



ANNUAL
REPORT | **2018-19**

12th Annual Report Of
ULTRACAB (INDIA) LIMITED
2018 – 2019

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DAY: SATURDAY
DATE: 28th SEPTEMBER 2019
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. PRAVIN PANSURIYA
SECRETARIAL AUDITOR	M/s. PIYUSH JETHVA Practicing Company Secretary The Imperia" Office No. 806, Above Federal Bank, Opp. Shashtri Maidan, Subhash Road, Limda Chowk, Rajkot (Gujarat) India Ph. No. +91 82382 73733 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, 2019.

TO THE MEMBERS OF
ULTRACAB (INDIA) LIMITED

Dear Shareholders,

The Directors have pleasure in presenting the 12th Annual Report along with the Audited Financial Statements for the year ended March 31, 2019.

FINANCIAL HIGHLIGHTS

The Company's Financial Performance, for the year ended March 31, 2019 is summarized below:

Particulars	2018-2019 (₹ In lakh)	2017-2018 (₹ In lakh)
Revenue from Operations	7321.20	4923.51
Other Income	33.25	8.12
Total Income	7354.46	4931.63
EBITDA	529.06	413.63
Less: Finance Cost	296.58	218.91
Less: Depreciation & Amortisation Expenses	79.93	84.10
Profit Before Tax	152.55	110.62
Tax Expenses	34.73	35.14
Profit After Tax (PAT)	117.82	75.48
Other Comprehensive Income (Net of tax)	0	0
Total Comprehensive Income after tax	117.82	75.48
Earnings per equity share		
a. Basic	0.93	0.59
b. Diluted	0.93	0.59

FINANCIAL PERFORMANCE

Your Directors are pleased to report that for the year under review, your Company has been able to achieve, total revenue during the financial year 2018-19 at ₹7354.46 Lakh was higher by 49.13% over last year (₹4931.63 Lakh in 2017-18) while the Profit after tax (PAT) for the year was ₹117.82 Lakh, a recording growth of 56.09% as compared to the Profit after Tax (PAT) of ₹75.48 Lakh in 2017-18

RESERVE:

No amount is appropriated from Profit & Loss Account and transferred to any reserve account.

CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the Company during the year.

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, 2019 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

As per observation of the Board of Directors for strengthening the position of the company no dividend is recommended for the financial year 2018-19.

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. Further, Annual Return will be uploaded on company’s website www.ultracab.in/investor/corporategovernance

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 12th 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 consider and approve by the Nomination and Remuneration Committee Mr. Pankaj Shingala, Whole-time Director (DIN:03500393) was re-appointed for further term of 5 years w.e.f. 01.04.2019 (Subject to approval of the members of the Company in General Meeting) on the terms and conditions of appointment and remuneration as per contained in agreement and as per the provisions of the Companies Act, 2013 read with rules and regulations.

- **Independent Directors**

The Five Year term of office of Mr. Kanjibhai G. Patel, Mr. Bipinchandra M. Sangani and Mr. Jayshankarbhair B. Dave as Independent Directors of the Company expires on 09.08.2019. The Board of the Directors (Board) in the meeting held on 07.08.2019 after recommendation of the Nomination and Remuneration Committee (NRC) re-appointed them as Independent Directors for the second consecutive term of Five years from 09.08.2019 to consecutive 5 years (Subject to approval of the members of the Company in General Meeting) except Mr. Jayshankarbhair Dave. He is over seventy years and has conveyed intentions not to seek re-appointment as Independent Director of the Company for further term due his advanced age. Accordingly, the tenure of Mr. Jayshankarbhair Dave has come to end on 09.08.2019.

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 second term period 5 years with effect from 9th August, 2019:-

1. Mr. Kanjibhai G. Patel (DIN: 06945882)
2. Mr. Bipinchandra M. Sangani (DIN: 06945854)

- **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. Pravin Pansuriya

Pravin Pansuriya aged 37 years is Chief Financial Officer of our company as appointed as on 10.05.2018 after resignation of Mr. Deeljit Bhatti due to his personnel reason. Mr. Pravin has an experience of more than 10 years in the field of accounting and Finance. He was a senior Accountant in our company since 2009. He was initially appointed as a senior accountant and has been promoted to the post of CFO from 10.05.2018.

Mr. Mayur Gangani

Mayur Gangani aged 34 years is a Company Secretary and Compliance Officer of our company. He is Fellow Member of an ICSI. He was working in our company since 2014 and he has more than 10 years of experience in secretarial and legal 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 (3) (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 for a period of 5 years 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.

Ministry of Corporate Affairs vide the Companies (Amendment) Act, 2017 notified on May 7, 2018 amended Section 139 of the Act which had done away with the requirement of seeking ratification of Members for appointment of Auditors at every AGM. Accordingly, no Resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM.

The Report given by M/s Bhavin Associates, Chartered Accountants, on the financial statements of the Company for the financial year 2018-2019 is a part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed there under.

(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 2018-19. 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, 2019 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 LLB.

(D) Cost Audit

As per the Cost Audit Orders, Cost Audit is not applicable to the Company.

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.

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**”.

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.

The particulars of every 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 is disclosed in **Form No. AOC -2** annexed as "**Annexure D**" with this report. Your Company's Policy on related Party Transactions, as adopted by the Board, can be accessed on the company's website.

RISK MANAGEMENT POLICY

In today's economic environment, Risk management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risk for the business. Company's risk management is embedded in the business processes and thereby reduces the risk to its possible extent.

The Board periodically reviews the operations of the Company and identifies the risk / potential risk, if any to the Company and implement the necessary course of action(s) which the Board deems fit in the best interest of the Company. Further almost all the business operations are being carried out directly under the supervision and control of the Managing Director leaving no scope of any fraud or irregularities.

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.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

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.

ENVIRONMENT, HEALTH AND SAFETY

The Company is conscious of the importance of environmentally clean & safe operations. The Company's policy requires conduct of operation in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.