), and the disposal is as per the conditioned laid down by the PCC-DD&DNH for granting its consent and other general standards notified from time to time.

Health, Safety and Environment

We are committed to protecting the health and safety of our employees working in our factories. We have policies in place for health and safety for our workmen which have the following salient features:

- Compliance with relevant Safety and Statutory Regulations and Rules both in letter and in spirit
- Ensuring cleanliness of work place in compliance with the relevant regulations
- Providing work force with helmets, gloves, appropriate tools
- Knowledge/instructions on work procedures and safety precautions
- Conducting classes on safety, first aid training, fire fighting, mock drills, safety audit, risk analysis studies, etc.
- Ongoing assessment on the status of safety, health and environment at the work place and take appropriate measures to improve the same
- Obligation and responsibility on every employee to perform the tasks ensuring complete safety.

Human Resource

Our operations require a mix of skilled, semi-skilled and un-skilled personnel. The Company as on October 20, 2015 employs 41 personnel for our management, administration and manufacturing operation:

Category	No. of employees
Executive Directors	2
Key Managerial Personnel	5
Managers / Executives / Supervisors / Support Staff	34

For details on our executive directors and key managerial personnel, kindly refer to the Chapter titled “*Our Management*” beginning on page no. 121 of this Draft Prospectus.

Customer Base

Our client base constitute customers of diverse sectors encompassing various industries like telecom, engineering, electrical, automotive and household appliances and even the new field of wind and solar energy.

Our quality standards, unflinching efforts for punctual order completions and our unmatched overall service has enabled us to garner clients who are some of the leading industrial, electrical and telecommunication names in India and abroad.

The percentage of income derived from top 10 customers in the last 3 financial years is given below:

Particular	FY 2015	FY 2014	FY 2013
Top 10 customers	76.53%	70.48%	49.36%

We have developed a long standing relationship with our clients which include companies like, ABB India, Schneider Electric, Crompton Greaves, Bharat Bijlee, Siemens, Maktel Control & Systems, S. S. Controls, IMP Powers, Gemtech Cables and Terminals, Fast Track Inc., CTR Manufacturing Industries Limited, GR Power Switchgear and RNG Technology among others. Further, we continuously endeavour to increase our cliental base and have entered tenders with many Indian and MNC companies for being part of their supplier groups.

Marketing Setup

We have developed a marketing network across various states in the country. Our marketing team is led by our Promoter Directors – Mr. Suhir Shah and Mr. Parag Shah who are responsible for the overall marketing strategies. The team also comprises of other staff which help is follow up and development of exports, private sector/ dealer liaising, government sector liaising and special products.

Our Promoters have vast experience in the business of wires and cables and PVC Compounds. They have been manufacturing and marketing these products almost for the past 15 years. We have a good reputation among our clients and industry circles and we believe that scaling up our marketing base would be easier once we ramp up production. The sale price of the components to be manufactured is decided based on design complexities, material, process, quantity, period of supply, etc.

Collaborations

We have not entered into any technical or other collaboration.

Exports and Exports Obligations

So far, our company does not export goods directly. We are selling goods to a distributor / exporter; who in turn export it to various countries such as Russia, Uganda, Indonesia, Nigeria, Singapore, and UAE. This is being done in order to manage the credit default risks. However, our company may in the future venture into direct exporting also.

We do not have any export obligations.

Competition

The industry in which we operate is highly competitive and fragmented and we face competition both in the domestic as well as the export markets. Competition emerges from small as well as big players in the electrical equipment industry, especially wires and cables industry. The organized players in the industry compete with each other by providing high quality-time bound products and value added services.

Many countries have the advantage of being located in proximity to our main export markets South Asia, Africa and European countries. Internationally, we also face competition from electrical equipment manufacturers in other countries like China which have low labour costs and also from various US and European countries who have advanced technology and permits to manufacture cables of various grades and specifications accepted in different countries.

We have a number of competitors offering products and services similar to us. We believe the principal elements of competition in electrical equipment industry are price, durability and overall product quality, timely delivery and reliability and most importantly our pace in keeping up with the required BIS regulations and changing technology in the industry. We believe that our cost effective and integrated facilities, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in many of our products.

Capacity and Capacity Utilization



Capacity and capacity utilization for the last three years

Product	2012-13		2013-14		2014-15	
	Installed	Utilized	Installed	Utilized	Installed	Utilized
Panel Wires (in Km)	5800	2700	5800	2800	5800	3000
Flat Cables (in Km)	270	39	270	42	270	56
Flexible Multi Core Cables (in Km)	160	78	160	82.5	160	87.5
Power & Control Cables (in Km)	300	150	300	160	300	168
Instrumentation Cables (in Km)	160	30	160	33	160	37.5
Special Cables (in Km)	820	40	820	43	820	46
PVC Compounds (in Tons)	1500	220	1500	240	1500	400

Proposed Capacity Utilisation for next three years

Product	2016-17		2017-18		2018-19	
	Installed	Utilized	Installed	Utilized	Installed	Utilized
Panel Wires (in Km)	5800	3500	5800	4000	5800	4800
Flat Cables (in Km)	270	70	270	105	270	226.8
Flexible Multi Core Cables (in Km)	160	100	160	112.5	160	125
Power & Control Cables (in Km)	300	200	300	220	300	240
Instrumentation Cables (in Km)	160	75	160	100	160	120
Special Cables (in Km)	820	80	820	221.5	820	369
PVC Compounds (in Tons)	1500	800	3000	1200	3000	1050

Intellectual Property

The “” trademark, name and logo do not belong to us. The “” trademark belongs to Mr. Parag Shah (Promoter) and Mr. Hiralal Shah (Promoter Group) (‘Registered Owners’), and we make use of it through an informal arrangement with registered owners of the trademark as a part of the promoter / promoter group. The registered owners have given their written consent to our company for the use of the trademark and we have not made, nor are we required to make any payments to the registered owners for use of this trademark.

Properties

Our company has been operating on a leased “NA” Plot bearing survey no. 57/1(4-B) admeasuring 760 sq. mts. including constructed industrial building of ground plus two stories from our group entity – M/s. Reliance Cable Corporation. The lease agreement is divided into three parts, namely, (a) constructed area of ground & 1st floor admeasuring 4900 sq. ft. with open area of land admeasuring 460 sq. mtrs; (b) building at back side of ground floor admeasuring 700 sq. ft. and (c) second floor for the building admeasuring 2250 sq. ft. The rent paid so far has been meager Rs. 0.30 lacs per month. We have recently regularised this arrangement by entering into an agreement with this partnership concern, wherein following are the terms decided for possession of this property:

Location of Property	Use by RCML	Terms	Validity
57/1 (4B), Bhenslore Industrial Estate, Bhenslore Road, Village Dunetha, Nani Daman, Daman – 396 210	Registered Office and Factory Works	Rent of Rs. 1,00,000 per month and a Refundable Interest Free Deposit of Rs. 50 lakhs*.	Applicable beginning April 01, 2016 and valid upto March 31, 2017.**

* This interest free deposit is proposed to be financed from the IPO Proceeds. For further details please refer to “Objects of the Issue” beginning on page no. 62 of this Draft Prospectus.

** The lease agreement mentions that the rent of Rs. 1 lac per month would become Rs. 2 lac and Rs. 3 lac for the financial years ended March 2018 and 2019 respectively.



In addition to the above, our company also operates a Mumbai Office for Marketing and other general corporate purposes situated at 207, Sahakar Bhavan, Kurla Industrial Estate, L. B. S. Marg, Ghatkopar (W), Mumbai – 400 086, Maharashtra. This office premises is also owned by our Promoters Group. We do not have any official arrangement with them for occupying these office premises.

Insurance

We are covered by ‘Standard Fire and Special Perils’ insurance policy for loss caused to our properties or assets by fire or any special perils at all locations. We also are covered by Burglary Insurance Policy for any potential loss caused to our Storage locations by burglary, housebreaking, robbery, hold up and theft. Further, all vehicles owned by our Company are duly covered with their respective insurance policies.

Notwithstanding our insurance coverage, damage to our properties, assets, goods, machinery and vehicles could nevertheless have a material adverse effect on our business, financial condition and results of operations to the extent such occurrences disrupt normal operations of our business or to the extent our insurance policies do not cover our economic loss resulting from such damage. For further information, see section titled “Risk Factors” on page no. 11 of this Draft Prospectus.

The details of the policies are:

Sr. No.	Policy Details	Name of the Insuring Company	Period Covered		Sum Insured / Premium Amount	Coverage Description
			From	To		
1.	Standard Fire and Special Perils Policy bearing No. OG-15-1908-4001-00001462 (Including add on cover for Earthquake without Plinth & Foundation)	Bajaj Allianz General Insurance Co. Ltd.	November 14, 2014	November 13, 2015	<i>Sum Insured:</i> ₹ 3,94,00,000 <i>Premium:</i> ₹ 1,19,529	Plant & Machinery, Furniture Fitting and Fixtures, Electrical Installations, Stock and Stock in process including Raw Materials, Semi-finished and Finished goods situated at 57/1 (4B), Bhenslore Industrial Estate, Bhenslore Road, Village Dunetha, Nani Daman, Daman – 396 210, Gujarat.
2.	Burglary Policy bearing No. OG-15-1908-4010-00000290	Bajaj Allianz General Insurance Co. Ltd.	November 12, 2014	November 11, 2015	<i>Sum Insured:</i> ₹ 3,25,00,000 <i>Premium:</i> ₹ 45,646	Stock and Stock in Process including Raw Material, Semi-Finished & Finished goods, Moveable Machinery & subject to Trust Clause pertaining to the Insured Trade.

KEY REGULATIONS AND POLICIES

In carrying on our business as described in the section titled “Our Business” on page no. 91 of this Draft Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, kindly refer to the Chapter titled “Government and Other Key Approvals” beginning on page 183 of this Draft Prospectus.

Our Company is engaged in the business of manufacturing and production of wires and cables. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

A. Regulations governing Manufacturing Sector

The primary central legislation governing the manufacturing sector is the Factories Act, 1948. In addition, compliance of various labour related legislations, including the Payment of Wages Act, 1956, The Minimum Wages Act, 1948, Equal Remuneration Act, Employees’ Compensation Act, 1923, Industrial Disputes Act, 1948, Payment of Gratuity Act, 1972, Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965 and the Shops and Establishment Rules framed under the Factories Act, 1948 as may be applicable in the relevant state.

The Factories Act, 1948

The Factories Act, 1948 (“**Factories Act**”) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term ‘factory’, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires *inter alia* the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

The Industrial Disputes Act, 1947 (“**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 a 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’s services. This 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

The Goa, Daman and Diu Fire Force Act, 1986

The Goa, Daman and Diu Fire Force Act, 1986 (“**Fire Force Act**”) has been enacted with the objective to provide mainly for the maintenance of Fire Force for the Union territory of Goa, Daman and Diu and *inter-alia* provide for the establishment and maintenance of Fire Force in the Union territory of Goa, Daman and Diu. In pursuance of the powers conferred by Sub-section (1) of section 13 of the Fire Force Act, the Administrator of Daman & Diu, Directorate of Fire & Emergency Services, Fire Force Headquarters, Daman issued Notification bearing No. DFS/DD/F.P. - Notification/2004-05/627 dated January 12, 2005 (“**the said Notification**”). The said Notification *inter-alia* stipulates that commercial/industrial units and high rise building as specified in Annexure I to the said Notification are likely to cause risk of fire, and therefore all owners/ occupiers of said commercial/industrial units and high rise building specified in Annexure I to the said Notification are required to take such precaution as are specified in Annexure II to the said Notification. The said Notification further authorizes the Director or Station Fire Officer of the Fire & Emergency Services, Daman & Diu to direct the removal of object or goods likely to cause the risk of fire, to a place of safety and on failure of the owner or occupier to do so, the Director or Station Fire Officer may after giving the owner or occupier a reasonable opportunity of making the representation, seize, detain or remove such objects or goods. APPENDIX – VI to the said Notification provides a list of places and trades for which no objection certificate from the Fire Service is necessary to be taken.

The Employees’ Compensation Act, 1923

The Employees’ Compensation Act, 1923 (“**EC Act**”) has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 (“**ESI Act**”) provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 (“**EPF Act**”) was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 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.

Maternity Benefit Act, 1961

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that the get paid leave for a specified period before and after child birth. It provides, *inter-alia*, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWW Act**”) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/-.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 (“**PB Act**”) is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year a minimum bonus which shall be 8.33% of the salary or wage earned by the employee during the accounting year or Rs.100/- (Rupees One Hundred), whichever is higher, whether or not the employer has any allocable surplus in the accounting year. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to maximum of 20% of such salary or wage. ‘Allocable surplus’ is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of the Company.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 (“**PG Act**”) applies to every factory and shop or establishment in which ten or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply)

Gratuity is payable to the employee at the rate of 15 (fifteen) days’ wages for every completed year of service or part thereof in excess of 6 (six) months.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 (“**PW Act**”) is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

Maharashtra Shops and Establishment Act, 1948

The Company has its corporate office at 207, Sahakar Bhavan, Kurla Industrial Estate, LBS Marg, Ghatkopar (W), Mumbai - 400 086. Accordingly, the provisions of the Maharashtra Shops and Establishment Act 1948 (“**MSE Act**”) are applicable to the Company. The MSE Act regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

The Goa, Daman and Diu Weights and Measures (Enforcement) Act, 1968

The Goa, Daman and Diu Weights and Measures (Enforcement) Act, 1968 (“**WM Act**”) was enacted to provide for the enforcement of standard weights and measures and for matters connected therewith. The WM Act inter-alia confers powers on the State Government to prepare working standards for the purpose of verifying the correctness of commercial weights and measures and weighing and measuring instruments used in transactions for trade or commerce. For the purposes of the WM Act, "State Government" shall mean the Administrator appointed to the Union Territory of Goa, Daman and Diu, under article 239 of the Constitution or the Government of Goa, Daman and Diu. The State Government may also prepare secondary standards for the purpose of verifying the correctness of the working standards. Further, the State Government may prepare sets of standard weighing and measuring instruments as it may deem necessary for the purpose of verifying the correctness of commercial weights and measures and of weighing and measuring instruments used in transactions for trade or commerce. The WM Act inter-alia mandates that a person using any weight or measure or weighing or measuring instrument in any transaction for trade or commerce is required to obtain a certificate of registration from the Controller for the same. Further, every person who in the course of trade, manufacture, repair or sell makes use of any weight or measure or any weighing or measuring instrument, is required to obtain a licence in this behalf from the State Government or any officer authorised by such Government.

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 (“**MSMED Act**”) inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only); (ii) a small enterprise, where the investment in plant and machinery is more than Rs. 25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed Rs. 5,00,00,000/- (Rupees Five Crores Only); or (iii) a medium enterprise, where the investment in plant and machinery is more than Rs. 5,00,00,000/- (Rupees Five Crores Only) but does not exceed Rs. 10,00,00,000/- (Rupees Ten Crores Only). In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as: (i) a micro enterprise, where the investment in equipment does not exceed Rs. 10,00,000/- (Rupees Ten Lakhs Only); (ii) a small enterprise, where the investment in equipment is more than Rs. 10,00,000/- (Rupees Ten Lakhs Only) but does not exceed Rs. 2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than Rs. 2,00,00,000/- (Rupees Two Crores Only) but does not exceed Rs. 5,00,00,000/- (Rupees Five Crores Only). The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

The following are the rules which are applicable to the Company:

Daman & Diu Micro and Small Enterprises Facilitation Council Rules, 2006.

B. Environmental Regulations

Our Company is also required to obtain clearances under the Environment (Protection) Act, 1986, and other environmental laws such as the Water (Prevention and Control of Pollution) Act, 1974, the Water (Prevention and Control of Pollution) Cess Act, 1977 and the Air (Prevention and Control of Pollution) Act, 1981, before commencing its operations. To obtain an environmental clearance, a no-objection certificate from the concerned state pollution control board must first be obtained, which is granted after a notified public hearing, submission and approval of an environmental impact assessment ("EIA") report and an environment management plan ("EMP").

Our Company must also comply at all times with the provisions of The Hazardous Waste (Management and Handling) Rules, 1989, as amended, and as superseded by the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, and the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989.

Environment Protection Act, 1986 and Environment (Protection) Rules, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

Water

Legislations to control water pollution are listed below:

The ***Water (Prevention and Control of Pollution) Act, 1974*** prohibits the discharge of pollutants into water bodies beyond a given standard, and lays down penalties for non-compliance. The Water Act also provides that the consent of the State Pollution Control Board must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent.

The ***Water (Prevention and Control of Pollution) Cess Act, 1977*** provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

Air

Legislations to control air pollution are listed below:

The ***Air (Prevention and Control of Pollution) Act, 1981*** requires that any individual or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. National Ambient Air Quality Standards (NAAQS) for major pollutants were notified by the Central Pollution Control Board in April 1994.

The following are the rules which are applicable to the Company:

Air (Prevention and Control of Pollution) (Union Territories) Rules, 1983

Hazardous Wastes

There are several legislations that directly or indirectly deal with hazardous wastes. The relevant legislations are:

- The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- The Public Liability Insurance Act, 1991

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

These rules require that the occupier and the operator of the facility, that treats hazardous wastes, must properly collect, treat, store or dispose the hazardous wastes without adverse effects on the environment. Schedule I of the said Rules lists out the primary and secondary production of aluminium as a process that generates hazardous waste and therefore requires compliance under these Rules.

C. Tax Related Legislations

The Central Sales Tax Act, 1956

Central Sales tax (“CST”) is levied on the sale of movable goods in the course of inter-state trade or commerce. In India, sales tax is levied both at the union level under the Central Sales Tax Act, 1956 as well as the state level under the respective state legislation. Goods sold within the jurisdiction of the state are charged to Value Added Tax (“VAT”) in accordance with the VAT statute of that state.

CST is payable by a dealer (i.e. a person who carries on the business of buying, selling, supplying or distributing goods) on his sales turnover at the rate prescribed in the VAT statute of the State from where the movement of the goods originate. However, a dealer is entitled to a concessional rate of 2% CST on goods which are sold to another registered dealer who intends to further re-sell them or use them in the manufacture or processing for further sale or for certain other specified purposes, subject to the condition that purchasing dealer issues a statutory Form C to the selling dealer.

Value Added Tax

Value Added tax (“VAT”) is a system of multi-point levies 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 the Sales Tax Officer of the respective State.

The Daman and Diu Value Added Tax Regulation, 2005 and the Daman and Diu Value Added Tax Rules, 2005, are applicable to our Company.

Income-tax Act, 1961

Income-tax Act, 1961 (“IT Act”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its ‘Residential Status’ and ‘Type of Income’ involved. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

The Customs Act, 1962

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number.

Excise-Related Regulations

Excise duty imposes a liability on a manufacturer to pay excise duty on production or manufacture of goods in India. The Central Excise Act, 1944 is the principal legislation in this respect, which provides for the levy and collection of excise and requires every person who produces, manufactures, carries on trade, holds private store-room or warehouse or otherwise uses excisable goods, to obtain registration thereunder. Additionally, the Central Excise Tariff Act, 1985 (the “CETA”) prescribes the rates of excise duties for various goods. Excise duty is imposed on goods produced or manufactured in India under the provisions of CETA. The Central Excise Rules, 2002 provides the manner of payment of the central excise duty as well as the rebate and remission provisions.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, 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. Vide Notification No. 30/2012-Service Tax dated June 20, 2012, the liability to pay service tax in respect of certain taxable services, as specified therein, has shifted from the person who provides the service, to the person who receives the service. Every person who is liable to pay service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, 1994, every assessee is required to pay service tax in TR 6 challan by the 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, 1994, the Company is required to file a quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assessee is required to file the quarterly return electronically.

D. Other Legislations

Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 (“T.P. Act.”). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price, paid or promised to be paid.
- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.

- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

The Registration Act, 1908

The Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Act is used for proper recording of transactions relating to other immovable property also. The Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Indian Stamp Act, 1899

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not 'duly stamped' cannot be accepted as evidence by civil court, an arbitrator or any other authority authorised to receive evidence. However, the document can be accepted as evidence in criminal court.

Maharashtra Stamp Act, 1958

The Maharashtra Stamp Act, 1958 ("**Maharashtra Stamp Act**") prescribes the different rates of duties on the instrument falling within the various descriptions set-out in Schedule I of the Maharashtra Stamp Act., then the instrument is chargeable with the highest of the duty prescribed. In addition, the Maharashtra Stamp Act also prescribes methodology for adjudication, refund of duties, grievance processes and prosecutions. The Collector is normally vested with the power of adjudication. If a document is not stamped or adequately stamped, it is likely to be impounded.

The Indian Stamp (Goa, Daman and Diu Amendment) Act, 1968

The Indian Stamp (Goa, Daman and Diu Amendment) Act, 1968 prescribes the different rates of duties on the instrument falling within the various descriptions set-out in Schedule I-A of the Indian Stamp (Goa, Daman and Diu Amendment) Act, 1968. In addition, the Indian Stamp (Goa, Daman and Diu Amendment) Act, 1968 *inter-alia* makes certain amendments and insertions to the Indian Stamp Act, 1899.

The Indian Contract Act, 1872

The Indian Contract Act, 1872 ("**Contract Act**") codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

The Specific Relief Act, 1963

The Specific Relief Act is complimentary to the provisions of the Contract Act and the T.P. Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. 'Specific performance' means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

Competition Act, 2002

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Companies Act, 1956

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act, 1956 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act, 1956 plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has *inter-alia* amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Trademarks Act, 1999

Under the Trademarks Act, 1999 (“**Trademarks Act**”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“**the Registrar**”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)

In India, the main legislation concerning foreign trade is the Foreign Trade (Development and Regulation) Act, 1992 (“FTA”). The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import (“EXIM”) Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

Regulations Regarding Foreign Investment

Foreign investment in companies in the wire and cables manufacturing industry is governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy (the “**FDI Circular**”) which consolidates the policy framework on Foreign Direct Investment (“FDI”), with effect from May 12, 2015. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till May 11, 2015. All the press notes, press releases, clarifications on FDI issued by DIPP till May 11, 2015 stand rescinded as on May 12, 2015.

Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the approval route, prior approval of the Government of India through FIPB is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where FIPB approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

The Consolidated FDI Circular dated May 12, 2015 issued by the DIPP does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route. No approvals of the FIPB or the RBI are required for such allotment of equity Shares under this Issue. The Company will be required to make certain filings with the RBI after the completion of the Issue.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2015 which is valid till June 30, 2016. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are 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. As mentioned above, 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.



HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as Relicab Cable Manufacturing Pvt. Ltd. on February 23, 2009 under the Companies Act, 1956, with the Registrar of Companies, Goa, Daman and Diu bearing Registration Number - 004670. The status of our Company was changed to a public limited company and the name of our Company was changed to Relicab Cable Manufacturing Limited by a special resolution passed on September 09, 2015. A fresh certificate of incorporation consequent to the change of name was granted to our Company on September 22, 2015, by the Registrar of Companies, Goa, Daman and Diu. The Company's Corporate Identity Number is U27201DD2009PLC004670 and its Registered Office is situated at 57/1, (4-B) Benslore Industrial Estate, Village Dunetha, Nani Daman, Daman – 396 210.

Our company Relicab Cable Manufacturing Pvt. Ltd. was incorporated in 2009 with an aim to corporatize the business of wires and cables manufacturing being carried out since 1999 in the name and style of M/s. Relicab Cable Corporation (Partnership concern). After receiving our certificate of incorporation, we have taken over the running business of this partnership concern through a business takeover agreement dated April 01, 2009.

Prior to 1999, our promoters were involved in their personal capacity in this business and have been using the 'Relicab' logo and trademarks since 1989.

Our Company is engaged in the business of manufacturing and marketing of PVC Compounds and Wires and Cables. For further details regarding our business operations, please see the chapter titled “ Our *Business*” beginning on page 91 of this Draft Prospectus

Our Company has Seven (7) shareholders, as on the date of this Draft Prospectus.

Major events in the history of Our Company:

FINANCIAL YEAR	MAJOR EVENT
2008 - 2009	Incorporation of Company
2009 - 2010	Takeover of the business along with all assets and liabilities from Relicab Cable Corporation (Partnership Firm)
2009 – 2010	Was inducted as part of the global data base of Dun & Bradstreet Information services
2014 – 2015	Tests Results after short time withstand current test from Electrical Research and Development Associate
2014 - 2015	Raw Material Assistance sanctioned from NSIC
2014 - 2015	Split of Equity share from ₹ 100 to ₹ 10 each.
2014 - 2015	Issue of Bonus Shares
2015 - 2016	Conversion of our Company into a Public Limited Company and change of name from Relicab Cable Manufacturing Pvt. Ltd. to Relicab Cable Manufacturing Ltd.

Main Objects

The main object of our Company is as follows:

To manufacture, PVC Cables, Specialised Copper Cables, Copper Cables, Copper Wires, Cable Products export, Import, assemble, deal, alter, repair, exchange, let on hire treat, prepare, in India or elsewhere all types of the cable wires pvc wires cable products electronic equipments including Radios, Record Chargers, Tape recorders, Videos, Video games, televisions, wireless sets, quartz, digital, analogue watches, gadgets, calculators, computers, electronic, copiers, counter equipments, electronic weighing machines and counters, Bakelite and plastic components, process control instrumentation, testing equipments and all kinds of cable components and copper wires electrical or electronic items.



Changes in Registered Office of our Company

Date of Change of Registered Office	Address
Incorporation	Since Incorporation our Registered office is situated at 57/1, (4-B) Benslore Industrial Estate, Village Dunetha, Nani Daman, Daman – 396 210.

Amendments to the Memorandum of Association

Dates on which some of the main clauses of the Memorandum of Association of our Company have been changed citing the details of amendment as under:

DATE	NATURE OF AMMENDMENT
May 15, 2009	Increase in Authorised Capital from ₹ 10,00,000 divided into 10,000 shares of ₹ 100/- each to ₹ 25,00,000 divided into 25,000 shares of ₹ 100
December 09, 2010	Increase in Authorised Capital from ₹ 25,00,000 divided into 25,000 shares of ₹ 100/- each to ₹ 1,00,00,000 divided into 1,00,000 shares of ₹ 100
February 09, 2015	Sub Division of the Face Value of the Equity Shares from ₹ 100 to ₹ 10 each.
February 09, 2015	Increase in Authorised Capital from ₹ 1,00,00,000 divided into 10,00,000 shares of ₹ 10/- each to ₹ 3,00,00,000 divided into 30,00,000 shares of ₹ 10
September 11, 2015	Increase in Authorised Capital from ₹ 3,00,00,000 divided into 30,00,000 shares of ₹ 10/- each to ₹ 5,00,00,000 divided into 50,00,000 shares of ₹ 10

Subsidiaries

As on the date of this Draft Prospectus, there are no subsidiaries of our Company.

Holding Company

As on the date of this Draft Prospectus, our Company does not have any holding company within the meaning of Companies Act, 1956.

Joint Ventures

As on the date of this Draft Prospectus, there are no joint ventures of our Company.

Shareholders' Agreement

There are no Shareholders' Agreements existing as on the date of this Draft Prospectus.

Acquisition of business / undertakings

No Acquisition of business / undertakings from the date of this Draft Prospectus except as mentioned below.

Our company Relicab Cable Manufacturing Pvt. Ltd. was incorporated in 2009 with an aim to corporatize the business of wires and cables manufacturing being carried out since 1999 in the name and style of M/s. Relicab Cable Corporation (Partnership concern). After receiving our certificate of incorporation, we have taken over the running business of this partnership concern through a business takeover agreement dated April 01, 2009. For further details please refer to "History and other corporate matters" beginning on page no 118 of this Draft Prospectus

Financial Partners

We do not have any financial partners as on the date of this Draft Prospectus.



Strategic Partners

We do not have any strategic partners as on the date of this Draft Prospectus.

Other Agreements

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement/contract as on the date of this Draft Prospectus.

Injunctions or restraining orders

There are no injunctions / restraining orders that have been passed against the company.

OUR MANAGEMENT

Board of Directors:

Our Company has five (5) Directors consisting of two (2) Executive Directors and three (3) Non-Executive Independent Directors. The following table sets forth the details of our Board of Directors as on the date of this Draft Prospectus:

Sr. No.	Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
1	<p>Mr. Suhir H. Shah <i>Chairman and Managing Director</i></p> <p>Address: Plot No- 133, BK No-2, Vaikunth Niwas, Sion (W), Mumbai- 400 022</p> <p>Date of appointment as Director: February 23, 2009</p> <p>Date of appointment as Managing Director: September 11, 2015</p> <p>Term: Appointed as Managing Director for a period of three years i.e. till September 10, 2018</p> <p>Occupation: Business</p> <p>DIN: 02420617</p>	Indian	55 years	<ul style="list-style-type: none"> • Divine Electricals Pvt Ltd. • Divine Cell Phones Pvt. Ltd.
2	<p>Mr. Parag J. Shah <i>Whole-Time Director</i></p> <p>Address: 37, Kailash Niwas No-2, 6th Floor, R.B. Mehta Road, Ghatkopar (E), Mumbai-400 077</p> <p>Date of appointment as Director: February 23, 2009</p> <p>Date of appointment as Whole-Time Director: September 11, 2015</p> <p>Term: Appointed as Managing Director for a period of three years i.e. till September 10, 2018</p> <p>Occupation: Business</p> <p>DIN: 02485384</p>	Indian	53 years	NIL
3	<p>Ms. Vijaya More <i>Non-Executive Independent Director</i></p> <p>Address: B/004, Devki Prem Bldg. Ayre Road Near Windsor Plaza, Dombivali, Mumbai-421 201</p> <p>Date of appointment as Non-Executive Independent Director: September 09, 2015</p> <p>Term: Appointed as Independent Director for a period of five years i.e. till September 08, 2020</p>	Indian	44 years	NIL

Sr. No.	Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
	Occupation: Consultant DIN: 07283800			
4	Mr. Mushtaque Khan <i>Non-Executive Independent Director</i> Address: Samaj Kalyan Society, R.C Marg, Islampura Vashinaka, Chembur, Mumbai- 400 074 Date of appointment as Non-Executive Independent Director: September 22, 2015 Term: Appointed as Independent Director for a period of five years i.e. till September 21, 2020 Occupation: Service DIN: 07295171	Indian	59 years	NIL
5	Mr. Rajesh Gor <i>Non-Executive Independent Director</i> Address: Motibaug Bungalow, Sion, Trombay Road, Opp R.K Studio, Chembur, Mumbai-411 071 Date of appointment as Non-Executive Independent Director: September 30, 2015 Term: Appointed as Independent Director for a period of five years i.e. till September 29, 2020 Occupation: Business DIN: 07302407	Indian	61 years	NIL

For further details on their qualification, experience etc., please see their respective biographies under the heading “*Brief Biographies*” below.

Other Notes:

- None of the Directors on our Board are related to each other.
- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.
- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

- None of the Directors is or was a director of any listed company which has been or was delisted from any recognised stock exchange in India during the term of their directorship in such company.

Brief Biographies of our Directors

- **Suhir H. Shah**

Mr Suhir Shah, age 55, is the Managing Director of our company; He holds a bachelor's degree in Commerce. He has over 34 years of experience. He started his career at the early age of 19. During the initial days of his career Mr. Suhir Shah started Acme Industrial Corporation, herein providing chemical and oils bulk storage facility to other corporates. During this stage Mr. Suhir Shah developed industrial acumen & knowledge of Cables & Wires industry started his own wires & cables manufacturing business in the year 1999 with the name Reliance Cable Corporation. Later the name was changed to Relicab Cable Manufacturing Pvt. Ltd.

- **Parag J. Shah**

Mr Parag Shah, age 53, is the Whole Time Director of our company; He holds a bachelor's degree in Electronics from University of Mysore. He has over 25 years of experience in the Cables and Wires Industry. and has been a founding member of our Organization since 1999.

- **Vijaya More**

Ms. Vijaya More, aged 44, is the Non executive Independent Director of our Company; She holds a bachelor's degree in commerce from Mumbai university. She started her career as Accounts Executive at Bright Star Silk Industries. Later She Joined Relicab Cable Manufacturing Pvt. Ltd. as Accounts Manager. She resigned from the company in the year 2009 and since then she is working as a freelancer Accounts Consultant. In the year 2015 she was appointed as the Independent Director of the Company.

- **Mushtaque Khan**

Mr. Mushtaque Khan, aged 59, is the Non executive Independent Director of our Company.. He has over 35 years of experience in various feilds. During the initial days of his career he worked in Iraq at a refinery as the H.R. for the security department. He also worked at a Steel Plant for a decade in Saudi Arabia. He came back to India in the year 1991 and worked as a freelance journalist. In the year 2000 he started his own press and publishes a weekly news paper in Mumbai in the name "Jagat Prahari".

- **Rajesh Gor**

Mr. Rajesh Gor, aged 61, is the Non Executive Independent Director of our Company; he holds a diploma in Interior Designing. He started his career with M/s Das & Co. as the Assistant accountant. Later he joined Mek Engineering Private Limited as the Executive Manager. He has been an entrepreneur for almost 35 years venturing into various creative fields.

BORROWING POWERS OF OUR BOARD OF DIRECTORS

Our Company at its Extra-Ordinary General Meeting held on September 11, 2015 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deem fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed ₹ 1,000.00 lakhs.

REMUNERATION OF DIRECTORS

The remuneration paid to Mr Suhir H. Shah and Mr Parag J. Shah in the Financial Year 2014-15 was ₹ 3.07 lakhs and ₹ 4.20 lakhs respectively.

Further pursuant to a Shareholders resolution dated September 11, 2015, Mr Suhir H. Shah was re-designated as the Chairman and Managing Director for a period of 3 years. Pursuant to a Shareholder's resolution dated September 11, 2015, Mr Parag J. Shah was re-designated as the Whole-Time Director of our Company for a period of 3 years. Both are entitled to remuneration (excluding gratuity and compensated absences) of ₹ 24 lakhs each per annum, subject to overall limit laid down in section 197 of The Companies Act, 2013.

▪ Compensation of Non-Executive Independent Directors

The Board of Directors have accorded their approval for payment of sitting fee, in their meeting held on October 01, 2015, whereby the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹ 2,500 for attending every meeting of Board or its committee thereof.

Remuneration paid to our Non-Executive Independent Directors in Fiscal 2015: Nil

Shareholding of Directors

The following table sets forth the shareholding of our Directors as on the date of this Draft Prospectus:

Name of Directors	No. of Equity Shares held	% of Pre-Issue Paid Up Capital
Mr. Suhir H. Shah	11,71,354	39.38%
Mr. Parag J. Shah	18,03,150	60.62%
TOTAL	29,74,504	99.99%

Interest of the Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this chapter titled “*Our Management*” and the chapter titled “*Related Party Transactions*” beginning on page nos. 121 and 157 of this Draft Prospectus respectively, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company within two years of the date of this Draft Prospectus. Our Company has not taken any property on lease from our Promoters within two years of the date of this Draft Prospectus.

Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

Sr. No.	Name of Director	Date of Change	Reason for change
1	Mr. Suhir H. Shah	September 11, 2015	Change in Designation
2	Mr. Parag J. Shah	September 11, 2015	Change in Designation
3	Ms. Vijaya More	September 09, 2015	Appointment
4	Mr. Mustaque Khan	September 22, 2015	Appointment
5	Mr. Rajesh Gor	September 30, 2015	Appointment

Corporate Governance

The provisions of the SME Equity listing agreement, to be entered into by our Company with the Stock Exchange, will be applicable to our Company immediately upon the listing of our Equity Shares with the Stock Exchange. We have complied in accordance with Clause 52 (as applicable) of the SME Equity listing agreement, particularly in relation to appointment of Independent Directors to our Board and constitution of an Audit committee, a Stakeholder's Relationship Committee and a Nomination and Remuneration Committee.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 52 of the SME Equity listing agreement. In addition, our Company intends to adopt a code of conduct for prevention of insider trading.

We have constituted the following committees of our Board of Directors for compliance with corporate governance requirements:

1. Audit Committee
2. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee

1. Audit Committee

The Audit Committee of our Board was reconstituted by our Directors by a board resolution dated October 01, 2015 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Rajesh Gor	Non-Executive Independent Director	Chairman
Ms. Vijaya More	Non-Executive Independent Director	Member
Mr. Suhir H. Shah	Managing Director	Member

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

- a) Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) 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.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

-
- 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
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) 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.
- n) Discussion with internal auditors any significant findings and follow up there on.
- o) 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.
- p) 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.
- q) 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.
- r) To review the functioning of the Whistle Blower mechanism.
- s) 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.
- t) 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.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

The Audit Committee enjoys 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
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Company Secretary of the Company acts as the Secretary to the Committee.

Meeting of Audit Committee

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. Since the formation of the committee, no Audit Committee meetings have taken place.

2. Stakeholder's Relationship Committee

The Shareholder and Investor Grievance Committee of our Board were reconstituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated October 01, 2015. The Shareholder and Investor Grievance Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Ms. Vijaya More	Non-Executive Independent Director	Chairman
Mr. Mushtaque Khan	Non-Executive Independent Director	Member
Mr. Parag J. Shah	Whole Time Director	Member

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- a) Allotment and listing of our shares in future
- b) Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- c) Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/transmission of shares and debentures;
- d) Reference to statutory and regulatory authorities regarding investor grievances;
- e) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- f) And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Company Secretary of our Company acts as the Secretary to the Committee.

Quorum and Meetings

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was reconstituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated October 01, 2015.

The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Mushtaque Khan	Non-Executive Independent Director	Chairman
Mr. Rajesh Gor	Non-Executive Independent Director	Member
Ms. Vijaya More	Non-Executive Independent Director	Member

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

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity

- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report

Quorum and Meetings

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

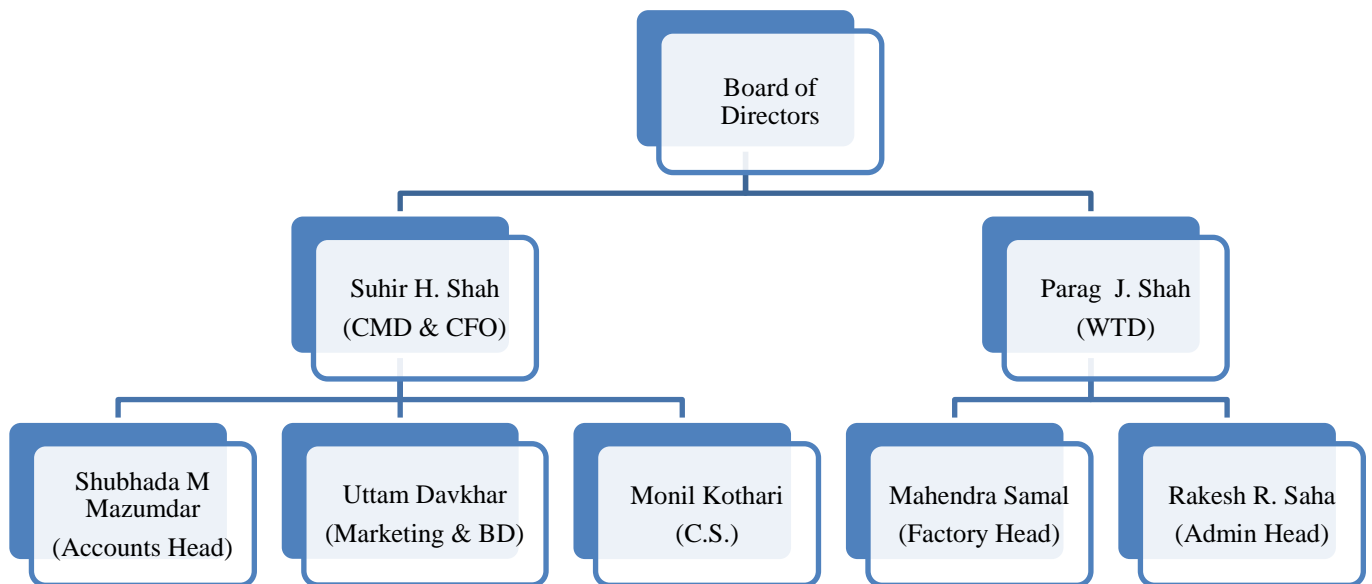
The Company Secretary of our Company acts as the Secretary to the Committee.

Policy on Disclosures & Internal procedure for prevention of Insider Trading

The provisions of Regulation 8 and 9 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 Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue.

Mr. Monil Kothari is 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.

Management Organisation Structure



Terms & Abbreviations

CMD	-	Chairman and Managing Director
CFO	-	Chief Finance Officer
WTD	-	Whole-Time Director
BD	-	Business Development
CS	-	Company Secretary

Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Joining	Current C.T.C p.a. (₹ in lakhs)	Qualification	Name of Previous Employer(s)	Total years of Experience
Shubhada M. Mazumdar	Accounts Head	Since Incorporation	3.00	B.Com	• Acme Industrial Corporation	34Years
Uttam Davkhar	Marketing & Business development	Since Incorporation	2.62	Undergraduate	• Empire Electronics Corporation	29 years
Mahendra Samal	Factory Head	Since Incorporation	3.18	B.com	N.A.	18 Years
Rakesh R. Saha	Administration Head	April 15, 1998	3.12	B.Sc	• M/s Indo Plast pvt. Ltd. • M/s Kushal Packaging pvt. Ltd.	19 Years
Monil Kothari	C.S.	September 22, 2015	2.70	B.Com, C.S	• Intern at Mahindra & Mahindra Ltd.	NIL

Note: Mr. Suhir H. Shah is CFO of our Company, for complete details, please refer the chapter titled “Our Management on page no. 121 of this Draft Prospectus

Other Notes –

The aforementioned KMP are on the payrolls of our Company as permanent employees.

Also, they are not related parties as per the Accounting Standard 18.

Relationship amongst the Key Managerial Personnel

None of the aforementioned KMP are related to each other.

Also, none of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

Shareholding of Key Managerial Personnel

Except for Mr. Suhir Shah who is also the Chairman & Managing Director of our Company. None of the KMP in our Company holds any shares of our Company 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 remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to / in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

Bonus or Profit Sharing Plan for the Key Managerial Personnel during the last three years

Our Company does not have fixed bonus / profit sharing plan for any of the employees or key managerial personnel.

Loans taken by Key Management Personnel

None of our Key Managerial Personnel have taken any loan from our Company.

Employee Share Purchase and Employee Stock Option Scheme

Presently, we do not have ESOP / ESPS scheme for employees.

Payment or Benefit to our Officers

Except for the payment of salaries and yearly bonus, if any, we do not provide any other benefits to our employees.

Changes in the Key Managerial Personnel in the three years preceding the date of filing this Draft Prospectus



Name	Current Designation	Date of Joining
Mr Monil Kothari	Company Secretary	September 22, 2015
Mr Suhir H. Shah	Chief Finance Officer	September 22, 2015

OUR PROMOTER, PROMOTER GROUP AND GROUP COMPANIES

OUR PROMOTERS

Mr. Suhir H. Shah and Mr. Parag J. Shah are the Promoters of our Company.

The details of our Promoters are provided below:

	Mr. Suhir H. Shah
	PAN: AAGPS6818Q
	Passport No.: E7398680
	Driver's License No.: 79/C/17802
	Name of Bank & Branch: Union Bank of India
	Bank A/c No.: 317702010029025
	Mr. Parag J. Shah
	PAN: AAPPS1925H
	Passport No.: F4530218
	Driver's License No.: MH03 20080024993
	Name of Bank & Branch: Union Bank of India
	Bank A/c No.: 317702010011431

For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past, please see the chapter titled "Our Management" beginning on page no 121 of this Draft Prospectus and "Our Promoter Group and Group Companies" on page no. 132 of this Draft Prospectus.

For details of the build-up of our Promoters shareholding in our Company, please see "Capital Structure –Notes to Capital Structure" on page no 52 of this Draft Prospectus.

Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Interests of Promoters

None of our Promoters / Directors have any interest in our Company except to the extent of compensation payable / paid and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see



the chapters titled “*Capital Structure*”, “*Our Promoters, Promoter Group and Group Companies*” and “*Our Management*” beginning on page nos. 51,132 and 121 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

Common Pursuits of Promoters and Group Companies

None of our Group Companies are currently involved in the manufacturing or trading of products similar to ours.

Our Company has not adopted any measures for mitigating such conflict situations. For further details on the related party transactions, to the extent of which our Company is involved, please see “*Annexure XXI – Statement of Related Party Transactions*” on page no 157 of this Draft Prospectus.

Companies with which the Promoter has disassociated in the last three years

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus.

Payment of Amounts or Benefits to the Promoters or Promoter Group during the last two years

Except as stated in “*Annexure XXI – Statement of Related Party Transactions*” on page no 157 of this Draft Prospectus, there has been no payment of benefits to our Promoters during the two years preceding the date of the Draft Prospectus.

Interest of Promoters in the Promotion of our Company

Our Company is currently promoted by the promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

Interest of Promoters in the Property of our Company

Except as stated otherwise in this Draft Prospectus, our Promoters do not have any other interest in any property acquired by our Company within two years preceding the date of this Draft Prospectus. *Please refer “Objects of the Issue” and “Our Business” beginning on page nos. 62 and 91 respectively of this Draft Prospectus for further details.*

Interest of Promoters in our Company other than as Promoters

Other than as Promoters, our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. For details please see chapters titled “*Our Management*” and “*Capital Structure*” beginning on page nos. 121 and 51 respectively of this Draft Prospectus.

Except as mentioned in this section and the chapters titled “*Capital Structure*”, “*Our Business*”, “*History and Certain Corporate matters*” and “*Annexure XXI – Statement of Related Party Transactions*” on page nos. 51, 91, 118 and 157 of this Draft Prospectus, respectively, our Promoters do not have any interest in our Company other than as promoters.

Related Party Transactions

Except as stated in the “Annexure XXI Statement of Related Party Transactions” on page no 157 of this Draft Prospectus, our Company has not entered into related party transactions with our Promoters or our Group Companies.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled “Capital Structure – Notes to Capital Structure” beginning on page no 52 of this Draft Prospectus.

Other Confirmations

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the “Annexure XXI – Statement of Related Party Transactions” on page no 157 of this Draft Prospectus.

Outstanding Litigation

There is no outstanding litigation against our Promoters except as disclosed in the section titled “Risk Factors” and chapter titled “Outstanding Litigation and Material Developments” beginning on page no 11 and 177 of this Draft Prospectus.

OUR PROMOTER GROUP AND GROUP COMPANIES

Apart from our Promoters, as per Regulation 2(1)(zb) of the SEBI (ICDR) Regulation, 2009, the following individuals and entities shall form part of our Promoter Group:

A. Natural Persons who are Part of the Promoter Group

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Suhir H. Shah	Hiralal H. Shah	Father
	Sulhadra H. Shah	Mother
	Rupa Shah	Wife
	Gajim Shah	Brother(s)
	Nivish Shah	Son(s)
	Rusha Kapasi	Daughter(s)
	Chinulal C. Shah	Wife's Father
	Induben C. Shah	Wife's Mother
	Sarojben C. Shah	Wife's Mother- Step Mother
	1) Dushyant C. Shah 2) Amish C. Shah - step brother 3)Sheetal C. Shah- step brother	Wife's Brother(s)
	Mala C. Shah	Wife's Sister(s)
Parag J. Shah	Jayantilal M. Shah	Father
	Indira J. Shah	Mother
	Harsha P. Shah	Wife

Name of the Promoter	Name of the Relative	Relationship with the Promoter
	Snehal Shah	Brother(s)
	Sita H. Dholakia	Sister(s)
	Shyamal P. Shah	Son(s)
	Suhaim P. Shah	Daughter(s)
	Lalji Hirji Shah	Wife's Father
	Chanchal L. Shah	Wife's Mother
	Umesh L. Shah	Wife's Brother(s)

B. Companies / Corporate Entities forming part of the Promoter Group

As per Regulation 2(1)(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following Companies / Trusts / Partnership firms / HUFs or Sole Proprietorships shall form part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity
1	Divine Cell Phones Private Limited.
2	Divine Electricals Private Limited.
3	Reliance Cable Corporation (Partnership firm)
4	Parag J. Shah HUF ⁽¹⁾
5	Suhir H. Shah HUF ⁽²⁾

⁽¹⁾Mr. Parag J. Shah is the "Karta" of M/s. Parag J. Shah HUF

⁽²⁾Mr. Suhir H. Shah is the "Karta" of M/s. Suhir H. Shah HUF.

C. Group Companies / Entities

The Group Companies of our Company are as follows:

Sr. No.	Name of Promoter Group Entity
1	Divine Cell Phones Private Limited.
2	Divine Electricals Private Limited.
3	Reliance Cable Corporation (Partnership firm)

Our Group Companies

The details of our Group Companies (based on turnover) are set forth below:

1. Divine Cell Phones Private Limited (herein after known as ("DCPPL"))

Corporate Information

DCPPL was incorporated under the Companies Act, 1956 as Divine Cell Phones Private Limited on March 30, 2010 in the state of Daman and Diu.

1. The main object of DCPPL is to take over and acquire the running business of M/s. Divine Cell Phones, Divine Infocom and Divine, Dmc 1-46/b Vikas Arcade, K. K Road, Opp. Police station, Nani Daman, Daman and Diu - 396210 together with assets and liabilities, tangible and intangible rights, licenses, patents, trademark etc on such consideration as may be mutually agreed upon and on take over firm shall stand dissolved.



2. To be the Dealers Traders and Stockiest of all the brands in cell phones and service and care centre for all the brands of cell phones and export, import, assemble, deal, alter, repair, exchange, let on hire, treat, prepare, in india or elsewhere all types of cell phones and accessories and testing equipments.

Its registered office is situated at Dmc 1-46/b Vikas Arcade, K. K Road, Opp. Police station, Nani Daman, Daman and Diu -396210

Board of Directors

- Suhir H. Shah
- Rupa S. Shah

Interests of our Promoters

Our promoters and promoters group hold 100% equity shares of this company.

Shareholding Pattern

Shareholder name	No. of shares	% of total holding
Suhir H Shah	40,005	50.00%
Rupa Shah	40,004	50.00%
Suhir Shah(HUF)	1	0.00%
Total	80,010	100.00%

Financial Information

The brief financial details of DCPPL derived from its audited financial statements, for Fiscals 2014, 2013 and 2012 are set forth below:

(N in lakhs)

Particulars	As at March 31		
	2014	2013	2012
Equity Capital	80.01	80.01	80.01
Reserves and Surplus (excluding revaluation reserve)	17.76	17.10	17.67
Income including other income	2672.74	2323.76	251.43
Profit/ (Loss) after tax	9.64	4.84	11.68
Earnings per share (face value of N 10 each) (in N)	1.20	0.41	1.46
Net asset value per share	67.22	62.25	50.88

Other Disclosures:

The Equity Shares of DCPPL are not listed on any Stock Exchange.

DCPPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, DCPPL does not have a negative net-worth in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

1. Divine Electricals Private Limited (herein after known as (“DEPL”))

Corporate Information

DEPL was incorporated under the Companies Act, 1956 as Divine Electricals Private Limited on February 16, 1993 in the state of Maharashtra.



The main object of DEPL is to carry on the business of manufacturing, fabricating, converting, installing, erecting assembling, improving, buying, selling, cleaning, exporting, importing, distributing and/or deal in electrical equipment's, articles, appliances, implements and accessories.

Its registered office is situated at 2/33, Vaikunath Niwas Rd. No 24, Sion (West), Mumbai-400022

Board of Directors

- Suhir H. Shah
- Indira J. Shah

Interests of our Promoters

Our promoters and promoters group hold 100% equity shares of this company

Shareholding Pattern

Shareholder name	No. of shares	% of total holding
Suhir H. Shah	12,500	25%
Rupa S. Shah	12,500	25%
Indira J. Shah	12,500	25%
Jayantilal Shah	12,500	25%
Total	50,000	100.00%

Financial Information

The brief financial details of DEPL derived from its audited financial statements, for Fiscals 2015, 2014 and 2013 are set forth below:

(N in lakhs)

Particulars	As at March 31		
	2015	2014	2013
Equity Capital	5.00	5.00	5.00
Reserves and Surplus (excluding revaluation reserve)	(3.47)	(3.32)	(3.20)
Income including other income	0.00	0.00	0.00
Profit/ (Loss) after tax	(0.14)	(0.12)	(0.06)
Earnings per share (face value of N 10 each) (in N)	(0.30)	(0.23)	(0.11)
Net asset value per share	3.05	3.35	3.58

Other Disclosures:

The Equity Shares of DEPL are not listed on any Stock Exchange.

DEPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, DEPL does not have a negative net-worth in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

PARTNERSHIP FIRMS

Reliance Cable Corporation

Reliance Cable Corporation is the partnership firm of Mr. Suhir H. Shah & Mr. Parag J. Shah, a partnership Agreement dated July 31, 1999 was signed between Mr. Parag J. Shah & Mr. Suhir H. Shah. The entity commenced its business from August 1, 1999.

Holding of Partners

Name of Partners	% of Holding
Mr. Parag J. Shah	50%
Mr. Suhir H. Shah	50%

Financial Information

(N in lakhs)

Particulars	As at March 31		
	2015	2014	2013
Capital	0.50	0.50	0.50
Income	3.60	3.60	3.60
Profit/(Loss)	1.41	1.16	0.88

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

a) In the promotion of the Company

None of the Group Companies have any interest in the promotion of the Company, except to the extent of their shareholding in the Company, if any. For details regarding the shareholding of our Group Companies in our company, please see the chapter titled “*Capital Structure*” beginning on page no 51 of this Draft Prospectus.

b) In the properties acquired or proposed to be acquired by the Company in the past two years

Our Company has not acquired any property from the Group Companies in the past two years nor does it propose to acquire any properties from its Group Companies.

c) In transactions for acquisition of land, construction of building and supply of machinery

None of the Group Companies have any interest in any transactions for acquisition of land, construction of building and supply of machinery by our Company.

Related Business Transactions within the Group Companies and Significance on the Financial Performance of the Company

For details, please see “*Annexure XXI - Related Party Transactions*” on page no 157 of this Draft Prospectus.

Business Interest of Group Companies in the Company

Except as disclosed in “*Annexure XXI - Related Party Transactions*” and the chapter titled “*Our Business*” on page nos. 157 and 91 respectively of this Draft Prospectus, none of the Group Companies have any business interest in our Company.

Further, none of our Group Companies or Entities are currently engaged in a business similar to ours.

Sale / Purchase between Group Companies

For details, please see the chapter titled “*Annexure XXI - Related Party Transactions*” on page no 157 of this Draft Prospectus.

CURRENCY OF PRESENTATION

In this Draft Prospectus, unless the context otherwise requires, all references to the word “Lakh” or “Lac”, means “One hundred thousand” and the word “million” means “Ten lakhs” and the word “Crore” means “ten million” and the word “billion” means “One thousand million” and the word “trillion” means “One thousand billion”. Throughout this Draft Prospectus, all the figures have been expressed in lakhs of Rupees, except when stated otherwise.

In this Draft Prospectus, all references to “Rupees” and “Rs.” and “Indian Rupees” and “₹” are to the legal currency of the Republic of India; all references to “U.S. Dollars” and “US\$” are to legal currency of the United States.

In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.



DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.



SECTION VI - FINANCIAL INFORMATION

FINANCIAL STATEMENT

REPORT OF THE INDEPENDENT AUDITORS ON FINANCIAL STATEMENTS

To,
The Board of Directors,
Relicab Cable Manufacturing Ltd
57/1 (4-B), Benslore Industrial Estate,
Village Dunetha, Nani Daman,
Daman & Diu - 396210

Dear Sirs,

Re.: Proposed Public Issue of Equity Shares of Relicab Cable Manufacturing Limited

1. We have examined the attached Restated Summary Statement of Assets and Liabilities of **Relicab Cable Manufacturing Ltd.**, (hereinafter referred to as “**the Company**”) as at June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011, Restated Summary Statement of Profit and Loss and Restated Summary Statement of Cash Flow for the period / financial year ended on June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 (collectively referred to as the “**Restated Summary Statements**” or “**Restated Financial Statements**”) annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) on SME Platform of BSE Limited (“**BSE**”).
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Part I of Chapter III to the Companies Act, 2013 (“**the Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (“**ICDR Regulations**”) issued by the Securities and Exchange Board of India (“**SEBI**”) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
3. We have examined such Restated Financial Statements taking into consideration:
 - (i) The terms of reference to our engagements with the Company letter dated 1st October, 2015 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited (“**IPO**” or “**SME IPO**”); and
 - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”).
4. The Restated Financial Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period / year ended on June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 which have been approved by the Board of Directors.
5. In accordance with the requirements of the Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The “**Restated Statement of Asset and Liabilities**” as set out in **Annexure I** to this report, of the Company as at June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Asset and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial

- statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- (ii) The “**Restated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the period / financial year ended on June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - (iii) The “**Restated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the period / financial year ended on June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.
6. Based on our examination and audited financial statements, we report that the Restated Financial Statements have been made after incorporating:
- a) Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
 - b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - d) There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the period / financial year ended on June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 which would require adjustments in this Restated Financial Statements of the Company.
 - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.
 - f) There are no revaluation reserves, which needed to e disclosed separately in the Restated Financial Statements in the respective financial years.
7. Audit for the period / financial year ended on June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 was conducted by M/s. D. K. Vora & Co., Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the period / financial year ended on June 30, 2015 and March 31, 2015 have been reaudited by us as per the relevant guidelines.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period / financial year ended on June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

Annexure of Restated Financial Statements of the Company:-

- i. Summary Statement of Assets and Liabilities, as restated as ANNEXURE I;
 - ii. Summary Statement of Profit and Loss, as restated as ANNEXURE II;
 - iii. Summary Statement of Cash Flow, as restated as ANNEXURE III;
 - iv. Significant Accounting Policies in ANNEXURE IV;
 - v. Details of Details of Share Capital as Restated as appearing in ANNEXURE V to this report;
 - vi. Details of Reserves and Surplus as Restated as appearing in ANNEXURE VI to this report;
 - vii. Details of Long Term Borrowings as Restated as appearing in ANNEXURE VII to this report;
 - viii. Details of Short Term Borrowings as Restated as appearing in ANNEXURE VIII to this report;
 - ix. Details of Trade Payables as Restated as appearing in ANNEXURE IX to this report;
 - x. Details of Other Current Liabilities as Restated as appearing in ANNEXURE X to this report;
 - xi. Details of Short Term Provisions as Restated as appearing in ANNEXURE XI to this report;
 - xii. Details of Non-Current Investments as Restated as appearing in ANNEXURE XII to this report;
 - xiii. Details of Other Non-Current Assets as Restated as appearing in ANNEXURE XIII to this report;
 - xiv. Details of Current Investments as Restated as appearing in ANNEXURE XIV to this report;
 - xv. Details of Trade Receivables as Restated as appearing in ANNEXURE XV to this report;
 - xvi. Details of Inventories as Restated as appearing in ANNEXURE XVI to this report;
 - xvii. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE XVII to this report;
 - xviii. Details of Other Current Assets as Restated as appearing in ANNEXURE XVIII to this report;
 - xix. Details of Contingent Liabilities as Restated as appearing in ANNEXURE XIX to this report;
 - xx. Details of Other Income as Restated as appearing in ANNEXURE XX to this report;
 - xxi. Details of Related Parties Transactions as Restated as appearing in ANNEXURE XXI to this report;
 - xxii. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXII to this report;
 - xxiii. Capitalization Statement as Restated as at June 30, 2015 as appearing in ANNEXURE XXIII to this report;
 - xxiv. Statement of Tax Shelters as Restated as appearing in ANNEXURE XXIV to this report;
9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. In our opinion, the above financial information contained in Annexure I to XXII of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, SEBI ICDR Regulations, Engagement Letter and Guidance Note.
12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

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

(CA Bankim Jain)
Partner
Membership No.139447

Mumbai, October 16, 2015

Annexure I - STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹. In lakhs)

Particulars	For the period ended June 30, 2015	As at March 31,				
		2015	2014	2013	2012	2011
EQUITY AND LIABILITIES						
Shareholders' Funds						
a. Share Capital	297.45	297.45	100.00	100.00	100.00	50.00
b. Reserves & Surplus	18.41	15.13	25.67	20.14	16.79	9.75
Share Application Money Pending Allotment	-	-	-	-	-	-
Non Current Liabilities						
a. Long Term Borrowings	-	-	121.41	96.28	83.36	102.02
Current Liabilities						
a. Short Term Borrowings	351.76	322.78	356.48	296.60	259.77	250.93
b. Trade Payables	510.51	434.97	318.53	431.36	331.53	462.86
c. Other Current Liabilities	40.46	37.20	38.05	39.96	31.88	27.98
d. Short Term Provisions	4.57	2.76	0.00	0.00	2.16	1.80
TOTAL	1,223.16	1,110.28	960.14	984.33	825.50	905.34
ASSETS						
Non-Current Assets						
a. Fixed Assets						
i. Tangible Assets	94.74	93.29	86.65	88.58	82.65	81.08
Less: Accumulated Depreciation	57.53	55.46	44.53	39.44	31.25	21.97
Net Block	37.21	37.84	42.12	49.14	51.40	59.11
b. Deferred Tax Assets (Net)	1.20	1.50	0.37	0.21	0.33	0.19
c. Non-current Investments	34.36	32.29	21.68	8.27	-	-
d. Other Non-Current Assets	24.49	13.02	8.80	4.87	9.60	-
Current Assets						
a. Current Investment	-	-	12.50	12.50	-	-
b. Inventories	585.27	582.51	490.03	480.55	359.92	329.15
c. Trade Receivables	387.60	286.58	269.21	269.70	296.10	391.08
d. Cash and Cash Equivalents	97.22	93.33	82.79	90.99	85.07	75.04
e. Short Term Loans & Advances	55.81	63.20	32.64	67.52	22.51	49.03
f. Other Current Assets	-	-	-	0.58	0.58	1.73
TOTAL	1,223.16	1,110.28	960.14	984.33	825.50	905.34

Annexure II - STATEMENT OF PROFIT AND LOSS AS RESTATED

(₹In lakhs)

Particulars	For the period ended June 30, 2015	For the year ended March 31,				
		2015	2014	2013	2012	2011
INCOME						
Revenue from Operations	375.22	1,183.68	1,109.30	1,197.17	1,576.59	1,556.51
Other Income	2.81	10.38	5.48	4.59	7.02	8.20
Total Income (A)	378.04	1,194.06	1,114.78	1,201.77	1,583.61	1,564.71
EXPENDITURE						
Cost of materials consumed	305.36	1,007.37	934.48	1,115.80	1,373.72	1,372.48
Changes in inventories of finished goods, traded goods and work-in-progress	(5.23)	(107.97)	(49.08)	(146.04)	(17.51)	(3.85)
Employee benefit expenses	20.72	73.09	65.14	72.62	67.74	63.14
Finance costs	23.32	112.67	101.00	88.40	82.61	69.09
Depreciation and amortisation expense	2.07	10.36	7.36	8.19	9.28	10.97
Other Expenses	26.40	80.22	48.10	57.78	57.59	47.18
Total Expenses (B)	372.65	1,175.75	1,107.00	1,196.76	1,573.43	1,559.01
Profit before extraordinary items and tax	5.39	18.32	7.78	5.01	10.19	5.70
Extraordinary items	-	-	-	-	-	(0.52)
Profit before tax	5.39	18.32	7.78	5.01	10.19	5.18
<i>Tax expense :</i>	-	-	-	-	-	-
(i) Current tax	1.81	5.42	2.41	1.55	3.29	1.80
(ii) Deferred tax	0.30	(1.13)	(0.16)	0.11	(0.14)	(0.20)
Total Tax Expense	2.11	4.29	2.25	1.66	3.15	1.60
Profit for the year (D-E)	3.28	14.02	5.53	3.35	7.04	3.58

Annexure III - STATEMENT OF CASH FLOW AS RESTATED

(₹. In lakhs)

Particulars	For the period ended June 30, 2015	For the year ended March 31,				
		2015	2014	2013	2012	2011
Cash flow from operating activities:						
Net Profit before tax as per Profit And Loss A/c	5.39	18.32	7.78	5.01	10.19	5.70
Adjusted for:	-	-	-	-	-	-
Preliminary Expenses w/off	-	-	0.58	0.58	0.58	0.58
Loss on Sale of Fixed Asset	-	-	0.50	-	-	-
Profit on sale of Mutual Fund	-	(2.57)	-	-	-	-
Depreciation & Amortisation	2.07	10.36	7.36	8.19	9.28	10.97
Interest & Finance Cost	23.32	112.67	101.00	88.40	82.61	69.09
Interest income	(2.81)	(7.81)	(5.48)	(4.59)	(7.02)	(3.49)
Operating Profit Before Working Capital Changes	27.97	130.97	111.73	97.59	95.63	82.84
Adjusted for (Increase)/ Decrease:						
Trade Receivables	(101.02)	(17.38)	0.50	26.40	94.98	85.27
Inventories	(2.76)	(92.48)	(9.48)	(120.63)	(30.76)	(53.72)
Short Term Loans and Advances	7.39	(31.39)	35.31	(47.11)	27.16	17.10
Trade payables	75.55	116.44	(112.83)	99.83	(131.32)	106.90
Current Liabilities	3.26	(0.86)	(1.90)	8.07	3.90	5.83
Other Non-Current Assets	(11.47)	(4.22)	(3.93)	4.15	(9.02)	-
Cash Generated From Operations Before Extra-Ordinary Items	(1.08)	101.09	19.38	68.30	50.57	244.22
Add:- Extra-Ordinary Items	-	-	-	-	-	-
Cash Generated From Operations	(1.08)	101.09	19.38	68.30	50.57	244.22
Direct Tax Paid	-	(1.84)	(2.84)	(1.60)	(3.57)	(2.10)
Net Cash Flow from/(used in) Operating Activities: (A)	(1.08)	99.25	16.55	66.70	47.00	242.12
Cash Flow From Investing Activities:						
Purchase of Fixed Assets	(1.44)	(6.65)	(1.43)	(5.93)	(1.57)	(2.26)
Sale of fixed asset	-	-	0.60	-	-	-
Profit on Sale of Mutual Fund	-	2.57	-	-	-	-
Investment/Redemption of Mutual Fund	-	12.50	-	(12.50)	-	-
Investment in Recurring Deposit	(2.06)	(10.61)	(13.41)	(8.27)	-	-
Interest Income	2.81	7.81	5.48	4.59	7.02	3.49
Net Cash Flow from/(used in) Investing Activities: (B)	(0.69)	5.62	(8.76)	(22.11)	5.46	1.24
Cash Flow from Financing Activities:						
Proceeds From Share Capital	-	173.45	-	-	50.00	-
Increase/(Decrease) Long Term Borrowing	(0.00)	(121.41)	25.13	12.91	(18.66)	(167.46)
Increase/ (Decrease) in Short Term Borrowing	28.98	(33.71)	59.89	36.82	8.84	15.00
Interest & Financial Charges	(23.32)	(112.67)	(101.00)	(88.40)	(82.61)	(69.09)
Net Cash Flow from/(used in) Financing Activities (C)	5.66	(94.33)	(15.98)	(38.67)	(42.43)	(221.54)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	3.89	10.54	(8.20)	5.92	10.03	21.82
Cash & Cash Equivalents As At Beginning of the Year	93.33	82.79	90.99	85.07	75.04	53.22
Cash & Cash Equivalents As At End of the Year	97.22	93.33	82.79	90.99	85.07	75.04

ANNEXURE – IV

RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

A. CORPORATE INFORMATION

The Company was incorporated as Relicab Cable Manufacturing Private Limited in 2009 in Daman & Diu. The Company is into the business line of manufacturing of wires and cables.

B. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 and the related restated summary statement of profits and loss and cash flows for the period / years ended June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 (herein collectively referred to as ('Restated Summary Statements')) have been compiled by the management from the audited financial statements of the Company for the period /years ended on June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011, approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of Restated Summary Statements.

2. Use of Estimates:

The preparation of restated financial statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Current and non-current classification:

All the Assets and Liabilities have been classified as current and non-current based on the normal operating cycle of the Company and other criteria laid down in Schedule III of the Companies Act, 2013. Based on the nature of products / services, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

4. Revenue Recognition :

Revenue from the sale of goods are recognized when significant risks and rewards of ownership which generally coincides with the dispatch / delivery of goods. Revenue from labour job is recognized on the basis of execution of job.

5. Fixed Assets and Depreciation

Fixed assets are carried at cost of acquisition or construction, less accumulated depreciation and impairment loss, if any. All Cost including any cost attributable in brining the assets to their working condition for their intended use is capitalized. Expenditure on additions, improvement and renewable is capitalized.

Depreciation on fixed assets is calculated on written down value basis using the rates arrived at based on the useful life of the assets prescribed under Schedule II of the Companies Act, 2013 for the period / year ended on June 30,

2015 and March 31, 2015. For the year ended on March 31, 2014, 2013, 2012 and 2011 depreciation has been charged on written down value basis using the rates prescribed under Schedule XIV of the Companies Act, 1956.

6. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

7. Valuation of Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current Investments are carried at the lower of cost or quoted / fair value computed scrip wise, Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

8. Valuation of Inventories:

Cost of inventory includes all cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

Raw Material, Work in Progress and Finished Goods are valued at Cost or Net Realisable Value whichever is lower.

9. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of profit and loss.

10. Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss in the year in which actual payment is made to the employee.

11. Provision for Current Tax and Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from the timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in the future.

12. Contingent Liabilities / Provisions:

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

Provision is made in the accounts in respect of contingent liabilities which is likely to materialize into liabilities after the year end, till the finalization of accounts and which have material effect on the position stated in the Balance Sheet.

13. Earning Per Share:

Basic earning per share is computed by dividing the net profit for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

14. Foreign Currency Transactions:

Foreign Currency Transactions are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currencies at the year end are adjusted at the year end exchange rates. Any gain or loss arising on account of exchange difference either on settlement or no translation is recognized in the Statement of Profit and Loss except in case of Long Term Liabilities.

RECONCILIATION OF RESTATED PROFITS

(₹. In lakhs)

Adjustments for	June 30, 2015	2014-15	2013-14	2012-13	2011-12	2010-11
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	3.72	12.93	4.96	4.32	6.76	3.10
Adjustments for:						
Change in depreciation	-	-	0.36	(1.32)	(0.06)	0.23
Deferred Tax Liability / Asset Adjustment	(0.45)	0.17	0.06	0.30	0.02	(0.07)
Change in Provision for Tax	-	0.92	0.15	0.06	0.32	0.30
Short / Excess Provision for Income Tax	-	-	-	-	-	0.01
Net Profit/ (Loss) After Tax as Restated	3.28	14.02	5.53	3.35	7.04	3.58

Notes of Reconciliation of Profits

Presentation and disclosure of financial statements

During the year ended 31 March 2012, the Revised Schedule VI notified under the Act, had become applicable to the Company, for preparation and presentation of its financial statements. Accordingly, the Company has prepared the financial statements for the year ended 31 March 2012 onwards in accordance with Revised Schedule VI of the Act. The adoption of Revised Schedule VI of the Act does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the figures for the years ended 31 March 2011 in accordance with the requirements of Revised Schedule VI of the Act, to the extent possible.

1. Change in Depreciation

The Company had not provided depreciation on certain assets at the rate prescribed in Schedule XIV of the Companies Act, 1956 for the year ended March 31, 2014, 2013, 2012 and 2011. The same has now been rectified.

2. Change in Deferred Tax Asset / Liability

Due to change in depreciation and consequent change in WDV of assets as per books deferred tax asset and liability has been re-worked.

3. Change in Income Tax Provision

Due to change in profit resulting from change in depreciation amount, the provision for income tax has been re-worked.

Material regroupings

Appropriate adjustments have been made in the restated summary Statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the year ended 31 March 2015, prepared in accordance with Revised schedule VI, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).



**ANNEXURE - V
DETAILS OF SHARE CAPITAL AS RESTATED**

(₹. In lakhs, except No. of shares)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Equity Share Capital						
Authorised Share capital						
Equity Shares of ₹. 10/- each	300.00	300.00	100.00	100.00	100.00	100.00
TOTAL	300.00	300.00	100.00	100.00	100.00	100.00
Issued, Subscribed and Fully Paid Up Share Capital						
Equity Shares of ₹. 10/- each	297.45	297.45	100.00	100.00	100.00	50.00
TOTAL	297.45	297.45	100.00	100.00	100.00	50.00

Reconciliation of number of shares outstanding at the end of year

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Equity Shares of ₹ 10/- each						
Equity shares at the beginning of the year	29,74,530	10,00,000	1,00,000	1,00,000	50,000	50,000
Add: Shares Allotted during the year	-	17,34,530	-	-	50,000	-
Add: Bonus Shares issued during the year	-	2,40,000	-	-	-	-
Equity Shares at the end of the year	29,74,530	29,74,530	1,00,000	1,00,000	1,00,000	50,000

Details of shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	As at 30th June, 2015		As at 31st March, 2015		As at 31st March, 2014		As at 31st March, 2013		As at 31st March, 2012		As at 31st March, 2011	
	No. Of Shares	Percent age	No. Of Shares	Percent age	No. Of Shares	Percent age	No. Of Shares	Percent age	No. Of Shares	Percent age	No. Of Shares	Percent age
Parag J Shah	18,03,150	60.62%	18,03,150	60.62%	50,000	50.00%	50,000	50.00%	50,000	50.00%	25,000	50.00%
Suhir H Shah	11,71,354	39.38%	11,71,354	39.38%	49,998	50.00%	49,998	50.00%	49,998	50.00%	24,998	50.00%

Note - During the year 2014-15 equity shares of face value of ₹ 100 each were subdivided into 10 equity shares of face value of ₹. 10 each fully paid up.

ANNEXURE - VI
DETAILS OF RESERVES AND SURPLUS AS RESTATED

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Surplus (Profit & Loss Account)						
Opening Balance	14.13	15.67	10.14	6.79	9.75	6.17
Add: Profit for the year	3.28	14.02	5.53	3.35	7.04	3.58
Less: Adjustment of transitional provision as per Note 7 b of Schedule II of Companies Act, 2013	-	(0.57)	-	-	-	-
Less: Transfer to General Reserve	-	(15.00)	-	-	(10.00)	-
Closing Balance	17.41	14.13	15.67	10.14	6.79	9.75
General Reserve						
Opening Balance	1.00	10.00	10.00	10.00	-	-
Add: Transfer from Profit & Loss	-	15.00	-	-	10.00	-
Less: Utilised for allotment of Bonus Shares	-	(24.00)	-	-	-	-
Closing Balance	1.00	1.00	10.00	10.00	10.00	-
TOTAL	18.41	15.13	25.67	20.14	16.79	9.75

ANNEXURE - VII
DETAILS OF LONG TERM BORROWINGS AS RESTATED

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Secured						
From Banks	-	-	-	-	-	-
-Term Loan	-	-	-	-	-	4.95
-Vehicle Loan	-	-	-	8.66	2.64	5.47
Unsecured						
Loan from Directors, Relatives & Shareholders	-	-*	121.41	87.61	80.72	68.84
Loan from Bank	-	-	-	-	-	22.76
TOTAL	-	-*	121.41	96.28	83.36	102.02

*The actual outstanding is ₹. 45.

**ANNEXURE - VIII
DETAILS OF SHORT TERM BORROWINGS AS RESTATED**

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Secured						
Cash Credit Loan from Bank	351.76	322.78	356.48	296.60	259.77	250.93
T O T A L	351.76	322.78	356.48	296.60	259.77	250.93

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS

Nature of Security	Terms of Repayment
Working Capital Loan from UBI is secured against hypothecation of stock & book debts and mortgage of factory land & building owned by Reliance Cable Corporation and hypothecation of Plant & machinery and assignment of LIC policies and FDR and Cumulative Deposit and against personal guarantee of directors and corporate guarantee of M/s Reliance Cable Corporation.	Cash Credit is Repayable on Demand and carries variable interest.

**ANNEXURE - IX
DETAILS OF TRADE PAYABLES AS RESTATED**

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Unsecured, considered good						
Due to Micro, Small and Medium Enterprises	-	-	-	-	-	-
Others	510.51	434.97	318.53	431.36	331.53	462.86
T O T A L	510.51	434.97	318.53	431.36	331.53	462.86

Note- The above Trade Payables include amount payable to The National Small Industries Corporation Limited towards Raw Material Assistance Scheme of ₹ 2,87,98,390 for the period ended June 30, 2015 and ₹. 2,87,89,420 for the year ended March 31, 2015. The amount payable to The National Small Industries Corporation Limited carries an interest rate of 12.95% p.a.

**ANNEXURE - X
DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Current maturities of long term debt						
Term loan	-	-	7.50	-	0.69	-

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Vehicle loan	-	-	1.02	1.48	1.48	-
Other payables						
Creditors for expenses	38.21	34.44	25.71	15.41	12.73	12.41
Statutory dues	0.03	0.54	1.20	0.92	1.07	0.57
Advances from Customers	2.22	2.22	2.63	22.15	15.92	15.00
T O T A L	40.46	37.20	38.05	39.96	31.88	27.98

**ANNEXURE – XI
DETAILS OF SHORT TERM PROVISIONS AS RESTATED**

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Others						
Provision for Income Tax	4.57	2.76	-	-	2.16	1.80
T O T A L	4.57	2.76	-	-	2.16	1.80

**ANNEXURE – XII
DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED**

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Recurring Deposit	34.36	32.29	21.68	8.27	-	-
T O T A L	34.36	32.29	21.68	8.27	-	-

**ANNEXURE – XIII
DETAILS OF OTHER NON-CURRENT ASSETS AS RESTATED**

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Sales Tax Refund Receivable	24.49	13.02	8.80	4.87	9.02	-
Preliminary Expenses	-	-	-	-	0.58	-
T O T A L	24.49	13.02	8.80	4.87	9.60	-

**ANNEXURE – XIV
DETAILS OF CURRENT INVESTMENTS AS RESTATED**

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
UBI KBC Mutual Fund	-	-	12.50	12.50	-	-
T O T A L	-	-	12.50	12.50	-	-

**ANNEXURE – XV
DETAILS OF TRADE RECEIVABLES AS RESTATED**

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Unsecured, considered good						
Less than six months	377.04	273.48	258.55	247.09	290.69	380.89
More than six months	10.56	13.10	10.66	22.62	5.41	10.19
T O T A L	387.60	286.58	269.21	269.70	296.10	391.08

DETAILS OF TRADE RECEIVABLES FROM RELATED PARTIES

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
From						
Associate Concerns	-	-	-	-	-	-
Key Management Person	-	-	-	-	-	-
T O T A L	-	-	-	-	-	-

**ANNEXURE – XVI
DETAILS OF INVENTORIES AS RESTATED**

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Closing Inventory	585.27	582.51	490.03	480.55	359.92	329.15
T O T A L	585.27	582.51	490.03	480.55	359.92	329.15

ANNEXURE - XVII
DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Advance to supplier	16.10	15.47	0.02	14.80	-	-
Balances with Government Authorities	5.21	13.98	29.02	28.79	14.80	-
Deposits	0.32	0.32	0.32	0.66	0.66	0.64
Advance to Staff	34.19	33.44	3.28	23.28	7.06	8.00
Advance to Others	-	-	-	-	-	40.40
TOTAL	55.81	63.20	32.64	67.52	22.51	49.03

ANNEXURE - XVIII
DETAILS OF OTHER CURRENT ASSETS AS RESTATED

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Preliminary Expenses	-	-	-	0.58	0.58	1.73
TOTAL	-	-	-	0.58	0.58	1.73

ANNEXURE - XIX
DETAILS OF CONTINGENT LIABILITY AS RESTATED

(₹. In lakhs)

Particulars	As at June 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Bank Guarantees - NSIC	287.98	287.89	-	-	-	-
Bank Guarantees - Others	6.52	6.52	6.52	6.52	6.52	6.52
Letter of Credits	-	-	240.75	224.45	169.75	205.27
TOTAL	294.50	294.41	247.27	230.97	176.27	211.79

ANNEXURE - XX
DETAILS OF OTHER INCOME AS RESTATED

(₹. In lakhs)

Particulars	For the Period ended June, 30 2015	For the Year ended March, 31 2015	For the Year ended March, 31 2014	For the Year ended March, 31 2013	For the Year ended March, 31 2012	For the Year ended March, 31 2011
Other income	2.81	10.38	5.48	4.59	7.02	8.20
Net Profit Before Tax as Restated	5.39	18.32	7.78	5.01	10.19	5.18
Percentage	52.22%	56.66%	70.44%	91.67%	68.92%	158.26%

Source of Income

(₹. In lakhs)

Particulars	For the Period ended June, 30 2015	For the Year ended March, 31 2015	For the Year ended March, 31 2014	For the Year ended March, 31 2013	For the Year ended March, 31 2012	For the Year ended March, 31 2011	
Interest Income on FD	1.75	5.20	3.52	4.16	5.27	2.08	Recurring and Not related to business activity
Interest received on RD	1.06	2.61	1.41	0.27	-	-	Recurring and not Related to Business Activity
Interest received from Creditors	-	-	0.55	0.16	1.75	1.41	Recurring and Related to business activity
Profit on Sale of Mutual Fund	-	2.57	-	-	-	-	Non Recurring and not Related to business activity
Sales Tax Refund	-	-	-	-	-	4.71	Non Recurring and related to business activity.
Total Other income	2.81	10.38	5.48	4.59	7.02	8.20	

ANNEXURE - XXI
DETAILS OF RELATED PARTY TRANSACTIONS AS RESTATED

Name of Relative	Nature of Relation
<i>Key Management Personnel</i>	
Parag J Shah	Director
Suhir J Shah	Director
<i>Relatives of Key Management Personnel</i>	
Rupa S Shah	Wife of Director
Snehal J Shah	Brother of Director
Paresha S Shah	Wife of Director's brother
Suhir Shah (HUF)	HUF of Director
Rusha S Shah	Daughter of Director
Nivish S Shah	Son of Director
Suhani P Shah	Daughter of Director
<i>Associate Concerns</i>	
Reliance Cable Corporation	
Divine Cell Phone Pvt Ltd	



DETAILS OF TRANSACTIONS AND OUTSTANDING BALANCES

(₹. In lakhs)

Name	Nature of Transaction	Amount of	Amount	Amount of	Amount	Amount of	Amount	Amount of	Amount	Amount of	Amount	Amount of	Amount
		Transaction upto 30.06.2015	Outstanding as on 30.06.2015	Transaction in 2014-15	Outstanding as on 31.03.15	Transaction in 2013-14	Outstanding as on 31.03.14	Transaction in 2012-13	Outstanding as on 31.03.13	Transaction in 2011-12	Outstanding as on 31.03.12	Transaction in 2010-11	Outstanding as on 31.03.11
			(Payable)/		(Payable)/		(Payable)/		(Payable)/		(Payable)/		(Payable)/
			Receivable		Receivable		Receivable		Receivable		Receivable		Receivable
Parag J Shah	Loan Taken	4.75		71.96		45.75		21.00		69.86		16.55	
	Loan Repaid	4.75	-	126.58	-*	6.86	(54.62)	14.11	(15.72)	97.99	(8.83)	13.73	(36.96)
	Share Capital			118.32						25.00			
	Directors Remuneration	1.50	(9.52)	4.20	(8.02)	4.20	(4.90)	4.20	(0.70)	4.20	-	4.20	(0.90)
Suhir H Shah	Loan Taken	5.00		46.27		25.90		20.00		25.01		2.50	
	Loan Repaid	5.00	-	62.64	-^	16.00	(16.37)	20.00	(6.47)	25.00	(6.47)	3.31	(6.45)
	Share Capital			55.14						25.00			
	Directors Remuneration	1.35	(1.35)	3.08	-	1.50	(1.50)	1.50	-	1.50	-	1.50	-
Rupa S Shah	Loan Taken			15.00									
	Loan Repaid			16.62		15.00	(1.62)		(16.62)		(16.62)		(16.62)
	Salary	0.45	(0.45)										
Snehal J Shah	Loan Taken									20.00			
	Loan Repaid			20.00	-		(20.00)		(20.00)		(20.00)		
Paresha S Shah	Loan Taken									20.00			
	Loan Repaid			20.00	-		(20.00)		(20.00)		(20.00)		

Name	Nature of Transaction	Amount of	Amount	Amount of	Amount	Amount of	Amount	Amount of	Amount	Amount of	Amount	Amount of	Amount
		Transaction upto 30.06.2015	Outstanding as on 30.06.2015	Transaction in 2014-15	Outstanding as on 31.03.15	Transaction in 2013-14	Outstanding as on 31.03.14	Transaction in 2012-13	Outstanding as on 31.03.13	Transaction in 2011-12	Outstanding as on 31.03.12	Transaction in 2010-11	Outstanding as on 31.03.11
			(Payable)/		(Payable)/		(Payable)/		(Payable)/		(Payable)/		(Payable)/
			Receivable		Receivable		Receivable		Receivable		Receivable		Receivable
Suhir H Shah (HUF)	Loan Repaid			8.80	-		(8.80)		(8.80)		(8.80)		(8.80)
Rusha S Shah	Salary			3.38		4.50	(4.50)	4.50	(0.59)	4.50		4.50	
Nivish S Shah	Salary	0.45	(0.45)										
Suhani P Shah	Salary	0.75	(3.68)	2.25	(2.93)	1.80	(1.80)	1.80		1.80		1.80	
Reliance Cable Corporation	Advances Given			0.47		0.47		0.51		0.26		0.57	
	Rent Paid	0.90	3.28	3.60	4.18	3.60	6.96	3.60	9.73	3.60	12.46	3.60	15.44
Divine Cell Phone Private Limited	Loan Taken			4.00		4.00							
	Loan Repaid			4.00		4.00							

*The actual outstanding is ₹. 38 payable.

^The actual outstanding is ₹. 7 payable.

ANNEXURE - XXII
DETAILS OF SIGNIFICANT ACCOUNTING RATIOS AS RESTATED

(₹. In lakhs, except No. of shares data)

Ratios	Period Ended June 30, 2015	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Restated PAT as per P& L Account	3.28	14.02	5.53	3.35	7.04	3.58
Weighted Average Number of Equity Shares at the end of the Year	29,74,530	12,44,752	12,40,000	12,40,000	7,57,808	7,40,000
No. of shares outstanding at the end of the year	29,74,530	29,74,530	10,00,000	10,00,000	10,00,000	5,00,000
Net Worth	315.86	312.58	125.67	119.57	115.64	58.02
Earnings Per Share						
Basic & Diluted	0.11	1.13	0.45	0.27	0.93	0.48
Return on Net Worth (%)	1.04%	4.49%	4.40%	2.80%	6.09%	6.17%
Net Asset Value Per Share (₹)	10.62	10.51	12.57	11.96	11.56	11.60
Nominal Value per Equity share (₹.)*	10.00	10.00	10.00	10.00	10.00	10.00

* During the year 2014-15 equity shares of face value of ₹ 100 each were subdivided into 10 equity shares of face value of ₹ 10 each fully paid up.

Hence for calculation of ratios the face value of Equity shares has been considered as ₹. 10 from opening period to make it comparable.

Ratios have been calculated as below

- (i) Basic and Diluted Earnings Per Share (EPS) (₹.) = $\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the year}}$
- (ii) Return on Net Worth (%) = $\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Restated Net Worth of Equity Shareholders}}$
- (iii) Net Asset Value per equity share (₹.) = $\frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Number of Equity Shares outstanding at the end of the year}}$



**ANNEXURE - XXIII
CAPITALISATION STATEMENT AS AT JUNE 30, 2015**

(₹. In lakhs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	351.76	351.76
Long Term Debt (B)	-	-
Total debts (C=A+B)	351.76	351.76
Shareholders' funds		
Equity share capital (D)	297.45	497.85
Reserve and surplus - as restated (E)	18.41	218.81
Total shareholders' funds (F=D+E)	315.86	716.66
Long term debt / shareholders' funds	-	-
Total debt / shareholders' funds	1.11	0.49

**ANNEXURE - XXIV
STATEMENT OF TAX SHELTERS**

(₹. In lakhs)

Particulars	Period ended June 30, 2015	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Restated Profit before tax as per books (A)	5.39	18.32	7.78	5.01	10.19	5.18
Tax Rates						
Income Tax Rate (%)	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Minimum Alternate Tax Rate (%)	19.06%	19.06%	19.06%	19.06%	19.06%	18.54%
Short Term Capital Gain Rate (%)	15.45%	15.45%	15.45%	15.45%	15.45%	15.45%
Adjustments :						
Income considered separately (B)						
Interest Income	(2.81)	(7.81)	(5.38)	(4.59)	(7.02)	(3.49)
Short Term Capital Gain						
Total Income considered separately (B)	(2.81)	(10.38)	(5.38)	(4.59)	(7.02)	(3.49)
Timing Differences (C)						
Difference between tax depreciation and book depreciation	0.47	3.09	0.02	(0.01)	0.46	0.64
Total Timing Differences (C)	0.47	3.09	0.02	(0.01)	0.46	0.64
Net Adjustments D = (B+C)	(2.34)	(7.28)	(5.36)	(4.60)	(6.56)	(2.86)
Tax expense / (saving) thereon	(0.72)	(2.25)	(1.66)	(1.42)	(2.03)	(0.88)
Income from Capital Gains						
STCG on sale of Mutual Funds	-	2.57	-	-	-	-
Total Income from Short Term Capital Gain (E)	-	2.57	-	-	-	-



Particulars	Period ended June 30, 2015	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Income from Other Sources						
Interest Income	2.81	7.81	5.38	4.59	7.02	3.49
Total Income from Other Sources (F)	2.81	7.81	5.38	4.59	7.02	3.49
Taxable Income/(Loss) (A+D+E+F)	5.86	18.84	7.79	5.00	10.65	5.82
Income Tax on above	1.81	5.42	2.41	1.55	3.29	1.80
MAT on Book Profit	1.03	3.49	1.48	0.95	1.94	0.96
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal	Normal	Normal
<u>Tax Expense</u>						
a. Current Tax	1.81	5.42	2.41	1.55	3.29	1.80
b. Deferred Tax	0.30	(1.13)	(0.16)	0.11	(0.14)	(0.20)
TOTAL	2.11	4.29	2.25	1.66	3.15	1.60



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

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW

Our company Relicab Cable Manufacturing Pvt. Ltd. was incorporated in 2009 with an aim to corporatize the business of wires and cables manufacturing being carried out since 1999 in the name and style of M/s. Relicab Cable Corporation (Partnership concern). After receiving our certificate of incorporation, we have taken over the running business of this partnership concern through a business takeover agreement dated April 01, 2009. *For further details please refer to "History and other corporate matters" beginning on page no 118 of this Draft Prospectus.*

Our Company is engaged in the business of manufacturing and marketing of PVC Compounds and Wires and Cables and we have successfully developed a wide base of business network and made our presence in this industry since over 15 years. We manufacture wires and cables to provide cost-effective and quality solutions for various electrical connectivity requirements, mainly for the industrial segments. We accomplish this through customised design and development, continuous research & development initiatives, quality manufacturing and reliable delivery of all varieties of cables. We are involved in manufacturing a complete array of wires and cables that are used in diverse sectors encompassing virtually all industries like telecom, electrical, automotive and household appliances and the new field of wind energy.

Our product range includes a wide range of wires and cables including armored / unarmored and single core as well as multi core flexible cables, control & power cables, instrumentation cables etc. using high quality copper wires in HR, FR, FRLS, ZHFR forms and other raw materials. Our Company has as part of its backward integration initiative; an in-house PVC Compound manufacturing facility which supplies compound raw material for our Wires and Cables manufacturing business as well as being sold directly as finished goods to other users of PVC Compound. We offer all types of PVC Compounds i.e. Insulation, Sheathing, Inner sheath, HR, FR, FRLS & Master batches.

To support our operations and carry out in-depth testing & quality management activities, our Company maintains a number of well designed and equipped test facilities and laboratories, which enable various designs and conceptions to be tested and implemented. Our Company also carries out periodic calibrations of instruments which are required in day-to-day use, to ensure higher accuracy of products. These laboratories and testing facilities ensure that all RELICAB products adhere to strict quality norms and also adhere to the relevant ISI and international specifications.

Our focus on quality products and services has enabled us to garner clients who are some of the leading industrial, electrical and telecommunication names in India and abroad. We have developed a long standing relationship with our clients which include companies like, ABB India, Schneider Electric, Crompton Greaves, Bharat Bijlee, Siemens, Maktel Control & Systems, etc., to name a few. Our products are being exported through exporters to countries such as Russia, Uganda, Indonesia, Nigeria, Singapore, and UAE. We supply our products under our own brand name – 'Relicab'.

Over the years we have strengthened our manufacturing capacity by undertaking expansion from time to time. Our manufacturing facility located at Daman (Union Territory) has a capacity to manufacture approximately 7,510 Km per year of wires and cables and almost 1500 tons of PVC Compound per annum. We have also been improving our technologies and constantly developing products and features to our PVC Compound, Moulded Wire Harness, Wires and Cables etc. in order to differentiate ourselves from competitors and increase our product qualities in the future. However, due to lack of available working capital, we have not been able to grow our turnovers and business capacity utilizations substantially. With the political and macro-economic scenario in India, we believe that demands for quality products within our space would increase and hence we propose to augment our working capital fund base in order to better utilize our installed capacities and formulations thereby increase sales volumes and improve margins.

COMPETITION

The industry in which we operate is highly competitive and fragmented and we face competition both in the domestic as well as the export markets. Competition emerges from small as well as big players in the electrical equipment industry, especially wires and cables industry. The organized players in the industry compete with each other by providing high quality-time bound products and value added services.

Many countries have the advantage of being located in proximity to our main export markets South Asia, Africa and European countries. Internationally, we also face competition from electrical equipment manufacturers in other countries like China which have low labour costs and also from various US and European countries who have advanced technology and permits to manufacture cables of various grades and specifications accepted in different countries.

We have a number of competitors offering products and services similar to us. We believe the principal elements of competition in electrical equipment industry are price, durability and overall product quality, timely delivery and reliability and most importantly our pace in keeping up with the required BIS regulations and changing technology in the industry. We believe that our cost effective and integrated facilities, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in many of our products.

Significant Developments after March 31, 2015 that may affect our Future Results of Operations

The Directors confirm that other than mentioned elsewhere, there have been no events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

Factors affecting our Result of Operation

Except as otherwise stated in this Draft Prospectus and the Risk Factors given in the Draft Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

Revenue Generation

We earn majority of our revenue from sale of wires & cables and PVC compounds. We are engaged in the business of manufacturing of PVC compounds and wires & cables of various types and grades which are supplied to customers catering to various industries like telecom, electrical, automotive and household appliances and the new field of wind energy.

Raw Material Cost

Material costs are the largest component of our cost structure. The inputs required for manufacturing our products are copper, Galvanised Iron Wire (GI Wire), Galvanised Iron Strip (GI Strip), PVC Resin, PVC Master Batches and various raw materials / additives required for manufacture of PVC compounds, like Plasticizers, Stabilizers, Stearic

Acids and Calcium which overall constituted approximately 84.37% of and 80.78% our turnover in the fiscal 2014-15 and period ended June 30, 2015.

All these raw materials are procured from both domestic as well as international market at competitive prices from various suppliers. We generally maintain adequate stock of raw material to cover the existing order book position, which mitigates any adverse effect due to price fluctuation.

Our Financial Expenses

Our profitability is significantly impacted by our financial costs. For the fiscal 2015, 2014, 2013 and for period ended June 30, 2015, our financial expenses were ₹ 112.67 lakhs, ₹ 101.00 lakhs, ₹ 88.40 lakhs and ₹ 23.32 lakhs respectively. Our financial growth depends on how well we manage and service our debts.

Our ability to successfully implement its strategy and its growth and expansion plans

Our growth plans are considerable and would put significant demands on our management team and other resources. Any delay in implementation of our strategy and growth and expansion plans could impact our Company's roll out schedules and cause cost and time over runs.

Increasing competition in the industry

Our Company faces competition from local, national and international wires and cables manufacturing companies. Our Company operates in competitive environment which may force us to reduce the prices of our products and it may have an effect on our margins.

General economic and business conditions

As a Company with its complete operations in India, we are affected by general economic conditions in the country and in particular economic factors that affect textile industry in India. India's gross domestic product, or GDP, has been and will continue to be of importance in determining our operating results and future growth.

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 and the related restated summary statement of profits and loss and cash flows for the period / years ended June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 (herein collectively referred to as ('Restated Summary Statements')) have been compiled by the management from the audited financial statements of the Company for the period /years ended on June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011, approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of Restated Summary Statements.

2. Use of Estimates:

The preparation of restated financial statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and

expenses during the reporting period. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Current and non-current classification:

All the Assets and Liabilities have been classified as current and non-current based on the normal operating cycle of the Company and other criteria laid down in Schedule III of the Companies Act, 2013. Based on the nature of products / services, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

4. Revenue Recognition :

Revenue from the sale of goods are recognized when significant risks and rewards of ownership which generally coincides with the dispatch / delivery of goods. Revenue from labour job is recognized on the basis of execution of job.

5. Fixed Assets and Depreciation

Fixed assets are carried at cost of acquisition or construction, less accumulated depreciation and impairment loss, if any. All Cost including any cost attributable in brining the assets to their working condition for their intended use is capitalized. Expenditure on additions, improvement and renewable is capitalized.

Depreciation on fixed assets is calculated on written down value basis using the rates arrived at based on the useful life of the assets prescribed under Schedule II of the Companies Act, 2013 for the period / year ended on June 30, 2015 and March 31, 2015. For the year ended on March 31, 2014, 2013, 2012 and 2011 depreciation has been charged on written down value basis using the rates prescribed under Schedule XIV of the Companies Act, 1956.

6. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

7. Valuation of Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current Investments are carried at the lower of cost or quoted / fair value computed scrip wise, Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

8. Valuation of Inventories:

Cost of inventory includes all cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

Raw Material, Work in Progress and Finished Goods are valued at Cost or Net Realisable Value whichever is lower.

9. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of profit and loss.

10. Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss in the year in which actual payment is made to the employee.

11. Provision for Current Tax and Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from the timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in the future.

12. Contingent Liabilities / Provisions:

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

Provision is made in the accounts in respect of contingent liabilities which is likely to materialize into liabilities after the year end, till the finalization of accounts and which have material effect on the position stated in the Balance Sheet.

13. Earning Per Share:

Basic earning per share is computed by dividing the net profit for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

14. Foreign Currency Transactions:

Foreign Currency Transactions are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currencies at the year end are adjusted at the year end exchange rates. Any gain or loss arising on account of exchange difference either on settlement or no translation is recognized in the Statement of Profit and Loss except in case of Long Term Liabilities.



Results of our Standalone Operations

(₹ in Lakhs)

Particulars	Period ended June 30, 2015	% of Total Income	For the year ended March 31,							
			2015	% of Total Income	2014	% of Total Income	2013	% of Total Income	2012	% of Total Income
INCOME										
Revenue from Operations	375.22	99.26%	1,183.68	99.13%	1,109.30	99.51%	1,197.17	99.62%	1,576.59	99.56%
Other Income	2.81	0.74%	10.38	0.87%	5.48	0.49%	4.59	0.38%	7.02	0.44%
Total Income	378.04	100.00%	1,194.06	100.00%	1,114.78	100.00%	1,201.77	100.00%	1,583.61	100.00%
EXPENDITURE										
Cost of materials consumed	305.36	80.78%	1,007.37	84.37%	934.48	83.83%	1,115.80	92.85%	1,373.72	86.75%
Changes in inventories	(5.23)	(1.38)%	(107.97)	(9.04)%	(49.08)	(4.40)%	(146.04)	(12.15)%	(17.51)	(1.11)%
Employee benefit expenses	20.72	5.48%	73.09	6.12%	65.14	5.84%	72.62	6.04%	67.74	4.28%
Finance costs	23.32	6.17%	112.67	9.44%	101.00	9.06%	88.40	7.36%	82.61	5.22%
Depreciation and amortization exp.	2.07	0.55%	10.36	0.87%	7.36	0.66%	8.19	0.68%	9.28	0.59%
Other Expenses	26.40	6.98%	80.22	6.72%	48.10	4.31%	57.78	4.81%	57.59	3.64%
Total Expenses	372.65	98.57%	1,175.75	98.47%	1,107.00	99.30%	1,196.76	99.58%	1,573.43	99.36%
Profit before tax	5.39	1.43%	18.32	1.53%	7.78	0.70%	5.01	0.42%	10.19	0.64%
Tax expense :										
(i) Current tax	1.81	0.48%	5.42	0.45%	2.41	0.22%	1.55	0.13%	3.29	0.21%
(ii) Deferred tax	0.30	0.08%	(1.13)	-0.09%	(0.16)	-0.01%	0.11	0.01%	(0.14)	-0.01%
Total Tax Expense	2.11	0.56%	4.29	0.36%	2.25	0.20%	1.66	0.14%	3.15	0.20%
Profit for the year	3.28	0.87%	14.02	1.17%	5.53	0.50%	3.35	0.28%	7.04	0.44%

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operations (i.e. Manufactured Goods) as a percentage of total income was 99.62%, 99.13%, 99.51% and 99.26% in fiscals 2015, 2014, 2013 and for the three months period ended June 30, 2015 respectively.

Other Income

Our other income includes Interest on bank deposits and other miscellaneous non-recurring incomes. Other income, as a percentage of total income was 0.87%, 0.49% and 0.38% and 0.74% in fiscals 2015, 2014, 2013 and for the three months period ended June 30, 2015 respectively.

Expenditure

Our total expenditure primarily consists of Purchases, Changes in Inventories, Employee Benefit Expenses, Financial Cost, Depreciation and Amortization Expenses and Other expenses.

Purchases

Costs of Purchases are primarily in relation to purchases of raw materials for PVC compound and Wires and Cables.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary, bonus and allowances, workmen and staff welfare costs, Director's remuneration etc.

Other Expenses

Other expenses primarily include Rent, Advertisement expenses, Legal & Professional fees, Office expenses, etc.

Financial Cost

Financial Cost primarily consists of interest payable on borrowings and bank charges.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation/amortization on the fixed assets and Intangible Assets of our Company which primarily includes Vehicles, Plant & Machinery, Furniture and fixtures, Computers and Office Equipments.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Review for the three (3) months period ended June 30, 2015

Income

Our total income for the three months period ended June 30, 2015 was ₹ 378.04 lakhs. In the current period, the revenue earned from operations is ₹ 375.22 lakhs or 99.26% of the total income. Other income for said period was recorded at ₹ 2.81 lakhs or 0.74% of total income.

Purchases

Our purchases for the three months period ended June 30, 2015 were ₹ 305.36 lakhs. As a proportion of our total income they were 80.78%.

Employee Benefit Expenses

Our Employee Benefit Expenses for the three months period ended June 30, 2015 were ₹ 20.72 lakhs. As a proportion of our total income they were 5.48%.

Other Expenses

Our Other Expenses for the three months period ended June 30, 2015 ₹ 26.40 lakhs. As a proportion of our total income they were 6.98%.

Financial Cost

Our Financial Cost for the three months period ended June 30, 2015 was 23.32 lakhs. As a proportion of our total income they were 6.17%.

Depreciation and Amortization Expenses

Our Depreciation and Amortization Expenses for the three months period ended June 30, 2015 were ₹ 2.07 lakhs. As a proportion of total income they were 0.55%.

Profit before Tax

Profit before Tax for the three months period ended June 30, 2015 was ₹ 5.39 lakhs.

Profit after Tax

Profit after Tax for the three months period ended June 30, 2015 was ₹ 3.28 lakhs.

Fiscal 2015 compared with fiscal 2014

Income

In fiscal 2015, our total income increased by ₹ 79.29 lakhs or 7.11%, from ₹ 1,114.78 lakhs in fiscal 2014 to ₹ 1,194.06 lakhs in fiscal 2015. The marginal increase was due to slight increase in orders during the fiscal year. Other income increased by ₹ 4.90 lakhs or 89.44%, from ₹ 5.48 lakhs in fiscal 2014 to ₹ 10.38 in fiscal 2015. The major factor for such increase was due to increase in interest from FD interest and profit on sale of Mutual Fund units.

Purchases

The purchases in fiscal 2015 were ₹ 1,007.37 lakhs, an increase of 7.80% as compared to the previous year purchases of ₹ 934.48 lakhs in fiscal 2014. The above increase was mainly due to increase in orders and subsequent marginal increase in scale of operations.

Employee Benefit Expenses

Our staff cost increased by ₹ 7.95 lakhs or 12.20%, from ₹ 65.14 lakhs in fiscal 2014 to ₹ 73.09 lakhs in fiscal 2015. This increase was mainly due to annual increments of employees.

Other Expenses

Other expenses increased by ₹ 32.12 lakhs from ₹ 48.10 lakhs in fiscal 2014 to ₹ 80.22 lakhs in fiscal 2015. The increase in these expenses was majorly due to increase in manufacturing and selling & distribution expenses.

Financial Cost

Financial cost increased by ₹ 11.67 lakhs from ₹ 101.00 lakhs in fiscal 2014 to ₹ 112.67 lakhs in fiscal 2015. The cause of increase was due interest paid on raw material assistance scheme from NSIC, bank commission and charges on Bank Guarantees and other interest and bank charges.

Depreciation and Amortization Expenses

Depreciation expenses increased by ₹ 3.00 lakhs from ₹ 7.36 lakhs in fiscal 2014 to ₹ 10.36 lakhs in fiscal 2015. This increase was due to the purchase of assets in the current fiscal.

Profit before Tax

Due to operational efficiency and increase in total income our Profit before Tax increased by ₹ 10.54 lakhs from ₹ 7.78 lakhs in fiscal 2014 to ₹ 18.32 lakhs in fiscal 2015.

Profit after Tax

Our profit after tax increased by ₹ 8.50 lakhs from ₹ 5.53 lakhs in fiscal 2014 to ₹ 14.02 lakhs in fiscal 2015.

Fiscal 2014 compared with fiscal 2013

Income

Our total income decreased by ₹ 86.99 lakhs or 7.24% from ₹ 1201.77 lakhs in fiscal 2013 to ₹ 1,114.78 lakhs in fiscal 2014. The major factor for this decrease was due to marginal reduction in the orders for our products. Other income was ₹ 5.48 lakhs for the fiscal year 2014 and ₹ 4.59 lakhs in 2013.

Purchases

Purchases in fiscal 2014 were ₹ 934.48 lakhs as compared to ₹ 1,115.80 lakhs in fiscal 2013. This decrease of ₹ 181.32 lakhs or 16.25% was mainly due to lower orders received during the year resulting in lower raw material procurement.

Employee Benefit Expenses

Our staff costs decreased by ₹ 7.48 lakhs or 10.30%, from ₹ 72.62 lakhs in fiscal 2013 to ₹ 65.14 lakhs in fiscal 2014. This decrease can be attributed to lower salary and other benefits due to slow down of business in the current year.

Other Expenses

Other Expenses decreased by ₹ 9.68 lakhs in fiscal 2014 from ₹ 57.78 lakhs in fiscal 2013 to ₹ 48.10 lakhs in fiscal 2014. The cause of decrease in these expenses was majorly due to decrease in manufacturing and selling and distribution expenses.

Financial Cost

Financial cost increased by ₹ 12.60 lakhs from ₹ 88.40 lakhs in fiscal 2013 to ₹ 101.00 lakhs in fiscal 2014. The cause of increase in these financial costs was majorly due to increase in long term and short term borrowings.

Depreciation Expenses

Depreciation expenses decreased by ₹ 0.83 lakhs, from ₹ 8.19 lakhs in fiscal 2013 to ₹ 7.36 lakhs in fiscal 2014 which is mainly due to the written down depreciation on assets.

Profit before Tax

Profit before Tax increased by ₹ 2.77 lakhs in the fiscal 2014, i.e. from ₹ 5.01 lakhs in fiscal 2013 to ₹ 7.78 lakhs in fiscal 2014. This was due to better management of overall expenses despite the marginal decrease in scale of operations.

Profit after Tax

Our profit after tax increased by ₹ 2.18 lakhs from ₹ 3.35 lakhs in fiscal 2013 to ₹ 5.53 lakhs in fiscal 2014.

Fiscal 2013 compared with fiscal 2012

Income

In fiscal 2013, our Company recorded a total income of ₹ 1,201.77 lakhs, a decrease of ₹ 381.85 lakhs or 24.11% as compared to ₹ 1,583.61 lakhs in fiscal 2012. The major factor for this decrease was reduction in orders due to slowing of the power sector and also the overall economy. Other income was ₹ 4.59 lakhs for the fiscal year 2013 and ₹ 7.02 lakhs in 2012.

Purchases

In fiscal 2013, we recorded purchases of ₹ 1,115.80 lakhs, a decrease of ₹ 257.92 as compared to ₹ 1,373.72 lakhs in fiscal 2012. The main reason for decrease was the reduction in the scale of operations resulting in lower purchase of raw materials.

Employee Benefit Expenses

Our staff costs increased by ₹ 4.89 lakhs from ₹ 67.74 lakhs in fiscal 2012 to ₹ 72.62 lakhs in fiscal 2013. This increase was mainly due to yearly increments and retention incentives given by our Company.

Other Expenses

Other expenses marginally increased by ₹ 0.19 lakhs or 0.33%, from ₹ 57.59 lakhs in fiscal 2012 to ₹ 57.778 lakhs in fiscal 2013. This was due to continuous nature of various manufacturing, selling & distribution and administrative expenses despite a reduced scale of operations.

Financial Cost

There was increase in financial cost by ₹ 5.80 lakhs, from ₹ 82.61 lakhs in fiscal 2012 to ₹ 88.40 lakhs in fiscal 2013. The increase in financial cost was majorly due to increase in long term and short borrowings.

Depreciation Expenses

Depreciation expenses were ₹ 8.19 lakhs in fiscal 2013 as compared to ₹ 9.28 lakhs in fiscal 2012. This minor decrease was due to written down value of Fixed Assets.

Profit before Tax

Profit before Tax decreased by ₹ 5.18 lakhs as compared from ₹ 5.01 lakhs in fiscal 2013 to ₹ 10.19 in fiscal 2012 due to lower sales and increased costs.

Profit after Tax

Our profit after tax decreased by ₹ 3.69 lakhs from ₹ 7.04 lakhs in fiscal 2012 to ₹ 3.35 lakhs in fiscal 2013.

Cash Flows

(₹ in lakhs)

Particulars	June 30, 2015	Year ended March 31,			
		2015	2014	2013	2012
Net Cash from Operating Activities	(1.08)	99.25	16.55	66.70	47.00
Net Cash from Investing Activities	(0.69)	5.62	(8.76)	(22.11)	5.46
Net Cash used in Financial Activities	5.66	(94.33)	(15.98)	(38.67)	(42.43)
Net Increase / (Decrease) in Cash and Cash equivalents	3.89	10.54	(8.20)	5.92	10.03

Cash Flows from Operating Activities

Net cash from operating activities for the period ended June 30, 2015 was negative ₹ 1.08 lakhs.

Net cash from operating activities in fiscal 2015 was ₹ 99.25 lakhs as compared to the PBT of ₹ 18.32 lakhs for the same period. This difference is on account of changes in trade and other payables, inventories and increased interest cost.

Net cash from operating activities in fiscal 2014 was negative ₹ 16.55 lakhs as compared to the PBT of ₹ 7.78 lakhs for the same period. This difference is on account of changes in trade payables, Inventories, trade receivable, other current assets and short term loans & advances.

Net cash from operating activities in fiscal 2013 was ₹ 66.70 lakhs as compared to the PBT of ₹ 5.01 lakhs for the same period. This difference is primarily on account of changes in trade payables, inventories, trade receivable and Short term loans & advances

Cash Flows from Investment Activities

Net cash from investing activities for the period ended June 30, 2015 was negative ₹ 0.69 lakhs.

In fiscal 2015, the net cash invested in Investing Activities was ₹ 5.62 lakhs. This was on account of redemption of Mutual fund units & profit thereon and interest received.

In fiscal 2014, the net cash invested in Investing Activities was negative ₹ 8.76 lakhs. This was mainly due to investment in bank deposits made during the year.

In fiscal 2013, the net cash invested in Investing Activities was negative ₹ 22.11 lakhs. This was mainly on account of purchase of Fixed Assets, Investment in Mutual Fund units and Bank Deposits made during the year.

Cash Flows from Financing Activities

Net cash from financing activities for the period ended June 30, 2015 was ₹ 5.66 lakhs.

Net cash from financing activities in fiscal 2015 was negative ₹ 94.33 lakhs. This was on account of increase in long term as well as short term borrowings and interest paid thereon.

Net cash from financing activities in fiscal 2014 was negative ₹ 15.98 lakhs. This was mainly on account of high bank interest, commission and charges paid during the year.

Net cash from financing activities in fiscal 2013 was negative ₹ 38.67 lakhs. This was mainly on account of high bank interest, commission and charges paid during the year.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on page nos. 141 and 163 respectively of this Draft Prospectus respectively, 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 revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on page nos. 11 and 163 respectively of this Draft Prospectus respectively 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

Other than as described in the chapter titled “*Risk Factors*” beginning on page no. 11 of this Draft Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices

Increases in revenues are by and large linked to increases in volume of business activity carried out by the Company.

6. Total turnover of each major industry segment in which our Company operates.

The Company is engaged in the manufacture of PVC compounds and wires and cables. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no. 81 of this Draft Prospectus.

7. Status of any publicly announced new products or business segments

For details of new products or business segments, if any, please refer to the chapter titled “*Our Business*” beginning on page no. 91 of this Draft Prospectus.

8. The extent to which the business is seasonal.

Our business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

The revenues from our top 10 customers constituted approximately 76.53% for the fiscal 2015.

10. Competitive Conditions

Despite the fact that we are not affected by competition in the short-term, our results of operations could be affected by competition in the wires and cables industry in India and in abroad in the future. We expect competition to intensify due to possible changes in government policy, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established wires and cables manufacturing companies. This we believe may impact our financial condition and operations.

FINANCIAL INDEBTEDNESS

The details of the Company's indebtedness, as at June 30, 2015 are as follows:

Sr. No.	Name of Lender and Agreements	Nature of Borrowings	Amount Sanctioned (₹. in Lakhs)	Amount outstanding as on June 30, 2015 (₹. in Lakhs)	Interest / Commission (in % p.a.)	Repayment	Security and Covenants
1.	Union Bank of India, Sanction Letter dated 26.11.2014 and 28.05.2015	Cash Credit and WAE	360.00 ⁽¹⁾	351.76	For ₹. 310 lakhs limit = Interest at Base Rate + 3.25% p.a., presently 13.50% p.a. For ₹. 50 lakhs adhoc limit = Interest at Base Rate + 5.25 % p.a., presently 15.50%	On Demand	Refer Note 1, 2

⁽¹⁾It includes an adhoc sanctioned Cash Credit Limits of ₹. 50 lakhs for a period of 90 days from the date of sanction i.e. 27.05.2015. As the date, it stands terminated.

*The Company has sanctioned limit of Bank Guarantees for ₹. 310 lakhs from Union Bank of India vide sanction letter dated 26.11.2014, out of which ₹. 300 lakhs is provided as Bank Guarantee towards availing Raw Material Assistance Scheme from The National Small Industries Corporation Limited. The outstanding balance of NSIC is being reflected in Trade Payables. Interest on the same is at 12.95% p.a. upto 90 days, for 91 days and above 1% for every cycle of 90 days (over and above the normal rate of interest).

Note 1:

Security Details:

- Primary Security (for ₹. 310 lakhs limits) – Hypothecation of stock
- Primary Security (for ₹. 50 lakhs limits) – Hypothecation of stock and debts
- Collateral Security – EM of factory building (ground + 2 floors) at 57/1 (4B), Bhenslore Industrial Estate, Village Dunesha, Nani Daman – 396210 owned by Reliance Cable Corporation
- Personal Guarantee – Mr. Parag J. Shah and Mr. Suhir H. Shah
- Corporate Guarantee – M/s. Reliance Cable Corporation (owner of mortgaged property) and all partners of the said firm

Note 2:

Other major covenants:

- Valuation of immovable properties charged to the Bank has to be carried out at least once in 3 years or as and when deemed fit by the Bank through empanelled valuers.
- Stock and book debts shall be submitted to bank before 15th of the succeeding month.
- Drawing power will be allowed only against the fully paid Stock and Book Debts not older than 90 days.
- Commitment fees of 0.5% p.a. shall be paid if average utilization is less than 75%.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or, alleging criminal or economic offences or tax liabilities 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 (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors, our Promoter and our Group Entities that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory dues, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

Further, as except disclosed in this section, our Board of Directors do not consider any other outstanding litigation or past penalties involving our Company, Subsidiaries, Promoter, Group Companies and Directors as material as on the date of this Draft Prospectus. Our Board of Directors considers dues owed by our Company to the small scale undertakings and other creditors exceeding ₹. 10.21 Lakhs as material dues for our Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on October 01, 2015.

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	Amount (in lakhs)
[•]	[•]
Total	[•]

PART 2: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

B. CASES FILED BY OUR COMPANY

1. Litigation Involving Criminal Laws

Criminal Case No.1821/SS/ of 2014, dated June 17, 2014, filed by the Company, before the Court of the Learned Metropolitan Magistrate at Mumbai, against Enovonz Engineering Private Limited.

The Company has filed a complaint bearing Criminal Case No.1821/SS/ of 2014, dated June 17, 2014, before the Court of the Learned Metropolitan Magistrate at Mumbai, against Enovonz Engineering Private Limited (“**Enovonz**”), for commission of offences by Enovonz under Section 138 read with Sections 141 and 142 of the Negotiable Instruments Act, 1881 and Section 420 of the Indian Penal Code, thereby inter alia stating that Enovonz has issued a cheque, to the Company amounting to ₹.10,22,567/- (Rupees Ten Lakhs Twenty-Two Thousand Five Hundred and Sixty-Seven only) [“**the said amount**”], towards payment for the cables and wires purchased from the Company and duly delivered to Enovonz, which was dishonoured due to insufficiency of funds in the bank account of Enovonz, and for neglecting to make payment for the said amount thereafter. Subsequently, the Learned Metropolitan Magistrate has issued a summons to Enovonz dated September 18, 2015. The matter is currently pending hearing.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

PART 3: LITIGATION RELATING TO OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR DIRECTORS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

PART 4: LITIGATION RELATING TO OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR PROMOTERS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

PART 5: LITIGATION RELATING TO OUR GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR GROUP COMPANIES

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

PART 6: LITIGATION RELATING TO OUR SUBSIDIARIES

A. CASES FILED AGAINST OUR SUBSIDIARIES

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

Sr. No.	Nature of Matter	No. of Claims	Amount of Each Claim (to the extent quantifiable)
1.	Litigation Involving Direct Tax Liabilities	NIL	NIL
2.	Litigation Involving Direct Tax Liabilities	NIL	NIL

4. Other Pending Litigations

NIL

B. CASES FILED BY OUR SUBSIDIARIES

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

Sr. No.	Nature of Matter	No. of Claims	Amount of Each Claim (to the extent quantifiable)
1.	Litigation Involving Direct Tax Liabilities	NIL	NIL
2.	Litigation Involving Direct Tax Liabilities	NIL	NIL

4. Other Pending Litigations

NIL

PART 7: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

As on June 30, 2015, our company does not owe a sum exceeding ₹ 10.21 lakhs to any small scale undertaking or creditor except as disclosed below

Sr. No.	Nature of Creditor	Amount o/s as on June 30, 2015 (₹ in Lakhs)
1.	NSIC-BANK GURANTEE	287.98
2.	NINE METALS	64.28
3.	ZENITH WIRE INDUSTRIES	51.38
4.	PCL OIL & SOLVENTS LTD.	11.15
5.	KWALITY PLASTICS	10.78

PART 8: MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed elsewhere in this Draft Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT AND OTHER KEY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.

Approvals for the Issue

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 September 23, 2015 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary general meeting held on September 30, 2015 authorized the Issue.
3. In-principle approval dated [●] from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number ("ISIN") is [●].

Approvals pertaining to Incorporation, name and constitution of our Company

1. Certificate of Incorporation dated February 23, 2009 issued by the Registrar of Companies, Goa, Daman and Diu ("RoC") in the name of "Relicab Cable Manufacturing Private Limited".
2. A fresh Certificate of Incorporation consequent upon change of name from "Relicab Cable Manufacturing Private Limited" to "Relicab Cable Manufacturing Limited" was issued on September 22, 2015 by the Registrar of Companies, Goa.
3. The Corporate Identity Number (CIN) of the Company is U27201DD2009PLC004670.

I. GENERAL APPROVALS

1. The Company has obtained Registration Certificate of Establishment, in respect of its corporate office located at 207, Sahakar Bhavan, Kurla Industrial Estate LBS Marg, Ghatkopar (W), Mumbai – 400086, bearing Registration No.760304918/Commercial II Ward N, under the Maharashtra Shops and Establishments Act, 1948. The Certificate is valid until December 31, 2015.
2. The Company has registered as Dealer, under the Central Sales Tax Act, 1956, in respect of the Company's premises located at Plot no. 57/1, 4-B, Bhenslore Industrial Estate, Dunetha, Daman, and has obtained CST No: DA/CST/5431, in this regard.

II. TAX RELATED APPROVALS

i. General				
Sr. No.	Description	Authority	Registration Number	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAECR2653M	Valid until cancelled
2.	Tax Deduction Account Number (TAN)*	Income Tax Department, Government of India	SRTR03979D	Valid until cancelled
3.	Certificate of Registration issued under Service Tax Code Registration	Assistant Commissioner of Central Excise, Division North Daman	AAECR2653MS T001	Till the business is discontinued

**The company has filed a request, vide letter dated October 7, 2015, in order to rectify and reflect the issuance of the TAN, in the name of the Company, which was erroneously issued in the name of M/s. Relicab Manufacturing Private Limited.*

ii. Value Added Tax				
Sr. No.	Description	Authority	Registration Number	Date of Expiry
1.	Amended Certificate of Registration in respect of the Company's premises located at Plot no. 57/1, 4B, Bhenslore Industrial Estate, Dunetha, Daman*.	Assistant Value Added Tax Officer, Daman	TIN – 25000005973	Valid until cancelled

**Amended Certificate of Registration, in the name of Relicab Cable Manufacturing Private Limited, issued in lieu of the original Certificate of Registration, dated December 18, 1999, which was in the name of Relicab Cable Corporation.*

III. LABOUR RELATED APPROVALS/ REGISTRATIONS

The Company has obtained the following approvals related to Labour/employment related registrations:

Sr. No.	Authority	Registration Number	Issuing Authority	Date of Expiry
1.	Registration and License to work a factory issued under the Factories Act, 1948.	2128	Chief Inspector of Factories, Administration of Daman & Diu(U.T.), Daman	Renewed upto December 31, 2015
2.	Registration under Employees Provident Funds & Miscellaneous Provisions Act, 1952	Code:- SRVAP0045992000	Employee Provident Fund Organisation, Assistant Commissioner, sub regional office, Vapi.	Valid until cancelled

IV. CENTRAL EXCISE RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Expiry
1.	Central Excise Registration Certificate	Assistant Commissioner of Central Excise Division North Daman	AAECR2653MXM001	Till the business is discontinued

V. BUSINESS RELATED APPROVALS

The Company has obtained the following approvals for the purposes of its business activities:

Sr. No.	Description	Registration/Approval/Certificate Number	Issuing Authority	Date of Expiry
1.	Approval for Electricity Supply*	ED/EE/T-12/1511	Executive Engineer, Electricity Department, Daman	NA
2.	Entrepreneurs Memorandum Acknowledgement (Part-II)	600011200115	General Manager (DIC), Daman	N.A.
3.	Certificate of Verification issued under	LM/WM/DMN/RPR-03	Inspector, Weights and Measures	May 11, 2016

* Approval for Electricity Supply was issued in the name of "M/s. Relicab Cable Corporation", dated December 23, 1999, and the same was amended to reflect the issuance of the Approval in the name of the Company vide letter No. ED/EE/T-14/2009-2010/1969 dated November 12, 2009.

Our Company has obtained a various licenses and has conducted a test/calibration report, in respect of its products. The details of the same have been enumerated below:

Sr. No	Description	Certificate/Code Number	Issuing Authority	Date of Expiry
1.	Test Calibration Report issued for carrying out Type Test as per IS 694-1990 (Reaffirmed 2005) Specification for PVC insulated cable.	Report No.: 587	MSME Testing Centre, Govt. of India, Ministry of MSME Ministry of Micro , Small & Medium Enterprises	N.A.
2.	BIS certification for IS 694: 1990, in respect of PVC insulated cables.	CM/L- 7409978	Bureau of Indian Standards, Western Regional Office-Marks Department Mumbai- III	January 5, 2016
3.	BIS certification for IS 1554: part 1: 1988, in respect of PVC insulated (heavy duty) electric cables.	CM/L- 7409877	Bureau of Indian Standards, Western Regional Office-Marks Department Mumbai- III	January 5, 2016
4.	Certificate of registration certifying Quality Management System in compliance with the requirements of ISO 9001:2008	37123/A/D001/UK/En	United Registrar of Systems	November 15 , 2015

VI. ENVIRONMENT RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Expiry
1.	Consent to operate/renewal facilities under Water (Prevention and Control of Pollution) Act, 1974	Pollution Control Committee Daman & Diu and Dadra & Nagar Haveli.	PCC/DDD/G-2429/WA/BS/99-00/1918	Renewed upto January 31, 2016
2.	Consent to operate/renewal facilities under Air (Prevention and Control of Pollution) Act, 1981	Pollution Control Committee Daman & Diu and Dadra & Nagar Haveli.	PCC/DDD/G-2429/AA/BS/99-00/1919	Renewed upto January 31, 2016

VII. OTHER APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Ministry of Commerce and Industry, Govt. of India.	IEC No.: 0304046809	Valid until cancelled

VIII. Pending Approvals

The Company has applied for the following approval and the same is pending registration:

- i. Application filed for obtaining authorisation for collection/ reception/ treatment/ transports/ storage/ disposal of hazardous wastes under sub-rule (3) of rule 5 of the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, with Pollution Control Committee, Daman& Diu.

IX. Approvals required to be obtained by the Company, but not applied for:

- ii. No Objection Certificate (NOC) from the Daman & Diu Directorate of fire & Emergency Services, Fire Force Headquarters, Daman.



SECTION VIII - OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated September 23, 2015 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra Ordinary General Meeting held on September 30, 2015 in accordance with the provisions of Section 62 (1)(c) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, its Directors, Promoters and entities forming part of our Promoter Group from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI.

We further confirm that none of our Company, its Promoters, its Group Companies or the relatives of our Promoters and Group Companies was ever identified as wilful defaulters by RBI or other authorities.

Association with Securities Market

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Risk Factors*”, “*Our Promoter, Promoter Group and Group Companies*” and “*Outstanding Litigations and Material Developments*” beginning on page nos. 11, 132 and 177 respectively, of this Draft Prospectus.

Eligibility for the Issue

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 106 (M) (1) of Chapter XB of the 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 shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE).

We confirm that:

- a) In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the total Issue Size. For further details pertaining to the said underwriting please see “*General Information- Underwriting*” on page no 48 of this Draft Prospectus.
- b) 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 within such time which shall be prescribed by the SEBI. If the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (3) of Section 39 shall be returned within such time and manner as may be prescribed under the Companies Act, 2013.

- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of Market Making, please see “General Information- Details of the Market Making Arrangements for this Issue” on page no 49 of this Draft Prospectus.

We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

- e) Our Company has Net Tangible assets of at least ₹ 3 crore as per the latest audited financial results
- f) The Net worth (excluding revaluation reserves) of our Company is at least ₹ 3 crore as per the latest audited financial results
- g) Our Company has track record of distributable profits in terms of sec. 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.
- h) The distributable Profit, Net tangible Assets and Net worth of our Company as per the restated financial statements for the year ended as at March 31, 2015, 2014 and 2013 is as set forth below:

(₹ in Lakhs)

Particulars	Fiscal 2015	Fiscal 2014	Fiscal 2013
Distributable Profit ⁽¹⁾	14.02	5.53	3.35
Net tangible Assets ⁽²⁾	311.07	246.71	216.20
Net Worth ⁽³⁾	312.58	125.67	119.57

⁽¹⁾ Distributable profits have been computed in terms section 123 of the Companies Act, 2013.

⁽²⁾ Net Tangible Assets are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities) and secured as well as unsecured long term liabilities excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

⁽³⁾ Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

- i) As on the date of this Draft Prospectus, our Company has a paid up capital of ₹ 297.45 lakhs (₹ 2.97 crores), which is in excess of ₹ 1 crore, and the Post Issue Capital shall also be in excess of ₹ 3 crore.
- j) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- k) There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed
- l) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on SME segment
- m) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

n) We have a website: www.relicab.com

Disclosure

The Issuer, our Promoters, Promoter Group and the members of our Group Companies have confirmed that they have not been identified as wilful defaulters by the RBI or any other Governmental Authority.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED 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 THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH 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 THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] WHICH READS 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 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 PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE 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, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), 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 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 FULFIL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE 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 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 AUDITOR'S CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE “MAIN OBJECTS” LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 (SECTION 40 OF 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 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 PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE.

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE 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.
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE “ANNEXURE A” FOR FURTHER DETAILS).
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR 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 MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26, 30 and 32 of the Companies Act, 2013.

ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS 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 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 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.**
- 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 PROSPECTUS.**
- 6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

Disclaimer from our Company and the Lead Manager

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

CAUTION

The Lead Manager accept no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Lead Manager and our Company dated October 09, 2015, the Underwriting Agreement dated October 09, 2015 entered into among the Underwriters and our Company and the Market Making Agreement dated October 09, 2015, entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and the Lead Manager 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 or elsewhere.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters 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 of our



Company and 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 and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters 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 of our Company.

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), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus / 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. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any 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.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "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 of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with 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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Filing

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106 (O) (1). However, a copy of the Prospectus shall be filed with SEBI at Plot No. C4-A, 'G' Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at Company Law Bhawan, EDC Complex, Plot No. 21, Patto, Panaji, Goa-403 001.

Listing

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is no requirement of obtaining In-Principle approval of the SME Platform of BSE. However, application shall be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded within fifteen days from the closure of the issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period 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 BSE mentioned above are taken within 12 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

Price Information of past issues handled by the Lead Manager

Aryaman Financial Services Limited

S. No	Issue Name	Issue size (₹ in lakhs)	Issue Price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
1.	Vakson Automobiles Ltd	624.00	26	16/10/15	26.25	27.00	3.85%	27,214.60	-	-	-	-	-	-
2.	AGI Infra Ltd.	1,499.04	54.00	27/03/15	54.40	54.65	1.20%	27,458.64	54.70	28,504.46	55.25	28,666.04	56.25	27,437.94
3.	Vishal Fabrics Ltd.	1,563.30	45.00	20/08/14	45.20	46.90	4.22%	26,314.29	48.00	26,638.11	51.50	27,057.41	50.50	27,090.42
4.	Dhanuka Commercial Ltd.	444.00	10.00	11/06/14	9.75	9.75	(2.50)%	25,473.89	8.90	25,105.51	8.75	25,516.35	9.75	25,024.35
5.	Karnimata Cold Storage Ltd.	303.60	20.00	18/03/14	29.05	30.00	50.00%	21,832.61	22.15	22,339.97	22.15	22,343.45	22.15	22,628.84
6.	Suyog Telematics Ltd.	453.00	25.00	22/01/14	25.20	25.25	1.00%	21,337.67	25.20	20,513.85	25.00	20,363.37	25.50	20,700.75
7.	Stellar Capital Services Ltd.	900.00	20.00	01/11/13	20.10	19.10	(4.50)%	21,196.81	16.90	20,666.15	15.30	20,635.13	14.55	20,791.93

S. No	Issue Name	Issue size (₹ in lakhs)	Issue Price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
8.	S R G Securities Finance Ltd.	501.60	20.00	29/10/13	23.90	24.25	21.25%	20,929.01	20.50	20,666.15	20.10	20,850.74	20.00	20,425.02
9.	Kushal Tradelink Ltd.	2,774.80	35.00	04/09/13	35.00	35.80	2.29%	18,567.55	35.30	19,732.76	35.30	19920.21	43.10	19915.95
10	India Finsec Ltd.	600.00	10.00	11/06/13	10.00	10.50	5.00%	19,143.00	9.55	19,245.70	10.00	18,629.15	10.00	18,629.15

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in lakhs)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30 th calendar day from listing day			Nos. of IPOs trading at premium as on 30 th calendar day from listing day		
			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%
2015-16	1	624.00	-	-	-	-	-	1	-	-	-	-	-	-
2014-15	3	3506.34	-	-	1	-	-	2	-	-	1	-	-	2
2013-14	6 ⁽¹⁾	5,533.00	-	-	1	-	1	4	-	1	-	-	-	3

⁽¹⁾As on the 30th Calendar day from the listing day, the price of India Finsec Limited and S R G Securities Finance Ltd. is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

Notes:

(a) In case the 10th, 20th and 30th calendar day from the date of listing is a holiday, or if the stock was not traded on the said calendar days from the date of listing, the share price and benchmark index is taken of the immediately preceding working day.

(b) BSE SENSEX has been considered as the benchmark index.

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of the Lead Manager – www.afsl.co.in.

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the Statutory Auditors, Bankers to the Company; and (b) the Lead Manager, Escrow Collection Bankers, Refund Banker, Peer Review Auditor, Registrar to the Issue, the Legal Advisors to the Issue, to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. R.T. Jain & Co., Peer Review Auditors and M/s. D.K. Vora & Company, Statutory Auditors, have provided their written consent to the inclusion of their reports dated October 16, 2015 on the Restated Financial Statements and their reports dated October 14,

2015 on the Statement of Possible Tax Benefits, respectively, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus.

Expert Opinion

Except for the below stated reports and certificate included in the Prospectus, our Company has not obtained any expert opinions:

1. Statutory Auditor – Statement of Possible Tax Benefits
2. Peer Review Auditor – Restated Financial Statements
3. Legal Due Diligence Report

ISSUE RELATED EXPENSES

The expenses of this Issue include, among others, underwriting and management fees, Market Making Fees, selling commissions, SCSB's commission/ fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees is given below:

Issue related expenses activity	Amount (Rs. in lakhs)	% of Total Expenses	% of Total Issue size
Issue Management fees including underwriting and selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses	33.00	73.33%	8.23%
Printing & Stationery, Distribution, Postage, etc.	2.25	5.00%	0.56%
Advertisement & Marketing Expenses	2.25	5.00%	0.56%
Regulatory & other expenses	7.50	16.67%	1.87%
Total Estimated Issue related Expenses	45.00	100.00	11.23%

Fees, Brokerage and Selling Commission Payable to the Lead Manager

The total fees payable to the Lead Managers (including underwriting commission and selling commission) is as stated in the MOUs dated October 09, 2015, the Underwriting Agreement dated October 09, 2015 and the Market Making Agreement dated October 09, 2015 among our Company and the Lead Manager and other parties, a copy of which will be made available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MoU between the Company and the Registrar to the Issue dated October 12, 2015.

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 to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

Capital Issue during the last three years

Relicab Cable Manufacturing Limited and its Promoter Group have not made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

Previous Public and Rights Issues

We have not made any previous rights and public issues, and we are an “Unlisted Company” 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 Equity Shares otherwise than for Cash

Except as stated in the chapter titled “*Capital Structure*” beginning on page no 51 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Commission and Brokerage Paid on Previous Issues of our Equity Shares

Since this is an Initial Public Offer of the 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 the Equity Shares since inception of the Company.

Companies under the same Management

There are no companies under the same management within the meaning of section 370 (1B) of the Companies Act, 1956, that has made any public issue (including any rights issues or composite issues to the public) during the last three years.

Promise v. Performance – Associates

Our Company and its Promoter Group have not made any previous rights and public issues.

Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments issued by the Company

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

Stock Market Data for our Equity Shares

This being an initial public issue of the Company, the Equity Shares of the Company are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The Company has appointed Sharex Dynamic (I) Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor



grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on October 01, 2015 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Grievance Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Ms. Vijaya More	Non-Executive Independent Director	Chairman
Mr. Mushtaque Khan	Non-Executive Independent Director	Member
Mr. Parag H. Shah	Whole Time Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page no 121 of this Draft Prospectus.

The Company has also appointed Mr. Monil Kothari as the Company Secretary and Compliance Officer for this Issue and she may be contacted at the Corporate Office of our Company. The contact details are as follows:

Name: Mr. Monil Kothari

Address: 57/1, (4-B) Benslore Industrial Estate, Village Dunetha, Nani Daman, Daman – 396 210.

Tel Fax No.: +91 – 260- 3255493

Email: investor.relicab@gmail.com

Investors can contact the Compliance Officer or the Registrar to the Issue 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 accounts and refund orders.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

Disposal of Investor Grievances by Listed Companies under the same Management as the Company

No company under the same management as the Company within the meaning of Section 370(1B) of the Companies Act, 1956 has made any public issue (including any rights issues to the public) during the last three years and hence there are no pending investor grievances.

Change in Auditors

There has been no change in auditors of our company in the last 3 years.

Capitalisation of Reserves or Profits

Except as stated in the chapter titled “*Capital Structure*” beginning on page no 51 of this Draft Prospectus, our Company has not capitalised our reserves or profits during the last five years.

Revaluation of Assets

We have not revalued our assets in last five (5) years.

SECTION IX – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the 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 this 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 Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Authority for the Issue

This Issue of Equity Shares has been authorized by the Board of Directors of our Company at their meeting held on September 23, 2015 and was approved by the Shareholders of the Company by passing a Special Resolution at the Extra Ordinary General Meeting held with a shorter notice on September 30, 2015 in accordance with the provisions of Section 62 (1) (C) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled "*Main Provisions of the Articles of Association of our Company*" beginning on page no 229 of this Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please see the chapter titled "*Dividend Policy*" beginning on page no 140 of this Draft Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of ₹ 20 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "*Basis for Issue Price*" beginning on page no 68 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Rights of the Equity Shareholders

Subject to applicable laws, 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 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;
- ✓ Right of free transferability; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "*Main Provisions of Articles of Association of our company*" beginning on page no 229 of this Draft Prospectus.

Minimum Application Value; Market Lot and Trading Lot

As per the provisions of the Depositories Act, 1996, the shares of a Body Corporate can be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

As per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialized form only.

Trading of the Equity Shares will happen in the minimum contract size of 6,000 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 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 Issue will be done in multiples of 6,000 Equity Share subject to a minimum allotment of 6,000 Equity Shares to the successful applicants.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 12 Working days of closure of issue.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.



In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. 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 40 of the Companies Act, 2013.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 6,000 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please see the section titled "*Main Provisions of the Articles of Association of our Company*" beginning on page no 229 of this Draft Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue

Option to receive Equity Shares in Dematerialized Form

As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares will be made only in dematerialized form. As per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialised form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE.

Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the company is likely to increase above ₹ 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 promoters 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), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we 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 promoters 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 issued through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please see the chapter titled "*General Information - Details of the Market Making Arrangement for this Issue*" beginning on page no 49 of this Draft Prospectus.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai. The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page nos. 199 and 205 respectively, of this Draft Prospectus.

Following is the issue structure:

Public issue of 20,04,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 20 per Equity Share (including a Share premium of ₹ 10 per Equity Share) aggregating to ₹ 400.80 lakhs ("the Issue") by Relicab Cable Manufacture Ltd. ("RCML" or the "Company" or the "Issuer").

The issue comprises a reservation of 1,08,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of 18,96,000 Equity Shares of ₹ 10 each ("the Net issue").

Particulars of the Issue	Net Issue to Public ⁽¹⁾	Market Maker Reservation Portion
Number of Equity Shares available for allocation	18,96,000 Equity Shares	1,08,000 Equity Shares
Percentage of Issue Size available for allocation	94.61% of the Issue Size	5.39% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 6,000 Equity Shares and further allotment in multiples of 6,000 Equity Shares each.	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or the Physical Form.	Through ASBA Process Only
Minimum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000.</p> <p><i>For Retail Individuals:</i></p> <p>6,000 Equity Shares</p>	1,08,000 Equity Shares
Maximum Application Size	<p><i>For QIB and NII:</i></p> <p>Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Size does not exceed 18,96,000 Equity Shares.</p> <p><i>For Retail Individuals:</i></p> <p>Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application Value does not exceed ₹ 2,00,000.</p>	1,08,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form



Particulars of the Issue	Net Issue to Public ⁽¹⁾	Market Maker Reservation Portion
Trading Lot	6,000 Equity Shares	6,000 Equity Shares, However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	

⁽¹⁾ 50 % of the shares offered are reserved for allocation to applications below or equal to ₹ 2 lakhs and the balance for higher amount applications.

Withdrawal of the Issue

The Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

- i. The final listing and trading approvals of BSE for listing of Equity Shares offered through this Issue on its SME Platform, which the Company shall apply for after Allotment; and
- ii. The final RoC approval of the Prospectus after it is filed with the RoC.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If 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.

Issue Programme

ISSUE OPENING DATE	[•]
ISSUE CLOSING DATE	[•]

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

Fixed Price Issue Procedure

This Issue is being made under Regulation 106 (M) (1) of Chapter XB of SEBI (ICDR) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit them to the Registrar of the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications based on technical grounds only.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic application system of the stock exchanges by the Brokers (including sub-brokers) do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Applicants are required to ensure that the PAN (of the sole/ first Applicant) provided in the Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. 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.

Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and Non-ASBA)	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA and Non-ASBA)	Blue

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f. May 02, 2011, the Non-Institutional Applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Who Can Apply?

1. Indian nationals resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);

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 authorised to invest in equity shares;
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 (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Applications portion;
9. VCFs registered with SEBI;
10. FVCIs registered with SEBI;
11. Eligible QFIs;
12. Multilateral and bilateral development financial institutions;
13. State Industrial Development Corporations;
14. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
15. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
16. Insurance companies registered with Insurance Regulatory and Development Authority;
17. Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
18. Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
19. Limited liability partnerships;
20. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
21. Nominated Investor and Market Maker

22. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India
23. 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 policy of the Government of India, OCBs cannot participate in this Issue.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

Maximum and Minimum Application Size

a) For Retail Individual Applicants:

The Application must be for a minimum of 6,000 Equity Shares and in multiples of 6,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

b) 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 ₹ 2,00,000 and in multiples of 6,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Applications (both in terms of number of Equity Shares applied for and Application Amount) at any stage and are required to pay the entire Application Amount upon submission of the Application.**

The identity of QIBs applying in the Net Issue under the QIB Portion shall not be made public during the subscription Period. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

Information for the Applicants

- a) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- b) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the Corporate Office of the Lead Manager.
- d) Applicants who are interested in subscribing for the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.

e) Applications made in the name of Minors and/or their nominees shall not be accepted.

Applicants are requested to mention the application form number on the reverse of the instrument to avoid misuse of instrument submitted along with the application for shares. Applicants are advised in their own interest, to indicate the name of the bank and the savings or current a/c no in the application form. In case of refund, the refund order will indicate these details after the name of the payee. The refund order will be sent directly to the payee's address

Availability of Prospectus and Application Forms:

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection Centers of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of SME Platform of BSE Limited i.e. www.bsesme.com

Option to Subscribe in the Issue

- a. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
- b. 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.
- c. Allotment of Equity Shares to all successful Applicants will only be in the dematerialised form.

Participation by Associates of Lead Manager

Except for the Underwriting Obligations, the Lead Manager shall not be allowed to subscribe to this Issue in any manner. However, associates and affiliates of the Lead Manager may subscribe to or purchase Equity Shares in the Issue, where the allocation is on a proportionate basis.

Application by Indian Public including eligible NRIs 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, 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, 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 securities exceeding the number of securities offered to the public

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any 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.

Multiple Applications: 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.

Applications by Eligible NRIs

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and applying on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their Non-Resident External (“NRE”) Account or Foreign Currency Non-Resident (“FCNR”) Accounts, maintained with banks authorised by the RBI to deal in foreign exchange. Eligible NRIs applying on a repatriation basis are advised to use the Application Forms meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be. Payment for Applications by non-resident Applicant, applying on a repatriation basis will not be accepted out of Foreign Currency Non-Resident (“NRO”) accounts.

In case of Application by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a NRO Account of a Non-Resident Applicant applying on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

Applications by Eligible NRIs for a payment amount of up to ₹ 2,00,000 would be considered under the Retail Portion for the purposes of allocation and Applications for a payment amount of more than ₹ 2,00,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Applications by FPIs, FIIs and QFIs

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' will be subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a QFI can continue to buy, sell or otherwise deal in securities until January 6, 2015 or until the QFI obtains a certificate of registration as FPI, whichever is earlier. Such QFIs shall be eligible to participate in this Issue in accordance with Schedule 8 of the FEMA Regulations and are required to Apply under the Non-Institutional Applicants category.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. As of now, in accordance with the foreign investment limits applicable to us the total foreign investment including FII investment cannot exceed the sectoral cap applicable to us (being 100% of our total post Issue paid-up capital).

Further, the existing individual and aggregate investment limits for QFIs in an Indian company are 5% and 10% of the paid up capital of an Indian company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

Applications by Limited Liability Partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended ("LLP Act") a certified copy of certificate of registration issued under the LLP Act must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

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 reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2013, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- a) 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;
- b) the entire group of the investee company: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets in all companies belonging to the group; and
- c) The industry sector in which the investee company operates: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets.

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, i.e. December 26, 2008, providing, among other things, that the exposure

of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

Application by Provident Funds/ Pension Funds

In case of applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 2500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

Application under Power of Attorney

In case of applications made pursuant to a power of attorney by Limited Companies, Corporate Bodies, Registered Societies, Mutual Funds, Eligible QFIs, Insurance Companies and Provident Funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores 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 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 therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along 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 reasons thereof.
- b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a Chartered Accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / refund orders / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The 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 number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The Application Form shall bear the stamp of the SCSBs and if not, the same shall be rejected.

The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. 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 bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account.

In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager. ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f. May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorize the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB. Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the

SCSB bank accounts, shall not be accepted. After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

ESCROW MECHANISM

For details of the escrow mechanism and payment instructions, see chapter titled “*Issue Procedure – Payment Instructions*” on page no 217 of this Draft Prospectus.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Broker / Sub Broker and SCSBs will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Brokers and the SCSBs, (ii) the Applications uploaded by the Brokers and the SCSBs, (iii) the Applications accepted but not uploaded by the Brokers and the SCSBs or (iv) with respect to ASBA Applications, Applications accepted and uploaded without blocking funds in the ASBA Accounts.
2. The SCSBs shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs and (iv) with respect to Applications by ASBA Applicants, Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by the SCSBs, the full Application Amount has been blocked in the relevant ASBA Account.
3. In case of apparent data entry error either by the Broker / Sub Broker or the collecting bank in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).
4. The Brokers / Sub Brokers and SCSBs will undertake modification of selected fields in the Application details already uploaded within one Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Brokers and the SCSBs during the Issue Period. The Brokers / Sub Brokers and the Designated Branches 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 on-line facilities for Book Building on a regular basis. On the Issue Closing Date, the Brokers and the Designated Branches shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Brokers / Sub Brokers on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.

6. At the time of registering each Application and each ASBA Application submitted by an ASBA Applicant, the Brokers and the Designated Branches shall enter the following details of the investor in the on-line system, as applicable:
 - Name of the Applicant
 - IPO Name
 - Application Form number
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - Draft Prospectus ID of the demat account of the Applicant;
 - Client Identification Number (CIN) of the demat account of the Applicant;
 - Numbers of Equity Shares Applied for;
 - Cheque Details in case of Applications other than ASBA Application and Bank Account details in case of ASBA Applicants;
 - Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.

In case of submission of the Application by an ASBA Applicant through the Electronic Mode, the ASBA Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

7. A system generated TRS will be given to the Applicant as a proof of the registration of the application. It is the Applicant's responsibility to obtain the TRS from the Brokers / Sub Brokers or the Designated Branches. The registration of the Application by the Brokers / Sub Brokers or the Designated Branches does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
8. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
9. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
10. 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 Manager 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 Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Brokers / Sub Brokers will be given up to one day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges 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, Beneficiary Account Number and PAN, then such Applications are liable to be rejected.

SIGNING OF UNDERWRITING AGREEMENT AND ROC FILING

Our Company and the Underwriters shall enter into an Underwriting Agreement as per the terms of Regulation 106P of the SEBI (ICDR) Regulations, 2009 amendments thereto from time to time.

Filing of the Prospectus with the RoC

Our Company will file a copy of the Prospectus with the RoC situated at, Company Law Bhawan , EDC Complex, Plot No. 21, Patto, Panaji, Goa-403 001, as required under the Companies Act.

ANNOUNCEMENT OF PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, the Company shall, after registering the Prospectus with the RoC, publish a Pre-Issue Advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper, one widely circulated Hindi language national daily newspaper and one widely circulated regional daily newspaper. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price.

ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE

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.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

1. Our Company will ensure that (i) the Allotment of Equity Shares; and (ii) credit to the successful Applicant's depository account will be completed within 12 Working Days of the Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, our Company will ensure the credit to the successful Applicant's depository account is completed within Twelve Working Days from the date of closure of the Issue.
2. In accordance with section 29(1) of the Companies Act, 2013, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
3. Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be credited to their depository account pursuant to this Issue.

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 (as defined herein below) 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.

Don'ts:

- 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 Bankers of the Issue / SCSB.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not fill up 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.

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. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at par.

Applicant's Depository Account and Bank Details

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.

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, 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 Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants sole risk and neither the Lead Manager or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. 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.



Applications by Non-Residents including Eligible NRIs, FIIs and Foreign Venture Capital Funds on a repatriation basis

Applications and revision to Applications must be made in the following manner:

1. On the Application Form or the Revision Form, as applicable (Blue in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained overleaf.
2. In a single name only.
3. Applications on a repatriation basis shall be in the names of individuals, or in the name of FIIs but not in the names of persons not competent to contract under the Indian Contract Act, 1872, as amended, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Applications by Eligible NRIs for an amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Applications for an amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Applicants who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. Our Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

As per the existing policy of the Government of India, OCBs are not permitted to participate in the Issue.

There is no reservation for Eligible NRIs and FIIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Applicants other than ASBA Applicants

Our Company shall open Escrow Accounts with one or more Escrow Collection Bank(s) in whose favour the Applicants (other than ASBA Applicants) shall make out the cheque or demand draft in respect of his or her Application and/or revision of the Application. Cheques or demand drafts received for the full Application Amount from Applicants in a certain category would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the Prospectus and the Escrow Agreement. The Escrow Collection Bank(s) for and on behalf of the Applicants shall maintain the monies in the Escrow Account. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account opened with the Public Issue Account Bank. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus.

The Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Applicants.

Terms of Payment / Payment Instructions

The entire Issue Price of ₹ 20 per share is payable on application. In case of allotment of lesser number of Equity shares than the number applied, the Company shall refund the excess amount paid on Application to the Applicants.

Payments should be made by cheque, or demand draft drawn on any Bank (including a Co operative Bank), which is situated at, and is a member of or sub member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques/ bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

Cash/ Stock invest/ Money Orders/ Postal orders will not be accepted.

A separate Cheque or Bank Draft should accompany each Application Form. Applicants should write the Share Application Number on the back of the Cheque /Draft. Outstation Cheques will not be accepted and applications accompanied by such cheques drawn on outstation banks are liable for rejection. Money Orders / Postal Notes will not be accepted.

Each Applicant shall draw a cheque or demand draft for the amount payable on the Application as per the following terms:

- 1) The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - Indian Public including eligible NRIs applying on non-repatriation basis: "Escrow Account – VAL – R".
 - In case of Non-Resident Retail Applicants applying on repatriation basis: "Escrow Account – VAL – NR"
- 2) In case of Application by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
- 3) Where an Applicant has been allocated a lesser number of Equity Shares than the Applicant has applied for, the excess amount, if any, paid on Application, after adjustment towards the amount payable by the Pay-In Date on the Equity Shares allocated will be refunded to the Applicant from the Refund Account.
- 4) On the Designated Date and no later than 12 Working days from the Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Applicants and also the excess amount paid on Application, if any, after adjusting for allocation / Allotment to the Applicants.

For Terms of Payment / Payment Instructions for ASBA Applicants, please see “Issue Procedure for ASBA Applicants” under the chapter “Issue Procedure” on page no. 205 of this Draft Prospectus.

Payment by Stock Invest

In terms of the RBI Circular No. DBOD No. FSC BC 42 / 24.47.00 / 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

SUBMISSION OF APPLICATION FORM

All Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the Brokers / Sub Brokers at the time of submission of the Application. With regard to submission of Application Forms, please refer to the sub-section on “Issue Procedure - Application Form” on page no. 205 of this Draft Prospectus.

Kindly note that the Brokers / Sub Brokers at the Collection Centers may not accept the Application if there is no branch of the Escrow Collection Banks at that location.

No separate receipts shall be issued for the money payable on the submission of Application Form or Revision Form. However, the collection centre of the Brokers / Sub Brokers will acknowledge the receipt of the Application Forms or Revision Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. In case of ASBA Applications, an acknowledgement from the Designated Branch or concerned Brokers / Sub Brokers, as the case may be, for submission of the Application Form may be provided

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- a. All applications are electronically strung on first name, address (1st line) and applicant’s status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband’s name to determine if they are multiple applications
- b. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- c. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

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.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of “know your client” norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants and Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

Grounds for Technical Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
2. 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;
3. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
4. PAN not mentioned in the Application Form;
5. GIR number furnished instead of PAN;
6. Applications for lower number of Equity Shares than specified for that category of investors;
7. Applications at a price other than the Fixed Price of the Issue;
8. Applications for number of Equity Shares which are not in multiples of 4,000;
9. Category not ticked;
10. Multiple Applications as defined in this Draft Prospectus;
11. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
12. Applications accompanied by Stock invest/ money order/ postal order/ cash;
13. Signature of sole Applicant is missing;

14. 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;
15. 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;
16. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
17. Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
18. Applications by OCBs;
19. Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
20. Applications not duly signed;
21. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
22. Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
23. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
24. 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;
25. Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000 received after 3.00 pm on the Issue Closing Date;

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 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.

Equity Shares in Dematerialised Form with NSDL or CDSL

As per the provisions of Section 29 (1) of the Companies Act, 2013, the allotment of Equity Shares in this Issue shall be only in de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, the Company is in the process of signing two agreements with the respective Depositories and the Registrar to the Issue:

1. Agreement dated [●] with NSDL, the Company and the Registrar to the Issue;
2. Agreement dated [●] with CDSL, the Company and the Registrar to the Issue.

All Applicants can seek allotment only in dematerialised mode. Applications from any Applicant without relevant details of his or her depository account are liable to be rejected.

1. An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
2. The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
3. Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
4. Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository.
5. If incomplete or incorrect details are given under the heading 'Investors Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
6. The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis-à-vis those with his or her Depository Participant.
7. Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
8. The trading of the Equity Shares of our Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.
9. Allotment advice or refund orders will be directly sent to the Applicants by the Registrar to the Issue.

Communications

All future communications in connection with the 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 Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank 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, refund orders etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within twelve working days of date of closure of the Issue.

In case of applicants who receive refunds through ECS, Direct Credit or NEFT, the refund instructions will be given to the clearing system within 12 working days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 12 working days of Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

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 12 working days of closure of the issue.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- 1) Allotment of Equity Shares shall be made within 12 (twelve) working days of the Issue Closing Date;
- 2) Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 (twelve) working days of the Issue Closing Date would be ensured; and

The Company shall pay interest at 15% p.a. for any delay beyond the 12 (twelve) working days time period as mentioned, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 12 (twelve) working days time.

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 of the said Act.”

BASIS OF ALLOTMENT

Allotment will be made in consultation with BSE Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- 1) 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).
- 2) 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).
- 3) For applications where the proportionate allotment works out to less than 6,000 equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 6,000 equity shares;
 - b) The successful applicants out of the total applicants for that category shall be determined by the drawal 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.

- 4) If the proportionate allotment to an applicant works out to a number that is not a multiple of 6,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 6,000 equity shares subject to a minimum allotment of 6,000 equity shares.
- 5) If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allocated 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 of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 6,000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
- 6) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 - b) The balance net offer of shares to the public shall be made available for allotment to (i) individual applicants other than retails individual investors and (ii) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c) The unsubscribed portion of the net offer to any one of the categories specified in (i) or (ii) shall/may be made available for allocation to applicants in the other category, if so required.

If the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 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 the Lead Manager and the Registrar to this 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, 2009.

PROCEDURE AND TIME SCHEDULE FOR TRANSFER OF EQUITY SHARES

The Issue will be conducted through the "Fixed Price Method" pursuant to which the Brokers / Sub-Brokers and SCSBs will accept Applications for the Equity Shares during the Issue Period. The Issue Period will commence on [●] and expires on [●]. Following the expiration of the Issue Period, our Company, in consultation with the Lead Manager, will determine the basis of allotment and entitlement to allotment based on the applications received and subject to the confirmation by the Stock Exchanges. Successful Applicants will be provided with a confirmation of their allocation for the Equity Shares within a prescribed time. The SEBI (ICDR) Regulations, 2009 require our Company to complete the allotment to successful Applicants within 12 days of the expiration of the Issue Period. The Equity Shares will then be credited and allotted to the investors' demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence.

LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBs

The Registrar to the Issue shall give instructions for credit of the Allotted Equity Shares to the beneficiary account with depository participants within 12 Working Days from the Issue Closing Date. Applicants residing at the centers where clearing houses are managed by the RBI will get refunds through NECS only except where applicant is

otherwise disclosed as eligible to get refunds through direct credit and NEFT. Our Company shall ensure dispatch of refund orders, if any, by registered post or speed post at the sole or First Applicant's sole risk within 12 Working Days of the Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within 12 Working Days of closure of Issue Closing Date. In case of ASBA Applicants, the Registrar shall instruct the relevant SCSBs to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 12 Working Days of the Issue Closing Date.

REFUNDS

In case of Applicants receiving refunds through electronic transfer of funds, delivery of refund orders/ allocation advice/ CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicants sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the Lead Manager shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which 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 Identity, then such Applications are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the Applicant). In such cases, the Registrar shall use Demographic Details as given in the Application Form instead of those obtained from the depositories.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/ or commission. In case of Applicants who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. The Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

Payment of Refund

Applicants must note that on the basis of name of the Applicants, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Application Form, the Registrar will obtain, from the Depositories, the Applicants' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Applicants' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the Lead Manager shall be liable to compensate the Applicants for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

MODE OF MAKING REFUNDS

The payment of refund, if any, would be done through various modes as given hereunder:

- 1) **ECS (Electronic Clearing System)** - Payment of refund would be done through ECS for applicants having an account at any of the centres where such facility has been made available specified by the RBI. This mode of

payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories.

- 2) **Direct Credit** - Applicants having bank accounts with the Refund Banker(s), as mentioned in the Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.
- 3) **NEFT (National Electronic Fund Transfer)** - Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.
- 4) For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

INTEREST IN CASE OF DELAY IN DISPATCH OF ALLOTMENT LETTERS OR REFUND ORDERS / INSTRUCTION TO THE SCSBs BY THE REGISTRAR

The issuer agrees that as far as possible allotment of securities offered to the public shall be made within twelve (12) days of the closure of public issue. The issuer further agrees that it shall pay interest at the rate of fifteen (15) per cent per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within fifteen days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

- 1) That the complaints received in respect of this Issue shall be attended to by us expeditiously;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 12 (twelve) working days of closure of the Issue;
- 3) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 (twelve) working days of the Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That the letter of allotment/ refund orders to the non resident Indians shall be dispatched within specified time;
- 6) That no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Prospectus are listed or until the Application monies are refunded on account of non listing, under subscription etc.

- 7) That adequate arrangements shall be made till the securities offered through this Offer Document are listed or till the application moneys are refunded on account of non-listing, under subscription, etc.;
- 8) That we shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ 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 shall be disclosed under an appropriate head in our balance sheet 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 the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilization 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 the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

The Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of BSE for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper. The Stock Exchanges where the Equity Shares are proposed to be listed shall also be informed promptly.

If the Company withdraws the Issue after the Application Closing Date, the Company will be required to file a fresh Draft Offer Document with the Stock Exchange.



RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI ("DIPP") by circular 1 of 2014, with effect from April 17, 2015 ("Circular 1 of 2014"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government proposes to update the consolidated circular on FDI Policy once every Year and therefore, Circular 1 of 2014 will be valid until the DIPP issues an updated circular. (It is expected on March 31, 2015 and effective from April 01, 2015).

FIIIs are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI. Further, in terms of the Consolidated FDI Policy, prior approval of the RBI shall not be required for transfer of shares between an Indian resident and person not resident in India if conditions specified in the Consolidated FDI Policy have been met. The transfer of shares of an Indian company by a person resident outside India to an Indian resident, where pricing guidelines specified by RBI under the foreign exchange regulations in India are not met, will not require approval of the RBI, provided that (i) the original and resultant investment is in line with Consolidated FDI policy and applicable foreign exchange regulations pertaining to inter alia sectoral caps and reporting requirements; (ii) the pricing is in compliance with applicable regulations or guidelines issued by SEBI; and (iii) a compliance certificate in this regard is obtained from chartered accountant and attached to the filings made before the authorised dealer bank.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

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, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.



SECTION X – MAIN PROVISIONS OF ARTICLE OF ASSOCIATION

THE COMPANIES ACT 1956 and COMPANIES ACT, 2013
(TO THE EXTENT APPLICABLE)
(Public Company Limited by Shares)

ARTICLES OF ASSOCIATION

OF

RELICAB CABLE MANUFACTURING LIMITED

4. The regulations contained in Table F of the first schedule to the Companies Act, 2013 (hereinafter referred as Table F) shall apply to this Company in so far as are applicable to Public Company and are not amended, modified or substituted by the following Articles.

INTERPRETATION

5. In the interpretation of these Articles, unless repugnant to the subject or context:-
- a) The company or this company
“The company or this company” means RELICAB CABLE MANUFACTURING LIMITED.
 - b) The Act
“The Act” means the Companies Act 2013, or any statutory modification or re-enactment thereof for the time being in force.
 - c) Auditor
“Auditor” means and includes those persons appointed as such for the time being by the Company.
 - d) Board Meeting
“Board Meeting” means meeting of the Directors duly and constituted or as the case may be, the Directors assembled at a Board.
 - e) Capital
“Capital” means the share capital for the time being raised or authorized to be raised, for the Company.
 - f) Debenture
“Debenture” includes the Debenture stock.
 - g) Directors
“Directors” mean the Directors for the time being of the Company of as the case may be the Directors assembled at as Board.
 - h) Dividend
“Dividend” includes bonus.
 - i) Gender
Word importing the masculine gender also includes the feminine gender.

j) In Writing or Written

“In Writing” or “Written” includes printing, lithography and other modes of representing or reproducing words in a visible form.

k) Member

“Member” means the duly registered holder from time to time of the shares of the Company and includes the subscriber to the Memorandum of the Company.

l) Meeting or Annual General Meeting

“Annual General Meeting” means a General Meeting of the members duly called and constituted and any adjourned holding thereof in accordance of section 96 of the Act.

m) Meeting or Extraordinary general meeting

“Extraordinary General Meeting” means Extraordinary General meeting of the Members duly called and constituted and any adjourned holding thereof.

n) Month

“Month” means a calendar month

o) Office

“Office” means the registered office for the time being of the Company.

p) Paid up

“Paid up” includes credited as paid up.

q) Persons

“Persons” includes corporation and firms as well as individuals.

r) Register of members

“Register of member” means the Register of members to be kept pursuant to the Act.

s) The Registrar

“The Registrar” means the Registrar of the Companies of the state in which the office of the Company is for the time being situated.

t) Officer

“Officer” includes any director, manager or secretary, or any person in accordance with whose direction or instruction the board of Director or any or more of the directors is accustomed to act

u) Seal

“Seal” means the common seal for the time being of the Company.

v) Share

“Share” means share in the share capital of a company and includes stock except where a distinction between stock and share is expressed or implied.

w) Special Resolution

“Special Resolution” shall have the meaning assigned thereto by section 114 of Companies Act, 2013.

x) Year and Financial Year.

“Year” means the “calendar year” and “financial year” shall have the meaning assigned thereto by section 2(41) of the Act.

3. The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013 with a minimum paid up capital of Rupees Five Lakhs or such higher amount as may be prescribed from time to time.

SHARE CAPITAL AND VARIATION OF RIGHTS

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company 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.
5. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:
- (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any 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 for a share to one of several joint holders shall be sufficient delivery to all such holders.
6. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back 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 is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The company may issue new share certificates pursuant to consolidation or sub-division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.
7. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
8. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed

in the manner required by that section and rules made there under.

- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
 - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
9. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 106 & 107 of Companies Act, 1956, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
11. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

12. (i) The company shall have a first and paramount lien
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
- Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
13. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made
- (a) unless a sum in respect of which the lien exists is presently payable; or
 - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
14. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the

shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

15. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like 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.

CALLS ON SHARES

16. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
 - (iii) A call may be revoked or postponed at the discretion of the Board.
 - (iv) Company may delegate power to make calls on shares subject to approval of the shareholders in a general meeting of the company.
17. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments
 18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
 19. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
 - (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
 20. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
 - (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
 21. The Board
 - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve percent. per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not confer a right to dividend or to participate in profits.

TRANSFER OF SHARES

22. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
23. The Board may, subject to the right of appeal conferred by section 58 decline to register
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.
24. The Board may decline to recognize any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.
25. On giving not less than seven days previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
26. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company.

TRANSMISSION OF SHARES

27. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
28. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either

- (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
29. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
30. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

31. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
32. The notice aforesaid shall
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
33. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
34. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
35. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date

of forfeiture, were presently payable by him to the company in respect of the shares.

- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
36. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited 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 share.
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
 - (iii) The transferee shall thereupon be registered as the holder of the share
 - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
37. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

38. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
39. Subject to the provisions of section 61, the company may, by ordinary resolution,
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
40. Where shares are converted into stock,
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except

- participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
41. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

CAPITALISATION OF PROFITS

42. (i) 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 otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause
- (iii) either in or towards
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (B) 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;
 - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
 - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
 - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
43. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.

- (ii) The Board shall have power
 - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (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 capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

DEMATERIALISATION OF SECURITIES

44. (i) For the purpose of this Article:-

“**Beneficial Owner**” : Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.

“**Depositories Act**”: Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

“**Depository**”: Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.

“**Member**”: Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

“**Security**”: Security shall mean such security as may be specified by SEBI.

- (ii) “**Dematerialisation of Securities**”: Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.
- (iii) “**Option to hold securities in physical form or with depository**”: Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.
- (iv) “**Beneficial Owner may opt out of a Depository**”: Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed thereunder and on fulfilment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.
- (v) “**Securities in Depositories to be in fungible form**”: All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

- (vi) **“Rights of depository and beneficial owners”**: A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.
- (vii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.
- (viii) **“Transfer of securities”**: Transfer of security held in a depository will be governed by the provisions of the Depository Act, 1996. Nothing contained in Section 108, of the Companies Act, 1956 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- (ix) **“Register and Index of beneficial owners”**: The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.
- (x) **“Other matters”**: Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialization of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.
- (xi) Notwithstanding anything contained in the Act or the Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disks.

NOMINATION

45. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of Section 58A of the Act.

BUY-BACK OF SHARES

46. 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.

GENERAL MEETINGS

47. All general meetings other than annual general meeting shall be called extraordinary general meeting.
48. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

49. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
50. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
51. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
52. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

53. (i) 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.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) 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.

VOTING RIGHTS

54. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
55. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
56. (i) 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.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
57. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

58. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
59. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
60. (i) 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.
(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

61. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
62. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
63. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

64. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
65. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them
 - (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - (b) in connection with the business of the company.
66. The Board may pay all expenses incurred in getting up and registering the company.
67. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

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68. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
69. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
70. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

71. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
72. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
73. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
74. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) 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 directors present may choose one of their member to be Chairperson of the meeting.
75. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
76. (i) A committee may elect a Chairperson of its meetings.
- (ii) 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.

77. (i) A committee may meet and adjourn as it thinks fit.
- (ii) 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.
78. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
79. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

80. Subject to the provisions of the Act,
- (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;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
81. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

82. (i) The Board shall provide for the safe custody of the seal.
- (ii) 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 authorised 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.

DIVIDENDS AND RESERVE

83. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
84. 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.

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85. (i) 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, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
86. (i) 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.
- (ii) 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.
- (iii) 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.
87. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
88. (i) 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.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
89. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
90. 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.
91. No dividend shall bear interest against the company.
92. No unclaimed Dividend shall be forfeited, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

ACCOUNTS

93. (i) 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.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

94. 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 in kind, the whole or, any part of the assets of the Company, whether they consist of property of the same kind or not.
95. 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 of different classes of members.
96. 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 as the liquidator shall think fit but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

97. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



SECTION XI – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been attached to the copy of the Draft Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Application/Issue Opening Date until the Application/Issue Closing Date.

A. Material Contracts

1. Memorandum of Understanding dated October 09, 2015 between our Company and the Lead Manager.
2. Memorandum of Understanding dated October 12, 2015 between our Company and the Registrar to the Issue.
3. Escrow Agreement dated [●] between our Company, the Lead Manager, Escrow Collection Bank(s), Refund bank and the Registrar to the Issue.
4. Market Making Agreement dated October 09, 2015 between our Company, the Lead Manager and the Market Maker.
5. Underwriting Agreement dated October 09, 2015 between our Company, the Lead Manager and the Market Maker.
6. Tripartite agreement between the NSDL, our Company and the Registrar dated [●].
7. Tripartite agreement between the CDSL, our Company and the Registrar dated [●].

B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certification of Incorporation of Relicab Cable Manufacturing Limited.
3. Resolution of the Board of Directors meeting dated September 23, 2015, authorizing the Issue.
4. Shareholders' resolution passed at the Extra Ordinary General Meeting dated September 30, 2015 authorizing the Issue.
5. Auditor's report for Restated Financials dated October 16, 2015 included in this Draft Prospectus.
6. The Statement of Tax Benefits dated October 14, 2015 from our Statutory Auditors.
7. Consent of our Directors, Company Secretary and Compliance Officer, Auditors, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Bankers to our Company, Market Maker, Underwriters, Escrow Collection Bank(s) and Refund Bank as referred to in their specific capacities.
8. Due Diligence Certificate(s) dated [●] of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.
9. Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of the BSE.



Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations or guidelines issued by the Securities and Exchange Board of India, 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, 1956, Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as amended or rules made there under or guidelines / regulations 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 THE DIRECTORS OF OUR COMPANY:

Mr. Suhir H. Shah
(Chairman and Managing Director)

Mr. Parag J. Shah
(Whole Time Director)

Mrs. Vijaya More
(Non-Executive Independent Director)

Mr. Mushtaque Khan
(Non-Executive Independent Director)

Mr. Rajesh Gor
(Non-Executive Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER

Mr. Suhir H. Shah
(Chief Financial Officer)

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Monil Kothari
(Company Secretary & Compliance Officer)

Date:

Place: