

CONNECTING TO PROSPERITY,

ULTRACAB FOR ETERNITY



11th Annual Report Of
ULTRACAB (INDIA) LIMITED
2017 – 2018

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DAY: SATURDAY
DATE: 22nd SEPTEMBER 2018
TIME: 11.00 AM
VENUE: SURVEY NO. 262, B/H. GALAXY
BEARINGS LTD.,
SHAPAR (VERAVAL) - 360024
DIST. - RAJKOT. GUJARAT

COMPANY INFORMATION

BOARD OF DIRECTORS		
Mr. Nitesh P. Vaghasiya	(DIN: 01899455)	Chairman & Managing Director
Mr. Pankaj V. Shingala	(DIN:03500393)	Whole-time Director
Mrs. Sangeetaben N. Vaghasiya	(DIN:06910845)	Non-executive Director
Mr. Bipinchandra M. Sangani	(DIN:06945854)	Independent Director
Mr. Jayshanker B. Dave	(DIN:06945842)	Independent Director
Mr. Kanjibhai G. Patel	(DIN:06945882)	Independent Director

STATUTORY AUDITOR	M/s. Bhavin Associates Chartered Accountants 709- Everest Complex, Opp. Shastri Ground, Rajkot 360 001 Tel: 0281-2220123 /2223153 Firm Registration No.: 101383W
COMPANY SECRETARY & COMPLIANCE OFFICER	CS MAYUR GANGANI
CHIEF FINANCIAL OFFICER	MR. DILJEET BHATTI
SECRETARIAL AUDITOR	M/s. PIYUSH JETHVA Practicing Company Secretary 603, Star Plaza, Phulchaab Chowk, Rajkot. - 360001. Tel: 0281 3045288 FCS 6377 CP No. 5452
BANKERS	AXIS BANK TITAN, Nr. KKV Circle, Kalawad Road, Rajkot – 360005.
REGISTER OFFICE OF COMPANY, CIN, EMAIL ID & WEBSITE	ULTRACAB (INDIA) LIMITED Survey No. 262, B/h. Galaxy Bearings Ltd., Shapar (Veraval) - 360024 Dist.- Rajkot. Gujarat. CIN : L31300GJ2007PLC052394 Tel.: 02827 – 253122 / 23 Fax: 02827 – 252725 e-mail: info@ultracab.in web: www.ultracab.in

CORPORATE OFFICE	ULTRACAB (INDIA) LIMITED C – 303, Imperial Heights, Opp. Big Bazar, 150ft. Ring Road, Rajkot – 360005. Gujarat. Tel.: 0281 2588236 / 136 e-mail: ho@ultracab.in
HEAD OFFICE	ULTRACAB (INDIA) LIMITED Office No. 1801, Haware Infotek Park, Plot No. - 39/3, Sector No. 30-A, Vashi, Navi Mumbai - 400 703. Maharashtra. India. Tel.: 022 20870306 / 07 e-mail: mumbai@ultracab.in
REGISTRAR & SHARE TRANSFER AGENT	BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai - 400059. Maharashtra Tel : 022 62638200
LISTING	BSE LIMITED Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.

COMMITTEES OF THE BOARD			
POSITION	AUDIT COMMITTEE	NOMINATION & REMUNERATION COMMITTEE	STAKEHOLDERS RELATIONSHIP COMMITTEE
CHAIRMAN	Mr. Bipinbhai Sangani	Mr. Kanjibhai Patel	Mr. Kanjibhai Patel
MEMBER	Mr. Jayshankar Dave	Mr. Bipinbhai Sangani	Mr. Jayshankar Dave
MEMBER	Mr. Nitesh Vaghasiya	Mrs. Sangeetaben Vaghasiya	Mrs. Sangeetaben Vaghasiya

DIRECTORS' REPORT

For the Financial Year ended on 31st March, 2018.

TO THE MEMBERS OF
ULTRACAB (INDIA) LIMITED

Dear Shareholders,

The Directors have pleasure in presenting the 11th Annual Report along with the audited financial statements for the year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

The Company's Financial Performance, for the year ended March 31, 2018 is summarized below:

Particulars	2017-2018 (Amt. in ₹)	2016-2017 (Amt. in ₹)
Revenue from Operations	4923.51	3385.70
Other Income	8.12	24.07
Total Income	4931.63	3909.76
EBITDA	413.63	329.25
Less: Finance Cost	218.91	221.10
Less: Depreciation & Amortisation Expenses	84.10	64.53
Profit Before Tax	110.62	43.62
Tax Expenses	35.14	13.04
Profit After Tax (PAT)	75.48	30.58
Other Comprehensive Income (Net of tax)	0	0
Total Comprehensive Income after tax	75.48	30.58
Earnings per equity share		
a. Basic	0.59	0.28
b. Diluted	0.59	0.28

FINANCIAL PERFORMANCE

Your Directors are pleased to report that for the year under review, your Company has total revenue during the financial year 2017-18 at ₹4931.63 Lakh as compared to last year (₹ 3385.70 Lakh in 2016-17) while the Profit after tax (PAT) for the year was ₹ 75.48 Lakh, as compared to the Profit after Tax (PAT) of ₹ 30.58 Lakh in 2016-17.

CAPITAL STRUCTURE

The Authorised Share Capital of the Company is ₹ 150,000,000/- (Rupees Fifteen Crore) divided into 1,50,00,000 (One Crore Fifty Lac) Equity shares of ₹ 10/-

The Paid Up Equity Share Capital as at March 31, 2018 was ₹ 12,72,30,000/- divided into 12,72,30,000 Equity Shares, having value of ₹10/- each fully paid up. During the year under review, the Company has not issued any shares with differential voting rights nor granted any employee stock options and sweat equity.

DIVIDEND

During the year Company was declared and paid an Interim Dividend @ 1% on the equity share of 12,72,3000 carrying face value of ₹10/- each, (i.e. 10/- paisa per Equity Share) amounting to ₹ 12,72,300/-

Further, Your Directors have pleasure in recommending, for approval of the Members, at its 11th Annual General Meeting, a Final Dividend @ 1% on the equity share of 12,72,3000 carrying face value of ₹10/- each, (i.e. 10/- paisa per Equity Share) amounting to ₹ 12,72,300/- for the year ended March 31, 2018. If approved at the forthcoming Annual General Meeting.

SUBSIDIARIES

The Company does not have any subsidiary or associate companies.

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as “**Annexure A**” and forms an Integral part of the Report.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Employee Stock Option Scheme

Under the “ESOP Scheme 2016”, Company received an approval to grant an option of total 450000 equity shares to the eligible employees of the company. During the year options granted to the eligible employees of the company, but not exercise by eligible employees after competition of one year from option granted.

BOARD OF DIRECTORS

Re-appointment of Director

As per the provisions of the Companies Act, 2013, Mrs. Sangeetaben Niteshbhai Vaghasiya, Director (DIN:06910845) retires by rotation at the ensuing 11th AGM and being eligible offers herself for re-appointment. The Board recommends the reappointment of Mrs. Sangeetaben Niteshbhai Vaghasiya, Director of the company.

The Board of Directors on recommendation of the Nomination and Remuneration Committee has approved the re-appointment of Mr. Nitesh Vaghasiya as Chairman cum Managing Director for a period of 3 years with effect from April 1, 2019 to March 31, 2022 subject to approval of the members at the ensuing Annual General Meeting.

Independent Directors

In terms of the definition of ‘Independence’ of Directors as prescribed under Clause 16(1)(b) of SEBI (listing Obligation and Disclosure Requirement) Regulation, 2015 entered with Stock Exchanges and Section 149(6) of the Companies Act, 2013. Company has obtained declaration from independent directors as per above Regulations. The following Independent Directors were appointed for a period of 5 years with effect from 9th August, 2014:-

1. Mr. Kanjibhai G. Patel
2. Mr. Jayshankarbhai B. Dave
3. Mr. Bipinchandra M. Sangani

Key Managerial Personnel

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our company, below are the details of the Key Managerial personnel of our company:

Mr. Diljeet Bhatti

Diljeet Bhatti aged 46 years is Chief Financial Officer of our company. He has an experience of 28 years in the field of accounts, excise and export. He has joined our company on January 01, 2009. Mr. Diljeet Bhatti was initially appointed as a senior accountant and has been promoted to the post of CFO on August 9, 2014.

Mr. Mayur Gangani

Mayur Gangani aged 32 years is a Company Secretary and Compliance Officer of our company. He is an associate member of an ICSI. He has joined our company on August 14th, 2014. He has more than 9 years of experience in secretarial matters.

Committees of the Board

The Company has constituted various committees. Following committees has been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of Companies Act, 2013 and SEBI (LODR) Regulation, 2015:

- 1) Audit Committee**
- 2) Shareholder and Investor Grievance Committee**
- 3) Nomination and Remuneration Committee**

A detailed note on the board and its committees is provided in the Corporate Governance Report forming part of this Annual Report.

Board Evaluation

Pursuant to the section 134 (p) of Companies Act, 2013 read with Rule 8 (4) of Companies Accounts Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually, as well as the Board Committees.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning.

Remuneration Policy

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remunerations provided in Section 178(3) of the Companies Act 2013, The Remuneration Policy is stated in the Corporate Governance Report.

Meetings

During the year 5 (Five) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days as prescribed in the Companies Act, 2013.

Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

Internal Financial Control Systems and their Adequacy

The Company has proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The Company has effective system in place for achieving efficiency in operations, optimum and effective utilization of resources, monitoring thereof and compliance with applicable laws.

Auditors

(A) Statutory Auditors

M/s. Bhavin Associates, Chartered Accountants, [FRN: 101383W], were appointed as a Statutory Auditors of the Company to hold office till the conclusion of the 15th AGM to be held in the year 2022 are recommended for ratification

of appointment for the Financial Year 2018-19. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. Bhavin Associates that their appointment for the financial year 2018-19 would be in conformity with the limits specified in the said Section.

The Report given by M/s Bhavin Associates, Chartered Accountants, on the financial statements of the Company for the financial year 2017-2018 is a part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

(B) Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Companies Act 2013, The Board has appointed M/s Piyush Jethva, Practising Company Secretary, Rajkot to conduct Secretarial Audit for the financial year 2017-18. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as **Annexure B** to this Report.

(C) Internal Auditor

Pursuant to Section 138 of the Companies Act, 2013, The Company has appointed a professional as full-time employee to act as Internal Auditor. Further, due to not meet any qualified professional as per the eligibilities mentioned under the Companies Act, 2013 to act as Internal Auditor, Company appoints an internal auditor qualified as Inter CA and pursuing LLB.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not coming under the criteria as mentioned in Section 135 of the Companies Act, 2013 which specifies the requirement of forming the Corporate Social Responsibility Committee.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The Policy on materiality of related party transactions and dealing with related party as approved by the Board and Audit committee.

Each contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto. Your Company's Policy on related Party Transactions, as adopted by the Board, can be accessed on the company's website.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires per-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

DECLARATION OF THE DIRECTORS ON THE CODE OF CONDUCT

This is to inform that the Company has adopted a Code of Conduct for its employees including the Directors. We confirm that the Company has in respect of the financial year ended 31st March, 2018 received from the senior management team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has adopted a vigil mechanism under Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board And Its Powers) Rule, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy to provide a mechanism to its directors, employees and other stakeholders to raise concerns violation of legal or regulatory requirements, misrepresentation of any financial statement and to report actual or suspected fraud or violation of the Code of Conduct of the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Company affirms that during the year under review, no complaints were received by the Committee for redressal.

PARTICULARS OF EMPLOYEES

The information pertaining to Section 197(12) read with Rule 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure C**

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

- (i) Steps taken or impact on conservation of energy, utilizing alternate sources of energy and capital investments on energy conservation equipment :

Installation of energy efficient LED Panel and Tube Lights, LED street lights and high bay lights.

Replacing of old Transformers with more energy efficient and having facility of Auto tap changing which gives linear voltage supply to reduce energy consumption and losses.

Improved preventive maintenance of machines to reduce energy loss.

Utilized 125 KVA Generator as alternate source of Energy.

(B) Technology absorption:

- (i) Following new cables have been designed, developed and type approvals obtained/successfully launched in the market:

- New Range of Automotive Wires developed for Higher Temperature application
- Developed Elevator and Crane Application Cables
- Developed PV Solar Cables for solar energy systems.

- (ii) the benefits derived like product improvement, cost reduction, product development:

- The aforesaid newly developed products have been introduced in the market and give significant benefits in