

**DRAFT LETTER OF OFFER**

May 29, 2015
For Eligible Equity Shareholders
of our Company only

**UNIVERSAL CABLES LIMITED**

Our Company was incorporated as Hindusthan Woollen Mills Limited, a public company under the Companies Act, 1913 in the State of West Bengal. Our Corporate Identification Number is L31300MP1945PLC001114. The Certificate of Commencement of Business was issued by the Registrar of Companies, Calcutta on April 20, 1945. For further details please refer to “History and Corporate Structure” on page 45 of the Draft Letter of Offer.

Registered Office: P. O. Birla Vikas, Satna, Madhya Pradesh, 485005, India, **Tel No:**+91 07672 257121-27, Fax No: +91 07672 257131

Contact Person: Mr. Om Prakash Pandey, Company Secretary and Compliance Officer

E-mail: secretarial@unistar.co.in, **Website:** www.unistar.co.in

Corporate Identity Number: L31300MP1945PLC001114

Promoters of our Company: Vindhya Telelinks Ltd, The Punjab Produce & Trading Co. Pvt. Ltd, Gwalior Webbing Co. Pvt. Ltd, Birla Corporation Ltd

**FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF UNIVERSAL CABLES LIMITED
(THE “COMPANY” OR THE “ISSUER”) ONLY**

ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF RS 10 EACH (THE “EQUITY SHARES”), FOR CASH AT A PRICE OF RS [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF RS [●] PER EQUITY SHARE) AGGREGATING RS 6,000 LACS BY OUR COMPANY, TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY ON RIGHTS BASIS IN THE RATIO OF [●] EQUITY SHARES FOR EVERY [●] EQUITY SHARES HELD ON THE RECORD DATE, i.e. [●], 2015 (“THE ISSUE”). THE ISSUE PRICE OF EACH EQUITY SHARE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR MORE DETAILS, PLEASE REFER TO THE SECTION TITLED “TERMS OF THE ISSUE” ON PAGE 123 OF THE DRAFT LETTER OF OFFER. THE ENTIRE ISSUE PRICE FOR THE EQUITY SHARES IS PAYABLE ON APPLICATION.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and Investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in relation to the Issue. For taking an investment decision, Investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India, (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Letter of Offer. **Investors are advised to refer to the section titled “Risk Factors” on page 10 of the Draft Letter of Offer before making an investment in this Issue.**

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing Equity Shares are listed on the BSE Limited, (“BSE”) and the National Stock Exchange of India Limited, (“NSE”). The Equity Shares offered through the Letter of Offer are proposed to be listed on the BSE and NSE. We have received in-principle approvals from BSE and NSE for listing the Equity Shares arising pursuant to the Issue through letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be BSE.

LEAD MANAGER TO THE ISSUE**IDBI Capital Market Services Limited**

3rd Floor, Mafatlal Centre
Nariman Point, Mumbai 400 021
Maharashtra, India
Telephone: +91 22 4322 1212;
Facsimile: +91 22 2285 0785
Email: ucl.rights@idbicapital.com
Website: www.idbicapital.com
Investor Grievance Email: redressal@idbicapital.com
Contact Person: Ms. Astha Daga
SEBI Registration Number: INM000010866

REGISTRAR TO THE ISSUE**Link Intime India Private Limited**

C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West)
Mumbai 400 078
Telephone: +91 22 6171 5400;
Facsimile: +91 22 2596 0329
E-mail: ucl.rights@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance E-Mail: ucl.rights@linkintime.co.in
Contact Person: Mr. Sachin Achar
SEBI Registration Number: INR000004058

ISSUE SCHEDULE

ISSUE OPENS ON	LAST DATE FOR RECEIPT OF REQUEST FOR SPLIT APPLICATION FORMS	ISSUE CLOSES ON
[●] 2015	[●] 2015	[●] 2015

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

The Draft Letter of Offer uses certain definitions and abbreviations, which unless the context indicates or implies otherwise, have the meanings as provided below. Reference to any legislation, act or regulation shall be to such legislation, act or regulation as amended from time to time.

The following list of defined terms is intended for the convenience of the reader only.

Company Related Terms

Term	Description
“UCL”, “Our Company”, or “the Issuer” “We” or “us” or “our”	Universal Cables Limited
Articles/ Articles of Association/ AoA	Articles of Association of our Company, as amended from time to time
Auditors/ Statutory Auditors	Our statutory auditors namely, M/s. V. Sankar Aiyar and Co., Chartered Accountants
Board/Board of Directors	Board of Directors of our Company including a committee thereof
Company Secretary and Compliance Officer	Mr. Om Prakash Pandey
Director(s)	Any or all director(s) of our Company, unless otherwise specified and as the context may require
Equity Shareholder(s)/ Shareholder(s)	A holder of the Equity Shares of our Company
Equity Share(s)	Equity Shares of our Company of face value of Rs.10/- each
Eligible Equity Shareholder(s)	Equity Shareholders whose names appear on the register of members of our Company or on the list of register of beneficial owners of our Company maintained by the Depositories as at the end of business hours on the Record Date i.e. [●], 2015
Memorandum/Memorandum of Association / MoA	Memorandum of Association of our Company
Promoters	Vindhya Telelinks Limited The Punjab Produce & Trading Co. Pvt. Ltd Gwalior Webbing Co. Pvt. Ltd Birla Corporation Ltd
Promoter Group / Promoter Companies	Unless the context requires otherwise, refers to such persons and entities constituting the promoter group of our Company in accordance with Regulation 2(1)(zb) of the SEBI Regulations
Registered Office	The registered office of our Company situated at P.O. Birla Vikas, Satna, Madhya Pradesh – 485005

Issue Related Terms

Term	Description
Abridged Letter of Offer	The abridged letter of offer to be sent to the Eligible Equity Shareholders of our Company with respect to the Issue in accordance with the SEBI Regulations
Allottee(s)	Persons to whom Equity Shares of our Company will be issued pursuant to the Issue
Allotment /Allotted	The allotment of Equity Shares pursuant to the Issue
Allotment Date	The date on which the Allotment is made
Applicant(s)	The Eligible Equity Shareholders and/or the Renouncees who are entitled to apply or have applied for the Equity Shares under the Issue, as the case may be
Application	Application made by the Applicant whether submitted by way of the

Term	Description
	CAF or the SAF or in the form of a plain-paper Application, to subscribe to the Equity Shares issued pursuant to the Issue at the Issue Price
Application Amount	The aggregate value of the Application indicated in the Application Form or the SAF or in the plain paper application, payable at the time of the Application
Application Form	The form in terms of which an Applicant shall make an Application to subscribe to the Equity Shares pursuant to the Issue, including plain-paper Applications
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Amount in his/her/its specified bank account maintained with the SCSB
ASBA Account	An account maintained with an SCSB and specified in the CAF or plain paper Application, as the case may be, for blocking the amount mentioned in the CAF or plain paper Application, as the case may be
ASBA Investor(s)	<p>Eligible Equity Shareholders proposing to subscribe to the Issue through ASBA process and who:</p> <ul style="list-style-type: none"> ▪ are holding the Equity Shares of our Company in dematerialized form as on the Record Date and have applied for their Rights Entitlements and/or additional Equity Shares in dematerialized form; ▪ have not renounced their Rights Entitlements in full or in part; ▪ are not Renouncees; and ▪ are applying through blocking of funds in a bank account maintained with the SCSBs. <p>Please note that, in terms of SEBI circular CIR/CFD/DIL-/1/2011 dated April 29, 2011, QIB applicants, Non-Institutional Investors (including all companies and bodies corporate) and other applicants whose application amount exceeds Rs.2,00,000/- can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI circular dated December 30, 2009. Further, all QIB applicants and Non-Institutional Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed Rs.2,00,000/-</p>
Bankers to the Issue	[•]
Category III foreign portfolio investor(s)	Includes all other investors who are not eligible under category I and category II foreign portfolio investors (as defined under the SEBI (FPI) Regulations) such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
Composite Application Form/CAF	The form used by an Investor to make an application for the Allotment of Equity Shares in the Issue, or renounce his Rights Entitlement or request for the SAFs, and used by sole Renouncee to make an Application for Allotment of the Equity Shares in the Issue to the extent of renunciation of Rights Entitlement in their favour
Consolidated Certificate	In case of holding of Equity Shares in physical form, the certificate that our Company would issue for the Equity Shares Allotted to one folio
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available at http://www.sebi.gov.in
Designated Branches	Such branches of the SCSBs which shall collect Application forms used by ASBA Investors and a list of which is available at http://www.sebi.gov.in
Designated Stock Exchange	BSE Limited
Draft Letter of Offer	This draft letter of offer dated May 29, 2015 issued by our Company in accordance with the SEBI Regulations and filed with SEBI for its

Term	Description
	observations
Foreign Portfolio Investor(s)/FPI(s)	A person who satisfies the eligibility criteria prescribed under Regulation 4 of the SEBI (FPI) Regulations and has been considered under chapter III of the SEBI (FPI) Regulations, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act. Provided that any foreign institutional investor or qualified foreign investor who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
Investor(s)	Eligible Equity Shareholder(s) and Renouncee(s) applying in the Issue
Issue	Issue of [●] Equity Shares for cash at Issue Price of [●] per Equity Share (including premium of [●] per Equity Share) for an amount aggregating Rs.6,000 Lacs on a rights basis to the Equity Shareholders of our Company in the ratio of [●] Equity Shares for every [●] fully paid-up Equity Shares held by the Equity Shareholders on the Record Date
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Price	[●] per Equity Share
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	Rs.6,000 Lacs
Lead Manager/Merchant Banker	IDBI Capital Market Services Limited
Letter of Offer/ LoF	This final letter of offer to be filed with the Stock Exchanges after incorporating the observations received from the SEBI on the Draft Letter of Offer
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, see the section “Objects of the Issue” on page 37
Non Institutional Investors/ Non – Institutional Investors	All Investors, including FPIs which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an cumulative amount more than Rs.2,00,000/-
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI Regulations
Record Date	[●]
Refund Bank	[●]
Registrar to the Issue / Registrar	Link Intime India Private Limited
Renouncee(s)	Any person(s) who has/have acquired Rights Entitlements from Eligible Equity Shareholders
Retail Individual Investors	Individual Investors who have applied for Equity Shares for an amount less than or equal to Rs.200,000/- in the Issue (including HUFs applying through the karta)
Rights Entitlement	The number of Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date
SAF(s)	Split Application Form(s)
SCSB(s)	A Self Certified Syndicate Bank, registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at http://www.sebi.gov.in
Securities Act	U.S. Securities Act, 1933, as amended from time to time
Stock Exchange(s)	BSE and NSE where our Equity Shares are presently listed

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
Rs. or Rupees or INR	Indian Rupee
AGM	Annual General Meeting
AS	Accounting Standards as notified under Section 133 of Companies Act, 2013 and Rule 7 of the Companies (Accounts) Rules, 2014
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
Central Government of India	The Central Government of India
CIN	Corporate Identification Number
Companies Act, 1956	Companies Act, 1956, as amended from time to time
Companies Act, 2013	Companies Act, 2013, to the extent applicable and as amended from time to time
Companies Act	Companies Act, 1956 and/or Companies Act, 2013, to the extent applicable
Depositories Act	Depositories Act, 1996, as amended
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP ID	Depository Participant Identity
DP/Depository Participant	Depository Participant as defined under the Depositories Act
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EGM	Extra-Ordinary General Meeting
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non-Repatriable Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended
FII	Foreign Institutional Investor (as defined under the SEBI (Foreign Portfolio Investors) Regulations 2014), registered with the SEBI under applicable laws in India
Financial Year/fiscal year/ Fiscal/ FY	Period of 12 months ending March 31 of that particular year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
Government	The Central Government and/or the State Government, as applicable
HUF/HUFs	Hindu Undivided Family / Hindu Undivided Families
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles followed in India
IT Act	Income Tax Act, 1961, as amended
Mutual Fund	Mutual fund registered with the SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian
NRO Account	Non-Resident Ordinary Account

Term/Abbreviation	Description/ Full Form
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB(s)	Overseas Corporate Body(ies)
p.a.	Per annum.
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLR	Prime Lending Rate
RBI	Reserve Bank of India
RoC	Registrar of Companies, Gwalior
RTGS	Real Time Gross Settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as amended
SAF	Split Application Form
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI (FPI) Regulation	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time
State Government	Government of a State of India
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
w.e.f.	with effect from

Technical and Industry Related Terms

Term/Abbreviation	Description/ Full Form
ABB	Asea Brown Boveri
BICC	British Insulated Callender's Cables
ISO	International Organization for Standardization
KV	Kilo Volt
PILC	Paper Insulated Lead Covered Cable
XLPE	Cross Linked Polyethylene

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, 2013, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, terms in sections titled "Statement of Tax Benefits", "Financial Information" and "Outstanding Litigation and Defaults" on pages 40, 59 and 109, respectively, have the meanings given to such terms in these respective sections.

NOTICE TO OVERSEAS SHAREHOLDERS

The distribution of the Draft Letter of Offer and the issue of the Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company as on the Record Date and will dispatch the Draft Letter of Offer/Letter of Offer/Abridged Letter of Offer and CAF to Eligible Equity Shareholders who have an Indian address.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with the SEBI for its observations. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer may not be distributed, in any jurisdiction outside India. Receipt of the Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Draft Letter of Offer must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Draft Letter of Offer in or into the United States of America or any other jurisdiction where to do so would or might contravene local securities laws or regulations. If the Draft Letter of Offer is received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlements referred to in the Draft Letter of Offer. Envelopes containing a CAF should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares in this Issue must provide an Indian address. Any person who makes an application to acquire rights and the Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. We, the Registrar, the Lead Managers or any other person acting on behalf of us reserve the right to treat any CAF as invalid where we believe that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such CAF.

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

The contents of the Draft Letter of Offer should not be construed as legal, tax or investment advice. Prospective Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Equity Shares. As a result, each Investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Equity Shares. In addition, neither our Company nor the Lead Manager is making any representation to any offeree or purchaser of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or purchaser under any applicable laws or regulations.

FORWARD LOOKING STATEMENTS

Certain statements in this Draft Letter of Offer are not historical facts but are “forward-looking” in nature. Forward looking statements appear throughout this Letter of Offer, including, without limitation, under the heading “*Risk Factors*”. Forward-looking statements include statements concerning our Company's plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company's competitive strengths and weaknesses, our Company's business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information.

Words such as “believe”, “anticipate”, “estimate”, “seek”, “expect”, “continue”, “intend”, “predict”, “project”, “should”, “goal”, “future”, “could”, “may”, “will”, “would”, “targets”, “aims”, “is likely to”, “plan” and similar expressions, or variations of such expressions, are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved.

These risks, uncertainties and other factors include, among other things, those listed under “*Risk Factors*”, as well as those included elsewhere in this Draft Letter of Offer. Investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited, to:

- Ability to compete effectively in the industry in which we operate the business;
- Ability to manage our credit quality;
- General economic and political conditions, policies and regulations in India and globally, which have an impact on the business activities;
- Ability to attract and retain qualified personnel;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our Company's actual results to differ, see the sections “*Risk Factors*” on page 10. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company nor the Lead Manager or any of their respective affiliates make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Neither our Company nor the Lead Manager nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI/Stock Exchanges requirements, our Company and Lead Manager will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchanges for the Equity Shares allotted pursuant to this Issue.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

Certain Conventions

References in this Letter of Offer to “India” are to the Republic of India.

Financial Data

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from our Company's audited consolidated financial statements. Our Company's fiscal year commences on April 1 and ends on March 31 of the following calendar year.

Our Company prepares its financial statements in accordance with the generally accepted accounting principles in India, which differ in certain respects from generally accepted accounting principles in other countries. Indian GAAP differs in certain significant respects from the IFRS. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited. We have not attempted to explain those differences 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.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. For definitions, see the section “*Definitions and Abbreviations*” on page 2.

Currency of Presentation

All references to “India” contained in this Letter of Offer are to the Republic of India. All references to “Rupees”, “INR” or “Rs.” or “” are to Indian Rupees, the official currency of the Republic of India. In this Draft Letter of Offer, references to the singular also refers to the plural and one gender also refers to any other gender.

Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in “Lacs”, where the “1 Lac” means “100 thousand”. In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk and you should not invest any funds in the Issue unless you can afford to take a risk of losing all or a part of your investment. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares.

We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. If any or some combination of the following risks or additional risks and uncertainties, including those we are not aware of or deem immaterial, materialise, it may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares and investors could lose all or a part of their investments. In making an investment decision, prospective investors must rely on their own examination of us and the Issue. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Investors are advised to read the risk factors carefully before making an investment decision in this Issue.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including considerations described below and in the section entitled "Forward Looking Statements" on page 8.

Internal Risks

- 1. There are certain outstanding legal proceedings involving our Company. Failure to defend these proceedings successfully may have an adverse effect on our business prospects, financial condition, results of on-going operations and reputation.***

Our Company is involved in certain legal proceedings and claims, which are pending at different stages before the judicial/statutory authorities. There may be certain outstanding legal proceedings involving our Company. These proceedings are pending at different levels before various courts/tribunals/statutory authorities, etc. In the event of any developments in the proceedings, such as a change in Indian law or rulings against by courts or tribunals, the same may have an adverse material impact on our goodwill, results of operations and financial condition. Similarly, we may be exposed to claims/litigations in the course of our business in future. In such case, we may need to make provisions in our financial statements that could increase our expenses and current liabilities, thereby affecting our business and financials. Please refer to the section on "Outstanding Litigations and Other Defaults" on page 109 of this Draft Letter of Offer for further details.

- 2. Our Chairman is a party to certain litigations, which are pending before relevant Courts / Forum***

Our Chairman, who is a non-executive director of our Company, is a party to certain litigations in respect of his professional and personal capacities, which are pending before relevant Courts / Forum. In most of such cases, proceedings / relevant decisions have been stayed either by the Hon'ble High Courts or the Hon'ble Supreme Court. By virtue of their nature, these litigations are neither in relation to nor otherwise connected with the business of our Company.

- 3. We require number of approvals, licenses, registration and permits for our business and failure to obtain or renew them in future, in a timely manner may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate in the manufacturing business, some of which our Company has either received, applied for or is in the process of application/renewal. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all.

- 4. We are yet to make an application seeking registration of trademark of our logo. There is no assurance that this application shall result in us being granted registration in a timely manner. Failure to protect our intellectual property may adversely affect our reputation, goodwill and business operations.***

While the trademark 'UNISTAR' has been registered in the name of our Company as a workmark, our logo, as it appears on the cover page of this Draft Letter of Offer has not been applied for registration by us. We have been using the said logo extensively for many years and the same has been associated with our Company by our customers. We are in the process of making an application seeking registration of our logo. There is no assurance that this application shall result in us being granted registration in a timely manner or at all or that third parties would not infringe upon our intellectual property or any order restraining or prohibiting us from using the trademark, shall adversely affect the business prospects, reputation and goodwill of our Company. In such a case protection of the trademark in India may be difficult and we may be a party to litigation for infringement. In addition, our Company may not be able to detect any unauthorized use or take appropriate and timely steps to protect our intellectual property rights. Our inability to protect the same could adversely affect our business. We cannot provide any assurance that third parties will not infringe upon our trademark, trade names, logos or brand names and thereby cause damage to our business prospects, reputation or goodwill.

5. As on March 31, 2015, our contingent liabilities not provided for aggregated to Rs.11,038.93 Lacs. In the event that such liabilities materialise, our financial condition may be adversely affected.

As on March 31, 2015 contingent liabilities not provided for appearing in our financial statements, aggregated to Rs. 11,038.93 Lacs and the following table gives the details of such contingent liabilities:

(Rs. in Lacs)

Sl. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
1	Income Tax	234.93	274.93
2	Terminal Tax Liability	227.37	227.37
3	Excise and Service Tax Cases	245.97	241.32
4	Bills of exchange discounted with Banks	6,810.66	1,854.51
5	Corporate Guarantee issued in favour of SBI on behalf of the Joint Venture Company viz. "Birla Furukawa Fibre Optics Pvt. Ltd."	3,520.00	3,520.00

If any or all of these contingent liabilities materialize, it could have a material adverse effect on our business, financial condition and results of operations. For further information on such contingent liabilities, please refer to the section "Financial Statements - Statement of Contingent Liabilities" on page 93 of the Draft Letter of Offer.

6. If the strength of the "M. P. Birla Group" brand name is diluted, our business and financial condition may be adversely affected.

We believe that there is significant goodwill associated with the brand name "M. P. Birla Group" of which we are a part and which has contributed significantly towards our success. We may receive negative publicity in relation to our Company or the operations and activities of one or more of the constituents of the M.P. Birla group. Any adverse publicity, whether disseminated in India or elsewhere in the world, associated with the brand M. P. Birla Group may negatively affect our reputation and impact on the overall success of operations, regardless of whether the allegations are valid and/or whether they are arising out of a fault on the part of our Company or any other constituent of the group. This could lead to an adverse impact on our business, results of operations and future prospects.

7. Our business is dependent on our continuing relationships with our customers, with whom we have not entered into long term arrangements. Our business comes from tenders and failure to procure such tenders on a continuous basis could adversely impact our revenues and profitability.

We do not have long term arrangements with any of our customers for purchase of our products in the future, at the current prices or at all. Our Company bids in the prospective tenders where bidders are scrutinized for technical and financial qualifications. The bids of qualified parties are then negotiated on the price offered for the respective works and the work is allotted to the party with lowest bid. There is no assurance that we will be able to obtain continuous business or that we will be able to replace our customer base in a timely manner or at all. The loss of, or interruption of work by, a significant customer or a number of significant customers or the inability to procure tender contracts on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations, including an interruption or partial or total work stoppage at our manufacturing facilities.

8. ***We are dependent on our suppliers for uninterrupted supply of raw-materials. Any disruption in supply of raw materials from these suppliers or unfavourable pricing terms will adversely affect our operations.***

We are dependent on supply of copper, aluminium, PVC Compound and XLPE Compound which are the prime raw materials for our products. We procure our supply of raw materials from various suppliers depending upon the price and quality of raw materials. While we are not dependent on any one particular supplier for supply of raw materials, any disruption of such supply of raw materials from our suppliers will adversely affect our operations and ability to deliver our products on a timely basis. Further, we may not be able to negotiate favourable pricing terms with our suppliers for such raw materials. In the event we are subjected to unfavourable pricing terms, it will impact our raw material cost, which in turn could adversely affect our business and financial operations.

9. ***Our Company have availed unsecured loans from related parties, Promoters and Promoter Companies.***

We have availed unsecured loans aggregating to Rs.17,800 Lacs as on May 16, 2015 from certain related parties and Promoters and Promoter Companies. These unsecured loans are to be repaid to the lenders upon expiry of the tenor fixed. Such loans, except one short term loan of Rs. 300 Lacs, are long term loans of which certain amount is due in the current financial year. In the event our Company is unable to repay these loans on time, the same may be recalled by the lenders immediately which may affect our business, liquidity condition and cash flows. For further details in relation to the unsecured loans, please refer the chapter "Financial Statements" beginning on page 59 of this Draft Letter of Offer.

10. ***Our lender has charge over our movable and immovable properties in respect of finance availed by us.***

We have secured our lender by creating charge over our movable and immovable properties. In the event of our default in repayment of the loans availed by us and any interest thereon, our properties may be forfeited by lenders. For further information on the financing and loan agreements along with the total amounts outstanding, please refer to the section titled "Financial Information" on page 59 of this Draft Letter of Offer.

11. ***Delays or defaults in customer payments could result in a reduction of our profits and cash flows.***

We often commit resources to orders prior to receiving advances or other payments from customers in amounts sufficient to cover expenditures on orders as they are incurred. We may be subject to working capital shortages due to delays in customer payments. If the customer defaults in their payments on an order, or cancel their orders for which we have devoted significant resources or incurred expenditure, it could have a material adverse effect on our business, financial condition, results of operations and cash flows and could cause the price of our equity shares to decline. Moreover, some of our products are made as per specifications provided by our customers. Hence, any last minute cancellations would also run the risk of not being able to sell those products to another customer. These events could have a material adverse effect on our revenues, results of operations and cash flows.

12. ***Our success depends upon our ability to retain the Key Management and other managerial personnel and the loss of any of the members of our senior management or other key personnel may affect our business and results of operations.***

We are dependent on our key management personnel for their expertise, experience and integrated efforts which have helped us in expanding our business. Their continued efforts in diligently managing the operations of our business have facilitated creation of business opportunities. Our future performance is partly dependent on the continued team work of such core personnel. The loss of any of the members of our senior management or other key personnel may adversely affect our business and results of operations.

13. ***We are making financial losses for the past 4(four) years, since FY 2012 onwards and continue to incur losses.***

As per our audited financial statements, we have incurred net loss of Rs. 3,471.14 Lacs in FY 2015. These losses pertain to subdued demand from the end user industries due to stagnation in power and infrastructure projects, slowdown in power transmission segment and increased finance cost. These losses could adversely affect our Company's financial condition.

14. ***The Objects of the Issue mainly is the utilization of the proceeds of the Issue to repay existing loans from our Promoter and Promoter Companies and hence would not result in creation of assets.***

We intend to use the issue proceeds towards repayment of unsecured inter-corporate loans availed from the Promoters and Promoter Companies which will lead to improvement in financial ratios and leverage capacity. The issue proceeds shall not be utilized for creation of any assets. A part of the issue proceeds shall also be utilized for general corporate purposes and to fund the expenses to be incurred in the Issue. For further details on the use of the Issue proceeds, please see the section “Objects of the Issue” on page 37.

15. ***Our Goa plant is being operated on lands which have been taken on long term lease basis from G.I.D.C.***

The land and on which our manufacturing unit at Nagoa, Salcete District is located has been taken on lease from G.I.D.C. Under the agreement of lease, the lessor has granted our Company lease of the land for a period of 95 years commencing from May 2001 along with the right to use the leased land for industrial purposes. The lessor may terminate the agreement if the lessee is in arrears of annual lease rental payments without any compensation to our Company for any improvements made thereon by us.

A loss of our Company’s leasehold interests, including through actual or alleged non-compliance with the terms of these lease arrangements and G.I.D.C.’s requirements, the termination of leases by lessor, or an inability to secure renewal thereof on commercially reasonable terms when it expires, would interfere with our ability to operate our current operations thus affecting financial performance. The cost of relocating a site is significant. We may not be able to pass these costs on to our customers and any such relocation could cause disruption to our customers. In addition, we may not always have the ability to access, analyse and verify all information regarding titles and other issues prior to entering into lease arrangements in respect of our leased site, and to the extent there is any defect in the titles of any of such leased site, our ability to continue operating at such leased sites may be adversely affected.

16. ***Our Company has entered into financing arrangements with lender which contains restrictive covenants.***

As on March 31, 2015, our Company has outstanding secured loans of Rs. 16,704.55 Lacs from the State Bank of India. As per our current financing arrangements with them, we are subject to certain restrictive covenants which require us to obtain their prior consent in writing before undertaking certain corporate actions such as undertaking any new project or implementing any major scheme of expansion, investing by way of share capital in or advance funds to or place deposits with any other concern, enter into additional borrowing arrangements, either secured or unsecured, with any bank, financial institutions, company/firm, transferring controlling interest or making any drastic change in the management set up, selling, assigning, mortgaging or otherwise disposing off any of the fixed assets charged to the State Bank of India in favour of any other lender. For further details on the restrictive covenants, see section titled “Financial Indebtedness” beginning on page 104 of this Draft Letter of Offer.

17. ***Our business prospects and continued growth depends on our ability to access financing at competitive rates and competitive terms, which amongst other factors is dependent on our credit rating. We may not be able to obtain financing at competitive interest rates for our growth plans and cannot assure that the current credit ratings of our Company will not be downgraded or suspended in the future, which could have a material adverse effect on our business, results of operations and financial condition.***

Our business depends on our ability to obtain funds at competitive rates. The cost and availability of capital, amongst other factors, is also dependent on our current and future results of operations and financial condition, our ability to effectively manage risks, our brand and our credit ratings. We may not be able to avail the requisite amount of financing or obtain financing at competitive interest rates if we fail to have favourable results of operations. While ratings reflect a rating agency’s opinion of a Company’s financial strength, operating performance, strategic position, and ability to meet its obligations, currently, we have not obtained any credit ratings. Such absence of credit ratings could lead to high borrowing costs and limit our access to capital and lending markets and, as a result, could adversely affect our business.

18. ***We have entered into certain joint-venture arrangements with other entities and our agreements with them may have certain covenants which may require us to make additional investments.***

We along with one of our Promoters, Vindhya Telelinks Limited have entered into joint-venture agreement with Ericson Cables Limited to form a joint-venture company – Birla Ericsson Optical Fibre Limited. We have also entered into joint-venture agreement with The Furukawa Electric Company Limited to form another joint-venture company – Birla Furukawa Fibre Optic Private Limited.

The terms of the arrangement with our joint-venture partners subjects us to certain restrictive covenants such as transfer restrictions, non-compete and non-solicitation restrictions. In terms of the joint venture agreement with The Furukawa Electric Company Limited, we are subject to lock-in period with respect to our shareholding in the joint venture company and have granted a put-option to them in terms of which post expiry of the lock-in period The Furukawa Electric Company Limited may call upon us to purchase their shares in the joint venture company. Any exercise by The Furukawa Electric Company Limited of such right may require us to deploy additional funds, which may adversely affect our financial condition.

19. *Our liabilities may not be fully covered by insurance policies, which may expose us to substantial costs that could adversely affect our business, financial condition and results of operations.*

Our Company has insured itself against certain eventualities including against fire and special perils. While we believe that we have adequate and appropriate insurance coverage to take care of certain contingencies, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully or in part or will be paid on time. Mishaps or accidents at our Company's facilities may lead to property damages, property loss and accident claims.

20. *We rely on contractors for the implementation of various aspects of our business, and are therefore exposed to execution risks, including in relation to the timing or quality of their services, equipment or supplies.*

We rely on the availability of skilled and experienced contractors for the implementation of our plans, managing the unskilled and semi-skilled labor at our sites, and on-going operation of various aspects of our business. We enter into arrangements with contractors for recruitment of labour as per requirements for a fixed period of time. There is no assurance that we may be able to renew these arrangements on a timely basis or at all. We do not have direct control over the timing or quality of the services and supplies provided by such third parties. Third party contracts expose us to various risks, including credit risk, settlement risk, operational risk, legal risk and reputation risk. The execution risks we face include the following:

- contractors hired by us may not be able to complete construction and installation on time, and within budgeted costs or to the agreed specifications and standards;
- contractors hired by us may be unable to provide the requisite manpower or may be subjected to disputes with them which in turn may affect our production schedule and timely delivery of our products to our customers; delay in the delivery of equipment, meeting project milestones or achieving commissioning by the scheduled completion date may increase the financing costs associated with the construction and cause our budgets to be exceeded or result in delayed payment to us by customers, invoke liquidated damages or penalty clauses, or result in termination of orders placed;
- we may have to use contractors with whom we are not familiar, which may increase the risk of cost overruns or lower or no return on capital, construction defects and failures to meet scheduled completion dates; and
- our regular labour contractors may engage contract labourers and although we do not engage such labourers directly, we may be held responsible under applicable Indian laws for wage payments to such labourers should our contractors default on wage payments.

21. *Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity*

The results of operations of our business are dependent on our ability to effectively manage our inventory (raw material and finished goods). While our contracts are always taken on a tender basis and we have sufficient resources to meet the demand, we may not be able to maintain such level of resources at all times. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture or purchase, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows.

22. ***Strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees could adversely affect our business and results of operations.***

Our Company may be subject to strikes and other industrial actions. As on the date, our Company has 1078 full-time employees including workers at our manufacturing units. At present, we enjoy a good relationship with our employees. However, there can be no assurance that we may not experience disruptions in our operations due to disputes or other problems with our work force such as strikes, work stoppages or increased wage demands that may adversely affect our business and results of operations.

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

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

24. ***We are heavily dependent upon the growth prospects of the industries which consume our products. Any slowdown in the rate of growth of these industries would seriously impact our own growth prospects and may result in decline in profits.***

Our Company's business involves supplies of high voltage & low voltage power distribution cables, extra high voltage underground power transmission cables, control cables and specialty cables which form the constituent of the petrochemical industries, power sector, mining industries, steel plants, ship building industries, cement plants, railways, metro-rail and defense sectors. The demand for these products is therefore based on industries, which in turn depend on domestic economic conditions. Due to the lack of demand, the slowdown in these industries may have an adverse impact on our business.

25. ***Some of our branch offices are not owned by our Company. Any termination of the contractual agreements in connection with such properties or our failure to renew the same could adversely affect our business, results of operations and financial condition.***

We currently have a total of 9 branch offices in different parts of the country. Some of our branch offices have been taken by us on lease/leave and license basis from third parties or are being shared within our group companies. Some of the agreements may not be valid as on the date of this Draft Letter of Offer. Our Company continues to use the premises and is in the process of renewing the same. In the event, these agreements are not renewed, our operations will be adversely impacted.

26. ***We have entered into, and may, in future, enter into, related party transactions.***

We have entered into, and may in the future enter into, certain transactions with our Promoters and Promoter Companies. These transactions were primarily made in the ordinary course of business at arm's length. It is likely that we will continue to enter into further related party transactions in the future. For details of the related party transactions, please see the chapter entitled "Financial Statements" on page 59 of the Draft Letter of Offer.

27. ***Our Company may continue to be controlled by its Promoters and Promoter Companies following this Issue and our other shareholders may not be able to affect the outcome of shareholders' voting.***

After the completion of this Issue, our Promoters and Promoter Companies will collectively hold at least [●]% of the fully diluted post-Issue equity capital. Further, if our Promoter and Promoter Companies acquire the additional and renounced shares, their shareholding will further increase. Consequently, our Promoters may exercise substantial control over us and have the power to elect and remove a majority of our Directors and / or determine the outcome of proposals for corporate action requiring approval of our Board of Directors or shareholders, such as lending and investment policies, revenue budgets, capital expenditure, dividend policy and strategic acquisitions. Our Promoters will be able to influence our major policy decisions and any wrong decision on their part could adversely affect your investment in the Equity Shares.

28. ***If we cannot respond effectively to competition, our financial condition and results of operations may be adversely affected***

The markets for the cable industry are highly competitive. We face competitive pressure from a broad spectrum of cable companies. We expect that competition will continue to intensify both through the entry of new players and consolidation of existing players. Some of our competitors may have greater financial resources, technical and marketing resources and generate greater revenues, and therefore may be able to respond better to market changes than we can. We believe that our ability to compete depends on a number of factors beyond our control, including the ability of our competitors to attract, train, motivate and retain highly skilled technical employees, the price at which our competitors offer comparable products and the extent of our competitors' responsiveness to client needs. Our inability to adequately address competitive pressures may have a material adverse effect on our business, prospects, financial condition and results of operations.

29. ***We are subject to risk of fraud, theft, embezzlement by our employees, contractors and customers, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

As of March 31, 2015 we had total inventory consisting of raw materials, traded goods, stores and spares, scrap, stock in process and finished goods to the value of Rs.11,369.22 Lacs as per our financial statements. We maintain large amounts of inventory at our units. Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking. We may also encounter some inventory loss on account of employee/contractor/vendor fraud, theft, embezzlement and general administrative error. Although we have set up various security measures, including tagging our products, CCTV in our offices and units, armed security guards and follow stringent operational processes such as daily stock taking, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

30. ***Our ability to pay dividends in the future will depend upon, among other factors, our future earnings, financial position, cash requirements and availability of profits, as well as the provisions of relevant laws in India from time to time***

There can be no assurance as to whether we will pay dividends in the future and whether the amount of such future dividends shall be commensurate with the historical dividends declared by us. The declaration, payment and amount of any future dividends is subject to the discretion of the Board and will depend upon, among other factors, our earnings, financial position, cash requirements, availability of profits, financial condition, cash flows, working capital requirements and capital expenditures as well as the provisions of relevant laws in India from time to time.

31. ***Our business entails high working capital requirements and cash flows and if we are not able to arrange for the same, in a timely manner or at all, may adversely impact the results of our operations.***

Our business demands working capital facilities. We may experience circumstances or events leading to or resulting in mismatch in cash inflows and outflows and adverse imbalances in working capital components depending upon the general economic and market condition. In case cash flows are not sufficient to meet our working capital requirement or if we are not able to arrange for the same from other sources or due to other factors including delay in disbursement of arranged funds, we may be unable to finance our working capital needs at appropriate times. Further, any increase in the interest rate on our borrowings, it may adversely affect our financial performance. In the event, our Company proposes to raise additional funds through raising of debt, we will be subjected to increased interest and debt repayment obligations, which could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Moreover, if the Company decides to raise additional funds through the issuance of equity, the shareholding of the investors in the Company may be diluted. Increased working capital requirements may have an adverse effect on our business, financial condition and results of operations and we cannot assure that we will be able to raise the full amount we believe is necessary to fund our working capital requirements, or that such amounts will be available at costs acceptable to us.

32. ***Our Company has extended its corporate guarantee to its joint-venture company, Birla Furukawa Fibre Optics Pvt Limited, which, if enforced by the lender may adversely affect the cash flows of our Company.***

Our Company has provided its corporate guarantee to State Bank of India in respect of the credit facilities amounting to Rs.3,520 Lacs availed by our its joint-venture company, Birla Furukawa Fibre Optics Pvt Limited. Under the terms of the guarantee, our Company is required to guarantee the due repayment and discharge of the obligations of Birla Furukawa Fibre Optics Private Limited in respect of the aforesaid credit facilities. In the event, Birla Furukawa Fibre Optics Private Limited does not honour its commitment, our Company would be required to honour its guarantee obligations which may adversely affect the financial ability and cash flows of our Company.

- 33. *As a manufacturing business, our success depends on efficiently managing the supply chain logistics. Transportation of our products from our manufacturing facilities to our logistics service provider and finally to our dealers and retailers need to be efficiently managed. Such supply chain logistics are subject to various uncertainties and risks, and delays in delivery may result in rejected or discounted deliveries.***

We depend on trucking to deliver our products from our manufacturing facilities to our warehouses of our logistics service provider and finally to our dealers and retailers. Disruptions of transportation services due to heavy rains, storm, theft, inadequacies in road infrastructure; or due to labour problems like strikes, lockouts; or other events could impair our ability to manage the supplies of our products. There can be no assurance that such disruptions will not occur. Any such disruptions could materially adversely affect our business, financial condition, cash flows and results of operations. Further, we do not have long term agreements with our logistics service providers.

EXTERNAL RISK FACTORS

- 34. *The recurrence of systemic events such as the recent global economic meltdown, instability of economic policies and the political situation in India or globally may adversely affect our performance.***

Economic conditions outside India, may adversely impact the growth of the Indian economy, and Government policy may change in response to such conditions. Unstable internal and international political environment may impact the economic performance of the cable industry, including our Company, in the short and long term. Our business, and the market price and liquidity of our Equity Shares, may be affected by reactionary changes in interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India on account of any changes in the global economic changes.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries. Financial turmoil in Asia, the United States, Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investor's reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. The Indian financial markets experienced the contagion effect of the volatility and turmoil in the global financial markets, which was evident from the sharp decline in the benchmark indices of SENSEX and NIFTY from their peak levels in early 2008 to the first quarter of 2009. As a consequence of the severe tightening of credit associated with that financial turmoil, many economies experienced periods of severe recession accompanied by a significant deterioration of consumer confidence and demand. Additionally, due to the conditions in the global and domestic financial markets, we cannot be certain that we would be able to raise capital, if needed or to the extent required, or that we will be able to undertake our business without any disruptions and we may be unable to implement our growth strategy. Any recurrence of such events may have an adverse effect on our business, financial condition and results of operations as well as the price of our Equity Shares.

- 35. *The occurrence of natural disasters may adversely affect our business, financial condition and results of operations.***

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determine their impact on the Indian economy. This may adversely affect our business operations and financial position of our Company.

- 36. *Political instability or changes in the Government may delay the liberalisation of the Indian economy and adversely affect economic conditions in India generally, which may impact our business, financial condition and results of operations.***

The role of the central and state governments in the Indian economy has remained significant over the years. Since 1991, the Government of India has pursued policies of economic liberalization, including significantly

relaxing restrictions on the private sector. There can be no assurance that these liberalization policies will continue in the future. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in Indian companies could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India, thereby affect our business.

37. *Changes in technology may render our current technologies obsolete or require us to undertake substantial capital investments, which could adversely affect our results of operations.*

We may not be able to keep pace with the rapidly changing technological environment. Any such failure on our part could adversely affect our ability to compete efficiently, reduce our competitiveness, ability to develop new products and the consequential quality of our products, and could also adversely affect our sales and profitability.

Our success will depend in part on our ability to anticipate and respond on a timely basis and economical basis to technological advances in the sector in which we operate. The introduction, development and implementation of such newer technologies in our manufacturing process especially involves technical and business risks. Further, our ability to provide for commensurate capital expenditure will also govern our ability to adopt new technology to provide for better and improved products. There can be no assurance that we will be able to adapt or upgrade our existing technologies and successfully implement new technologies at all times. Further, the information available to our management may not be timely and sufficient to respond to changes in market conditions and other developments in our area of operation. If we are unable, for any reasons, to adapt in a timely manner to changing market conditions, customer requirements, technological changes or make provision for the required capital expenditure to adapt these technological changes, it may adversely affect our business, results of operations and financial condition.

38. *Allegations of corruption, civil unrest, acts of violence include terrorism, war, communal disturbances, riots or regional hostilities involving India or other countries could materially and adversely affect our business, results of operations and financial condition.*

Recent allegations of corruption in India have the potential to discourage investors and derail the growth prospects of the Indian economy. Continued allegations of corruption may create economic and regulatory uncertainty and could have an adverse effect on our business, profitability and results of operations. The Asian region has from time to time experienced instances of civil unrest and hostilities among neighbouring countries. Although the governments of India and neighbouring countries have recently been engaged in conciliatory efforts, any deterioration in relations between India and neighbouring countries might result in investor concern about stability in the region.

Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India as well as other acts of violence or war, could influence the Indian economy by creating a perception that investments in India involve higher degrees of risk. These acts may also result in a loss of business confidence, make travel and other services more difficult and ultimately materially and adversely affect our business. India has experienced communal disturbances, terrorist attacks and riots during recent years and prolonged strikes. Events such as these may depress the housing prices, decrease the demand for housing and impacts income which increases default on housing loans. If such events recur, our operational and marketing activities may be adversely affected, resulting in a decline in our income. If any of our offices are directly affected by any such terrorist attack or riot, our operations may be disrupted which will adversely affect our business and results of operation.

Corruption, civil unrest, acts of violence including terrorism, war, communal disturbances, riots or regional hostilities involving India or other countries could materially and adversely affect our business, results of operations and financial condition. These factors could lead to political or economic instability in India and may have a material adverse effect on our business, results of operations and financial condition.

39. *Inflation in India could have a material adverse effect on our profitability, our business, results of operations and financial condition.*

In the recent past, India has experienced fluctuating wholesale price inflation as compared to historical levels due to the global economic downturn. An increase in inflation in India could cause a rise in the price of raw materials and wages, or any other expenses that we incur. If this trend continues, we may be unable to accurately estimate or control our costs of production and this could have an adverse effect on our business and results of operations.

Risks relating to the Issue and Equity Shares

- 40. *There is no guarantee that the 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.***

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. Approval will require all other relevant documents authorising the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the US. Indian stock exchanges have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, the Stock Exchanges could adversely affect the trading price of the Equity Shares. Historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

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

The Companies Act, 1956, Companies Act, 2013 (to the extent notified and applicable) and related rules, articles of association of our Company and the Listing Agreement govern the corporate affairs of our Company. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder than as a shareholder of a corporation in another jurisdiction.

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

We are subject to a daily "circuit breaker" imposed by the Stock Exchanges, which may not allow transactions beyond specified increases or decreases in the price of our Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers is set by the Stock Exchanges based on the historical volatility in the price and trading volume of our Equity Shares.

This circuit breaker will limit the upward and downward movements in the price of our Equity Shares during the day. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

- 43. *Our Company cannot warrant that its securities will continue to be listed on the Stock Exchange.***

Pursuant to the listing of our Company's securities on the Stock Exchanges, our Company shall be required to comply with certain regulations and/or guidelines as prescribed by SEBI and the Stock Exchanges. However, in the event that our Company fails to comply with any of the aforesaid regulations and/or guidelines, our Company cannot assure that its securities will continue to be listed on the Stock Exchanges.

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

Capital gains arising from the sale of the equity shares of our Company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the STT has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are transacted. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less

will be subject to capital gains tax in India. Capital gains arising from the sale of the equity shares of our Company will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gain upon a sale of the Equity Shares.

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

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required.

Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require certain approvals. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

46. *Our ability to raise foreign capital may be constrained by Indian law. The limitations on foreign debt may have a material adverse effect on our business, financial condition and results of operations and the price of our Equity Shares.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. The limitations on foreign debt may have an adverse effect on our business, financial condition and results of operations and the price of our Equity Shares.

47. *Volatility in the stock market may have an impact on the market price and trading of our Equity Shares.*

Stock markets have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our Equity Shares. There may be significant volatility in the market price of our Equity Shares.

If we are unable to operate profitably or as profitably as we have in the past, investors could sell our Equity Shares when it becomes apparent that the expectations of the market may not be realized, resulting in a decrease in the market price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

48. *Any future issuance of equity shares by us may dilute your shareholding and adversely affect the trading price of our Equity Shares.*

Any future issuance of equity shares by us including in a primary offering or pursuant to a preferential allotment may dilute your shareholding in our Company, adversely affect the trading price of our equity shares and could impact our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Additionally, the disposal of Equity Shares by any of our major shareholders, any future issuance of equity shares by us or the perception that such issuance or sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that we will not issue equity shares or that such shareholders will not dispose of, pledge or encumber their equity shares in the future.

Prominent Notes:

- Issue of [●] Equity Shares of face value of Rs.10 each of our Company for cash at a price of Rs.[●] (including a premium of Rs.[●] per Equity Share) per Equity Share, not exceeding an amount of Rs.6,000 Lacs by our Company to the Eligible Equity Shareholders of our Company in the ratio of [●]Equity Shares for every [●]

Equity Shares held on the Record Date, i.e. [●]. The Issue Price of each Equity Share is [●] times the face value of the Equity Share.

- Our Company's Net-Worth was Rs.10,968.70 Lacs, as on March 31, 2015, as per our "*Financial Statements*" as disclosed on page 59 of the Draft Letter of Offer.
- For details of the related party transactions of our Company as per AS 18, the nature of such transaction and cumulative values, please refer to the section titled "*Financial Statements*" on page 59 of the DLOF.
- There are no financing arrangements whereby our Promoters and Promoter Companies, our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing of the Draft Letter of Offer.

SECTION III – INTRODUCTION

THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section titled “Terms of the Issue” on page 123 of the Draft Letter of Offer.

Equity shares proposed to be issued by our Company in the Issue	[●] Equity Shares
Rights Entitlement	[●] Equity Shares for every [●] Equity Shares held on the Record Date
Record Date	[●], 2015
Face Value per Equity Shares	Rs.10/-
Issue Price per Equity Share	[●]
Issue Size	[●]
Equity Shares outstanding prior to the Issue	2,31,30,254 Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	[●] Equity Shares
Terms of the Issue	Please refer to the section titled “Terms of the Issue” on page 123 of the Draft Letter of Offer.
Use of Issue Proceeds	Please refer to the section titled “Objects of the Issue” on page 37 of the Draft Letter of Offer.

Terms of Payment

The entire Issue Price will be payable on application, along with the CAF.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth our summary financial information derived from our audited financial statements as at and for Financial Year 2015 prepared in accordance with Indian GAAP and the Companies Act. This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about us and our financial statements, including the notes thereto, the “Financial Statements” on page 59. Special attention is also drawn to chapter titled “Risk Factors” on page 10, which discusses a number of factors and contingencies that could impact our financial condition and results of operations.

BALANCE SHEET AS AT 31st MARCH 2015

	Notes	31 st March 2015 (Rs in Lacs)	31 st March 2014 (Rs in Lacs)
EQUITY & LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	2313.32	2313.32
Reserves and Surplus	4	8794.35	12460.13
		11107.67	14773.45
NON-CURRENT LIABILITIES			
Long-term Borrowings	5	15500.00	11382.60
Other Long-term Liabilities	6	11.34	16.18
Long-term Provisions	7	756.24	696.86
		16267.58	12095.64
CURRENT LIABILITIES			
Short-term Borrowings	8	18580.99	18883.66
Trade Payables	9	9517.93	10323.03
Other Current Liabilities	9	6020.55	2786.15
Short-term Provisions	10	566.50	508.31
		34685.97	32501.15
	TOTAL	62061.22	59370.24
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	11		
Tangible Assets		14519.57	15446.10
Intangible Assets		19.50	35.93
Capital Work-in-progress		-	97.00
Non-current Investments	12	5131.92	5131.92
Long-term Loans and Advances	13	612.10	568.87
Trade Receivables	16	1437.73	1331.72
Other Non-current Assets	14	45.39	408.17
		21766.21	23019.71
CURRENT ASSETS			
Inventories	15	11369.22	10492.86
Trade Receivables	16	23838.57	22330.33
Cash and Bank Balances	17	526.32	484.46
Short-term Loans and Advances	18	3389.69	1887.06
Other Current Assets	19	1171.21	1155.82
		40295.01	36350.53
	TOTAL	62061.22	59370.24

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

	Notes	For the year ended 31 st March 2015 (Rs in Lacs)	For the year ended 31 st March 2014 (Rs in Lacs)
INCOME			
Revenue from Operations (Gross)	20	75604.13	67583.73
Less: Excise Duty		6201.66	6032.26
Revenue from Operations (Net)		69402.47	61551.47
Other Income	21	887.09	1077.11
Total Revenue		70289.56	62628.58
EXPENDITURE			
Cost of Raw Materials Consumed	22	52551.81	46673.15
Purchase of Stock-in-trade		2156.08	2675.99
(Increase)/Decrease in Inventories of Materials under Process, Finished Goods, Scrap and Traded Goods	23	819.49	676.79
Employee Benefits Expense	24	4221.92	3995.30
Finance Costs	27	5069.19	3285.81
Depreciation and Amortization Expenses	26	1761.84	1687.34
Other Expenses	25	7180.37	8045.63
Total Expenditure		73760.70	67040.01
(Loss) before Tax		(3471.14)	(4411.43)
Tax Expense/(Credit)			
Deferred Tax (Credit)		-	(405.55)
Total Tax Expenses/(Credit)		-	(405.55)
(Loss) for the year		(3471.14)	(4005.88)
Earnings Per Share (Rs)			
Basic & Diluted Earnings per Share [Nominal Value of Rs 10/- per share (Previous year Rs 10/-)]	28	(15.01)	(17.32)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

Description		2014-15		2013-14	
		(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	(Loss) before Taxation		(3471.14)		(4411.43)
	Adjustments for :				
	Depreciation	1761.84		1687.34	
	Profit on Disposal of fixed assets (Net)	(131.35)		(277.70)	
	Interest Income	(28.48)		(37.06)	
	Dividend Income	(163.15)		(117.74)	
	Interest Expense	4674.37		3110.22	
	Provision for Doubtful Debts and Advances	-		(48.92)	
	Unrealised Foreign Exchange Loss	11.10		9.80	
			6124.33		4325.94
	Operating Profit before Working Capital Changes		2653.19		(85.49)
	Movement in Working Capital :				
	(Decrease) in Trade Payables	(816.09)		(1875.81)	
	Increase/(Decrease) in Long-term Provisions	59.38		(78.26)	
	Increase/(Decrease) in Short-term Provisions	58.19		(45.68)	
	Increase/(Decrease) in Other Current Liabilities	1290.80		(1591.30)	
	Increase/(Decrease) in Other Long-term Liabilities	(4.84)		12.05	
	(Increase) in Trade Receivables	(1614.36)		(1644.59)	
	(Increase)/Decrease in Inventories	(876.36)		2186.19	
	Decrease in Long-term Loans and Advances	0.76		19.71	
	(Increase) in Short-term Loans and Advances	(1502.63)		(185.63)	
	(Increase) in Other Current Assets	(14.15)		(432.48)	
	Decrease in Other Non-Current assets	362.83		294.39	
			(3056.47)		(3341.41)
	Cash from Operations		(403.28)		(3426.90)
	Direct Taxes paid		(54.43)		(62.81)
	Net cash (used in) Operating activities		(457.71)		(3489.71)
B.	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed assets	(968.70)		(2935.59)	
	Proceeds from sale of Fixed assets	210.22		297.69	
	Interest Received	27.19		38.52	
	Investment made	-		(57.50)	
	Dividend Received	163.15		117.74	
	Net cash (used in) Investing activities		(568.14)		(2539.14)
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from Long-term Borrowings	6500.00		8452.04	
	Repayment of Long-term Borrowings	(444.61)		(374.79)	
	Net Proceeds from Short-term Borrowings	(302.67)		1355.40	
	Interest Paid	(4675.98)		(3185.81)	
	Unclaimed Dividend Paid	(9.03)		(7.85)	
	Net cash from Financing activities		1067.71		6238.99
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		41.86		210.14
	Cash and Cash Equivalents at the beginning of the year		484.46		274.32
	Cash and Cash Equivalents at the end of the year		526.32		484.46
	Components of Cash and Cash Equivalents				
	Cash on Hand		2.55		3.05
	Cheques/Drafts on Hand		263.86		176.93
	With Banks :				
	On Current Accounts		94.37		210.10
	On Unclaimed Dividend Accounts*		33.75		42.78
	On Deposit Accounts		131.79		51.60
			526.32		484.46

*These balances are not available for use by the Company as they represents corresponding unpaid dividend Liabilities.

Note : The Cash Flow Statement has been prepared under the 'Indirect method' as set out in Accounting Standard - 3 on Cash Flow Statements.

GENERAL INFORMATION

Dear Equity Shareholder(s),

Pursuant to the resolution passed by our Board at its meeting held on March 31, 2015 and the resolution of the shareholders of our Company passed by way of postal ballot dated May 13, 2015, our Company has been authorised to make the following Rights Issue to the Equity Shareholders of our Company with a right to renounce.

Issue of [●] Equity Shares of 10/- each for cash at a premium of [●]/- per Equity Share aggregating Rs. 6,000 Lacs on a rights basis to the existing Equity Shareholders of our Company, in the ratio of [●] Equity Shares for every [●] Equity Shares (i.e. [●]) held as on the Record Date i.e. [●], 2015. The Issue Price of each Equity Share is [●] times the face value of the Equity Share.

For further details please refer to “Terms of the Issue” on page 123 of this Draft Letter of Offer.

Our Company was incorporated as Hindusthan Woollen Mills Limited, a public company limited by shares under the Companies Act, 1913 on March 6, 1945 in the State of West Bengal with registration number 12162/474 – 1944-45. Our Company received its Certificate for Commencement of Business on April 20, 1945 from Registrar of Companies at Calcutta. In the year 1961, the name of our Company was changed to Universal Cables Limited. Commercial production was started on February 19, 1964

REGISTERED OFFICE OF OUR COMPANY

Universal Cables Limited

P.O.Birla Vikas
Satna - 485 005
Madhya Pradesh
Tel: + 91 07672 -257121
Fax: +91 07672- 257131
Email: secretarial@unistar.co.in
Website: www.unistar.co.in
Corporate Identification Number: L31300MP1945PLC001114

ADDRESS OF THE REGISTRAR OF COMPANIES

Registrar of Companies, Gwalior
3rd Floor, 'A' Block, Sanjay Complex
Jayendra Ganj, Gwalior
Tel: +91 751-2321907
Fax: +91 751-2331853
Email: roc.gwalior@mca.gov.in
Website: www.mca.gov.in

COMPLIANCE OFFICER & COMPANY SECRETARY

Mr. Om Prakash Pandey
Company Secretary and Compliance Officer
Universal Cables Limited
P.O.Birla Vikas
Satna - 485 005
Madhya Pradesh
Tel: + 91 7672 - 257121
Fax: +91 7672- 257131
Email: secretarial@unistar.co.in

Investors may contact the Compliance Officer or Registrar to the Issue for any pre-Issue / post-Issue related matter such as non-receipt of letters of allotment/ share certificates/ refund orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs where the CAF, or the plain paper application, as the case may be, was submitted by the ASBA Investors.

LEAD MANAGER TO THE ISSUE

IDBI Capital Market Services Limited

3rd Floor, Mafatlal Centre

Nariman Point

Mumbai 400 021

Maharashtra, India

Tele: +91 22 4322 1212

Fax: +91 22 2285 0785

Email: ucl.rights@idbicapital.com

Website: www.idbicapital.com

Investor Grievance Email: redressal@idbicapital.com

Contact Person: Ms. Astha Daga

SEBI Registration Number: INM000010866

LEGAL ADVISORS TO THE ISSUE

M/s. Kanga & Company

Readymoney Mansion

43, Veer Nariman Road

Mumbai - 400 001

Maharashtra, India.

Tel: +91-22-66230000

Fax: +91-22-66339656

E-mail: chetan.thakkar@kangacompany.com

Web: www.kangacompany.com

Contact Person: Mr. Chetan Thakkar

REGISTRAR TO THE ISSUE

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg,

Bhandup (West)

Mumbai 400 078

Tel: +91-22-61715400

Fax: +91 22 25960329

E-mail: ucl.rights@linkintime.co.in

Investor Grievance E-Mail: ucl.rights@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Sachin Achar

SEBI Registration Number: INR000004058

Corporate Identification Number: U67190MH1999PTC118368

STATUTORY AUDITORS OF OUR COMPANY

M/s. V. Sankar Aiyar & Co., Chartered Accountants

Flat Nos.202, 203 and 301

Satyam Cinema Complex,

Ranjit Nagar Community Centre,

New Delhi -110 008

Tel: +91 11 25702691

Email: newdelhi@vsa.co.in

Firm Registration No. 109208W

BANKERS TO THE ISSUE

[•]

Experts

Our Company has received consent from the Statutory Auditors, M/s. V. Sankar Aiyar & Co., Chartered Accountants to include their names as an “expert” under Section 2(38) read with Section 26 of the Companies Act, 2013 in this Draft Letter of Offer in relation to their report dated May 15, 2015 on the audited financial statements for the financial year ended March 31, 2015 of our Company provided under section “Financial Statements” on page 59 and the Statement of Tax Benefit dated May 27, 2015 provided under section “Statement of Tax Benefits” on page 40. Further, this consent has not been withdrawn as of the date of this Draft Letter of Offer.

SELF CERTIFIED SYNDICATE BANKERS

APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA): Eligible Equity Shareholders may apply through the ASBA process. ASBA can be availed by all the Eligible Equity Shareholders. The Eligible Equity Shareholders are required to fill the ASBA form and submit the same to their bank which in turn will block the amount in the account as per the authority contained in ASBA form and undertake other tasks as per the specified procedure. On allotment, amount will be unblocked and account will be debited only to the extent required to pay for allotment of shares. Hence, there will be no need of refunds etc. ASBA form can be submitted to several banks, the list of such banks are given in the ASBA form and is available on website of SEBI at www.sebi.gov.in/pmd/scsb.pdf

For more details on the ASBA process, please refer to the details given in ASBA form and also please refer to the chapter titled “*Terms of the Issue*” on page 123 of this Draft Letter of Offer.

The list of banks which have been notified by SEBI to act as SCSBs and as provided at www.sebi.gov.in/pmd/scsb.pdf. For details on designated branches of SCSBs collecting the ASBA Form, refer the aforesaid SEBI link.

Credit Rating

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

Statement of inter se allocation of Responsibilities for the Issue

IDBI Capital Market Services Limited is the sole Lead Manager to the Issue and all the responsibilities relating to coordination and other activities in relation to the Issue shall be performed by it. The various activities have been set forth below:

Sr. No	Activity
1.	Capital structuring with the relative components and formalities, type of instruments of the Issue in conformity with the SEBI Regulations.
2.	Drafting and design of the Letter of Offer and of the advertisement or publicity material including newspaper advertisement and brochure or memorandum containing salient features of the Letter of Offer.
3.	Selection of various agencies connected with issue, such as registrars to the issue, printers, advertising agencies, etc.
4.	Liaisoning with the Stock Exchanges and SEBI, including for obtaining in-principle listing approval and completion of prescribed formalities with the Stock Exchanges and SEBI
5.	Marketing of the issue, which shall cover, inter alia, formulating marketing strategies, preparation of publicity budget, arrangements for selection of (i) ad-media, (ii) centres for holding conferences of stock brokers, investors, etc., (iii) bankers to the issue, (iv) collection centres, (v) brokers to the issue, and (vi) underwriters and underwriting arrangement, distribution of publicity and issue material including application form, letter of offer and brochure and deciding upon the quantum of issue material
	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self- Certified Syndicate Banks, etc

Trustees

As this is an issue of Equity Shares, the appointment of trustees is not required.

Monitoring Agency

Our Company is not required to appoint a monitoring agency pursuant to Regulation 16 of the ICDR Regulations. Our Board will monitor the use of the proceeds of this Issue as per clause 49 of the Listing Agreement.

Underwriting

Our Company has not currently entered into any underwriting arrangement. We may enter into such an arrangement for the purpose of this Issue at an appropriate time and on such terms and conditions as we may deem fit. In the event our Company enters into such an arrangement, which shall be done, prior to the filing of the Letter of Offer with the Designated Stock Exchange, we shall disclose the details of the underwriting arrangement in the Letter of Offer as required under the SEBI Regulations.

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any bank or financial institution.

Subscription by our Promoters and Promoter Companies

Our Promoters and Promoter Companies have intended by their letters dated from May 16, 2015 to May 25, 2015, severally to: (a) to apply for Equity Shares being offered to them pursuant to the Rights Issue to the extent of their Rights Entitlements; (b) to apply directly or through the Promoter Companies for any Equity Shares renounced in their favour; and (c) to apply directly or through the Promoter Companies for any additional Equity Shares in the Rights Issue only to the extent of any unsubscribed portion of the Rights Issue, subject to applicable law, to ensure that at least 90% of the Rights Issue is subscribed.

Issue Schedule

Issue Opening Date	[●] 2015
Last Date for receiving requests for split forms	[●] 2015
Issue Closing Date	[●] 2015

**Our Company may decide to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.*

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of subsection (1) of Section 38 of the Companies Act, 2013 read with Section 447 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

Principal terms of Loans (Credit Facility) and Security provided as of March 31, 2015

For details in connection with the principal terms of loans and assets charged as security, please see the section titled “Financial Indebtedness” on page 104 of the Draft Letter of Offer.

CAPITAL STRUCTURE

The share capital of our Company as on the date the Draft Letter of Offer is as set forth below:

Particulars	Aggregate Value Nominal Value (Rs.)	Aggregate Value at Issue Price (Rs.)
A) AUTHORISED CAPITAL		
4,45,00,000 Equity Shares of Rs.10/- each	44,50,00,000	
50,000 Preference Shares of Rs.100/- each	50,00,000	
B) ISSUED CAPITAL BEFORE THE ISSUE		
2,31,36,074 Equity Shares of Rs. 10/- each	23,13,60,740	
SUBSCRIBED AND FULLY PAID UP CAPITAL BEFORE THE ISSUE		
2,31,30,254 Equity Shares of Rs. 10/- each	23,13,02,540	
C) PRESENT ISSUE BEING OFFERED TO THE ELIGIBLE EQUITY SHAREHOLDERS THROUGH THE LETTER OF OFFER*	[●]	[●]
[●] Equity Shares of Rs.10/- each		
Of which:		
D) PAID-UP EQUITY CAPITAL AFTER THE ISSUE		
[●] Equity Shares of Rs. 10/- each	[●]	[●]
E) SHARE PREMIUM ACCOUNT		
Before the Issue	17,67,56,000	[●]
After the Issue ***	[●]	[●]

*This Issue is being made pursuant to a resolution passed by the Board of our Company at its meeting held on March 31, 2015 and the resolution of the shareholders of our Company passed by way of postal ballot dated May 13, 2015.

Details of outstanding instruments

Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of the Draft Letter of Offer, which would entitle the holders to acquire further Equity Shares.

Details of securities held by our Promoters and Promoter Companies

The table below presents the details of the Equity Shares of our Company held by our Promoters and Promoter Companies including details of lock-in, pledge and/or encumbrance on such securities as on May 22, 2015:

Sl. No.	Name of the Shareholder	Details of Shares held		Encumbered Shares			Details of Warrants		Details of Convertible Securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of shares held	As a % of total no. of equity shares outstanding as on May 22, 2015	No. of shares held	As a %	As a % of total no. of equity shares outstanding as on May 22, 2015	No. of warrants held	As a % total number of warrants of the same class	No. of convertible securities	As a % total number of convertible securities of the same class	

(I)	(II)	(III)	(IV)	(V)	(VI) = (V) / (III) x 100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
Promoters and Promoter Companies											
1.	Vindhya Telelinks Limited	48,39,908	20.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.92
2.	The Punjab Produce & Trading Company Private Limited	29,10,128	12.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.58
3.	Gwalior Webbing Company Private Limited	16,88,573	7.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.30
4.	Birla Corporation Limited	4,68,000	2.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.02
5.	Trilochan Vyapaar Private Limited	2,66,431	1.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.15
6.	East India Investment Company Private Limited	2,09,371	0.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.91
7.	Baroda Agents & Trading Company Private Limited	1,21,058	0.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.52
8.	Punjab Produce Holdings Limited	53,224	0.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.23
9.	Birla Ericsson Optical Limited	11,07,407	4.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.79
10.	Express Diary Company Limited	125	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11.	Hindustan Gum & Chemicals Limited	100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12.	Insilco Agents Limited	1,09,710	0.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.47
13.	August Agents Limited	71,915	0.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.31
14.	Laneseda Agents Limited	35,000	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15
15.	Birla Financial Corporation Limited	2,05,869	0.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.89
16.	Mudra Fintrade Private Limited	34,615	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15
17.	Canberra	34,230	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15

Sl. No.	Name of the Shareholder	Details of Shares held		Encumbered Shares			Details of Warrants		Details of Convertible Securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		No. of shares held	As a % of total no. of equity shares outstanding as on May 22, 2015	No. of shares held	As a %	As a % of total no. of equity shares outstanding as on May 22, 2015	No. of warrants held	As a % total number of warrants of the same class	No. of convertible securities	As a % total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI) = (V) / (III) x 100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
	Traders Private Limited										
18.	Mazbat Investments Private Ltd	125	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
19.	Mazbat Properties Private Ltd	125	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		1,21,55,914	52.55	-	-	-	-	-	-	-	-

Notes:

- The above table consists of details of only those entities forming a part of the Promoter and Promoter Companies which held shares of our Company as on May 22, 2015;
- 18,55,456 equity shares (8.02%) continued to be held by certain Companies, Trusts, Societies, etc. earlier shown as a part of the Promoter Companies but since June 2006, the same have been regrouped under Public Shareholding as per amended clause 35 of the Listing Agreement with the Stock Exchanges; and
- Till June 2013, Jute Investment Company Ltd holding 84,134 equity shares (0.36%) and The Rameshwara Jute Mills Ltd holding 125 equity shares (0.00%) were considered as a part of Promoter and Promoter Companies in our Company.

Participation in the Issue by our Promoters and Promoter Companies:

Our Promoters and Promoter Companies have intended by their letters dated from May 16, 2015 to May 25, 2015, severally to: (a) to apply for Equity Shares being offered to them pursuant to the Rights Issue to the extent of their Rights Entitlements; (b) to apply directly or through the Promoter Companies for any Equity Shares renounced in their favour; and (c) to apply directly or through the Promoter Companies for any additional Equity Shares in the Rights Issue only to the extent of any unsubscribed portion of the Rights Issue, subject to applicable law, to ensure that at least 90% of the Rights Issue is subscribed.

Such subscription for the Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Equity Shares shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations and shall be exempt in terms of Regulation 10 (4) (a) and (b) of the Takeover Regulations.

The subscription by our Promoters and Promoter Companies of the Equity Shares in the Issue and the consequent allotment of the Equity Shares would be subject to the aggregate shareholding of the Promoters and Promoter Companies not exceeding 75% of the post-Issue equity share capital of our Company on the date of Allotment, in compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 and Clause 40A of the Equity Listing Agreements.

Our shareholding pattern as on May 22, 2015 was as follows:

Sr. No	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					% of shares (A+B)	% of shares (A+B+C)	Number of shares	% No. of shares
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)=(VIII/ (IV) *100
(A)	Shareholding of Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/ Hindu Undivided Family	-	0.00	0.00	0.00	0.00	0.00	0.00
(b)	Central Government/ State Government(s)	-	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Bodies Corporate	19	1,21,55,914	1,19,34,916	52.55	52.55	0.00	0.00
(d)	Financial Institutions/ Banks	-	0.00	0.00	0.00	0.00	0.00	0.00
(e)	Any Other (specify)	-	0.00	0.00	0.00	0.00	0.00	0.00
	Sub-Total (A)(1)	19	1,21,55,914	1,19,34,916	52.55	52.55	0.00	0.00
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	0.00	0.00	0.00	0.00	0.00	0.00
(b)	Bodies Corporate	-	0.00	0.00	0.00	0.00	0.00	0.00
(c)	Institutions	-	0.00	0.00	0.00	0.00	0.00	0.00
(d)	Qualified Foreign Investor	-	0.00	0.00	0.00	0.00	0.00	0.00
(e)	Any Other (specify)	-	0.00	0.00	0.00	0.00	0.00	0.00
	Sub-Total (A)(2)	-	0.00	0.00	0.00	0.00	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	19	1,21,55,914	1,19,34,916	52.55	52.55	0.00	0.00
(B)	Public shareholding							
(1)	Institutions							
(a)	Mutual Funds/ UTI	2	1,200	50	0.01	0.01	0.00	0.00

Sr. No	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
(I)	(II)	(III)	(IV)	(V)	% of shares (A+B) (VI)	% of shares (A+B+C) (VII)	Number of shares (VIII)	% No. of shares (IX)=(VIII/IV)*100
(b)	Financial Institutions/ Banks	13	1,19,496	25,113	0.52	0.52	0.00	0.00
(c)	Central Government/ State Government(s)	2	740	0.00	0.00	0.00	0.00	0.00
(d)	Venture Capital Funds	-	0.00	0.00	0.00	0.00	0.00	0.00
(e)	Insurance Companies	3	8,11,752	8,10,462	3.51	3.51	0.00	0.00
(f)	Foreign Institutional Investors	1	500	0.00	0.00	0.00	0.00	0.00
(g)	Foreign Venture Capital Investors	-	0.00	0.00	0.00	0.00	0.00	0.00
(h)	Qualified Foreign Investor	-	0.00	0.00	0.00	0.00	0.00	0.00
(i)	Any Other (specify)	-	0.00	0.00	0.00	0.00	0.00	0.00
	Sub-Total (B)(1)	21	9,33,688	8,35,625	4.04	4.04	0.00	0.00
(2)	Non-institutions							
(a)	Bodies Corporate	238	25,31,136	25,24,118	10.94	10.94	0.00	0.00
(b)	Individuals							
(i)	Individual shareholders holding nominal share capital up to Rs. 1 lakh	10,312	31,10,941	23,04,437	13.45	13.45	0.00	0.00
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	42	25,22,515	24,70,078	10.91	10.91	0.00	0.00
(c)	Qualified Foreign Investor	-	0.00	0.00	0.00	0.00	0.00	0.00
(d)	Any Other (specify)							
(i)	Trust & Societies	9	17,60,392	6,96,280	7.61	7.61	0.00	0.00
(ii)	Foreign Bodies Corporate	-	0.00	0.00	0.00	0.00	0.00	0.00
(iii)	Foreign Nationals	182	56,257	26,627	0.24	0.24	0.00	0.00

Sr. No	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
(I)	(II)	(III)	(IV)	(V)	% of shares (A+B) (VI)	% of shares (A+B+C) (VII)	Number of shares (VIII)	% No. of shares (IX)=(VIII/(IV)*100)
(iv)	Clearing Members	36	59,411	59,411	0.26	0.26	0.00	0.00
	Sub-Total(B)(2)	10,819	1,00,40,652	80,80,951	43.41	43.41	0.00	0.00
	Total Public Shareholding (B)= (B)(1)+(B)(2)	10,840	1,09,74,340	89,16,576	47.45	47.45	0.00	0.00
	TOTAL(A)+(B)	10,859	2,31,30,254	2,08,51,492	100.00	100.00	0.00	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
C1	Promoter and Promoter group	-	0.00	0.00	0.00	0.00	0.00	0.00
C2	Public	-	0.00	0.00	0.00	0.00	0.00	0.00
	Total C=C1+C2	-	0.00	0.00	0.00	0.00	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	10,881	2,31,30,254	2,08,48,449	100.00	100.00	0.00	0.00

- The shareholding of a person acting in concert includes 42,003 equity shares (0.18%) of our Company held by the Estate of Late Smt. Priyamvada Devi Birla. By a judgment and order dated 23rd August, 2012 passed by the Hon'ble High Court at Calcutta, a Committee of Administrators pendente lite has been appointed and accordingly the said equity shares of the Estate have been recorded in favour of Committee of Administrators pendente lite.
- The details of shareholding of persons belonging to the category public and holding more than 1 (one) percent of the total number of shares of our Company, as of May 22, 2015 are as follows:

Sl.	Name of the Shareholder	Number of shares held	Shares as a % of total number of shares (i.e. Grand Total (A)+(B)+(C) indicated in the Statement at para (1)(a) above}	Details of Warrants		Details of Convertible Securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				No. of warrants held	As a % total number of warrants of the same class	No. of convertible securities held	% w.r.t total number of convertible securities of the same class	
1.	Hindustan Medical Institution	10,64,112	4.60	0.00	0.00	0.00	0.00	4.60
2.	Mr. Radhey Shyam Agrawal	8,66,964	3.75	0.00	0.00	0.00	0.00	3.73
3.	Eastern India Educational Institution	6,45,251	2.79	0.00	0.00	0.00	0.00	2.79
4.	The Oriental Insurance Company	4,80,462	2.08	0.00	0.00	0.00	0.00	2.08

Sl.	Name of the Shareholder	Number of shares held	Shares as a % of total number of shares (i.e. Grand Total (A)+(B)+(C) indicated in the Statement at para (1)(a) above}	Details of Warrants		Details of Convertible Securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				No. of warrants held	As a % total number of warrants of the same class	No. of convertible securities held	% w.r.t total number of convertible securities of the same class	
	Limited							
5.	Adonis Niryat Private Limited	3,60,620	1.56	0.00	0.00	0.00	0.00	1.56
6.	Bakliwal Fincom Private Limited	3,49,133	1.51	0.00	0.00	0.00	0.00	1.51
7.	The New India Assurance Company Limited	3,30,000	1.43	0.00	0.00	0.00	0.00	1.43
8.	Raghvendra Mohta	3,26,066	1.41	0.00	0.00	0.00	0.00	1.41
9.	Sharda Builders & Promoters Private Limited	2,95,240	1.28	0.00	0.00	0.00	0.00	1.28
	Total	47,17,848	20.41	0.00	0.00	0.00	0.00	20.38

3. Our Promoter and Promoter Companies have not acquired any Equity Shares in the last one year immediately preceding the date of the Draft Letter of Offer.
4. There are no ESOP schemes set up by our Company.
5. The ex-rights price of the Equity Shares on BSE/NSE is Rs.[●].
6. All the Equity Shares of our Company are fully paid up and there are no partly paid up Equity Shares as on the date of the Draft Letter of Offer. Further, the Equity Shares when issued shall be fully-paid up.

OBJECTS OF THE ISSUE

The Objects of the Issue are:

1. Repayment/ pre-payment, in full or part, of certain unsecured inter corporate loans availed by our Company; and
2. General corporate purposes.

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

We intend to utilize the Issue Proceeds after deducting the Issue related expenses (“**Net Proceeds of the Issue**” or “**Net Proceeds**”) for the abovementioned objects.

Requirement of Funds

The details of the estimated Net Proceeds are as follows:

Sr. No.	Description	Amount (Rs in Lacs)
1.	Gross Proceeds of the Issue	6,000.00
2.	Issue Expenses	[●]
3.	Net Proceeds of the Issue	[●]

Means of Finance

The stated Objects of the Issue are proposed to be financed entirely out of the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the Issue.

Utilization of Net Proceeds of the Issue

The utilization of the Net Proceeds of the Issue is as follows:

Sr. No.	Particulars	Estimated amount to be utilized (Rs in Lacs)
1.	Repayment/ pre-payment, in full or part, of certain unsecured inter corporate loans availed by our Company	5,000.00
2.	General Corporate Purposes	[●]

Details of the Objects of the Issue

The Net Proceeds, after deduction of all issue expenses, are estimated to be approximately Rs. [●] Lacs. Further, since the Net Proceeds of the Issue are not intended to be utilized for any project, there is no schedule of implementation or any deployment of funds. The details in relation to Objects of the Issue are set forth herein below.

1. Repayment/ pre-payment, in full or part, of certain loans availed by our Company:

Our Company has availed of certain long-term unsecured Inter corporate loan facilities from some of our Promoter and Promoter Companies. These loan facilities aggregated Rs. 17,500 Lacs as at March 31, 2015 and the amount outstanding under these facilities as at May 16, 2015 was Rs. 17,800 Lacs, excluding interest. M/s. V. Sankar Aiyar & Co., Statutory Auditors of our Company, vide their certificate dated May 27, 2015, certified that our Company has utilised the above said loan amounts for the purposes for which the loans were raised. For further details of the long-term unsecured Inter corporate loan facilities availed by our Company, please see the chapter entitled “Financial Indebtedness” at page 104 of this Draft Letter of Offer.

Our Company intends to utilise Rs. 5,000 Lacs towards repayment and/or pre-payment of a portion of such outstanding debt. The said utilization of the Net Proceeds towards repayment/pre-payment of certain unsecured inter corporate loans availed by our Company is proposed to be consummated, in full, during the Financial Year 2015-16. The amount of Net Proceeds proposed to be utilized for repayment / prepayment of each the aforementioned loans availed by our Company will be subject to any conditions attached to the borrowings. We also believe that such repayment/ pre-payment will help reduce our outstanding indebtedness and our debt-equity ratio.

Our Promoters and Promoter Companies have intended by their letters dated from May 16, 2015 to May 25, 2015, severally to: (a) to apply for Equity Shares being offered to them pursuant to the Rights Issue to the extent of their Rights Entitlements; (b) to apply directly or through the Promoter Companies for any Equity Shares renounced in their favour; and (c) to apply directly or through the Promoter Companies for any additional Equity Shares in the Rights Issue only to the extent of any unsubscribed portion of the Rights Issue, subject to applicable law, to ensure that at least 90% of the Rights Issue is subscribed.

None of the unsecured Inter corporate loans provide for any penalty in the event of pre-payment of the outstanding amounts under such loans.

2. General Corporate Purposes

Our Board, will have flexibility in applying the balance amount towards general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds of the Issue, including but not limited to, strategic initiatives, joint ventures, meeting our day-to-day working capital requirements, routine capital expenditure and meeting exigencies which our company may face in the ordinary course of business and any other purpose as may be approved by our management, in accordance with the policies of our Board.

The quantum of utilization of funds towards each of the above purposes will be determined by the Board of Directors based on the amount actually available under the head “*General Corporate Purposes*” and the business requirements of our Company, from time to time.

3. Issue Expenses

The estimated Issue related Expenses are as follows:

Sr. No.	Activity Expense	Amount (in Rs. Lacs)	Percentage of Total estimated Issue expenditure	Percentage of Issue Size
1.	Fees of Lead Manager, Legal Advisor, Registrar to the Issue and out of pocket expenses	[•]	[•]	[•]
2.	Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[•]	[•]	[•]
3.	Others (including but not limited to Stock Exchange fees, depository fees and SEBI filing fees and other miscellaneous expenses)	[•]	[•]	[•]
	Total estimated Issue expenses	[•]	[•]	[•]

Appraisal

The Objects of the Issue have not been appraised by any bank or financial institution or other agencies and is based on the management estimates.

Bridge Loan

Our Company has not entered into any bridge loan facility that will be repaid from the Net Proceeds.

Interest of Directors or Key Management Personnel in the Objects of the Issue

No part of the proceeds of the Issue will be paid by our Company as consideration to our Directors or key management personnel.

Monitoring of utilisation of funds

A monitoring agency will not be appointed to monitor the utilisation of proceeds in relation to this Issue since the

gross proceeds of the Issue are expected to be less than Rs. 50,000 Lacs. Our Board of Directors will monitor the utilisation of the Net Proceeds of the Issue and our Company shall comply with the Listing Agreements, as amended, from time to time. Our Company will disclose the utilisation of the proceeds of the Issue under a separate head along with details, for all such proceeds of the Issue that have not been utilised. Our Company will indicate investments, if any, of un-utilised proceeds of the Issue in the balance sheet of the Company for the relevant fiscal years subsequent to the listing of Equity Shares issued pursuant to the Issue.

STATEMENT OF TAX BENEFITS

The Board of Directors
Universal Cables Limited
P.O. Birla Vikas,
Satna – 485 005, M. P.

Dear Sirs,

Statement of Possible Direct Tax Benefits available to Universal Cables Limited and its Shareholder's

We refer to the proposed Rights Issue of the shares of Universal Cables Limited ("the Company") enclosed statement states the possible direct tax benefits available to the Company and its shareholders under the current Direct Tax laws presently in force in India (incorporating amendments introduced by Finance Act, 2015). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant direct 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 the Company faces in the future, the Company may or may not choose to 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. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. Neither we are suggesting nor advising the investor to invest money based on this.

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

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

The contents of the enclosed 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.

This statement has been prepared solely in connection with the offering of Equity shares by the company under the Securities & Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the offering).

If this note is to be included in any offering document prepared in connection with the offering and thereby associating our name with this note (either as Preparer or otherwise), the same shall be subject to our prior written consent.

For V. Sankar Aiyar & Co.
Chartered Accountants

R. Raghuraman
(Partner)
Firm Registration No.: 109208W
Membership No. :81350
Date: May 27, 2015

Note on Possible Tax Benefits Available to Universal Cables Limited and To Its Shareholders

I. Under the Income Tax Act, 1961 (“the Act”)

A. Special tax benefits

- There are no special tax benefits available under the Act to the Company.

B. General tax benefits

Available to the Company under the Income Tax Act, 1961 (hereinafter referred to as “the Act”) in respect of the proposed right issue which will be utilised for repayment of existing loan liabilities:

1. Under Section 71 of the IT Act, business loss suffered by the company during the year is allowed to be set-off against income from any other head.
2. Under Section 72 of the IT Act, the company is entitled to carry forward business losses that cannot be set off against permitted sources of income in the relevant assessment year, for a period of 8 consecutive assessment years immediately succeeding the assessment year when the losses were incurred and set off such losses against income chargeable under the head “Profits and gains from business or profession” in such assessment year. However, only such losses which have been determined in pursuance of a return filed in accordance with Sec 139(1) of the IT Act shall be carried forward and set off under section 72 of the IT Act.
3. Under section 79 of the IT Act, the carry forward and set off of business losses of a listed company would not be impacted on a change in shareholding pattern of the company.
4. As per Section 115JAA of the Act, credit is allowed in respect of any tax paid (MAT) under Section 115JB of the Act for any assessment year commencing on or after April 1, 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Act. Such MAT credit shall be carried forward and set off in the year in which tax computed as per normal provision of the Act exceeds tax payable under section 115JB to the extent of such excess. Such carried forward shall be allowed upto ten assessment years immediately succeeding the assessment year in which tax credit becomes allowable.

General benefits available to Company investor

1. As per Section 10(34) of the Act, income earned by way of dividend from domestic company referred to in Section 115(O) (i.e. dividends declared, distributed or paid on or after 1 April, 2003) of the Act is exempt from tax. Such Dividend is to be excluded while computing Minimum Alternate Tax (MAT) liability.
2. The domestic company is required to pay Dividend Distribution Tax (“DDT”) at the rate of 15% (plus applicable surcharge and education cess) on distributed profits as would, after reduction of the tax on such increased amount at the rate specified in sub-section (1), be equal to the net distributed profits. As per section 115-O (1A) of the Act ,while computing the DDT payable by a domestic company on Dividend, the amount of dividend paid by it would be reduced by the amount of dividend received by it from its subsidiary company during the financial year if –
 - The subsidiary company has paid DDT on such dividend
 - The domestic company itself is not a subsidiary of any other company
3. As per Section 10(38) of the Act, long-term capital gains arising to the company from the transfer of long term capital asset being equity shares of a company or units of an equity oriented fund will be exempt provided that the transaction of such sale has been entered into on a recognized stock exchange of India and is chargeable to Securities Transaction Tax and has entered the book profit (MAT) computation under section 115JB of the Income Tax Act, 1961.
4. Under Section 10(38) of the IT Act, the long-term capital gains accruing otherwise than as mentioned in 3 in Dividend Income above shall be chargeable to tax at the rate of 20 % (plus applicable surcharge and education cess) in accordance with and subject to the provisions of Section 112 of the Act. However, if the tax on long term capital gain resulting on sale of listed securities or unit or zero coupon bond, calculated at the rate of 20% with indexation benefit exceeds the tax calculated at the rate of 10% without indexation

benefit, then such gains are chargeable to tax at a concessional rate of 10% (plus applicable surcharge and education cess)

5. As per Section 111A of the Act, short-term capital gain on sale of equity shares or units of an equity oriented fund where the transaction of such sale has been entered into on a recognized stock exchange of India and is chargeable to Securities Transaction Tax, shall be chargeable to tax at the rate of 15% (plus applicable surcharge and education cess). In case of non chargeability of Securities Transaction Tax, such short term gain will chargeable to tax at the normal rate.
6. In accordance with and subject to the condition specified in Section 54EC of the Act, long term capital gain [other than those exempt U/S 10(38)] shall not be chargeable to tax to the extent such capital gain is invested in certain notified bonds within six months from the date of transfer. Provided that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. If only part of the capital gain is so reinvested, the exemption shall be allowed proportionately. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisitions, the amount of capital gain exempted earlier would become chargeable to tax as long term capital gain in the year in which the bonds are transferred or converted into money. Investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year should not exceed Rs. 50 Lacs.
7. Short-term capital loss suffered by the company during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long term/short term capital gains.
8. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains, only. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

Amendments as per Finance Act, 2015

1. Corporate tax rate to be reduced to 25% over the next four years. The Finance Minister in his Budget speech has proposed to reduce the rate of corporate tax from 30% to 25% over the next four years.
2. Wealth Tax has been abolished w.e.f 01.04.2016

General Tax Benefits available to the Shareholders other than Company investor are as follows:

Resident Shareholders

1. As per the provisions of Section 10(34) of the IT Act, any income by way of dividends referred to in Section 115O (i.e. dividends declared, distributed or paid on or after 1 April, 2003) received from domestic company is exempt from income tax in the hands of shareholder. However, in view of the provisions of Section 14A of the IT Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.
2. As per the provisions of Section 10(38) of the IT Act, long term capital gains arising on sale of equity shares in the Company would be exempt from tax where such transaction has been entered into on a recognized stock exchange of India and suffered securities transaction tax.
3. Under Second Proviso to Section 48 of the IT Act, the long term capital gains (in cases not covered under section 10(38) of the IT Act) of the Shareholder arising on transfer of capital assets other than bonds and debentures (not being capital indexed bonds) will be computed after applying the relevant indexation on the cost of acquisition and cost of improvement. The resulting long term capital gains would be charged to tax @ 20% as per Section 112 of the IT Act plus applicable cess. Alternatively, at the option of the shareholder, in respect of long term capital gains from the sale of listed securities (other than a unit) or zero coupon bonds where the tax payable in respect of any such long term capital gains exceeds 10% of the amount of capital gains arrived at without indexing the cost, the capital gains is charged at a concessional rate of 10% (plus applicable surcharge and education cess).
4. In accordance with and subject to the condition specified in Section 54EC of the Act, long term capital gain

[other than those exempt U/S 10(38)] shall not be chargeable to tax to the extent such capital gain is invested in certain notified bonds within six months from the date of transfer. Provided that the investment made by an assessee in the long-term specified asset, from capital gains arising from transfer of one or more original assets, during the financial year in which the original asset or assets are transferred and in the subsequent financial year does not exceed fifty lakh rupees. If only part of the capital gain is so reinvested, the exemption shall be allowed proportionately. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisitions, the amount of capital gain exempted earlier would become chargeable to tax as long term capital gain in the year in which the bonds are transferred or converted into money. Investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year should not exceed Rs. 50 Lacs.

5. As per the provisions of Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (which are not exempt under Section 10(38) of the IT Act) arising to an individual or a Hindu Undivided Family ("HUF") on transfer of shares of the Company will be exempt from capital gains tax if the sale proceeds from transfer of such shares are used for purchase of one residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of one residential house property within a period of 3 years after the date of such transfer.
6. As per section 74, short term capital loss suffered during the year is allowed to be set-off against short term as well as long term capital gain of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains.
7. Long term capital loss suffered during the year is allowed to be set-off against long term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.
8. As per the provisions of Section 111A of the IT Act, short-term capital gains from the sale of equity shares of the Company would be taxable at the rate of 15 percent (plus applicable surcharge and education cess) where such transaction has suffered securities transaction tax. Short Term Capital Gains arising from transfer of shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.
9. Under section 80CCG of the IT Act, a resident individual being a new retail investor will be allowed deduction of 50% of amount invested in listed equity shares or listed units of equity oriented mutual fund in accordance with Rajiv Gandhi Equity Savings Scheme 2013 subject to maximum deduction of INR 25,000 and fulfillment of other conditions as prescribed.

Non-Resident Shareholders

1. As per the provision of Section 90(2) if the provision of Double taxation Avoidance Agreement (DTAA) between India and the country of Residence of Non Resident are more beneficial, then the provision of DTAA shall be applicable.
2. As per provisions of Section 115G of the Act, it shall not be necessary for a non-resident Indian to furnish his return of income if his only source of income is investment income or long term capital gains or both, arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax has been deducted at source from such income
3. Under Section 115-I of the Act, a non resident Indian may elect not to be governed by the provisions of Chapter XII-A of the Act for any assessment year by furnishing his return of income under Section 139 of the Act declaring therein that the provisions of the this Chapter shall not apply to him for that assessment year and if he does so the provisions of this Chapter shall not apply to him. In such a case his total income shall be charged as per normal provisions of the Act.
4. As per the provisions of Section 10(34) of the IT Act, any income by way of dividends referred to in Section 115O (i.e. dividends declared, distributed or paid on or after 1 April, 2003) received from domestic company is exempt from income tax in the hands of shareholder.

However, in view of the provisions of Section 14A of the IT Act, no deduction is allowed in respect of any expenditure incurred in relation to earning such dividend income. The quantum of such expenditure liable for disallowance is to be computed in accordance with the provisions contained therein.

5. As per the provisions of Section 10(38) of the IT Act, long term capital gains arising on sale of equity shares in the Company would be exempt from tax where such transaction has suffered securities transaction tax.
6. In terms of the first proviso to Section 48 of the IT Act, in case of a non-resident, while computing the capital gains (in cases not covered under section 10(38) and not subject to section 111A of the Act) arising from transfer of shares in or debentures of the company acquired in convertible foreign exchange (as per exchange control regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case. The Capital gains/loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into same foreign currency which was utilized in the purchase of shares.
7. Under the provisions of Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under Section 10(38) of the IT Act) would not be chargeable to tax to the extent such capital gains are invested in long term specified assets within 6 months from the date of transfer and held for a period of 3 years, from the date of acquisition, in bonds.
8. Under the provisions of Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (which are not exempt under Section 10(38) of the IT Act) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax if the sale proceeds from such shares are used for purchase of one residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of one residential house property within a period of 3 years after the date of such transfer.

General Tax Benefits available to Mutual Funds

In terms of Section 10(23D) of the Act, mutual funds registered under the Securities and Exchange Board of India Act, 1992 and such other mutual funds set up by public sector banks or public financial institutions authorized by the Reserve Bank of India and subject to the conditions specified therein, are eligible for exemption from income tax on their entire income, including income from investment in the shares of the company.

General Tax Benefits available to Foreign Institutional Investors (FIIs)

1. As per Section 115AD capital gain arising on transfer of short term capital assets, being shares and debentures in a company, are taxed as follows:
 - a. Short term capital gain on transfer of equity shares/units of equity oriented fund entered in a recognized stock exchange which are subject to securities transaction tax shall be taxed @ **15%** (plus applicable surcharge and education cess); and
 - b. Short term capital gains on transfer of shares/debentures other than those mentioned above would be taxable @ 30% (plus applicable surcharge and education cess).
2. As per Section 115AD capital gain arising on transfer of long term capital assets [other than those exempt U/S 10 (38)], being shares and debentures in a company, are taxed @ 10% (plus applicable surcharge and education cess). Such capital gains would be computed without giving effect to the first and second proviso to Section 48.
3. Under Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement (DTAA) between India and the country of residence of the Fund (if non-resident) would prevail over the provisions of the IT Act to the extent the DTAA is more beneficial to the non-resident..

NOTES:

1. All the above benefits are as per the current direct tax law and will be available only to the sole/ first named holder in case the shares are held by joint holders.
2. In respect of non-residents, taxability of capital gains mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any between India and the country in which the non-resident has fiscal domicile.
3. In view of the individual nature of tax consequence, each investor is advised to consult his/ her own tax advisor with respect to specific tax consequences of his/ her participation in the scheme.
4. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares.

SECTION - IV

HISTORY AND CORPORATE STRUCTURE

Brief Corporate History of our Company

Our Company was incorporated as Hindusthan Woollen Mills Limited, a public company limited by shares under the Companies Act, 1913 on March 6, 1945 in the State of West Bengal with registration number 12162/474 – 1944-45 received its certificate for commencement of business on April 20, 1945 from Registrar of Companies at Calcutta. In the year 1961, the name of the Company was changed to Universal Cables Limited. Commercial production of power cables was started on February 19, 1964. In 1970, the registered office of our Company shifted from the State of West Bengal to the State of Madhya Pradesh. The registered office of our Company is situated at P.O. Birla Vikas, Satna - 485 005, Madhya Pradesh. Corporate Identification Number of the Company is L31300MP1945PLC001114.

Our Company is an M.P. Birla group company, one of the established business houses in India having manufacturing plants for various diversified products e.g., cement, jute, carbide, power cables, optical fibre cables, power capacitors and guar gum products, operating through different companies such as Birla Corporation Limited, Vindhya Telelinks Limited, Birla Ericsson Optical Limited, Birla Furukawa Fibre Optic Private Limited and Hindustan Gum & Chemicals Limited.

Our Company is engaged in the manufacturing of power cables and capacitors and catering to the power sector, infrastructural segment, industries and Original Equipment Manufacturers (OEMs). Our Company's customer-base cuts across major segments e.g., power generation, transmission and distribution Companies, Petro-Chemicals Plants, Cement Plants, Steel Plants, Railways, Wind Energy, Oil Rig Manufacturers, Mining Industries, Ship Building and Heavy Engineering Industries. The power cables and capacitors of our Company are branded as 'UNISTAR'. Apart from manufacturing cables and capacitors for various applications, our Company has a full-fledged Engineering Procurement Construction (EPC) Division to execute Turnkey Contracts.

Objects of our Company

The objects clause of our Memorandum enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through this Issue. The activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum.

The objects of our Company, inter alia, as contained in our Memorandum of Association are:

- (1)(a) To carry on the business of manufacturers of and dealers in wires, cables, and lines of all kinds including A.C.S.R, and all aluminum and copper conductors, electricians, and electrical engineers, contractors and manufacturers of and dealers in tramways, electric and other apparatus, mechanical and chemical engineers and in all apparatus and things required for or capable of being used in connection with the generation, accumulation, distribution, supply and employment of electricity or other energy for lighting, heating, sound and power or any of them, compressed air, gas, steam, oil or any of them or otherwise.
- (b) To carry on the business of manufacturers of Bitumen, India rubber, gutta-percha, or any other waterproofing or insulating materials and to manufacture and sell all articles to which any such material can be supplied.
- (2) To carry on the business of an electric light and power Company in all its branches and in particular to lay down, construct and carry out all necessary cables, wires, lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity for the purposes of light, heat, motive power or otherwise and to carry on the business of mechanical engineers, electricians and manufacturers of and dealers in all apparatus and things required for or capable of being used in connection with such business.
- (2A) To carry on the business of manufacture, produce, process, buy, sell, import, export and otherwise deal in all kind of Optic Fibre, Optical Fibre Cables, Jelly Filled Telephone Cables, Co-Axial Cables including Power Cables, Telecommunication Cables, all kind of Preform of Silica Rods, Silica Rods and Tubes, Quartz Rods and Tubes, Fibre Reinforced Plastic (FRP) Rods, Cable Filling/ Flooding Compound, Aramid Yarn, Colouring Inks, Oils, Chemicals, heat shrinkable sleeves, all gases, UV resins, all other raw materials required for manufacture of all kinds of Optic Fibre, Optical Fibre Cables and Jelly Filled Telephone Cables including parts, connectors and accessories thereof.

- (2B) To carry on business of manufacture, produce, process, sell, buy, import, export and repair of all type of Testing Equipments for all kind of cables and conductors including Optic Fibre, Optical Fibre Cables, Jelly Filled Telephone Cables and also Testing Equipments for Optical Fibre System and Optical Fibre Transmission, distribution networks, Transmission Networks such as Line Terminal Equipment, Multiplexers, Opto-Electronic instruments, Line Repeaters, Jointing and Terminating Equipment, Laser Device, Light Emitting Device, Testing and Measuring Equipments and design, installation, erection, laying, commissioning, transport and undertake turnkey projects for manufacturing, installing, laying, commissioning of Fibre Optic System, electrical transmission and distribution networks or provide consultancy for installing, laying and commissioning thereof.

Amendments to our Memorandum of Association

Since our incorporation, the following changes have been made to our Memorandum of Association:

Date of Shareholder's Approval	Nature of Amendments	Details of Amendments
December 28, 1955	Alteration of the object clause	(32A) To guarantee the payment of money secured by or payable under or in respect of debenture Bonds, Debenture stocks, Mortgages, Charges, Obligations and Securities of any Company or of any authority Municipal, local or, otherwise or of any persons whomsoever whether corporate or incorporate and whether secured otherwise.
March 22, 1961	Increase in the Authorised Share capital	Increase in the Authorised Share capital from Rs. 200 Lacs to Rs.500 Lacs
March 22, 1961	Alteration of the object clause	Inclusion of the following objects: (1)(a) To carry on the business of manufacturers of and dealers in wires, cables, and lines of all kinds including A.C.S.R, and all aluminium and copper conductors, electricians, and electrical engineers, contractors and manufacturers of and dealers in tramways, electric and other apparatus, mechanical and chemical engineers and in all apparatus and things required for or capable of being used in connection with the generation, accumulation, distribution, supply and employment of electricity or other energy for lighting, heating, sound and power or any of them, compressed air, gas, steam, oil or any of them or otherwise. (b) To carry on the business of manufacturers of Bitumen, India rubber, gutta-percha, or any other waterproofing or insulating materials and to manufacture and sell all articles to which any such material can be supplied.
March 22, 1961	Alteration of the object clause	(3) To carry on the business of manufacturing woollen, felt, silken, cotton, hemp and any other fibrous material and products whether allied to the aforesaid or not in India or elsewhere. (3A) To carry on the business of spinners, weavers, manufacturers, ginner, balers and pressers of cotton, kapas, yarn, cotton waste, yarn waste, hemp, jute and other fibrous material and the cultivation thereof.

		<p>(3B) To carry on the business of buyers, sellers, dealers, exporters and importers of woolen, silken, cotton, hemp and other fibrous material or any goods or merchandise whatsoever and to transact all manufacturing or treating and preparing processes and mercantile business and to purchase and to vend raw materials and manufactured articles.</p> <p>(3C) To carry on all or any of the business of Jute, flax and hemp spinners, cotton spinners and doublers, linen and cloth manufacturers, jute, flax, hemp, cotton and wool merchants, wool combers, worsted spinners, woolen spinners, yarn merchants, worsted stuff manufacturers, bleachers, dyers and manufacturers of bleaching and dyeing material.</p> <p>(3D) To purchase, comb, prepare, spin, dye and deal in jute, cotton, flax, hemp, wool, silk and any fibrous substances.</p> <p>(3E) To weave and otherwise manufacture, buy and sell and deal in all kinds of cloth and other goods and fabrics, whether textile, felted, netted, or looped.</p>
March 22, 1961	Change of name of the Company	Name of the Company changed from 'Hindusthan Woollen Mills Limited' to 'Universal Cables Limited'.
May 20, 1970	Change of registered office of the Company	Registered office of the Company shifted from the State of West Bengal to the State of Madhya Pradesh.
September 26, 1978	Alteration of the object clause	<p>(27A) To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing 'programme of rural development' shall also include any programme for promoting the social and economic welfare of or the uplift of the public in any rural area which the Directors consider it likely to promote and assist rural development, and that the words 'rural area' shall include such areas as may be regarded as rural areas under Section 35 CC of the Income-tax Act, 1961 or any other law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divert the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institutions.</p> <p>(27B) To undertake, carry out, promote and</p>

		<p>sponsor or assist any activity for the promotion and growth of national economy and for discharging what the Director may consider to be social and moral responsibilities of the Company to the public or any section of the public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of the public or any section of the public and in such manner and by such means as the Directors may think fit and the Directors may without prejudice to the generality of the foregoing, undertake, carryout, promote and sponsor any activity for publication of any books, literature, newspapers, etc. or for organizing lecturers or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, fund, trust etc. having any one of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner.</p>
September 17, 1980	Increase in the Authorised Share capital	Increase in the Authorised Share capital from Rs.500 Lacs to Rs.800 Lacs
February 27, 1986	Alteration of the object clause	<p>(6A) To carry on the business of leasing and Hire purchase finance and to provide on lease or on hire purchase all types of Industrial and Office Plant, Equipment, Machinery, Vehicles and Buildings, Household appliances and equipments.</p> <p>(6B) To carry on business of manufacturing of Synthetic Rubbers, Engineering Plastics, ingredients of Detergents (LAB) and other allied products.</p> <p>(6C) To carry on business of manufacturing and processing of Steel, Alloy Steels and allied products and manufacturing of C.I. Sheets, Laminated Sheets, S.S. Sheets, H.R. Steels Sheet strip,. C.R. Steel Sheet strips, S.S. strips, Deep drawing sheets, Forged and Cast items of Steels.</p> <p>(6D) To carry on the business of manufacturers, buyers, sellers, exporters and importers of all electric items viz. Fans, Exhaust Fans, Electric press, Heater, electric-oven and Hot-plates.</p>
July 25, 1986	Increase in the Authorised Share capital	Increase in the Authorised Share capital from Rs.800 Lacs to Rs.2,000 Lacs
November 30, 1994	Increase in the Authorised Share capital	Increase in the Authorised Share capital from Rs.2,000 Lacs to Rs.2,500 Lacs
July 20, 2004	Alteration of the object clause	<p>(6E) To carry on the business of manufacturers, iron founders, dealers, stockists and importers and exporters of forgings, castings, stamping and treatment of all metals, machinery parts, moulds, press tools, jigs, fixtures, injections and compression moulding, steel products, automobile parts and spare parts.</p> <p>(6F) To carry on the trades or businesses of</p>

		<p>iron masters, steel makers, steel converts, colliery proprietors, coke manufacturers, miners, smelters, refiners, engineers, tinplate makers and iron founders, brass founders, boiler makers, millwrights, machinists and smiths in all their respective branches.</p> <p>(6G) To carry on the business of manufacturers of or dealers in ferrous or non-ferrous metals, including iron and steel, aluminium, brass, tin nickel, special steels and their products.</p> <p>(6H) To carry on the business of manufacturers, processors, buyers, sellers, importers and exporters of and dealers in, whether as principal or agents, phosphorous, chemicals, agrochemicals, bio-chemicals, heavy chemicals, petrochemicals, organic and inorganic chemicals, phosphates, plastics, alkalis, acids, drugs, tannins, essences, isinglass, colours, paints, glues, gums, pigments, varnishes, compounds, organic or heavy chemicals, mineral intermediates, proprietary articles of all kinds, laboratory re-agents, including any and all elementary substances and compounds thereof.</p> <p>(6I) To cultivate, grow, produce, treat, process, store, import, export or otherwise deal in any manner in agriculture products including mushroom and button mushroom and to carry on all or any of the business of farmers, dairymen, milk contractors, dairy farms and vendors of milk and milk products, condensed milk and powder milk, cream, cheese, butter, poultry, fruits, vegetables, cash crops and provisions of all kinds, grower of and dealers in corn, hay and straw, seedsmen and nurserymen.</p> <p>(6J) To carry on the business of designing, erecting, supplying, installation and commissioning of telecom cable networking systems on turnkey basis and to act as manufacturers, buyers, sellers, agents, distributors, dealers and importers of all kinds of passive components as well as active components like Layer 2/Layer 3 switches, media converters, router, optimux, digital cross connect, modems, multi service switches, SDH equipments and any other components whatsoever.</p> <p>(6K) To carry on the business of manufacturers, processors, importers, buyers, sellers, stockists, agents and distributors of and/or dealers in all kinds of P.V.C. and plastic products and goods, including P.V.C. pipes, sheets, lining, conduit pipe and ancillary products, resins and high density polythene products.</p>
June 22, 2006	Alteration of the objects clause	<p>Inclusion of the following objects:</p> <p>(2A) To carry on the business of manufacture, produce, process, buy, sell, import, export and otherwise deal in all kind of Optic Fibre, Optical Fibre Cables, Jelly Filled Telephone Cables, Co-Axial Cables including Power Cables, Telecommunication Cables, all kind of Preform</p>

		<p>of Silica Rods, Silica Rods and Tubes, Quartz Rods and Tubes, Fibre Reinforced Plastic (FRP) Rods, Cable Filling/ Flooding Compound, Aramid Yarn, Colouring Inks, Oils, Chemicals, heat shrinkable sleeves, all gases, UV resins, all other raw materials required for manufacture of all kinds of Optic Fibre, Optical Fibre Cables and Jelly Filled Telephone Cables including parts, connectors and accessories thereof.</p> <p>(2B) To carry on business of manufacture, produce, process, sell, buy, import, export and repair of all type of Testing Equipments for all kind of cables and conductors including Optic Fibre, Optical Fibre Cables, Jelly Filled Telephone Cables and also Testing Equipments for Optical Fibre System and Optical Fibre Transmission, distribution networks, Transmission Networks such as Line Terminal Equipment, Multiplexers, Opto-Electronic instruments, Line Repeaters, Jointing and Terminating Equipment, Laser Device, Light Emitting Device, Testing and Measuring Equipments and design, installation, erection, laying, commissioning, transport and undertake turnkey projects for manufacturing, installing, laying, commissioning of Fibre Optic System, electrical transmission and distribution networks or provide consultancy for installing, laying and commissioning thereof.</p>
March 24, 2015	Increase in the Authorised Share capital	Increase in the Authorised Share capital from Rs.2,500 Lacs to Rs.4,500 Lacs

Key Events and Milestones

Following are some of the key events and milestones in relation to our Company:

Year	Event
1945	➤ Incorporated with the ROC, West Bengal under the name Hindusthan Woollen Mills Limited on March 6, 1945.
1961	➤ The name of our Company was changed to Universal Cables Limited to reflect the change in the objects of our Company to carry on the business of manufacturers of and dealers in wires on May 15, 1961.
1962	➤ PILC Cables upto 33KV
1964	➤ Started commercial production of Paper Insulated Power Cable in technical collaboration with the world leader in cables, BICC, U.K.
1967	➤ Setting up of the Capacitor Division of our Company was established in the year in technical collaboration with Tokyo Shibaura Electric Company (Toshiba), Japan for the manufacture of capacitors for fans, fluorescent tube lights, fractional horse power motors and power capacitors with paper dielectric.
1969	➤ Commenced production of Rubber Cables.
1971	➤ Registered office of our Company shifted from the State of West Bengal to the State of Madhya Pradesh.
1977	➤ Entered into a technical collaboration agreement with General Electric Co. of USA for the manufacture of mixed dielectric and all PP Power capacitors.
	➤ The Cable Division of our Company entered into a collaboration agreement with M/s. Asea Brown Boveri Kabel AB of Sweden in the year 1977 for the manufacture of Cross linked Polyethylene Power Cable for the first time in the

	country upto 33 KV which was subsequently extended to an Extra High Tension Cable upto 145 KV and Fluroplastic Cables, specifically for very high temperature operations and high frequency signalling circuitry. The last collaboration was with this Company now renamed ABB High Voltage Cables AB. The collaboration is for Cross Linked Polyethylene power cables from 84KV upto 145 KV. The technology transfer has been fully accomplished.
1978	➤ Commenced production of XLPE Cables upto 132 KV
1993	➤ Promoted Birla Ericsson Optical Limited for Optic Fibre Cables with Ericsson, Sweden.
1994	➤ Our Company was granted the IS.ISO-9002 Quality Certification Mark by Bureau of India Standards, New Delhi for its cable manufacturing facilities at Satna, in June, 1994.
1997	➤ Joint Venture with ABB for EHV Cables upto 400 KV
1999	➤ Issue of 40,07,589 Equity Shares aggregating to Rs.801.52 Lacs on rights issue basis in the ratio of 1 share for every 4 Equity Shares.
	➤ Entry into technical collaboration with Furukawa Electric Co. Ltd., Japan for setting up world-class production facility with 2 VCV Lines to operate in the field of Extra High Voltage (EHV) underground transmission.
2001	➤ Promoted Optic Fibre Goa Limited with Vindhya Telelinks Limited and Birla Ericsson Optical Fibre Limited
2005	➤ Amalgamation of Optic Fibre Goa Limited with our Company
2006	➤ Setting up of the Vertical Continuous Vulcanising Line plant for 220KV-400KV by entry into Technical Assistance Agreement with Furukawa Electric Company Limited, Japan to operate in the field of EHV underground transmission. This technology was pioneered in India by the Company.
2009	➤ Formed a joint-venture company called Birla Furukawa Fibre Optic Private Limited with The Furukawa Electric Company Limited.
2012	➤ Our Company was granted IS/ISO 9001:2008 Quality Management Systems Certification by the Bureau of India Standards, for design, development, manufacture and supply of power, control and instrumentation cables in July, 2012.

Our branches are located in 9 states across India.

Strategic Partners

Our Company along with one of our Promoters, Vindhya Telelinks Limited have entered into joint-venture agreement with Ericson Cables Limited to form a joint-venture company – Birla Ericsson Optical Fibre Limited to manufacture and market optical fibre cables and related products as well as to provide services in connection therewith. Our Company has also entered into a joint-venture agreement with Furukawa Electric Company Limited to form another joint-venture company – Birla Furukawa Fibre Optic Private Limited to manufacture, market, sell and distribute optical fibre products and other incidental activities.

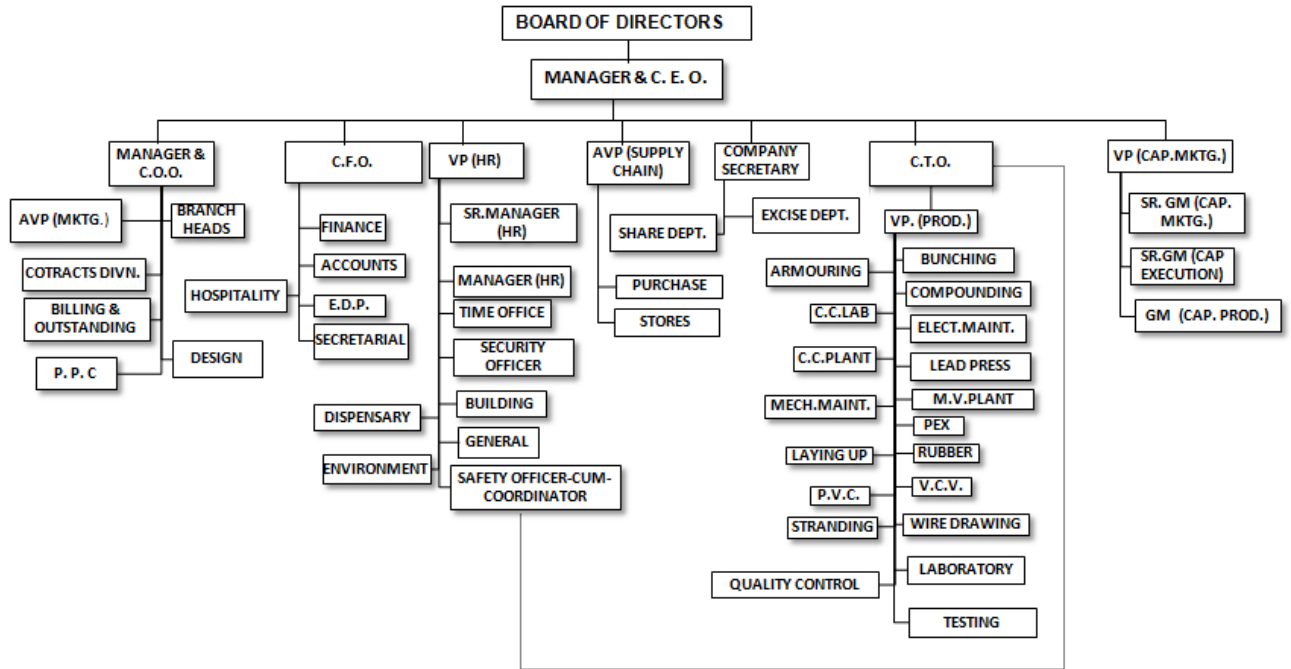
Financial Partners

We have not entered into any financial partnership agreements.

Shareholders Agreement

There is no subsisting shareholders agreement among our shareholders in relation to which we are a party or otherwise are aware of.

CORPORATE STRUCTURE



SECTION - V

OUR MANAGEMENT

Board of Directors

Our Company's Articles of Association provide that the number of Directors shall not be less than 3 and shall not be more than 12 Directors including Ex-officio Directors but excluding Debenture Directors. Our Board presently comprises of 7 directors, which consists of 2 non-executive non-independent directors, 5 independent non-executive directors. Our Chairman is a non-independent non-executive director.

The following table sets forth details regarding the Board of Directors of our Company as of the date of filing the Draft Letter of Offer.

Sr. No.	Name, Designation, Address, Age, Qualifications, Occupation, Nationality, Term	Date of Appointment	DIN	Other Directorships
1.	Mr. Harsh Vardhan Lodha Designation: Non – executive and non-independent director Residential Address: Flat 9, 10 Judges Court Road, Kolkata – 700027. Age: 48 years Nationality: Indian Occupation: Business Term: Liable to retire by rotation	April 24, 1998 Appointed as Chairman from October 29, 2009	00394094	1. Alfred Herbert (India) Limited; 2. Baroda Agents and Trading Company Private Limited; 3. Birla Corporation Limited; 4. Birla Ericsson Optical Limited; 5. Birla Furukawa Fibre Optics Private Limited; 6. East India Investment Company Private Limited; 7. J.K. Fenner (India) Limited; 8. Gwalior Webbing Company Private Limited; 9. Hindustan Gum & Chemicals Limited; 10. Mazbat Investments Private Limited; 11. Mazbat Properties Private Limited 12. Oneworld Resources Private Limited; 13. Punjab Produce Holdings Limited; 14. Sicpa India Private Limited; 15. Swiss India Financial Services Company Private Limited; 16. The Punjab Produce & Trading Company Private Limited; and 17. Vindhya Telelinks Limited; <u>Partnerships:</u> 18. La Crème Dela Crème Services LLP; and 19. First Capital Consultants LLP
2.	Dr. Sheo Raj Jain Designation:	September 5, 2006.	00364293	1. Neelachal Ispat Nigam Limited; and 2. Consteel India (Private)

Sr. No.	Name, Designation, Address, Age, Qualifications, Occupation, Nationality, Term	Date of Appointment	DIN	Other Directorships
	Independent director Residential Address: N 15/1, Near Laxman School, DLF Phase 2, DLF QE Gurgaon, Haryana, 122002 Age: 80 years Nationality: Indian Occupation: Consultant Term: Upto March 31, 2019			Limited.
3.	Mr. Swatantra Singh Kothari Designation: Independent director Residential Address: J – 202, Saket, Delhi, 110017 Age: 84 years Nationality: Indian Occupation: Consulting Engineer. Term: Upto March 31, 2019	October 26, 2005	00005428	1. Cemtech Consultants Private Limited; 2. Shikhar Cements Private Limited; and 3. Optima Consultants Private Limited.
4.	Mr. Sushil Chandra Jain Designation: Independent Director Residential Address: Tulsi Apartment, Flat No. 301 40A, Hindustan Park, Gariahat, Kolkata Age: 74 years Nationality: Indian Occupation: Labour Law Consultant Term: Upto March 31, 2019	October 27, 2004	00194087	Utkal Asbestos Limited
5.	Mr. Dinesh Chanda Designation: Independent Director Residential Address: C113, Shivalik Nagar, PO. Shivalik Nagar, Ranipur, Haridwar, Hardwar, Bhel, Haridwar, Uttarakhand, 249403 Age: 78 years Nationality: Indian Occupation: Retired Term: Upto March 31, 2019	May 23, 2007	00939978	NIL
6.	Dr. Kavita A Sharma Designation: Independent Director Residential Address: House No. 10, Sector- 15A, Noida – 201301, District G.B. Nagar, U.P. Age: 64 years Nationality: Indian	February 6, 2015	07080946	NIL

Sr. No.	Name, Designation, Address, Age, Qualifications, Occupation, Nationality, Term	Date of Appointment	DIN	Other Directorships
	Occupation: Service Term: Until next Annual General Meeting			
7.	Mr. Bachh Raj Nahar Designation: Non – executive and Non-independent Director Residential Address: Flat no. 2A, 2 nd floor, 12 Shakespeare Sarani, Kolkata Age: 63 years Nationality: Indian Occupation: Service Term: Liable to retire by rotation	May 19, 2014	00049895	1. Talavadi Cements Limited; 2. Budge Budge Floorcoverings Limited; 3. Birla Readymix Private Limited; 4. Birla Odessa Industries Private Limited; 5. Birla Corporation Limited; 6. Mili Capital Management Private Limited; 7. Mili Consultants and Investment Private Limited; 8. BRN Commodities and Trading Company Private Limited; 9. Birla Cement (Assam) Limited; and 10. Lok Cements Limited.

Biographies of the Directors

Mr. Harsh Vardhan Lodha

Mr. Harsh Vardhan Lodha, 48 years, Chairman (Non Executive and Non Independent Director), holds a Bachelor's Degree in Commerce from Calcutta University and is a qualified Chartered Accountant. He has about 29 years of experience in profession and industry. He has worked with Lodha & Co, Chartered Accountants, in the capacity as a partner from 1988 to 2008. He retired from the said firm as Joint Country Managing Partner in October 2008. He has served on various key positions of committee constituted by FICCI, ICAI, Department of Company Affairs, Reserve Bank of India. He has served as Honorary Consul of the Government of Romania for West Bengal, Orissa and Bihar. He has also served as the Vice Consul of the Republic of Philippines for Eastern India.

Dr. Sheo Raj Jain

Dr. Sheo Raj Jain, 80 years, Independent Director, holds a Bachelor's Degree BE (Mechanical) from BITS Pilani in 1956. He has more than 50 years of experience in steel and heavy industry. He retired as a Chairman of Steel Authority of India. He has also been the Chairman of Coal India Limited and Heavy Engineering Corporation.

Mr. Swatantra Singh Kothari

Mr. Swatantra Singh Kothari, 84 years, Independent Director, holds a Bachelor's Degree in Mechanical and Electrical Engineering from Banaras Hindu University in 1952. He has more than 63 years of experience in the cement, mineral and consultancy industry.

Mr. Sushil Chandra Jain

Mr. Sushil Chandra Jain, 74 years, Independent Director, hold a Bachelor's Degree in Arts in 1959 and a Bachelor's Degree in Law 1973 from University of Lucknow. He also holds a Masters Degree in Social Work obtained from University of Lucknow in 1961. He has more than 50 years of experience in labour laws. He is also a labour law consultant since 1971 till date.

Mr. Dinesh Chanda

Mr. Dinesh Chanda, 78 years, Independent Director, holds a B.Sc. from the Banaras Hindu University in 1955.

Thereafter, he obtained his Bachelor's Degree in Electrical Engineering from the University of Roorkee in 1958. He has an experience of over 50 years. He is a Life Member of Institution of Engineers (I) and also of Indian Institute of Welding. He is a Chartered Engineer (I) since July 1995. He has worked with Tata Power Company Limited, U.P. State Electricity Board and Bharat Heavy Electricals Limited. He has also served at the Birla Cement Works division of Birla Corporation Limited for a period of approximately 9 years ending his tenure as a President.

Dr. Kavita A. Sharma

Dr. Kavita A. Sharma, 64 years, Independent Director, holds a B.A. English Hons. from University of Delhi in 1969, M.A. English from University of Delhi in 1971, Ph.D in English from University of Delhi in 1978, LLB from University of Delhi in 1984, LLM from University of British Columbia, Canada. She is President of South Asian University, New Delhi. She has been a lecturer and thereafter principal of the Hindu College, University of Delhi and has around 40 years of experience in the teaching industry. She has served as Director of India International Center, New Delhi during the period from August, 2008 to October, 2014.

Mr. Bachh Raj Nahar

Mr. Bachh Raj Nahar, 63 years, Non Executive and Non Independent Director, holds a Bachelor's Degree in Commerce from University of Rajasthan in 1971 and is also a qualified Chartered Accountant. He has 13 years of experience in the cement industry. He has worked with Vikram Ispat in the capacity of Executive President from 1990 to 2000 and with Essar Group in the capacity of Executive Director from 2000 to 2002.

The following table sets forth details regarding the Manager & Chief Executive Officer and Manager & Chief Operating Officer of our Company as of the date of filing the Draft Letter of Offer:

Sr. No.	Name, Designation, Address, Age, Qualifications, Occupation, Nationality, Term	Date of Appointment	Other Directorships
1.	Mr. Yashwant Singh Lodha Designation: Manager and Chief Executive Officer Residential Address: B-802, K. M. Apartments, Plot no.12, Sector-12, Dwarka, New Delhi – 110 075 Age: 51 years Nationality: Indian Qualification: B.Com, FCA, ACS Occupation: Service Term: Upto May 14, 2018	May 15, 2015 Appointed as Manager and Chief Executive Officer	1. Vindhya Telelinks Limited 2. Birla Furukawa Fibre Optics Private Limited 3. Universal Electricals Private Limited 4. Universal Telelinks Private Limited
5.	Mr. Amitava Bose Designation: Manager and Chief Operating Officer Residential Address: A-27, Building No. 3, Universal Cables Limited, P.O Birla Vikas, Satna,- 485005 Age: 60 years Nationality: Indian Qualification: B.E. Electrical Occupation: Service Term: Upto May 4, 2018	March 31, 2015 Appointed as Manager and Chief Operating Officer	NIL

Brief Biography

Mr. Yashwant Singh Lodha

Mr. Yashwant Singh Lodha, 51 years, holds a Bachelor's Degree in Commerce and is a Fellow Member of the Institute of Chartered Accountants of India and also an Associate Member of the Institute of Company Secretaries of India. He has more than 28 years of experience in cable group companies under the M.P. Birla Group. He is currently the Managing Director of Vindhya Telelinks Limited.

Mr. Amitava Bose

Mr. Amitava Bose, 60 years, Manager & Chief Operating Officer, holds a Bachelor's degree in Electrical Engineering from the Faculty of Engineering and Technology, Jadavpur University in 1977. He has approximately 35 years of experience in Cable Industry. He has worked with NICCO Corporation Limited and KEC Cables Division. He has been working with our Company since October 2004.

Family Relationship between our Directors

None of our Directors are related to each other.

Confirmations

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

Except as set-out below, none of the Directors/Manager 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.

Director	Mr. Harsh Vardhan Lodha
Name of delisted company	Harsh Chemicals Limited
Stock exchange of which listed	Calcutta Stock Exchange Limited
Date of delisting	September 3, 2010
Compulsory/Voluntary delisting	Voluntary
Reasons for delisting	Voluntary
Whether relisted	No
Date and term of directorship	February 16, 2001 to October 6, 2014 – approximately 13 years.

Arrangements with Major Shareholders, Customers, Suppliers or Others pursuant to which a director has been appointed or a member of senior management has been appointed

There is no arrangement or understanding between our Company and any shareholder, customer, supplier or other party pursuant to which any of the directors on the Board or a member of the senior management of our Company has been appointed.

Service Agreements entered into between our Company and Directors

Except as disclosed in the section titled "Compensation to our Directors" below, there are no service contracts executed between our Company and any Director/Manager providing for benefits upon termination of employment.

Compensation to our Directors

In the Board meeting held on May 19, 2014 and February 6, 2015, it was resolved to pay sitting fees to Directors for attending Board / Committee meetings. All our Directors, including Independent Directors, may be deemed to be interested to the extent of fees, if any, 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.

The directors may be regarded as interested to the extent of their shareholding in the Company. The directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares of the Company held by them. Except as stated in this section "Our Management" beginning on page

53 of this Draft Letter of Offer, and except to the extent of shareholding in the Company, the Directors do not have any other interest in the business of the Company.

Shareholding of Board of Directors in our Company as of May 15, 2015:

Name of Director	No. of Equity Shares held (Pre-Issue)	Percentage of Shareholding
Mr. Harsh V. Lodha	10701	0.05%
Dr. Sheo Raj Jain	100	0.00%
Mr. Swatantra Singh Kothari	100	0.00%
Mr. Sushil Chandra Jain	100	0.00%
Mr. Dinesh Chanda	150	0.00%
Dr. Kavita A Sharma	100	0.00%
Mr. Bachh Raj Nahar	100	0.00%

SECTION VI – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

AUDITOR'S REPORT TO THE MEMBERS OF UNIVERSAL CABLES LIMITED

Sr. No	Particulars	Page No.
1.	Independent Auditors' Report on Financial Statements as at and for the year ended March 31, 2015	60 to 97

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UNIVERSAL CABLES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Universal Cables Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

For V. Sankar Aiyar & Co.

Chartered Accountants
ICAI Firm Regn. No. 109208W

Place : New Delhi
Dated : 15th May, 2015

R. Raghuraman
Partner
Membership No.:- 081350

Annexure referred to in the Independent Auditors' report

- i a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) Major items of fixed assets were physically verified during the year by the management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. No material discrepancies were noticed on such verification.
- ii a) As explained to us, inventories except stock in transit, have been physically verified by the management at reasonable intervals.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of its inventories. No material discrepancies were noticed on verification, between physical stocks and book records.
- iii The Company has not granted any loans during the year, secured or unsecured, to companies, firms or other parties required to be covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause 3 (iii) (a) & (b) of the Order are not applicable.
- iv In our opinion and according to the information and explanations given to us, there are reasonably adequate internal control systems, commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the internal control system.
- v The Company has not accepted deposits during the year from the public within the provisions of section 73 or any other provision of the Act and rule framed there under.
- vi We have broadly reviewed the books of accounts maintained by the company, pursuant to rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained and the required statement are in the process of compilation. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, cess, value added tax and any other material statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31st March, 2015, which were outstanding for a period of more than six months from the date they became payable.
- b) There are no disputed dues which have remained unpaid as on 31st March, 2015 on account of, income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess except as follows:

Name of the Statue	Nature of dues	Amount (Rs in Lacs)	Period to which amount relates	Forum where dispute pending
Income Tax Act, 1961	Income tax	54.97	FY 2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	243.13	FY 2010-11	Commissioner of Income Tax (Appeals)

- c) Amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Act and rules made there under has been duly transferred to the fund as soon as it became due.
- viii The Company has no accumulated losses at the end of the financial year. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year
- ix On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company did not have any debentures and loans from financial institution during the year.
- x According to the information and explanations given to us, the Company has given a corporate guarantee to a bank for credit facilities sanctioned to Birla Furukawa Fibre Optics Private Limited (joint venture) amounting to Rs. 3520.00 Lacs as stated in note no 44. In our opinion, the terms and conditions of the guarantee given by the Company, for the credit facilities sanctioned to the joint venture by the bank, are not prejudicial to the interest of the Company. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from financial institutions.
- xi Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- xii Based on the audit procedure performed and the representation obtained from the management, we report that no case of material fraud on or by the Company has been noticed or reported during the year under audit.

For V. Sankar Aiyar & Co.

Chartered Accountants
ICAI Firm Regn. No. 109208W

R. Raghuraman
Partner

Place : New Delhi
Dated : 15th May, 2015

Membership No.:- 081350

BALANCE SHEET AS AT 31st MARCH 2015

	Notes	31 st March 2015 (Rs in Lacs)	31 st March 2014 (Rs in Lacs)
EQUITY & LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	2313.32	2313.32
Reserves and Surplus	4	8794.35	12460.13
		11107.67	14773.45
NON-CURRENT LIABILITIES			
Long-term Borrowings	5	15500.00	11382.60
Other Long-term Liabilities	6	11.34	16.18
Long-term Provisions	7	756.24	696.86
		16267.58	12095.64
CURRENT LIABILITIES			
Short-term Borrowings	8	18580.99	18883.66
Trade Payables	9	9517.93	10323.03
Other Current Liabilities	9	6020.55	2786.15
Short-term Provisions	10	566.50	508.31
		34685.97	32501.15
	TOTAL	62061.22	59370.24
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	11		
Tangible Assets		14519.57	15446.10
Intangible Assets		19.50	35.93
Capital Work-in-progress		-	97.00
Non-current Investments	12	5131.92	5131.92
Long-term Loans and Advances	13	612.10	568.87
Trade Receivables	16	1437.73	1331.72
Other Non-current Assets	14	45.39	408.17
		21766.21	23019.71
CURRENT ASSETS			
Inventories	15	11369.22	10492.86
Trade Receivables	16	23838.57	22330.33
Cash and Bank Balances	17	526.32	484.46
Short-term Loans and Advances	18	3389.69	1887.06
Other Current Assets	19	1171.21	1155.82
		40295.01	36350.53
	TOTAL	62061.22	59370.24

Summary of Significant Accounting Policies 2.1
The accompanying notes 3 to 45 form an integral part of the financial statements

As per our report of even date
For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No. 109208W

R. Raghuraman
Partner
Membership No. 081350

Place: New Delhi
Date: 15th May 2015

For and on behalf of the Board of Directors of
Universal Cables Limited

Amitava Bose
Manager & Chief Operating Officer

Rakesh Barmecha, Chief Financial Officer

Place: New Delhi
Date: 15th May 2015

Harsh V. Lodha, *Chairman*

S.R. Jain, *Director*
S.S. Kothari, *Director*
S.C. Jain, *Director*
Dinesh Chanda, *Director*
B.R. Nahar, *Director*
Kavita A. Sharma, *Director*

Om Prakash Pandey, *Company Secretary*

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

	Notes	For the year ended 31 st March 2015 (Rs in Lacs)	For the year ended 31 st March 2014 (Rs in Lacs)
INCOME			
Revenue from Operations (Gross)	20	75604.13	67583.73
Less: Excise Duty		6201.66	6032.26
Revenue from Operations (Net)		69402.47	61551.47
Other Income	21	887.09	1077.11
Total Revenue		70289.56	62628.58
EXPENDITURE			
Cost of Raw Materials Consumed	22	52551.81	46673.15
Purchase of Stock-in-trade		2156.08	2675.99
(Increase)/Decrease in Inventories of Materials under Process, Finished Goods, Scrap and Traded Goods	23	819.49	676.79
Employee Benefits Expense	24	4221.92	3995.30
Finance Costs	27	5069.19	3285.81
Depreciation and Amortization Expenses	26	1761.84	1687.34
Other Expenses	25	7180.37	8045.63
Total Expenditure		73760.70	67040.01
(Loss) before Tax		(3471.14)	(4411.43)
Tax Expense/(Credit)			
Deferred Tax (Credit)		-	(405.55)
Total Tax Expenses/(Credit)		-	(405.55)
(Loss) for the year		(3471.14)	(4005.88)
Earnings Per Share (Rs)			
Basic & Diluted Earnings per Share [Nominal Value of Rs 10/- per share (Previous year Rs 10/-)]	28	(15.01)	(17.32)
Summary of Significant Accounting Policies 2.1			
The accompanying notes 3 to 45 form an integral part of the financial statements			
As per our report of even date For V. Sankar Aiyar & Co. Chartered Accountants Firm Registration No. 109208W	For and on behalf of the Board of Directors of Universal Cables Limited		
R. Raghuraman Partner Membership No. 081350	Harsh V. Lodha, <i>Chairman</i>		
Place: New Delhi Date: 15 th May 2015	S.R. Jain, <i>Director</i> S.S. Kothari, <i>Director</i> S.C. Jain, <i>Director</i> Dinesh Chanda, <i>Director</i> B.R. Nahar, <i>Director</i> Kavita A. Sharma, <i>Director</i>		
	Amitava Bose <i>Manager & Chief Operating Officer</i>		
	Rakesh Barmecha, <i>Chief Financial Officer</i>		
	Om Prakash Pandey, <i>Company Secretary</i>		
	Place: New Delhi Date: 15 th May 2015		

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

Description		2014-15		2013-14	
		(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	(Loss) before Taxation		(3471.14)		(4411.43)
	Adjustments for :				
	Depreciation	1761.84		1687.34	
	Profit on Disposal of fixed assets (Net)	(131.35)		(277.70)	
	Interest Income	(28.48)		(37.06)	
	Dividend Income	(163.15)		(117.74)	
	Interest Expense	4674.37		3110.22	
	Provision for Doubtful Debts and Advances	-		(48.92)	
	Unrealised Foreign Exchange Loss	11.10		9.80	
			6124.33		4325.94
	Operating Profit before Working Capital Changes		2653.19		(85.49)
	Movement in Working Capital :				
	(Decrease) in Trade Payables	(816.09)		(1875.81)	
	Increase/(Decrease) in Long-term Provisions	59.38		(78.26)	
	Increase/(Decrease) in Short-term Provisions	58.19		(45.68)	
	Increase/(Decrease) in Other Current Liabilities	1290.80		(1591.30)	
	Increase/(Decrease) in Other Long-term Liabilities	(4.84)		12.05	
	(Increase) in Trade Receivables	(1614.36)		(1644.59)	
	(Increase)/Decrease in Inventories	(876.36)		2186.19	
	Decrease in Long-term Loans and Advances	0.76		19.71	
	(Increase) in Short-term Loans and Advances	(1502.63)		(185.63)	
	(Increase) in Other Current Assets	(14.15)		(432.48)	
	Decrease in Other Non-Current assets	362.83		294.39	
			(3056.47)		(3341.41)
	Cash from Operations		(403.28)		(3426.90)
	Direct Taxes paid		(54.43)		(62.81)
	Net cash (used in) Operating activities		(457.71)		(3489.71)
B.	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed assets	(968.70)		(2935.59)	
	Proceeds from sale of Fixed assets	210.22		297.69	
	Interest Received	27.19		38.52	
	Investment made	-		(57.50)	
	Dividend Received	163.15		117.74	
	Net cash (used in) Investing activities		(568.14)		(2539.14)
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from Long-term Borrowings	6500.00		8452.04	
	Repayment of Long-term Borrowings	(444.61)		(374.79)	
	Net Proceeds from Short-term Borrowings	(302.67)		1355.40	
	Interest Paid	(4675.98)		(3185.81)	
	Unclaimed Dividend Paid	(9.03)		(7.85)	
	Net cash from Financing activities		1067.71		6238.99
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		41.86		210.14
	Cash and Cash Equivalents at the beginning of the year		484.46		274.32
	Cash and Cash Equivalents at the end of the year		526.32		484.46
	Components of Cash and Cash Equivalents				
	Cash on Hand		2.55		3.05
	Cheques/Drafts on Hand		263.86		176.93
	With Banks :				
	On Current Accounts		94.37		210.10
	On Unclaimed Dividend Accounts*		33.75		42.78
	On Deposit Accounts		131.79		51.60
			526.32		484.46

*These balances are not available for use by the Company as they represents corresponding unpaid dividend Liabilities.

Note : The Cash Flow Statement has been prepared under the 'Indirect method' as set out in Accounting Standard - 3 on Cash Flow Statements.

As per our report of even date
For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No. 109208W

R. Raghuraman
Partner
Membership No. 081350

Place: New Delhi
Date: 15th May 2015

For and on behalf of the Board of Directors of
Universal Cables Limited

Amitava Bose
Manager & Chief Operating Officer
Rakesh Barmecha, *Chief Financial Officer*

Place: New Delhi
Date: 15th May 2015

Harsh V. Lodha, *Chairman*

S.R. Jain, *Director*
S.S. Kothari, *Director*
S.C. Jain, *Director*
Dinesh Chanda, *Director*
B.R. Nahar, *Director*
Kavita A. Sharma, *Director*

Om Prakash Pandey, *Company Secretary*

Notes to Financial Statements for the year ended 31st March, 2015

1. Nature of Operations

UNIVERSAL CABLES LIMITED, an M. P. Birla Group Company is engaged in the manufacturing, laying, selling of Power Cables and Capacitors.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under the relevant provision of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention modified by revaluation of fixed assets, on an accrual basis except certain insurance claim and government subsidies/incentives which are recognised on acceptance basis, as and when the amount thereof can be ascertained with reasonable certainty. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.1 Summary of Significant Accounting Policies :

(a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Fixed Assets

(i) Tangible Fixed Assets

Fixed assets are stated at cost or revalued amount as the case may be, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. In case of revaluation of fixed assets, the revalued amount as determined by the valuer is considered in the books of account and the differential amount is transferred to Revaluation Reserve. Depreciation on excess of revalued amount over cost is transferred from Revaluation Reserve to Statement of Profit and Loss.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax imputed rate of interest that reflects current market assessment of the time value of money and risks specific to the asset.

(ii) Depreciation on tangible assets

Leasehold land is amortized on a straight line basis over the period of lease, i.e. 95 years.

Assets costing upto Rs 5,000/- are fully depreciated in the year of acquisition.

Depreciation on buildings constructed on leasehold land at Goa Unit has been provided on straight line method on estimated useful life of 30 years.

Depreciation on other fixed assets is provided on straight line method and on the basis of estimated useful life of the assets prescribed in Schedule II of Companies Act, 2013.

(iii) Intangible Assets and Amortization of Intangible Assets

Cost relating to purchased softwares is capitalized and is amortized on a straight-line basis over their estimated useful lives of five years.

Consideration paid/payable for acquiring Know-how in connection with manufacturing process for a particular product is capitalized as these assets provide significant future economic benefits over a long period and are amortized on a straight line basis over their estimated useful lives of five years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS-5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies".

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(c) Leases

Where the Company is the Lessee :

Leases where the lessor effectively retains substantially all the risks and benefits of ownership for the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

Where the Company is the Lessor :

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

(d) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(e) Inventories

(i) Inventories are valued as follows :

Raw materials, Stores and Spare Parts	Lower of cost and net realisable value. Cost is determined on a weighted average basis for the Company. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Traded Goods (Accessories)	Lower of cost and net realisable value. Cost is determined on transaction moving weighted average basis for the Company except for Goa Unit where annual weighted average method is followed.
Work in progress and Finished Goods	Lower of cost and net realisable value. Cost includes direct materials (determined on annual weighted average basis) and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of Finished Goods includes Excise Duty.
Scrap	Net Realisable value and includes Excise Duty.

- (ii) Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

(f) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects service tax, sales taxes, and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise Duty deducted from gross revenue is the amount that is included in the gross revenue and not the entire amount of liability arising during the year.

Contract Revenue (Including Installation and Commissioning)

Revenue from fixed price construction contracts is recognized by reference to the stage of completion of the project at the Balance Sheet date. The stage of completion of the project is determined by the proportion that contract costs incurred for work performed upto the Balance Sheet date bear to the estimated total contract cost. The cost incurred is measured by jointly certified progress of work done by the Company and its Sub-contractor as at the end of the financial year, if the Sub-contractor/Supplier has not raised bills on the Company for the work completed by the Sub-contractor/Supplier.

Contract revenue earned in excess of billing has been reflected under other current assets and billing in excess of Contract revenue has been reflected under other current liabilities in the Balance Sheet.

Liquidated damages/penalties are provided for, based on management's assessment of the estimated liability, as per contractual terms and/or acceptances.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend

Revenue is recognized when the shareholders' right to receive payment is established by the Balance Sheet date.

Export Benefits

Duty Drawback and Duty benefits on import of raw materials against exports/deemed exports/project imports made by the Company are accounted for in the year of such export.

(g) Foreign Currency Transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of short-term monetary items or on reporting Company's short-term monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Exchange differences arising on the settlement of long-term monetary items or on reporting Company's long-term monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are capitalised as part of the depreciable fixed assets to which the

long-term monetary items relate and depreciated over the remaining balance life of such assets and in other cases amortised over the balance period of such long-term foreign currency monetary items.

- (iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/income over the life of the contract. Exchange differences on such contracts, are recognized in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

(h) Retirement and other employee benefits

- (i) Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contribution is charged to the Statement of Profit and Loss of the year when the contribution to the fund is due.

- (ii) Retirement benefits in the form of Provident Fund (where contributed to the Regional PF Commissioner) is a defined contribution scheme. The contributions to the Provident Fund are charged to the Statement of Profit and Loss for the year when the contributions to the fund are due. The Company has no obligation, other than the contribution payable to the Provident Fund.

Retirement benefits in the form of Provident Fund contributed to the Trust set up by the employer is a defined benefit scheme and the payments are charged to the Statement of Profit and Loss of the year when the payments to the Trust are due. Shortfall in the funds, if any, is adequately provided for by the Company.

- (iii) The Company operates two defined benefit plans for its employees, viz., Gratuity and Pension liability. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the Statement of Profit and Loss.

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

(i) Income Taxes

Tax expense comprises current and deferred taxes. Current income tax are measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

(j) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(k) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best management estimates.

(l) Cash and Cash Equivalents

Cash and Cash Equivalents in the Cash Flow Statement comprise Cash at Bank and in Hand and short term Investments with an original maturity of three months or less.

(m) Government Grants and Subsidies

Grants and Subsidies from the Government are recognised when there is reasonable assurance that the Grant/Subsidy will be received and all attaching conditions will be complied with.

When the Grant or Subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the Grant or Subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

(n) Borrowing Costs

Borrowing costs include interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

			31st March 2015 (Rs in Lacs)	31st March 2014 (Rs in Lacs)
3. SHARE CAPITAL				
Authorised				
50,000	(50,000)	Preference Shares of Rs 100/- each	50.00	50.00
4,45,00,000	(2,45,00,000)	Equity Shares of Rs 10/- each	4450.00	2450.00
			4500.00	2500.00
Issued				
2,31,36,074	(2,31,36,074)	Equity Shares of Rs 10/- each	2313.61	2313.61
Subscribed and Fully paid up				
2,31,30,254	(2,31,30,254)	Equity Shares of Rs 10/- each	2313.03	2313.03
		Add: Forfeited Shares (amount originally paid-up)	0.29	0.29
			2313.32	2313.32

- (a) **Reconciliation of the number of shares outstanding and the amount of share capital as at 31st March, 2015 and 31st March, 2014 is as under :**

Description	31st March, 2015		31st March, 2014	
	No. of Shares	Rs in Lacs	No. of Shares	Rs in Lacs
Outstanding at the beginning of the year	2,31,30,254	2313.32	2,31,30,254	2313.32
Outstanding at the end of the year	2,31,30,254	2313.32	2,31,30,254	2313.32

- (b) **Terms/Rights attached to Equity Shares :**

The Company has only one class of Shares referred to as Equity Shares having a par value of Rs 10/- per share. Each holder of Equity Share is entitled to one vote per share.

- (c) **Details of Shareholders holding more than 5% shares in the Company is as under :**

Name of the Shareholder	31st March, 2015		31st March, 2014	
	No. of Shares held	Holding % age	No. of Shares held	Holding % age
Vindhya Telelinks Limited	48,39,908	20.92	48,39,908	20.92
The Punjab Produce Trading Co. Pvt. Limited	29,10,128	12.58	29,10,128	12.58
Gwalior Webbing Co. Pvt. Limited	16,88,573	7.30	16,88,573	7.30

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

	31 st March 2015 (Rs in Lacs)	31 st March 2014 (Rs in Lacs)
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4. RESERVES AND SURPLUS

Revaluation Reserve

Balance as per last account	150.40	153.74
Less : Amount transferred to the Statement of Profit and Loss as reduction from depreciation	6.63	3.34
Less: Adjustment of WDV of assets whose lives expired as on 1st April, 2014	4.80	-

Closing Balance

138.97	150.40
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Securities Premium Account

Balance as per last account	1767.56	1767.56
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Closing Balance

1767.56	1767.56
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General Reserve

Balance as per last account	10103.14	10103.14
Less : Adjustment of WDV of assets whose lives expired as on 1st April, 2014	183.21	-

Closing Balance

9919.93	10103.14
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Surplus/Deficit in the Statement of Profit and Loss

Balance as per last account	439.03	4444.91
(Loss) for the year	(3471.14)	(4005.88)

Net Surplus/(Deficit) in the Statement of Profit and Loss

(3032.11)	439.03
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Total Reserves and Surplus

8794.35	12460.13
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5. LONG-TERM BORROWINGS

Secured

Loans from Banks

Foreign Currency Loan – Buyer’s Credit	398.85	827.20
Less : Current Maturities of Long Term Borrowings (Refer Note No. 9)	398.85	444.60
	-	382.60

Unsecured

(1) Loan from Related Party (Refer Note No.31)	1500.00	-
(2) Other Loans		
Loans from Bodies Corporate	16000.00	11000.00
Less: Current Maturities of Long Term Loan (Refer Note No.9)	2000.00	-
	14000.00	11000.00

Total Long-term Borrowings

15500.00	11382.60
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- (a) Foreign Currency Loan - Buyer's Credit from Bank(s) are secured by hypothecation of entire, present and future, current assets of the Company. As collateral security, these facilities are additionally secured by way of first hypothecation charges on movable fixed assets, both present and future, and first mortgage charges created on certain immovable properties of the Company by deposit of title deeds of such immovable properties. These foreign currency loans are repayable before March, 2016 and carries rate of interest ranging from 1.50% - 3.00%.
- (b) As per the renewed/revised terms and conditions loans from Bodies Corporate amounting to Rs 2000 Lacs as shown under Other Current Liabilities are repayable in full in the year ending on 31st March, 2016. Loan from Bodies Corporate of Rs 14000 Lacs and Rs 1500 Lacs provided by related party are repayable after March, 2016. These loans carry interest @ 10.50% - 12.50% (rate as on reporting date).

	31 st March 2015 (Rs in Lacs)	31 st March 2014 (Rs in Lacs)
6. OTHER LONG-TERM LIABILITIES		
Security Deposit	10.33	13.85
Others – Retention Money	1.01	2.33
	<u>11.34</u>	<u>16.18</u>
7. LONG-TERM PROVISIONS		
Provision for Pension (Refer Note No. 29)	206.50	188.90
Provision for Compensated absences	549.74	507.96
	<u>756.24</u>	<u>696.86</u>
8. SHORT-TERM BORROWINGS		
Cash Credit facilities/Working Capital Demand Loans from Banks - Secured		
Working Capital Demand Loan	-	-
Cash Credit facilities	15548.47	16568.45
Export Packing Credit	757.23	-
	<u>16305.70</u>	<u>16568.45</u>
Other Short-term Loans – Unsecured		
Loan From a Bank (repayable on demand)	2275.29	2315.21
	<u>2275.29</u>	<u>2315.21</u>
	<u>18580.99</u>	<u>18883.66</u>
Total Short-term Borrowings	<u>18580.99</u>	<u>18883.66</u>
Working Capital Demand Loans/Cash Credit facilities from Bank are secured by hypothecation of entire, present and future, current assets of the Company. As collateral security, these facilities are additionally secured by way of first hypothecation charges on moveable fixed assets, both present and future, and first charges created by way of mortgage by deposit of title deeds of certain immovable properties of the Company.		
9. OTHER CURRENT LIABILITIES		
Trade Payables	9517.93	10323.03
(Refer Note No. 41 for dues to Micro, Small & Medium enterprises)		
Other Current Liabilities		
Current Maturities of Long Term Borrowings (Refer Note No. 5)	2398.85	444.60
Interest accrued but not due on Borrowings	2.13	3.74
Security Deposits	6.25	27.00
Excess of Billing Over Revenue (Refer Note No. 38)	69.50	187.25
Others		
Assigned Creditors	2000.83	-
Statutory Dues	373.82	439.93
Accrued Employee Benefits Expenses	122.13	138.77
Retention Money	6.03	11.84
Unclaimed Dividend	33.75	42.78
(This does not include any amount due and outstanding to be credited to Investor Education and Protection Fund)		
Advance from Customers	1007.26	1490.24
	<u>6020.55</u>	<u>2786.15</u>
	<u>15538.48</u>	<u>13109.18</u>
Total Other Current Liabilities	<u>15538.48</u>	<u>13109.18</u>

	31 st March 2015 (Rs in Lacs)	31 st March 2014 (Rs in Lacs)
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10. SHORT-TERM PROVISIONS

Provision for Employee Benefits

for Pension (Refer Note No. 29)	24.45	24.38
for Compensated Absences [Refer Note No. 2.1(h)]	79.40	41.91
for Gratuity (Refer Note No. 29)	20.63	-
	124.48	66.29

Others

for Taxation (net of advance tax)	442.02	442.02
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Total Short-term Provisions

566.50	508.31
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11. FIXED ASSETS

(Rs in Lacs)

Nature of Fixed Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1st April, 2014	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2015	As at 1st April, 2014	For the year **	Deductions during the year	As at 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
Tangible Assets										
Freehold Land	191.01	-	-	191.01	-	-	-	-	191.01	191.01
Leasehold Land	267.07	-	-	267.07	76.28	2.51	-	78.79	188.28	190.79
Buildings*	6158.63	12.38	80.06	6090.95	2063.94	313.04	7.29	2369.69	3721.26	4094.69
Plant & Equipments*#	23281.55	1042.32	-	24323.87	12697.05	1463.90	-	14160.95	10162.92	10584.50
Office Equipments	620.59	9.99	1.65	628.93	410.24	107.89	1.38	516.75	112.18	210.35
Furniture & Fixtures	223.47	10.00	3.27	230.20	152.21	17.05	2.64	166.62	63.58	71.26
Vehicles	212.58	15.20	14.92	212.86	137.51	32.70	9.72	160.49	52.37	75.07
Leasehold Improvements	31.01	-	-	31.01	2.58	0.46	-	3.04	27.97	28.43
Total	30985.91	1089.89	99.90	31975.90	15539.81	1937.55	21.03	17456.33	14519.57	15446.10
Intangible Assets										
Computer Software	136.74	2.50	-	139.24	111.93	7.81	-	119.74	19.50	24.81
Technical Know-how	222.51	-	-	222.51	211.39	11.12	-	222.51	-	11.12
Total	359.25	2.50	-	361.75	323.32	18.93	-	342.25	19.50	35.93
Capital Work-in-progress									-	97.00
Grand Total	31345.16	1092.39	99.90	32337.65	15863.13	1956.48	21.03	17798.58	14539.07	15579.03
Previous Year	27944.66	3443.94	43.44	31345.16	14195.91	1690.68	23.46	15863.13	15579.03	-

* Includes Rs Nil (Previous year Rs 46.56 Lacs) on account of Borrowing Costs capitalised during the year.

Includes Rs 23.37 Lacs (Previous year Rs 103.05 Lacs) pertaining to exchange loss capitalised as per para 46A of AS-11.

** Depreciation for the year includes Rs 183.21 Lacs and Rs 4.80 Lacs in respect of assets where remaining useful life is Rs Nil and adjusted from General Reserve & Revaluation Reserve respectively as per the provisions of Schedule II to the Companies Act, 2013

Notes :

- (i) Gross Block and WDV in respect of the Fixed Assets viz. Land, Buildings and Plant & Equipments include the following amounts on account of addition on revaluation made during the year ended 31st March, 1984 as per valuation carried out by an approved valuer on the basis of existing use value method as under :

(Rs in Lacs)

Sl. No.	Assets	Gross Block		WDV	
		2015	2014	2015	2014
1	Land	37.87	37.87	37.87	37.87
2	Buildings	541.43	541.43	101.10	112.53
3	Plant & Equipments	999.47	999.47	-	-
	Total	1578.77	1578.77	138.97	150.40

- (ii) Gross Block, Depreciation and WDV in respect of Fixed Assets given on operating lease by the Company and comprised in the Fixed Assets are as under :

(Rs in Lacs)

Sl. No.	Assets	Gross Block		Depreciation during the year		Total Depreciation including adjustment		Total Depreciation	
		2015	2014	2015	2014	2015	2014	2015	2014
1	Land	127.67	127.67	1.09	1.34	39.36	38.27	88.31	89.40
2	Buildings	1670.51	1670.51	70.43	36.78	364.84	294.41	1305.67	1376.10
	Total	1798.18	1798.18	71.52	38.12	404.20	332.68	1393.98	1465.50

- (iii) Gross Block, Depreciation and WDV in respect of Buildings constructed on leasehold land are as under :

(Rs in Lacs)

Description	2015	2014
Gross Block	2209.95	2280.87
Depreciation Charge for the Current Year	105.32	55.86
Accumulated Depreciation	565.82	467.79
Written Down Value	1644.13	1813.08

			31st March 2015 (Rs in Lacs)	31st March 2014 (Rs in Lacs)
12. NON-CURRENT INVESTMENTS				
Trade Investments (Valued at Cost)				
Investments in Equity Instruments				
Fully paid Equity Shares of Rs 10/- each				
Quoted	No. of Shares <u>Current year</u>	No. of Shares <u>Previous year</u>		
Vindhya Telelinks Limited	34,54,530	34,54,530	1897.31	1897.31
Investment in Joint Venture				
Birla Ericsson Optical Limited	39,00,100	39,00,100	850.01	850.01
Unquoted				
Universal Telelinks Private Limited	9,800	9,800	0.98	0.98
Universal Electricals Private Limited	9,800	9,800	0.98	0.98
Investment in Joint Venture				
Birla Furukawa Fibre Optics Private Limited	45,88,465	45,88,465	2298.50	2298.50
Non Trade Investments (Valued at Cost)				
Investments in Equity Instruments				
Quoted				
Fully paid Equity Shares of Rs 10/- each				
Birla Corporation Limited	2,96,730	2,96,730	52.78	52.78
Rameshwara Jute Mills Limited	900	900	0.11	0.11
Unquoted				
Fully paid Equity Shares of Rs 10/- each				
Birla Financial Corporation Limited	3,00,366	3,00,366	30.04	30.04
Chennai Willingdon Corporate Foundation	55	55	0.01	0.01
Fully paid Equity Shares of Rs 100/- each				
Industry House Limited	600	600	0.40	0.40
Baroda Agents & Trading Co. Private Limited	800	800	0.62	0.62
Investments in Government Securities				
Unquoted				
6 year National Savings Certificates (Deposited with Sales Tax Authorities)			0.18	0.18
			5131.92	5131.92
Aggregate Amount of Quoted Investments			2800.21	2800.21
Market Value of Quoted Investments			20540.73	7338.96
Aggregate Amount of unquoted Investments			2331.71	2331.71

	31st March 2015 (Rs in Lacs)	31st March 2014 (Rs in Lacs)
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13. LONG TERM LOANS AND ADVANCES

Unsecured and Considered Good :

Capital Advances	35.14	45.57
Loans To Employees	2.73	4.09
Advance Income Tax	160.18	105.76
Balances with Statutory/Government Authorities	98.75	120.90
Security Deposits	315.30	292.55
	612.10	568.87

14. OTHER NON-CURRENT ASSETS

(Unsecured and Considered Good)

Industrial Investment Promotion Assistance	-	362.83
Non Current Bank Balances		
Deposit Accounts with Original maturity of more than 12 Months (lodged with government department)	45.22	45.22
Interest Receivable	0.17	0.12
	45.39	408.17

15. INVENTORIES

(Valued at lower of Cost or Net Realisable Value)

Raw Materials [including material in transit Rs 1554.05 Lacs (Previous year Rs 830.18 Lacs)] (Refer Note No. 22)	4783.00	3071.62
Work in Progress (Refer Note No. 23)	3661.98	2737.73
Finished Goods [including material in transit Rs Nil (Previous year Rs 40.46 Lacs)] (Refer Note No. 23)	1900.65	3686.27
Traded Goods [including material in transit Rs 20.41 Lacs (Previous year Rs Nil)] (Refer Note No. 23)	63.71	3.48
Stores and Spares [including material in transit Rs 10.39 Lacs (Previous year Rs 11.88 Lacs)]	780.32	795.85
Scrap [Refer Note No. 2.1(e)]	179.56	197.91
	11369.22	10492.86

	31 st March 2015 (Rs in Lacs)	31 st March 2014 (Rs in Lacs)
16. TRADE RECEIVABLES (Unsecured)		
Non-Current		
Other Debts -		
Considered Good	1437.73	1331.72
	<u>1437.73</u>	<u>1331.72</u>
Current		
Debts outstanding for a period exceeding six months from the date they are due for payment -		
Considered Good	4209.28	2407.49
Considered Doubtful	-	-
	<u>4209.28</u>	<u>2407.49</u>
Other Debts -		
Considered Good	19629.29	19922.84
	<u>23838.57</u>	<u>22330.33</u>
Less : Provision for Doubtful Debts	-	-
	<u>23838.57</u>	<u>22330.33</u>
Total Trade Receivables	<u>25276.30</u>	<u>23662.05</u>

17. CASH AND CASH EQUIVALENTS

Cash and Bank Balances

Balance with Banks

On Current Accounts	94.37	210.10
On Deposit Accounts with Original Maturity of less than 3 Months	131.79	51.60
On Unpaid Dividend Accounts	33.75	42.78
Cheques/Drafts on Hand	263.86	176.93
Cash on Hand	2.55	3.05

Other Bank Balances

On Deposit Accounts with Original Maturity of more than 12 Months	45.22	45.22
	<u>571.54</u>	<u>529.68</u>
Less : Amount disclosed under Other Non-Current assets (Refer Note No. 14)	45.22	45.22
	<u>526.32</u>	<u>484.46</u>

	31st March 2015 (Rs in Lacs)	31st March 2014 (Rs in Lacs)
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18. SHORT TERM LOANS AND ADVANCES

Unsecured and Considered Good

Loans To Employees	21.31	30.73
Advances recoverable in cash or in kind	1104.52	576.90
Balances with Statutory/Government Authorities	1937.77	1019.87
Security Deposits	326.09	259.56
	3389.69	1887.06

Unsecured and Considered Doubtful

Security Deposits	11.24	11.24
	3400.93	1898.30

Less : Provision for Doubtful Security Deposits	11.24	11.24
	3389.69	1887.06

19. OTHER CURRENT ASSETS (Unsecured and Considered Good)

Receivables on account of -

Interest on Deposits	2.46	1.22
Export/Deemed Export Benefits	330.66	191.02
Industrial Investment Promotion Assistance	675.73	702.24
Unamortized Premium on Forward Contract	-	2.26
Unbilled Revenue (Refer Note No. 38)	162.36	259.08
	1171.21	1155.82

	For the year ended 31 st March 2015 (Rs in Lacs)	For the year ended 31 st March 2014 (Rs in Lacs)
20. REVENUE FROM OPERATIONS		
Sale of Products		
Finished Goods	70172.99	62025.00
Traded Goods	2941.26	3678.95
Sale of Services		
Installation and Commissioning Charges	1390.89	691.01
Other Operating Revenue		
Scrap Sales	1067.13	1175.19
Duty Drawback	31.86	13.58
Revenue from Operations (Gross)	75604.13	67583.73
Less : Excise Duty	6201.66	6032.26
Revenue from Operations (Net)	69402.47	61551.47
DETAILS OF PRODUCTS SOLD		
Manufactured Goods Sold		
Electrical Cables, Wires, Conductors and Strips of all types	67713.55	58924.40
Capacitors	2459.44	3100.60
	70172.99	62025.00
Traded Goods Sold		
Associated Equipments	2941.26	3678.95
	2941.26	3678.95
Total Sale of Products	73114.25	65703.95

	For the year ended 31 st March 2015 (Rs in Lacs)	For the year ended 31 st March 2014 (Rs in Lacs)
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21. OTHER INCOME

Interest

On Bank Deposits	12.35	2.69
Others	16.13	34.37
Dividend – On Non-current Investments	163.15	117.74
Rent received	284.44	203.92
Foreign Exchange Fluctuation (Net)	111.09	-
Industrial Investment Promotion Assistance	-	362.83
Profit on Disposal of Fixed Assets	131.35	277.70
Other Non Operating Income	168.58	77.86
	<u>887.09</u>	<u>1077.11</u>

22. COST OF RAW MATERIALS CONSUMED

Inventories at the beginning of the year	3071.62	4436.19
Add : Purchases (Net)	<u>54263.19</u>	<u>45308.58</u>
	57334.81	49744.77
Less : Inventories at the end of the year	<u>4783.00</u>	<u>3071.62</u>
	<u>52551.81</u>	<u>46673.15</u>

Details of Raw Materials Inventories

Aluminium	502.01	310.98
Copper	972.74	588.33
PVC Compound	282.56	228.97
XLPE Compound	1324.05	640.34
Others	1701.64	1303.00
	<u>4783.00</u>	<u>3071.62</u>

Details of Raw Materials Consumed

Aluminium	9391.78	10461.21
Copper	24104.21	16576.98
PVC Compound	3020.76	4220.24
XLPE Compound	6922.17	5848.80
Others*	9112.89	9565.92
	<u>52551.81</u>	<u>46673.15</u>

* None of these individually account for more than 10% of total cost of materials consumed.

	For the year ended 31 st March 2015 (Rs in Lacs)	For the year ended 31 st March 2014 (Rs in Lacs)
23. (INCREASE)/DECREASE IN INVENTORIES		
Inventories at the end of the year		
Work in Progress	3661.98	2737.73
Finished Goods	1900.65	3686.27
Scrap	179.56	197.91
Traded Goods	63.71	3.48
	<u>5805.90</u>	<u>6625.39</u>
Inventories at the end of the year		
Work in Progress	2737.73	3919.44
Finished Goods	3686.27	3025.20
Scrap	197.91	206.15
Traded Goods	3.48	151.39
	<u>6625.39</u>	<u>7302.18</u>
(Increase)/Decrease in Investments	<u>819.49</u>	<u>676.79</u>
Details of Purchase of Traded Goods		
Associated Equipments	2156.08	2675.99
Total	<u>2156.08</u>	<u>2675.99</u>
Details of Inventories		
Work in Progress		
Cables	3510.89	2611.77
Capacitors	151.09	125.96
	<u>3661.98</u>	<u>2737.73</u>
Finished Goods		
Electrical Cables, Wires, Conductors and Strips of all types	1753.16	3607.42
Capacitors	147.49	78.85
	<u>1900.65</u>	<u>3686.27</u>
Traded Goods – Associated Equipments	63.71	3.48
Scrap	179.56	197.91
Total Inventories	<u>5805.90</u>	<u>6625.39</u>

	For the year ended 31 st March 2015 (Rs in Lacs)	For the year ended 31 st March 2014 (Rs in Lacs)
24. EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus and Benefits, etc.	3378.50	3264.48
Contribution to Provident and Other Funds	256.41	244.10
Gratuity Expenses (Net)	124.46	(2.27)
Other Post Employment Benefits	72.92	76.76
Staff Welfare Expenses	389.63	412.23
	4221.92	3995.30
25. OTHER EXPENSES		
Consumption of Stores and Spare Parts	552.92	549.63
Packing Expenses	1548.66	1690.86
Power and Fuel	1507.60	1510.21
Processing and Job Work Charges	61.22	73.02
Sub-contracting for Installation and Commissioning	1129.46	633.79
Sales Commission (other than Sole Selling Agent)	312.49	771.50
Freight and Transportation Charges (Net)	790.18	876.40
Increase/(Decrease) of Excise Duty on Change in Inventories	(50.12)	(20.99)
Rent	87.33	115.73
Rates and Taxes	87.31	92.80
Insurance Charges	81.89	85.42
Repair and Maintenance :		
Machinery	74.02	97.55
Buildings	72.32	59.58
Others	42.48	53.66
Directors' Sitting Fees	17.50	7.80
Auditors' Remuneration:		
As auditors		
Audit Fees	8.75	7.50
Tax Audit Fees	1.00	1.00
Limited Review	3.75	3.75
For Other Services		
Certification etc.	1.95	0.55
For Reimbursement of Expenses	0.28	0.75
Foreign Exchange Fluctuation (Net)	-	308.54
Donations and Contributions	2.69	3.75
Bad Debts/Sundry Balances written off	-	94.62
Cash Discount	73.76	87.55
Premium on Forward Exchange Contract Amortized	27.29	106.84
Miscellaneous Expenses	745.64	833.82
	7180.37	8045.63

	For the year ended 31 st March 2015 (Rs in Lacs)	For the year ended 31 st March 2014 (Rs in Lacs)
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26. DEPRECIATION AND AMORTISATION

Depreciation on Tangible Assets	1937.55	1680.10
Amortization of Intangible Assets	18.93	10.58
	1956.48	1690.68
Less: Recoupment from Revaluation Reserve	11.43	3.34
Less: Transfer to Reserve and Surplus	183.21	-
	1761.84	1687.34

27. FINANCE COSTS

Interest	4674.37	3110.22
Bank Charges	394.82	222.15
	5069.19	3332.37
Less: Transferred to fixed assets	-	46.56
	5069.19	3285.81

28. EARNINGS PER SHARE (EPS)

(Loss) as per Statement of Profit and Loss	(3471.14)	(4005.88)
Number of Equity Shares Outstanding at the beginning of the year	23130254	23130254
Number of Equity Shares Outstanding at the end of the year	23130254	23130254
Weighted Average Number of Equity Shares Outstanding during the year	23130254	23130254
Basic and Diluted Earnings Per Share (Rs) [Nominal Value of Rs 10/- per share (Previous year Rs 10/-)]	(15.01)	(17.32)

29. Employee Benefit Plans :

The Company's defined benefit plans include the approved funded Gratuity scheme which is administered through Group Gratuity Scheme with Life Insurance Corporation of India and non-funded schemes viz. Pension (applicable only to certain employees). Such defined benefits are provided for in the Statement of Profit and Loss based on valuations, as at the Balance Sheet date, made by independent actuaries.

The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss, the funded status and the amounts recognized in the Balance Sheet for the respective plans.

Net Employee Benefits Expense recognized in the Statement of Profit and Loss :

(Rs in Lacs)

Description	Gratuity		Pension	
	2014-15	2013-14	2014-15	2013-14
Current Service Cost	72.86	64.47	-	-
Interest Cost on benefit obligation	84.25	99.14	13.79	19.60
Expected Return on Plan Assets	(101.51)	(95.69)	-	-
Net Actuarial (Gain)/Loss recognized during the year	55.84	(69.19)	28.10	(33.89)
Add: Movement in short term liability of current employees	13.02	(1.00)	0.07	(0.08)
Net Benefit Expense	124.46	(2.27)	41.96	(14.37)

Amounts recognized in the Balance Sheet :

(Rs in Lacs)

Description	Gratuity		Pension	
	2014-15	2013-14	2014-15	2013-14
Defined Benefit Obligation at end of the period	1248.32	1092.47	230.95	213.28
Plan Assets at end of the period	1227.69	1146.16	-	-
Plan Assets/(Liabilities)	(20.63)	53.69	(230.95)	(213.28)

Experience Adjustment :

(Rs in Lacs)

Description	Gratuity					Pension				
	2014-15	2013-14	2012-13	2011-12	2010-11	2014-15	2013-14	2012-13	2011-12	2010-11
Defined Benefit Obligation at end of the period	1248.32	1092.47	1137.79	1192.35	1098.21	230.95	213.28	251.95	248.41	252.61
Plan Assets at end of the period	1227.69	1146.16	1111.71	1141.66	1074.07	-	-	-	-	-
Plan Assets/(Liabilities)	(20.63)	53.69	(26.08)	(50.69)	(24.14)	(230.95)	(213.28)	(251.95)	(248.41)	(252.61)
Experience (Gain)/Loss adjustments on Plan Liabilities	55.84	(69.19)	9.18	36.69	41.66	28.10	(33.89)	11.30	2.59	6.93
Experience (Gain)/Loss adjustments on Plan Assets	(37.70)	(11.39)	44.26	52.43	-	-	-	-	-	-
Actuarial (Gain) due to change of assumptions	18.14	(57.80)	(35.08)	(15.74)	-	-	-	-	-	-

Changes in Present Value of the Defined Benefit Obligation are as follows :

(Rs in Lacs)

Description	Gratuity		Pension	
	2014-15	2013-14	2014-15	2013-14
Opening Defined Benefit Obligation	1092.47	1137.79	213.28	251.95
Interest Cost	84.25	99.14	13.79	19.60
Current Service Cost	72.86	64.47	-	-
Benefits paid	(69.05)	(138.38)	(24.29)	(24.30)
Actuarial (Gain)/Loss on obligations	55.84	(69.19)	28.10	(33.89)
Add: Differential liability (short term) for current employees	11.95	(1.36)	0.07	(0.08)
Closing Defined Benefit Obligation	1248.32	1092.47	230.95	213.28

Changes in the Fair Value of Plan Assets are as follows :

(Rs in Lacs)

Description	Gratuity	
	2014-15	2013-14
Opening Fair Value of Plan Assets	1146.16	1111.71
Expected Return	100.43	95.38
Contributions by employer	50.15	77.45
Benefits paid	(69.05)	(138.38)
Closing Fair Value of Plan Assets	1227.69	1146.16

The major categories of Plan Assets as a percentage of the Fair Value of total Plan Assets are as follows :

Description	Gratuity (%)	
	2014-15	2013-14
Investments with Insurer	100	100

The overall expected rate of return on assets is determined based on the actual rate of return during the current year. The principal assumptions used in determining gratuity and pension benefit obligations for the Company's plans are shown below :

Description	Gratuity		Pension	
	2014-15	2013-14	2014-15	2013-14
Mortality Table	IAL 2006-08	IAL 2006-08	LIC 1996-98 Ultimate	LIC 1996-98 Ultimate
Attrition Rate	5.00%	5.00%	N.A.	N.A.
Imputed Rate of Interest	7.80%	9.10%	7.80%	9.10%
Salary Rise	7.50%	7.50%	N.A.	N.A.
Return on Plan Assets	8.93%	8.85%	N.A.	N.A.
Remaining Working Life (Years)	12.87	11.82	N.A.	N.A.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Company expects to contribute Rs 80 Lacs (Previous year Rs 70 Lacs) to the Gratuity Fund during the year 2015-16.

Defined Contribution Plan :

(Rs in Lacs)

Description	2014-15	2013-14	2012-13	2011-12	2010-11
Contribution to Family Pension Fund	112.53	96.12	94.69	91.25	92.40
Contribution to Provident Fund	126.46	139.53	137.81	122.92	115.12
Contribution to Superannuation Fund	72.92	76.76	85.74	85.31	86.12
Total	311.91	312.41	318.24	299.48	293.64

The Provident Fund being administered by a Trust is a Defined Benefit Scheme whereby the Company deposits an amount determined as a fixed percentage of basic pay to the Fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to conform to the interest rate declared by the government for the Employees Provident Fund. The Guidance Note on implementing AS-15, Employee Benefits (Revised 2005) issued by the Accounting Standard Board (ASB) states that Provident Funds set up by employers, which require interest shortfall to be met by the employer, needs to be treated as Defined Benefit Plan. The Actuarial Society of India has issued the final guidance for measurement of provident fund liabilities. The Actuary has accordingly provided a valuation and based on the below provided assumptions, there is no shortfall as at 31st March, 2015.

Details of Fund and Plan Assets Position as of 31st March, 2015, are as follows :

(Rs in Lacs)

Description	2014-15	2013-14
Plan Assets at Fair Value	7214.23	4832.29
Present Value of Defined Benefit Obligation	7001.17	4606.92
Surplus in Fund	213.06	225.37
Asset recognized in the Balance Sheet	-	-

30. Segment Reporting AS-17 :

In the opinion of the management, there is only one reportable segment ("Manufacturing, Laying, Selling of Power Cables and Capacitors") as envisaged by Accounting Standard 17 "Segment Reporting". Further, from a geographical segment perspective, export sale constitute less than 10% of enterprise revenues. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company.

31. Related Party Disclosure (As per Accounting Standard 18) :

Related Parties with whom transactions have taken place during the year are as follows :

Key Management Personnel	Shri D.R. Bansal (Chief Mentor & Executive Director)
Joint Ventures	Birla Ericsson Optical Limited (BEOL) Birla Furukawa Fibre Optics Private Limited (BFPL)
Enterprise which is significantly influenced by the Company	Vindhya Telelinks Limited (VTL)
Enterprise over which a Director is able to exercise significant influence	Shakun Polymers Limited (SPL)

Sl. No.	Particulars	Year	Key Management Personnel	Enterprises which are significantly influenced by the Company/Director (either individually or with others)				
			D.R. Bansal	BEOL	BFPL	VTL	SPL	Total
(A) Transactions during the year								
1	Purchase of Raw Materials, Stores, Spares and Packing Materials	2015	-	1235.21	1246.66	2060.03	391.32	2451.35
		2014	-	24.69	-	91.12	240.69	331.81
2	Sale of Raw Materials, Stores, Spares and Packing Materials	2015	-	45.09	-	88.80	-	88.80
		2014	-	15.42	-	245.84	-	245.84
3	Other Service Charges and Rent Received	2015	-	-	307.82	34.00	-	34.00
		2014	-	0.17	212.96	0.04	-	0.04
4	Other Service Charges & Lease Rent Paid	2015	-	11.38	-	32.70	-	32.70
		2014	-	28.65	-	88.39	-	88.39
5	Sales of Finished & Other Goods	2015	-	105.19	2.94	154.93	-	154.93
		2014	-	0.28	28.04	1385.06	-	1385.06
6	Purchase of Finished & Other Goods	2015	-	2.22	-	51.24	-	51.24
		2014	-	0.79	-	22.90	-	22.90
7	Purchase of Fixed Assets	2015	-	6.72	-	0.63	-	0.63
		2014	-	29.68	-	-	-	-
8	Sale of Fixed Assets (Including Immovable property)	2015	-	-	-	202.68	-	202.68
		2014	-	0.07	-	-	-	-
9	Inter Corporate Loans Security Deposit taken	2015	-	900.00	-	2100.00	-	2100.00
		2014	-	550.00	-	500.00	-	500.00
10	Inter Corporate Loans repaid	2015	-	900.00	-	600.00	-	600.00
		2014	-	550.00	-	500.00	-	500.00
11	Inter Corporate Loans given	2015	-	-	-	300.00	-	300.00
		2014	-	-	-	1115.00	-	1115.00
12	Inter Corporate Loans received back	2015	-	-	-	300.00	-	300.00
		2014	-	-	-	1115.00	-	1115.00
13	Interest on Inter Corporate Loans/ Security Deposit & Trade Payable Paid	2015	-	77.63	42.25	199.67	-	199.67
		2014	-	12.07	0.70	3.98	-	3.98
14	Interest on Inter Corporate Loans received	2015	-	-	-	0.59	-	0.59
		2014	-	-	-	3.26	-	3.26
15	Investments made in Equity Shares	2015	-	-	-	-	-	-
		2014	-	-	57.50	-	-	-
16	Dividend Received	2015	-	39.00	36.36	69.09	-	69.09
		2014	-	-	103.50	-	-	-
17	Remuneration Paid*	2015	100.67	-	-	-	-	-
		2014	100.45	-	-	-	-	-
18	Reimbursements received/receivable	2015	-	33.37	7.30	22.00	-	22.00
		2014	-	4.99	9.06	0.70	-	0.70
19	Reimbursements paid/payable	2015	-	24.10	13.85	2.52	-	2.52
		2014	-	-	-	6.29	-	6.29
(B) Balance outstanding as at the year end								
1	Trade Payables/Other Liabilities	2015	-	1229.16	369.26	1891.50	26.81	1918.31
		2014	-	-	7.30	226.92	-	226.92
2	Trade Receivable	2015	-	-	-	-	-	-
		2014	-	-	-	1218.32	-	1218.32
3	Corporate Guarantee accepted	2015	-	-	-	5800.00	-	5800.00
		2014	-	-	-	-	-	-
4	Corporate Guarantee given	2015	-	-	3520.00	-	-	-
		2014	-	-	3520.00	-	-	-
5	Non-current Investment in equity shares	2015	-	850.01	2298.50	1897.31	-	1897.31
		2014	-	850.01	2298.50	1897.31	-	1897.31
6	Loan Outstanding	2015	-	-	-	1500.00	-	1500.00
		2014	-	-	-	-	-	-

* As the liability of Gratuity and Leave encashment is provided on an actuarial basis for the Company as a whole, amount pertaining to Shri D.R. Bansal (Key Management Personnel), is therefore not included above.

Note: (1) No amount has been provided as doubtful debts or advances/written off or written back in respect of debts due from/to above parties.

(2) Transactions with related parties are done on arm's length basis in the ordinary course of business.

32. Leases :

Assets Given on Operating Lease :

The Company has leased out Land and Buildings to Birla Furukawa Fibre Optics Private Limited on Operating Lease. The lease term is for 55 months and thereafter renewable by mutual consent on mutually agreed terms. There is an escalation clause of 3% in the Lease Agreement for every subsequent period of 11 months. There is no restriction imposed by Lease Agreements. The leases are cancellable.

During the year, the Company has received lease rent of Rs 268.53 Lacs (Previous year Rs 189.92 Lacs) which is disclosed as rent received under Note No. 21 "Other Income".

Assets Taken on Operating Lease :

The future minimum lease payments under non-cancellable operating lease is Rs Nil (Previous year Rs Nil).

33. Deferred Tax Liabilities (Net)

(Rs in Lacs)			
Sl. No.	Particulars	2014-15	2013-14
(a)	Deferred Tax Assets		
	Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes in following years	283.04	242.93
	Unabsorbed depreciation*	1363.57	2239.41
	Carry forward business loss*	1541.38	74.42
	Provision for Doubtful Debts and Advances	3.89	3.82
		3191.88	2560.58
(b)	Deferred Tax Liabilities		
	Impact of difference in Depreciation and other differences in block of Fixed Assets and Intangible Assets as per Tax and Financial Books	3191.88	2560.58
		3191.88	2560.58
	Net Deferred Tax Liabilities or Assets	-	-

* The Company has recognized deferred tax assets on carry forward business losses and unabsorbed depreciation, as the Company is having timing differences, the reversal of which will result in sufficient income to realise the deferred tax asset.

34. Interest in Joint Venture Companies :

- (a) Pursuant to Accounting Standard 27 "Financial Reporting of Interests in Joint Venture" the relevant information relating to Joint Venture Companies (JVCs) are given below :

Name of the JVCs	Country of Incorporation	Proportion of Ownership Interest	Description of Interest
Birla Ericsson Optical Limited (BEOL)	India	13.00%	Established principally for manufacture of Optical Fibre Cables and Copper Communication/data Cables.
Birla Furukawa Fibre Optics Private Limited (BFPL)	India	37.28%	Established principally for manufacture of Optical Fibre.

- (b) The Company's share in the aggregate amounts of each of the assets, liabilities, income, expenses, contingent liabilities and capital commitments as at/for the year(s) ended 31st March, 2015 and 31st March, 2014 in the above Companies, as per their financial statements are as under :

(Rs in Lacs)

Particulars	BEOL		BFPL	
	2014-15 (Unaudited)	2013-14 (Audited)	2014-15 (Unaudited)	2013-14 (Audited)
LIABILITIES				
NON-CURRENT LIABILITIES				
Long-term Borrowings	176.63	196.73	374.50	624.34
Deferred Tax Liabilities (Net)	49.01	44.85	221.30	236.81
Long-term Provisions	18.80	15.09	-	-
CURRENT LIABILITIES				
Short-term Borrowings	570.17	415.42	1340.64	1333.14
Trade Payables	614.21	1206.80	1518.31	1512.16
Other Current Liabilities	218.40	65.12	468.39	422.29
Short-term Provisions	14.20	59.24	26.05	17.69
TOTAL	1661.42	2003.25	3949.19	4146.43
ASSETS				
NON-CURRENT ASSETS				
Fixed Assets				
Tangible Assets	533.92	500.25	2512.41	2876.01
Intangible Assets	-	0.01	0.72	1.10
Capital Work-in-progress	12.14	18.77	12.46	-
Non-current Investments	182.80	182.80	-	-
Long-term Loans and Advances	59.42	59.81	120.39	114.32
Other Non-current Assets	15.82	25.46	1.11	27.77
CURRENT ASSETS				
Inventories	568.95	694.35	676.71	1095.36
Trade Receivables	1061.86	1221.16	3160.26	2560.82
Cash and Bank Balances	132.44	84.44	121.41	73.09
Short-term Loans and Advances	140.67	197.68	466.83	408.90
Other Current Assets	129.50	32.18	11.04	12.50
TOTAL	2837.52	3016.91	7083.34	7169.87

(Rs in Lacs)

Proportion of Company's Interest in JVCs	BEOL		BFPL	
	2014-15 (Unaudited)	2013-14 (Audited)	2014-15 (Unaudited)	2013-14 (Audited)
Income				
Revenue From Operations less Excise Duty	3430.65	3777.71	7718.30	6560.37
Other Income	48.46	28.58	32.78	12.67
Expenses				
Cost of Raw Material Consumed	2519.35	2988.52	4773.06	3781.41
Purchase of Stock in Trade	22.39	17.73	898.96	1174.29
(Increase) in Inventories of Materials under process, Finished Goods, Scrap and Traded Goods	3.54	(102.47)	163.78	(3.59)
Employee Benefits Expenses	158.71	127.17	246.78	214.68
Finance Costs	107.93	115.31	152.17	111.56
Depreciation/Amortization	77.68	60.28	412.81	247.86
Other Expenses	349.41	294.61	911.22	825.13
Provision for Tax	77.65	55.02	72.56	70.93
Contingent Liabilities	7414.45	2895.00	-	-
Capital Commitments	226.13	18.56	571.52	54.09

35. In view of excise duty tariff rates on the Company's finished products being lower than cenvatable duty on inputs, the Company has accumulated CENVAT credits aggregating to Rs 1,295.12 Lacs (Previous year Rs 729.63 Lacs). Since there is no time limit for utilization of these balances and based on the alternative mechanism devised for reduction of cenvat credit balances on a year on year basis, in the opinion of the management this does not call for any provision there against.

36. **Capital and other commitments :**

- Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs 200.45 Lacs (Previous year Rs 320.82 Lacs).
- The Company has entered into EPC contracts and contracts for sale of cables, non-fulfillment of contract within specified period will lead to payment of Liquidated Damages ranging from 5% to 10%. Provision has been made on this account wherever necessary.
- For commitment relating to Lease arrangement, Refer to Note No. 32 "Leases".

37. **Contingent Liabilities (not provided for) :**

(Rs in Lacs)

Sl. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
1	Income Tax	234.93	274.93
2	Terminal Tax Liability	227.37	227.37
3	Excise and Service Tax Cases	245.97	241.32
4	Bills of exchange discounted with Banks	6810.66	1854.51
5	Corporate Guarantee issued in favour of SBI on behalf of the Joint Venture Company viz. "Birla Furukawa Fibre Optics Pvt. Ltd."	3520.00	3520.00

Notes :

- Income Tax demand comprise demand from the Indian Tax Authorities for payment of additional tax of Rs 234.93 Lacs (Previous year Rs 274.93 Lacs), upon completion of tax assessments for the financial years 2008-09, 2009-10 and 2010-11. The Tax demands are mainly on account of disallowance of benefits which is linked to Capital Investments (determined @ 75% of total Commercial Tax (VAT + CST) paid and exemption from Entry Tax), Additional Depreciation, and other expenses under the Income Tax Act, 1961.

The Company is contesting the demands and the management, believes that its position is likely to be upheld in the appellate process. The Company has accrued Rs 1165.93 Lacs (Previous year Rs 1165.93 Lacs) in the financial statements for the tax demand raised and balance of Rs 234.93 Lacs (Previous year Rs 274.93 Lacs) has been

disclosed as contingent liability. The management also believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

- (b) Terminal Tax liability is in respect of demand raised by the Municipal Corporation of Satna (M.P.) under provisions of the Madhya Pradesh Municipal Corporation Act, 1956. The Company has contested the demand inter alia by challenging its constitutional validity. The Company has been legally advised that the said demand against the Company is unsustainable and therefore there is no likelihood of the Company being subjected to any Terminal Tax Liability.
- (c) The future cash outflow in respect of items 1 to 3 above is determinable only on receipt of the decisions/judgements in the cases pending at various forums and authorities concerned.

*** On the basis of current status of individual cases and as per legal advice obtained by the Company, wherever applicable, the Company is confident that no provision is required in respect of these cases at this point in time.

38. Information pursuant to Accounting Standard 7 (Revised) on "Construction Contracts" together with the completed contracts are furnished hereunder :

(Rs in Lacs)		
Particulars	2014-2015	2013-2014
Contract revenue recognized as revenue during the year	7051.89	5196.77
Contract cost incurred plus recognized profits upto reporting date	18346.77	20791.17
Advances received	-	29.96
Amount outstanding/retentions	6117.91	5552.73
Gross amount due from customers for contract work presented as an asset	162.36	259.08
Gross amount due to customers for contract work presented as a liability	69.50	187.25

Contract revenue recognized as revenue during the year relating to Ongoing and Completed projects

(Rs in Lacs)		
Particulars	2014-2015	2013-2014
Contract revenue recognized as revenue during the year relating to ongoing projects	6411.65	5131.19
Contract revenue recognized as revenue during the year relating to completed projects	640.24	65.58
Total	7051.89	5196.77

- 39.** The Company has exercised option provided in Para 46A of Accounting Standard - 11 on Effects of changes in Foreign Exchange rates with regard to the treatment of foreign exchange fluctuation gain/loss. Accordingly, loss on exchange fluctuation on long-term foreign currency monetary items amounting to related Rs 23.37 Lacs (Previous year Rs 103.05 Lacs) have been adjusted to the cost of capital asset and depreciated over the balance life of the asset. This has resulted in decrease in loss of the year by Rs 23.08 Lacs (net of depreciation of Rs 0.29 Lacs) [Previous year Rs 93.81 Lacs (net of depreciation of Rs 9.24 Lacs)].

40. Derivative Instruments and Unhedged Foreign Currency Exposure

(a) Forward Contracts outstanding as at the Balance Sheet Date :

Particulars	Currency	2014-15			2013-14		
		Amount in Foreign Currency	Exchange Rate	Rs in Lacs	Amount in Foreign Currency	Exchange Rate	Rs in Lacs
Payables	USD	-	-	-	872923.53	60.49	528.03

(b) Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet Date :

Particulars	Currency	2014-15			2013-14		
		Amount in Foreign Currency	Exchange Rate	Rs in Lacs	Amount in Foreign Currency	Exchange Rate	Rs in Lacs
Payables	USD	1740641.66	63.06	1097.65	1037127.48	60.49	627.36
	SEK	12600.00	7.35	0.93	134000.00	9.36	12.54
	EUR	26368.00	68.42	18.04	128404.07	83.48	107.19
FC Loans - Buyer's Credit	USD	632500.00	63.06	398.85	1367500.00	60.49	827.20
Interest Accrued and not due on Loans	USD	6365.38	63.06	4.01	14960.43	60.49	9.05
Trade Receivables	USD	677.24	62.22	0.42	-	-	-
Non Trade Receivables	USD	101500.00	62.22	63.15	-	-	-
Advance from Customers	USD	1538.82	63.06	0.97	1265.00	60.49	0.77
Loans and Advances	EUR	-	-	-	25700.00	81.31	20.90
	USD	18551.86	62.22	11.54	-	-	-

(c) A sum of Rs Nil (Previous year Rs 2.26 Lacs) on account of unamortized foreign exchange premium on outstanding forward exchange contracts is being carried forward to be charged to Statement of Profit and Loss of the subsequent period.

41. Details of dues to Micro, Small & Medium Enterprises as per Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 :

(Rs in Lacs)

Sl. No.	Particulars	2014-15	2013-14
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier :		
	Principal amount	1023.74	1808.15
	Interest thereon	Nil	Nil
(ii)	the amount of interest paid by the buyer in terms of Section 16, alongwith the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil
(iii)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil
(iv)	the amount of interest accrued and remaining unpaid.	Nil	Nil
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006.	Nil	Nil

42. There is no impairment of Assets during the year.

43. Supplementary Statutory Information

(Rs in Lacs)

	2014-15	2013-14
(A) Earnings in Foreign Currency (on accrual basis)		
1. Export at F.O.B. Value	1436.70	364.35
(B) Expenditure in Foreign Currency (on accrual basis) (Including Taxes, if any)		
1. Travelling	12.45	7.73
2. Interest	14.28	53.29
3. Technical Services	73.92	28.99
4. Others	0.65	5.24
(C) Value of imports calculated on C.I.F. basis (on accrual basis)		
1. Raw Materials	9740.91	9149.02
2. Stores & Spare Parts	99.60	41.04
3. Capital Goods	273.26	820.96
4. Goods purchased for re-sale	379.83	510.60

(D) Imported and Indigenous Raw Materials and Stores & Spare Parts Consumed and percentage thereof :

(Rs in Lacs)

Sl. No.	Particulars	Total Value of Consumption	Imported Value*	Indigenous Value*	Percentage of total consumption	
					Imported	Indigenous
1	Raw Materials	52551.81 (46673.15)	10442.25 (10446.98)	42109.56 (36226.17)	19.87 22.38	80.13 77.62
2	Stores & Spare Parts	552.92 (549.63)	63.31 (36.49)	489.61 (513.14)	11.45 6.64	88.55 93.36

*As certified by the Management.

44. Particulars of loans given, guarantee given or security provided and investment made during the year as per section 186(4) of the Companies Act, 2013

Guarantee Given

(Rs in Lacs)

Sl. No.	Party Name	As on 01.04.2014	As on 31.03.2015	Purpose
(a)	Birla Furukawa Fibre Optics Private Limited (BFPL)	3520	3520	Corporate guarantee given to Bank as collateral against Working Capital facilities granted to BFPL by Banks.

45. Previous Year Figures

The Company has reclassified/regrouped previous year figures wherever necessary, to confirm to this year's classification. Figures shown in brackets, represent those of the previous year.

As per our report of even date
For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No. 109208W

R. Raghuraman
Partner
Membership No. 081350

Place: New Delhi
Date: 15th May 2015

For and on behalf of the Board of Directors of
Universal Cables Limited

Amitava Bose
Manager & Chief Operating Officer

Rakesh Barmecha, *Chief Financial Officer*

Place: New Delhi
Date: 15th May 2015

Harsh V. Lodha, *Chairman*

S.R. Jain, *Director*
S.S. Kothari, *Director*
S.C. Jain, *Director*
Dinesh Chanda, *Director*
B.R. Nahar, *Director*
Kavita A. Sharma, *Director*

Om Prakash Pandey, *Company Secretary*

MATERIAL DEVELOPMENTS

There have been no developments since March 31, 2015, which effect the operations, performance, prospects or financial condition of our Company.

WORKING RESULTS

In accordance with circular no.F.2/5/SE/76 dated February 5, 1977 issued by the Ministry of Finance, Government of India, as amended by Ministry of Finance, Government of India through its circular dated March 8, 1977, the information relating to the working results for the period between the last date of the financial statements and up to the end of the last but one month preceding the date of the Letter of Offer will be updated in the Letter of Offer to be filed with the Stock Exchange.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF OUR COMPANY

Except as disclosed in the section titled “*Material Developments*” on page 98 of the DLOF, there are no material changes and commitments, if any affecting the financial position of our Company.

ACCOUNTING AND OTHER RATIOS

	FY ended	
	March 2015	March 2014
Net Profit after Tax (A) (Rs. in Lacs)	(3,471.14)	(4,005.88)
Net Worth (B) (Rs. in Lacs)	10,968.70	14,623.05
Return on Net Worth (%) (A/B) (C)	-31.65%	-27.39%
Actual No. of Shares Outstanding at the end of Year /Period (D)	2,31,30,254	2,31,30,254
Weighted Average No. of Equity Shares (E)	2,31,30,254	2,31,30,254
Diluted Weighted Average No. of Equity Shares (F)	2,31,30,254	2,31,30,254
Basic Earnings Per Share (Rs) (A/E)	(15.01)	(17.32)
Diluted Earnings Per Share (Rs) (A/F)*	(15.01)	(17.32)
Net Asset Value/Book Value per Equity Share of Rs 10/- each (B/D)	47.42	63.22

**There are no diluted potential equity shares*

Notes: Definition of Ratios:

Basic Earnings Per Share	(Net Profit after tax)/(Total number of equity shares outstanding during the year/period)
Return on Net Worth (%)	(Net Profit after tax)/(Networth at the end of the year/period)
Net Asset Value Per Share	(Net Worth at the end of the year/period)/ (Total number of equity shares outstanding during the year/period)
Net Worth	Equity share capital + Preference Capital + Reserves (excluding Revaluation Reserves)

CAPITALISATION STATEMENT

The capitalisation statement of our Company as at March 31, 2015 as adjusted post the Issue is as follows:

Particulars	(Rs. in Lacs)	
	Pre-Issue As at March 31, 2015	As adjusted for the Issue
Debt:		
Short Term Debt [A]	18,580.99	[●]
Long Term Debt (Including current maturities of long term Debts)	17,898.85	[●]
Total Debt: (C) [A+B]	36,479.84	[●]
Shareholders Fund:		
Share Capital	2,313.32	[●]
Share Capital Issued through the Rights Issue	-	[●]
Reserve & Surplus (excluding Revaluation Reserve)		
-- Securities Premium	1,767.56	[●]
-- General Reserve	9,919.93	[●]
-- Surplus	(3,032.11)	[●]
Total Shareholders Fund (D)	10,968.70	[●]
Debt / Equity Ratio: (Long Term Debt/Shareholders Fund	1.63	[●]
Debt / Equity Ratio: (Total Debt/Shareholders Fund (C/D))	3.33	[●]

MARKET PRICE INFORMATION

The Equity Shares of our Company are listed on the BSE and the NSE. We have received in-principle approval for listing of the Equity Shares to be issued pursuant to this Issue from the BSE and the NSE vide their letters dated [●] and [●], respectively. We will make applications to the BSE and the NSE for permission to deal in and for an official quotation in respect of the Equity Shares being offered in terms of the Draft Letter of Offer.

The high and low of the closing prices recorded on BSE and NSE for the preceding three financial years and the number of Equity Shares traded on the days the high and low of the closing prices were recorded are stated below:

BSE							
Year ending March 31	High (Rs)	Date of High	Volume on date of high (No. of equity shares)	Low (Rs)	Date of Low	Volume on date of low (No. of equity shares)	Average price for the year (Rs)
2013	50.90	15.11.2012	58,731	26.85	26.03.2013	760	38.58
2014	39.90	12.04.2013	10	19.75	19.08.2013	50	26.02
2015	67.00	10.11.2014	1,374	25.15	01.04.2014	388	45.20

(Source: www.bseindia.com)

NSE							
Year ending March 31	High (Rs)	Date of High	Volume on date of high (No. of equity shares)	Low (Rs)	Date of Low	Volume on date of low (No. of equity shares)	Average price for the year (Rs)
2013	53.95	17.12.2012	10,356	27.45	26.03.2013	2,526	38.62
2014	35.00	16.04.2013	50	20.00	13.09.2013	2,021	26.08
2015	66.75	10.11.2014	17,774	25.30	01.04.2014	253	44.81

(Source: www.nseindia.com)

Notes:

- High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares for the year;
- Average price is the average of the daily closing prices of the Equity Shares for the year;
- In case of two days with the same high/low/closing price, the date with the higher volume has been considered;

Monthly high and low closing prices on the BSE and NSE for the six months preceding the date of filing of the Draft Letter of Offer is as stated below:

BSE							
Month	High (Rs)	Date of High	Volume on date of high (No. of equity shares)	Low (Rs)	Date of Low	Volume on date of low (No. of equity shares)	Average price for the month (Rs)
November 2014	67.00	10.11.2014	1,374	48.00	28.11.2014	5,800	54.28
December 2014	55.95	04.12.2014	288	42.65	17.12.2014	1,16,103	47.42
January 2015	53.10	22.01.2015	6,433	44.25	16.01.2015	2,046	47.84
February 2015	50.15	02.02.2015	2,642	39.20	20.02.2015	13,894	43.68
March 2015	46.95	03.03.2015	15,412	37.10	11.03.2015	584	40.41
April 2015	45.55	28.04.2015	15	35.75	08.04.2015	3,813	40.47

(Source: www.bseindia.com)

NSE							
Month	High (Rs)	Date of High	Volume on date of high (No. of equity shares)	Low (Rs)	Date of Low	Volume on date of low (No. of equity shares)	Average price for the month (Rs)
November 2014	66.75	10.11.2014	17,774	47.65	28.11.2014	9,457	53.78
December 2014	53.85	05.12.2014	1,615	43.05	29.12.2014	126	47.69
January 2015	53.20	22.01.2015	9,318	44.00	19.01.2015	665	47.39
February 2015	48.45	02.02.2015	525	39.30	19.02.2015	9,750	43.31
March 2015	43.70	04.03.2015	1,955	33.95	26.03.2015	468	38.50
April 2015	43.80	22.04.2015	501	35.20	08.04.2015	1055	39.81

(Source: www.nseindia.com)

Notes:

- High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares for the month
- Average price is the average of the daily closing prices of the Equity Shares for the month
- In case of two days with the same high/low/closing price, the date with the higher volume has been considered.

Week end prices of Equity Shares of our Company for the last four weeks on the BSE and NSE along with the highest and lowest closing prices for the weeks are as below:

BSE						
For the week ended on	High (Rs)	Date of High	Volume on date of high (No. of equity shares)	Low (Rs)	Date of Low	Volume on date of low (No. of equity shares)
22.05.2015	42.70	20.05.2015	861	38.55	19.05.2015	2,356
15.05.2015	42.95	12.05.2015	1	38.85	14.05.2015	706
08.05.2015	43.00	06.05.2015	15	40.05	07.05.2015	1,276
01.05.2015	45.55	28.04.2015	15	39.20	29.04.2015	226

(Source: www.bseindia.com)

NSE						
For the week ended on	High (Rs)	Date of High	Volume on date of high (No. of equity shares)	Low (Rs)	Date of Low	Volume on date of low (No. of equity shares)
22.05.2015	42.90	20.05.2015	1,129	40.05	18.05.2015	972
15.05.2015	42.30	11.05.2015	2,082	38.00	13.05.2015	4,598
08.05.2015	41.50	07.05.2015	2,316	35.85	05.05.2015	397
01.05.2015	42.40	27.04.2015	5	37.40	30.04.2015	450

(Source: www.nseindia.com)

The closing price of our Equity Shares as on April 01, 2015 (the trading day immediately following the day on which the Board resolution was passed approving the Issue) was Rs. 39.75 on the BSE and Rs. 37.20 on the NSE.

The market capitalization of our Equity Shares as on May 28, 2015, the trading day immediately prior to the date of the Draft Letter of Offer was Rs.9,575.93 Lacs on the BSE and Rs.9,356.19 Lacs on the NSE based on a closing market price of Rs.41.40 and Rs.40.45, respectively.

(Source: www.bseindia.com and www.nseindia.com)

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of our consolidated outstanding financing arrangements:

Indebtedness of our Company:

Secured Borrowings:

Sr. No.	Name of the Lender	Nature of Facility	Amount Sanctioned (Rs in Lacs)	Amount Outstanding (Including Interest due and Interest accrued but not due) as on 31.03.2015 (Rs in Lacs)	Rate of Interest (per annum)	Repayment terms
1	SBI	Fund based				
		1. Cash Credit and Working Capital Demand Loan.	16,000.00	Principal 15,548.47 Interest accrued NIL	Cash Credit - 2% over base rate Working Capital Demand Loan- As per Bank’s Policy from time to time.	Repayable on demand
		2. Export Policy Credit/PCFC (sublimit of the above Cash Credit facility)	(1,000.00)	Principal 757.23 Interest accrued NIL	As laid down by RBI /SBI directives from time to time	
		3. LoC (sublimit of the above Cash Credit Facility)	(3,000.00)	Principal 398.85 Interest accrued 2.13	As laid down by RBI /SBI directives from time to time	
		Non Fund Based				
		1. Documentary/ Usance Inland/Import Letter of Credit. #	3,500.00	815.28	Letter of Credit – 90% on applicable Card Rate for Domestic Letter of Credit and 60% of applicable Card Rate in case of import letter of credit.	Repayable on demand
		Sublimit of Capital Expenditure Letter of Credit	(1,000.00)	Nil		
		2. Bank Guarantee #	15,700.00	16952.77	60% of applicable Card Rate	
		Sublimit for Performance Bank Guarantee	(12,000.00)			
		Sublimit for Financial Bank Guarantee	(3,700.00)			

Sr. No.	Name of the Lender	Nature of Facility	Amount Sanctioned (Rs in Lacs)	Amount Outstanding (Including Interest due and Interest accrued but not due) as on 31.03.2015 (Rs in Lacs)	Rate of Interest (per annum)	Repayment terms
		3. Forward Contracts Derivative limit	125.00 (against a notional amount of 6,019.00)	Nil		
<p># 50% inter-changeability between LC's and BG's</p> <p>Security:</p> <p>Primary Security: Working Capital Demand Loans/Cash Credit facilities from Bank are secured by hypothecation of entire, present and future, current assets of company.</p> <p>Collateral Security: Secured by way of first hypothecation charges on movable fixed assets, both present and future and first charges created by way of mortgage by deposit of certain immovable properties of the company.</p>						
Total Principal Outstanding as on 31.03.2015 (Fund Based limits) as per books of accounts				Rs. 16,704.55 Lacs		
Total Interest Outstanding as on 31.03.2015 (Fund based Limits) as per books of accounts				Rs. 2.13 Lacs		
Total Outstanding as on 31.03.2015 (Non-Fund Based limits) as per relevant records of the Company				Rs. 17,768.05 Lacs		

Unsecured Borrowings:

A. Clean Bill Discounting Facility from a Bank:

Name of Lender	Amount Sanctioned (Rs in Lacs)	Amount Outstanding (Including Interest due and Interest accrued but not due) as on 31.03.2015 (Rs in Lacs)	Rate of Interest (per annum)	Repayment Terms
IDBI Bank Limited	Clean Bill Discounting -2400.00	2,275.29	FTP+100 basis points subject to minimum BBR+175 bps	To be repaid before June 8, 2015

B. From Bodies Corporate:

(I). Long Term Loans

(Rs in Lacs)

S.No	Name of the Lender	Amount Outstanding (Including Interest due and Interest accrued but not due) as on 31.03.2015 (Rs in Lacs)	Amount Outstanding as on 16.05.2015 (Rs in Lacs)	Interest accrued as on 16.05.2015 (Rs in Lacs)	Rate of Interest (per annum)	Repayment Terms
1	Hindustan Gum & Chemicals Limited	1,000.00	1,000.00	79.39	10.50%	On or after March 31, 2017
		1,000.00	1,000.00		10.50%	
		1,000.00	1,000.00		10.50%	
		1,000.00	1,000.00		10.50%	
		1,000.00	1,000.00		10.50%	
		1,000.00	1,000.00		10.50%	
		1,500.00	1,500.00	20.79	11%	3 years from December 10, 2013
		500.00	500.00	6.93	11%	3 years from January 27, 2014
		1,000.00	1,000.00	13.86	11%	3 years from February 5, 2014
2	The Punjab Produce & Trading Company Private Limited	500.00	500.00	6.62	10.50%	2 years from September 18, 2013
		500.00	500.00	6.62	10.50%	2 years from October 19, 2013
3	Gwalior Webbing Company Private Limited	300.00	300.00	3.97	10.50%	2 years from September 18, 2013
		300.00	300.00	3.97	10.50%	2 years from October 22, 2013
4	Baroda Agents & Trading Company Private Limited	200.00	200.00	2.65	10.50%	2 years from September 18, 2013
		200.00	200.00	2.65	10.50%	2 years from October 19, 2013
5	Laneseda Agents Limited	300.00	300.00	16.21	10.50%	3 years from April 4, 2014
		200.00	200.00		10.50%	3 years from April 11, 2014
		725.00	725.00		10.50%	3 years from May 28, 2014
		700.00	700.00	9.70	11%	3 years from November 19, 2014
6	Insilco Agents Limited	200.00	200.00	11.58	10.50%	3 years from April 4, 2014

S.No	Name of the Lender	Amount Outstanding (Including Interest due and Interest accrued but not due) as on 31.03.2015 (Rs in Lacs)	Amount Outstanding as on 16.05.2015 (Rs in Lacs)	Interest accrued as on 16.05.2015 (Rs in Lacs)	Rate of Interest (per annum)	Repayment Terms
		300.00	300.00		10.50%	3 years from April 11, 2014
		375.00	375.00		10.50%	3 years from May 28, 2014
		625.00	625.00	8.66	11.00%	3 years from November 19, 2014
7	August Agents Limited	300.00	300.00	11.91	10.50%	3 years from April 11, 2014
		200.00	200.00		10.50%	3 years from April 25, 2014
		400.00	400.00		10.50%	3 years from May 28, 2014
		675.00	675.00	9.36	11%	3 years from November 19, 2014
8	Vindhya Telelinks Limited	300.00	300.00	23.63	12.50%	On or after April 01, 2017
		1,000.00	1,000.00		12.50%	
		200.00	200.00		12.50%	
	Total	17,500.00	17,500.00	238.51		

(II). Short Term Loans

(Rs in Lacs)

S.No	Name of the Lender	Amount Outstanding (Including Interest due and Interest accrued but not due) as on 31.03.2015 (Rs in Lacs)	Amount Outstanding as on 16.05.2015 (Rs in Lacs)	Interest accrued as on May 16 th , 2015 (Rs. in Lacs)	Rate of Interest (per annum)	Repayment Terms
1	Birla Ericsson Optical Limited	-	300.00	2.99	12.15%	Repayable on demand
	Total	-	300.00	2.99		

Corporate Actions

Our financing arrangements entail various restrictive conditions and covenants restricting certain corporate actions, and we are required to take the prior approval of the lender before carrying out such activities.

For instance, we are required to obtain permission of the lenders if we, inter alia, (i) effect change in the capital structure; (ii) formulate any scheme of amalgamation or reconstruction; (iii) undertake any new project or implement any major scheme of expansion or acquired fixed asset; (iv) invest by way of share capital in or lend advance funds to or place deposits with any other concern (including group companies); (v) enter into additional borrowing arrangements, either secured or unsecured, with any bank, financial institutions, or accept deposits apart from the arrangement indicated to the lender or undertake guarantee obligations on behalf of our Company (vi) create any further charge, lien or encumbrance over the undertaking of our Company in favour of any other financial institution, bank, company, firm or person; (vii) declare or pay dividend for any year except out of profits for the year and after meeting the bank's obligations; (viii) sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the bank; (ix) enter into any contractual obligation of a long term nature or affecting our Company financially to a significant extent; (x) change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.; (xi) undertake any trading activity other than the sale of products arising out of its own manufacturing operations; (xii) transfer controlling interest or make any drastic change in the management set up; (xiii) repay monies brought in by the promoter/ directors/ principal shareholders and their friends and relatives by way of deposits/ loans/ advances; and (xiv) repay all unsecured loans/deposits raised by our Company for financing a project.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND OTHER DEFAULTS

Except as stated below, there are no (i) outstanding litigations, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, show cause notices or legal notices pending against our Company, whose outcome could have a materially adverse effect on the business, operations or financial position of our Company, (ii) pending criminal liability, cases involving moral turpitude on the part of our Company, proceedings involving material violations of statutory regulations by our Company or economic offences where proceedings have been initiated against our Company in the immediately preceding 10 (ten) years.

Except as specifically provided below, we confirm that:

- (a) there are no defaults, non-payments or statutory overdues, institutional/bank dues and dues payable to holders of debentures, bonds and arrears of cumulative preference shares that would have a material adverse effect on our business;
- (b) None of our directors are on the RBI's list of wilful defaulters;
- (c) No regulatory action has been initiated in the last three years against us;
- (d) there are no outstanding litigations against group companies that have a bearing on this Issue;
- (e) there have been no notices issued against us in the last five year period by SEBI or Stock Exchanges and no proceedings have been initiated by SEBI or Stock Exchanges against us.

A. LITIGATIONS FILED AGAINST OUR COMPANY

Litigation involving labour disputes

6 (six) employees of the Company have filed cases against the Company before the appropriate authorities and relevant courts seeking reinstatement with back wages or additional gratuity amount. All these cases are pending before the appropriate authorities and relevant courts. The total amount involved is Rs.7.16 Lacs.

Litigation involving Property of the Company

Case No. 33 of 2006 filed by Moola Devi against the Company

The Company has purchased land from Moola Devi's father during his lifetime. Thereafter, the Company had given an acre of land in the year 1993 to M. P. Birla Shiksha Bhawan as a gift. After her father's death, Moola Devi has filed the present case claiming her share in her father's property. The matter is pending.

Litigation involving tax related proceedings

Sales Tax Proceedings

1. Our Company had received Assessment No.33210560/2001-02 dated August 17, 2006 in terms of which certain demands were made against our Company in respect of Kerala General Sales Tax Work Contract Rules, 1963. Thereafter our Company had received a demand Notice dated November 23, 2010 demanding Rs.2.62 Lacs along with interest of Rs.5.40 Lacs aggregating to Rs.8.02 Lacs. Our Company has replied to the same and has in fact requested for refund of Rs.2.96 Lacs. The matter is pending.

Service Tax/Excise Proceedings

1. The Commissioner of Customs, Central Excise and Service Tax, Bhopal-MP has filed an Appeal No. E/1111/2011 – EX[DB] of 2011 before the Customs, Central Excise and Service Tax Appellate Tribunal challenging Order in Appeal No.28/BPL/2011 dated February 28, 2011 passed by the Commissioner (Appeals), Central Excise, Bhopal. The said Order allowed the Appeal filed by our Company holding that the credit on the capital goods availed by our Company was in order and setting aside the order of the Adjudicating Authority holding that our Company was ineligible for availment of CENVAT credit. The amount of the CENVAT credit involved is Rs.11.05 Lacs. The appeal is pending.
2. The Commissioner of Customs, Central Excise and Service Tax, Bhopal has issued a Show Cause Notice No.12/Commr/CEX/ADJ/SAT/2012 dated February 17, 2012 calling upon our Company to show cause

within 30 (thirty) days of the receipt of the notice as to why (i) CENVAT credit of service tax amounting to Rs.66.07 Lacs (service tax Rs.64.23 Lacs + education cess Rs.1.29 Lacs + secondary and higher education cess Rs.0.55 Lacs should not be recovered from our Company under Rule 14 of the CENVAT Credit Rules, 2004 read with Section 11A of the Central Excise Act, 1944 by invoking the extended period of limitation under Section 11A(4) (ii) penalty should not be imposed upon our Company under Rule 15 of CENVAT Credit Rules, 2004 read with section 11AC of the Central Excise Act, 1944. Our Company has filed a detailed reply dated April 28, 2012 justifying availing of CENVAT Credit of Service Tax on transportation of goods by road service utilized for outward transportation of the final products beyond the place of the removal. The matter is pending.

3. The Additional Commissioner of Customs & Central Excise, Bhopal has issued a Show Cause Notice No.05/ADC/CEX/STN/2013 dated January 16, 2013 calling upon our Company to show cause within 30 (thirty) days of the receipt of the notice as to why (i) CENVAT credit of service tax amounting to Rs.6.70 Lacs (Service Tax Rs.6.79 Lacs + Education cess Rs.0.14 Lacs and Secondary and Higher Education Cess Rs.0.07 Lacs should not be recovered from our Company under Rule 14 of the Credit Rules read with Section 11A of the Central Excise Act, 1944 (ii) Penalty should not be imposed upon our Company under Rule 15 of the Credit Rules read with Section 11AC of the Central Excise Act, 1944, (iii) Our Company is also liable to pay interest at the appropriate rate on the wrongly availed credit under section 11AA of the Central Excise Act, 1944. Our Company has filed a detailed reply dated February 18, 2013 justifying availing of CENVAT Credit of service tax paid on transportation of goods by road service utilized for outward transportation of the final products beyond the place of the removal. The matter is pending.
4. The Additional Commissioner of Customs, Central Excise, Bhopal has issued a Show Cause Notice No.89/ADC/CEX/STN/2013 dated September 4, 2013 calling upon our Company to show cause within 30 (thirty) days of the receipt of the notice as to why (i) CENVAT credit of service tax amounting to Rs.13.92 Lacs (Service Tax Rs.13.51 Lacs Education Cess 0.27 Lacs and - and Secondary and Higher Education Cess Rs.0.14 Lacs) should not be recovered from our Company under Rule 14 of the CENVAT Credit Rules, 2004 read with Section 11A of the Central Excise Act, 1944 (ii) interest at the appropriate rate should not be recovered from our Company in terms of Section 11AB/11AA of the Central Excise Act, 1944; and (iii) penalty under Section 11AC of the Central Excise Act, 1994 read with Rule 15 of the Cenvat Credit Rules, 2004 should not be imposed on our Company. Our Company has filed a detailed reply dated September 25, 2013 justifying availing of CENVAT Credit of Service Tax paid on transportation of goods by road service used for outward transportation of the final products beyond the place of the removal. The matter is pending.
5. The Commissioner of Customs, Central Excise & Service Tax, Bhopal has issued a Show Cause Notice No.110/CEX/ADC/STN/2013 dated December 26, 2013 calling upon our Company to show cause within 30 (thirty) days of the receipt of the notice as to why (i) CENVAT Credit amounting to Rs.29.27 Lacs availed by our Company should not be disallowed and recovered under proviso to erstwhile section 11A(1) and/or present section 11A(4) of the Central Excise Act, 1944, as existing during the relevant period, read with Rule 14 of CENVAT Credit Rules 2004 by invoking the extended period of 5(five) years (ii) interest at the appropriate rate should not be recovered from our Company in terms of Section 11AB/11AA of Central Excise Act, 1944, (iii) Penalty under Section 11AC of Central Excise Act, 1944 read with Rule 15 of the CENVAT Credit Rules, 2004 should not be imposed upon our Company. Our Company has filed a detailed reply dated February 21, 2014 justifying availing of CENVAT Credit on Additional duty of Customs paid on imported goods purchased from the 1st stage dealer/Ind stage dealers. The matter is pending.
6. The Commissioner of Customs, Central Excise & Service Tax, Bhopal has issued a Show Cause Notice No.66/JC/CEX/STN/2014 dated July 16, 2014 calling upon our Company to show cause within 30 (thirty) days of the receipt of the notice as to why (i) CENVAT credit of Service tax amounting to Rs.10.90 Lacs (Service Tax Rs.10.58 Lacs Education Cess Rs.0.21 Lacs and Secondary & Higher Education Cess Rs. 0.11 Lacs) availed by the Company should not be recovered from our Company under Rule 14 of the Credit Rules (ii) interest at the appropriate rate should not be recovered from them in under Section 11AA of the Act. (iii) Penalty should not be imposed upon our Company under Rule 15 of the Credit Rules. Our Company has filed a detailed reply dated August 19, 2014 justifying availing of CENVAT Credit of Service Tax paid on Transport of Goods by road service used for outward transportation of the final products beyond the place of removal. The matter is pending.
7. The Commissioner of Customs, Central Excise and Service Tax, Jabalpur has issued a Show Cause Notice No.19/CEX/JC/STA/2014-15 dated March 2, 2015 calling upon our Company to show cause within 30 (thirty) days of the receipt of the notice as to why (i) CENVAT credit of service tax amounting to Rs.13.63 Lacs (service tax Rs.13.23 Lacs + education cess Rs.0.27 Lacs + secondary and higher education cess Rs.0.13 Lacs) should not be recovered from our Company under Rule 14 of the CENVAT Credit Rules, 2004; (ii)

interest at appropriate rate should not be recovered from our Company under Section 11AA of the Central Excise Act, 1944; and (ii) penalty should not be imposed upon our Company under Rule 15 of CENVAT Credit Rules, 2004. Our Company has filed a detailed reply dated April 8, 2015 justifying availing of CENVAT Credit of Service Tax on transportation of goods by road service utilized for outward of transportation of their final products beyond the place of the removal. The matter is pending.

Proceedings in relation to Companies Act

1. Petition being C. P. No. 35 of 2005 is filed by Ballav Prasad Chowdhury & Ors. (some of the shareholders of Vindhya Telelinks Limited) against Vindhya Telelinks Limited & Ors. under Sections 397, 398, 402, 403 and 406 of the Companies Act, 1956 alleging oppression and mismanagement of the affairs of Vindhya Telelinks Limited, before the Learned Company Law Board, Principal Bench, New Delhi. Our Company, as shareholder of Vindhya Telelinks Limited, is impleaded as one of the respondents in the said proceeding. This petition is pending.
2. Petition being C.P. No. 34 of 2005 is filed by Ballav Prasad Chowdhury & Ors. against Vindhya Telelinks Limited & Ors. under Sections 247 and 250 of the Companies Act, 1956 before the Learned Company Law Board, Principal Bench, New Delhi. Our Company, as shareholder of Vindhya Telelinks Limited, is impleaded as one of the respondents in the said proceeding. This petition is pending.
3. Appeal being A.P.O. No. 274 of 2009 is filed by Jodhraj Laddha & Ors. (some shareholders of Birla Corporation Limited) against Birla Corporation Limited & Ors. before the Hon'ble High Court at Calcutta under Section 10F of the Companies Act, 1956 against the judgment and order dated 19th October, 2009 passed by the Learned Company Law Board, Principal Bench, New Delhi in C.P. No. 57 of 2004, alleging oppression and mismanagement of the affairs of Birla Corporation Limited. Vide the said judgment and order dated October 19, 2009, C.P. No. 57 of 2004 was dismissed by the Learned Company Law Board, Principal Bench, New Delhi. Our Company, as shareholder of Birla Corporation Limited, is impleaded as one of the respondents in the said proceeding. The appeal is admitted and pending.
4. Petition being C.P. No. 1 of 2010 filed by Birla Education Trust & Ors. (some shareholders of Birla Corporation Limited) against Birla Corporation Limited & Ors. under Sections 235, 237, 247, 250, 397, 398, 402 and 403 of the Companies Act, 1956, alleging oppression and mismanagement of the affairs of Birla Corporation Limited, before the Learned Company Law Board, Principal Bench, New Delhi. Our Company, as shareholder of Birla Corporation Limited, is impleaded as one of the respondents in the said proceeding. This petition is pending.
5. Appeal being A.P.O. No. 411 of 2012 filed by Birla Education Trust & Ors. (some shareholders of Birla Corporation Limited) against Birla Corporation Limited & Ors before the Hon'ble High Court at Calcutta under Section 10F of the Companies Act, 1956 against the judgment and order dated June 27, 2012 passed by the Learned Company Law Board, New Delhi Bench, New Delhi in C.A. No. 327 of 2012, C.P. No. 1 of 2010. The said application being C.A.No. 327 of 2012 was dismissed. Our Company, as shareholder of Birla Corporation Limited, is impleaded as one of the respondents in the appeal. The appeal is pending.
6. Appeal being A.P.O. No. 320 of 2014 filed by Birla Corporation Limited against Birla Education Trust & Ors. before the Hon'ble High Court at Calcutta under Section 10F of the Companies Act against the judgment and order dated August 20, 2014 passed by the Learned Company Law Board, New Delhi Bench, New Delhi in C.A. No. 30 of 2013, C.P. No. 1 of 2010. Our Company, as shareholder of Birla Corporation Limited, is impleaded as one of the proforma respondents in the appeal. The appeal is pending.

B. LITIGATIONS FILED BY OUR COMPANY

Litigation involving labour disputes

1. The Company has filed 8 Civil Miscellaneous Writ Petitions before the High Court at Allahabad against its 8 employees challenging ex-parte awards passed in favour of such employees granting reinstatement with full back wages. These matters are pending. The total amount involved is Rs.27.60 Lacs.
2. Our Company has filed a Writ Petition No. 747 of 2015 before the High Court at Jabalpur against Mr. Ram Harsh Mishra. Our Company has filed this Writ Petition requesting quashing of the Order dated June 16, 2014 passed by the Learned Labour Court, Satna in Case No.32/2011/DR filed by Mr. Ram Harsh Mishra in the said Order. The Labour Court had held that the punishment of dismissal awarded to the said Ram Harsh Mishra after the inquiry was severe and his services were reinstated. Vide Order dated January 19, 2015, the

Hon'ble High Court of Madhya Pradesh has stayed the operation of the said Order subject to our Company complying with the provisions of Section 17B of the Industrial Dispute Act. The matter is pending.

3. Our Company has filed a Writ Petition No.6215 of 2014 against Mr. Brijendra Singh Parihar in the High Court at Jabalpur challenging the Order dated January 22, 2014 passed by the Labour Court granting reinstatement of order in favour of Mr. Brijendra Singh Parihar. Vide Order dated April 22, 2014, the Hon'ble Court stayed operation of the said Order subject to compliance by our Company of the provisions of Section 17B of the Industrial Dispute Act. The matter is pending for arguments.

Litigation involving tax related proceedings

Terminal Tax

Our Company has filed a Writ Petition No.12699 of 2008 against the State of Madhya Pradesh and Municipal Corporation of Satna before the High Court, Jabalpur, challenging terminal tax against the Municipal Corporation in Satna and raising Demand Notices dated May 29, 2007, August 2, 2007, October 16, 2007 and November 26, 2007 demanding an aggregate sum of Rs.227.37 Lacs towards terminal tax. The Respondents have filed a reply to this Writ Petition and the matter is posted for final argument.

Sales Tax Proceedings

1. Our Company had filed Appeal No. A/685/CTAB/10/ENTRY TAX before the Commercial Tax Appellate Board, Bhopal in respect of Financial Year 2006-2007. In this Appeal our Company has challenged the demand made under Order dated July 7, 2010 by the Appellate Deputy Commissioner, Commercial Tax, Satna, demanding Rs.44.87 Lacs as also requesting for refund of the amount of Rs.12.57 Lacs deposited under protest. The Appeal is pending.
2. Our Company had filed a Writ Petition No. 6362 of 2006 before the High Court of Madhya Pradesh, Bhopal challenging the validity of Madhya Pradesh Entry Tax Act, 1976 which Writ Petition was dismissed. Challenging the said dismissal, our Company had filed a Special Leave Petition No. 15273/2008 before the Hon'ble Supreme Court ("SLP"). Vide interim Order dated September 15, 2008, the Hon'ble Supreme Court directed all assesseees to pay full dues to the Department without prejudice to their rights and contentions under the SLP. It was further clarified that the interest and penalty should not be paid. Our Company vide its letter dated January 16, 2015 clarified the above position to the Divisional Deputy Commissioner, Commercial Tax, Satna to take note of the above and declaring in the Assessment Order that the recovery pertinent to interest may be stayed till disposal of the SLP and an amount of Rs.284.06 Lacs is paid by our Company under protest.

Service Tax Proceedings

1. Our Company has filed an Appeal No.3721 of 2012- SM against Order in Original No.51/ADC/CEX/STN-2012 dated March 6, 2012 issued by the Additional Commissioner of Customs, Central Excise and Service Tax, Bhopal challenging confirmation of demand and recovery of wrongly availed CENVAT credit amounting to Rs.6.23 Lacs together with interest and imposing penalty of Rs.0.03 Lacs. Our Company has also filed a Stay Application along with said Appeal. By Order No.S0/55291/2013-SM [BR] dated December 13, 2012, the Customs Excise and Service Tax Appellate Tribunal, New Delhi Principal Bench, New Delhi has granted stay on recovery of the aforesaid amounts till disposal of the Appeal. The Appeal is pending.
2. Our Company has filed an Excise Appeal No. E/1714/2012- SM before the Customs, Central Excise and Service Tax Appellate Tribunal, New Delhi for setting aside the Order In Appeal No.86/BPL/2012 dated April 23, 2012 passed by the Commissioner (Appeals), Customs & Central Excise and Service Tax Zone II, Bhopal, demanding excise duty of Rs.1.50 Lacs and penalty of Rs.1.50 Lacs. Our Company has also filed a Stay Application. Vide Order dated July 16, 2012, our Company was directed to revert the entire CENVAT Credit within 4 (four) weeks from July 16, 2012 and make compliance on September 6, 2012. The matter is pending.

Income Tax Proceedings

1. Our Company has filed an Appeal bearing number 679/Kol/2013 before the Income-tax Appellate Tribunal, Kolkata ("ITAT") in respect of Assessment Year 2008-2009 challenging the Order dated January 28, 2013. The said Order disallows certain depreciation claimed by our Company and receipt of certain grants as capital receipt and raised demand of Rs.96.59 Lacs. The Revenue has also preferred a cross-appeal bearing no.

910/Kol/2013 before ITAT against the Order dated January 28, 2013. Vide an order dated February 27, 2015, the ITAT has dismissed the appeal of Revenue and partly allowed the appeal of our Company. The ITAT has directed the Assessing Officer to reconsider certain issues in the matter.

2. Our Company has filed an Appeal bearing number 1051/Kol/2013 before the Income-tax Appellate Tribunal, Kolkata challenging the Order dated March 28, 2013 demanding Rs.101.62 Lacs. Our Company has paid this amount. However, it has preferred this Appeal challenging the Order. The Revenue has also preferred a cross appeal bearing no. 1906/Kol/2013 before ITAT against the Order dated March 28, 2013. Vide an order dated February 27, 2015, the ITAT has dismissed the appeal of Revenue and partly allowed the appeal of our Company. The ITAT has directed the Assessing Officer to reconsider certain issues in the matter.
3. Our Company has filed an Appeal before the Commissioner of Income-tax (Appeals) VI, Kolkata bearing number 210/CIT(A)/VI/2010-11/Cir-6/Kol of 2013. In this Appeal, our Company has challenged against Assessment Order dated March 28, 2013 in respect of Assessment Year 2010-2011 inter alia, disallowing depreciation amount and not treating exemption of claim for entry tax as capital receipt and demand of Rs.261.31 Lacs which amount was later revised by the Deputy Commissioner of Income-tax vide order dated April 26, 2013 to Rs.54.98 Lacs. The matter is pending.
4. Our Company has filed an Appeal before the Commissioner of Income-tax (Appeals) VI, Kolkata on March 7, 2014. In this Appeal, our Company has challenged against Assessment Order dated January 31, 2014 in respect of Assessment Year 2011-2012 inter alia, disallowing depreciation amount and not treating exemption of claim for entry tax as capital receipt and raising a demand of Rs.293.12 Lacs. The Company has already paid a sum of Rs.50 Lacs towards the demand raised by the Assessment Officer and the outstanding amount stands at Rs.243.13 Lacs approximately. The matter is pending.
5. Our Company has filed an Appeal with the Commissioner of Income-tax (Appeals)-VI, Kolkata on April 1, 2015 against the Assessment Order of the Deputy Commissioner of Income Tax, Circle-6, Kolkata dated February 27, 2015 in respect of the Assessment Year 2012-13 inter-alia disallowing an amount of Rs.258.44 Lacs inter-alia claimed by the Company as depreciation amount, leave encashment provision, subsidy and dividend income. The matter is pending.

GOVERNMENT AND OTHER APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from the governmental and regulatory authorities that are required for carrying on the present business, except as stated below. Some of the approvals and licenses that our Company requires for its present business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time. Our Company undertakes to obtain all approvals, licenses, registrations and permissions required to operate its business.

Stated below are the details of the applications that have been applied for to obtain approval from relevant authority and approvals that are expired & have been applied:

TRADEMARKS

Sr. No.	Particulars of the mark	Word/ Label mark	Applicant	Application Number	Issuing Authority	Date of Certificate of Registration	Class	Period of validity
1.	SCRENEX	Word	Universal Cables Limited	418478	Registrar of Trademarks	Applied for renewal	17	-
2.	SKRENEX	Word	Universal Cables Limited	418479	Registrar of Trademarks	Applied for renewal	17	-
3.	UNIMEX	Word	Universal Cables Limited	418480	Registrar of Trademarks	Applied for renewal	17	-
4.	UNISTAR	Label	Trademark application is to be filed before the Trademark Registry with respect to the logo of our Company					

OTHER REGULATORY AND STATUTORY INFORMATION

Authority for the Issue

The Issue has been authorised by a resolution of our Board passed at its meeting held on March 31, 2015 pursuant to Section 62 of the Companies Act, 2013 and has been authorised by a resolution of the shareholders of our Company passed by way of postal ballot dated May 13, 2015 in terms of our Articles of Association and section 110 of the Companies Act, 2013. The Issue Price of Rs. [●] for the Equity Shares has been arrived at in consultation with the Lead Manager.

Our Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares to be allotted in the Issue pursuant to letters dated [●] and [●], respectively.

RBI Approval for Renunciation

Our Company proposes to apply to the RBI for seeking approval for renunciation of the Rights Entitlement by (a) an Equity Shareholder resident in India, in favour of any person resident outside India (other than OCBs); (b) an Equity Shareholder resident outside India (other than OCBs), in favour of any person resident in India; and (c) an Equity Shareholder resident outside India (other than OCBs), in favour of any other person resident outside India (other than OCBs).

Prohibition by SEBI, RBI or Other Governmental Authorities

Our Company, the Promoter, the members of the Promoter Group, the Directors and the persons in control of our Company have not been prohibited from accessing or operating the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies with which the Promoter, the Directors or the persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Prohibition by RBI

None of our Company, the Promoters and the members of the Promoter Group have been identified as wilful defaulters by the RBI or any other governmental authority.

Securities Related Business

No action has been initiated by SEBI against the entities operating in the securities market with which the Directors are associated.

None of the Directors of our Company are associated with the securities markets in any manner.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1913. The Securities of our Company are presently listed on the Stock Exchanges. It is eligible to offer Securities pursuant to this Issue in terms of Chapter IV of the SEBI Regulations.

Compliance with Part E of Schedule VIII of SEBI Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part E of Schedule VIII of the SEBI Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the listing agreement for the last three years immediately preceding the date of filing of the Draft Letter of Offer with SEBI.

2. The reports, statements and information referred to in sub-clause (a) above are available on the website of the BSE and the NSE or on a common e-filing platform specified by SEBI.
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part E of Schedule VIII of SEBI Regulations, disclosures in this Letter of Offer have been made in terms of Clause (5) of Part E of Schedule VIII of the SEBI Regulations.

Compliance with Regulation 4(2) of the SEBI Regulations

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI Regulations, to the extent applicable. Further, in relation to compliance with Regulation 4(2)(d) of the SEBI Regulations, our Company undertakes to make an application to the Stock Exchanges for listing of the Securities to be issued pursuant to this Issue. Our Company has chosen BSE as the Designated Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT LETTER OF OFFER 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 DRAFT LETTER OF OFFER. THE LEAD MANAGER, IDBI CAPITAL MARKET SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, IDBI CAPITAL MARKET SERVICES LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 29, 2015 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 MATERIALS IN CONNECTION WITH THE FINALISATION OF THE DRAFT LETTER OF OFFER 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, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - (A) **THE DRAFT LETTER OF OFFER FILED WITH SEBI 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 SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - (C) **THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER 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 APPLICABLE, THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITER TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN WILL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT LETTER OF OFFER WITH SEBI UNTIL THE DATE OF COMMENCEMENT OF THE LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER - NOT APPLICABLE.
6. WE CERTIFY THAT REGULATION 33 OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE CLAUSE HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER/ LETTER OF OFFER - NOT APPLICABLE.
7. WE UNDERTAKE THAT SUB-REGULATION 4 OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI (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 OUR COMPANY 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 "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 WILL BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40 (3) OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT TO BE ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION - NOT APPLICABLE FOR A RIGHTS ISSUE. TRANSFER OF MONIES RECEIVED PURSUANT TO THE ISSUE SHALL BE RELEASED TO OUR COMPANY AFTER FINALISATION OF THE BASIS OF ALLOTMENT IN COMPLIANCE WITH REGULATION 56 OF THE SEBI REGULATIONS.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT LETTER OF OFFER THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE EQUITY SHARES IN

DEMAT OR PHYSICAL MODE.

11. **WE CERTIFY THAT ALL APPLICABLE DISCLOSURES MANDATED IN THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:**
 - (A) **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF OUR COMPANY; AND**
 - (B) **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**
13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE – NOTED FOR COMPLIANCE**
14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, RISK FACTORS, PROMOTERS EXPERIENCE ETC.**
15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI (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 DRAFT LETTER OF OFFER 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 BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)”, AS PER THE FORMAT SPECIFIED BY THE BOARD THROUGH CIRCULAR – NOT APPLICABLE**
17. **WE CERTIFY THAT THE PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF OUR COMPANY INCLUDED IN THIS DRAFT LETTER OF OFFER.**

THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI, FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT LETTER OF OFFER.

Disclaimer clauses from our Company and the Lead Manager

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in the Issue will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Securities, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

CAUTION

Our Company and the Lead Manager shall make all information available to the Eligible Shareholders and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer with SEBI.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian Laws and the applicable rules and regulations there under. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Madhya Pradesh only.

Consents

Consents in writing of our Directors, Company Secretary and Compliance Officer, the Auditor, the Lead Manager, the Legal Counsel, the Registrar to the Issue and experts to act in their respective capacities have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer. M/s. V. Sankar Aiyar & Co., Chartered Accountants, the Auditors of our Company, have given their written consent for the inclusion of their report in the form and content appearing in this Draft Letter of Offer and such consent and report have not been withdrawn up to the date of this Draft Letter of Offer.

Further, M/s V. Sankar Aiyar & Co., Chartered Accountants have given their written consent for inclusion of the statement of tax benefit in the form and context in which they appear in this Draft Letter of Offer and such consent and report have not been withdrawn up to the date of this Draft Letter of Offer.

Expert Opinion

Other than as disclosed in the section titled, "Financial Information" and "Statement of Tax Benefits" on page 59, and page 40 of the Draft Letter of Offer, no expert opinion has been obtained by our Company in relation to the Issue.

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue will be BSE.

Disclaimer Clause of the BSE

As required, a copy of this Draft Letter of Offer will be submitted to BSE. The disclaimer clause as intimated by BSE to us, upon completion of its review of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing the Letter of Offer with the Stock Exchange.

Disclaimer Clause of the NSE

As required, a copy of this Draft Letter of Offer will be submitted to NSE. The disclaimer clause as intimated by NSE to us, upon completion of its review of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing the Letter of Offer with the Stock Exchange.

Selling Restrictions

The distribution of the Draft Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer may come are required to inform themselves about and observe such restrictions. Our Company is making the Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer and CAFs only to Eligible Equity Shareholders who have provided an Indian address.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that the Draft Letter of Offer has been filed with SEBI.

Accordingly, the Equity Shares and Rights Entitlement may not be offered or sold, directly or indirectly, and none of the Draft Letter of Offer or any offering materials or advertisements in connection with the Equity Shares or Rights Entitlement may be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

The Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

If the Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in the Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and additional Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

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

Each person who exercises Rights Entitlement and subscribes for Equity Shares or excess Equity Shares, or who purchases Rights Entitlement or Equity Shares shall do so in accordance with the restrictions set out below.

The rights referred to in this Draft Letter of Offer are being offered in India, but not in the United States. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, the Draft Letter of Offer and the enclosed CAF should not be forwarded to or transmitted in or into the United States at any time. Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is, either a "U.S. person" (as defined in Regulation S) or otherwise in the United States when the buy order is made. Envelopes containing Draft Letter of Offer / Abridged Letter of Offer and CAF should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making this issue of Equity Shares on a rights basis to its Eligible Equity Shareholders and the Draft Letter of Offer / Abridged Letter of Offer and CAF will be dispatched to Eligible Equity Shareholders who have an Indian address.

Any person who acquires rights and the Equity Shares will be deemed to have declared, represented, warranted and agreed, (i) that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made, (ii) it is not a "U.S. person" (as defined in Regulation S), and does not have a registered address (and is not otherwise located) in the United States, and (iii) is authorised to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat as invalid any CAF which: (i) does not include the certification set out in the CAF to the effect that the subscriber is not a "U.S. person" (as defined in Regulation S), and does not have a registered address (and is not otherwise located) in the US and is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations; (ii) appears to our Company or its agents to have been executed in or dispatched from the US; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such CAF.

For further details please refer to the section entitled "Notice to Overseas Shareholders" on page 7 of this Draft Letter of Offer.

Filing

This Draft Letter of Offer has been filed with the Corporation Finance Department of SEBI, located at SEBI Bhavan, C-4-A, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051 for its observations. After SEBI gives its observations, the final Letter of Offer will be filed with the Designated Stock Exchange as per the provisions of the Companies Act.

Issue Related Expenses

The Issue expenses include, amongst others, lead management fees, printing and distribution expenses, legal fees, advertisement expenses, registrar and depository fees and listing fees. The estimated expenses of the Issue are as follows:

Particulars	Expense (In Rs. Lacs)	Expense (% of the total expenses)	Expense (% of the Issue size)
Fees of Lead Manager, Registrar to the Issue, Legal Advisor, Auditors' Fees etc.	[●]	[●]	[●]
Advertising & marketing expenses, printing, stationery, distribution, etc.	[●]	[●]	[●]
Others (including but not limited to Stock Exchange fees, depository Fees and SEBI filing fees and other miscellaneous expenses)	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

Investor Grievances and Redressal System

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the Listing Agreement. The Stakeholders Relationship Committee currently comprises Mr. Dinesh Chanda, Chairman, Mr. S. S. Kothari, Member and Mr. S.C. Jain, Member and its broad terms of reference include redressing complaints from shareholders such as non-receipt of dividend or annual report, transfer of shares and issue of duplicate share certificates; monitoring transfers, transmissions, dematerialization, rematerialization, splitting and consolidation of Equity Shares issued by our Company. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

The Investor complaints received by our Company are disposed off within a reasonable period from the date of receipt of the complaint.

Status of outstanding investor complaints in relation to our Company

As on March 31, 2015, there were no outstanding investor complaints.

Investor Grievances arising out of the Issue

Our Company's investor grievances arising out of the Issue will be handled by Link Intime India Private Limited, the Registrar to the Issue. The Registrar will have a separate team of personnel handling only post-Issue correspondence.

The agreement between our Company and the Registrar will provide for retention of records with the Registrar from the last date of dispatch of Allotment Advice/ share certificate / demat credit / refund order to enable the Registrar to redress grievances of Investors.

All grievances relating to the Issue may be addressed to the Registrar to the Issue or the SCSB in case of ASBA applicants giving full details such as folio no., name and address, contact telephone / cell numbers, email id of the first applicant, number and type of shares applied for, application form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, alongwith a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be 7 to 10 days from the date of

receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Registrar to the Issue

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound, L.B.S. Marg

Bhandup (West)

Mumbai 400 078

Tel: (91 22) 6171 5400

Fax: (91 22) 2596 0329

E-mail: ucl.rights@linkintime.co.in

Investor Grievance E-Mail: ucl.rights@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Sachin Achar

SEBI Registration Number: INR000004058

Corporate Identification Number: U67190MH1999PTC118368

Investors may contact the Compliance Officer or the Registrar in case of any pre-Issue/ post -Issue related problems such as non-receipt of Allotment advice/share certificates/ demat credit/refund orders etc. The contact details of the Compliance Officer are as follows:

Company Secretary and Compliance Officer

Mr. Om Prakash Pandey

Universal Cables Limited

P.O.Birla Vikas

Satna - 485 005

Madhya Pradesh

Tel: + 91 7672 – 257121-27

Fax:+91 7672- 257131

Email: secretarial@unistar.co.in

SECTION VIII – OFFERING INFORMATION

TERMS OF THE ISSUE

The Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Draft Letter of Offer, Abridged Letter of Offer, the CAF, the SAF, the Memorandum of Association and Articles of Association of our Company, and the provisions of the Companies Act, FEMA, the SEBI Regulations, any other notifications, guidelines and regulations issued by SEBI, the guidelines, notifications and regulations for the issue of capital and for listing of Equity Shares issued by the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of listing agreements entered into by our Company with the Stock Exchanges and terms and conditions as stipulated in the Allotment advice or letter of Allotment or security certificate and rules as may be applicable and introduced from time to time.

Please note that in accordance with the provisions of the SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIBs and Non-Institutional Investors complying with the eligibility conditions prescribed under the SEBI circular dated December 30, 2009 must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the conditions prescribed under the said circular may optionally apply through the ASBA process. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors, or (iii) Investors whose Application Money is not more than Rs. 2,00,000, can participate in the Issue either through the ASBA process or the non ASBA process. Eligible Shareholders holding Equity Shares in physical form and Renouncees are not eligible ASBA Investors and must only apply for Equity Shares through the non-ASBA process, irrespective of the Application Money. All non-retail Investors are encouraged to make use of ASBA process wherever such facilities is available.

ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure applicable to non-ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. For details, see “Terms of the Issue – Procedure for Application through the Applications Supported by Blocked Amount (“ASBA”) Process” on page 135.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in their own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in their own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

All rights/obligations of Eligible Equity Shareholders in relation to application and refunds pertaining to this Issue shall apply to the Renouncee(s) as well as otherwise stated in this Draft Letter of Offer / Abridged Letter of Offer.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account pursuant to clause 5A of the listing agreements and for which our Company has withheld the dividend, shall be held in abeyance and the CAFs in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents /records confirming the legal and beneficial ownership of the Equity Shares with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Shareholder. The identified Eligible Shareholder shall be entitled to subscribe to Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Shareholders.

Our Company is making this Issue on a rights basis to the Eligible Shareholders of our Company and will dispatch the Letter of Offer/ Abridged Letter of Offer and CAF only to Eligible Shareholders who have provided an Indian address to our Company. The distribution of the Letter of Offer/Abridged Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing

in those jurisdictions. Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer/Abridged Letter of Offer/CAF, that such person is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, will not be, in any restricted jurisdiction.

Authority for the Issue

The Issue has been authorised by a resolution of our Board passed at its meeting held on March 31, 2015 pursuant to Section 62 of the Companies Act, 2013 and also has been authorised by a resolution of the shareholders of our Company passed by way of postal ballot dated May 13, 2015 in terms of our Articles of Association and section 110 of the Companies Act, 2013.

Approval in relation to the Issue

Our Company will apply for the RBI approval for renunciation in relation to the Issue.

Basis for the Issue

The Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders of our Company whose names appear, as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in the electronic form, and on the register of members of our Company in respect of Equity Shares held in the physical form at the close of business hours on the Record Date, i.e. [●], 2015, fixed in consultation with the Designated Stock Exchange.

Rights Entitlement

As your name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., [●], you are entitled to the number of the Equity Shares as set out in Part A of the CAF, as the case may be.

PRINCIPAL TERMS OF THE EQUITY SHARES

Face Value

Each Equity Share will have the face value of Rs.10/-.

Issue Price

Each Equity Share shall be offered at an Issue Price of Rs. [●] for cash (including a premium of Rs. [●] per Equity Share). The Issue Price has been arrived at after consultation between our Company and the Lead Manager and has been decided prior to the determination of the Record Date.

Rights Entitlement Ratio

The Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Equity Shares for every [●] Equity Shares held on the Record Date.

Terms of Payment

Full amount of Rs. [●] per Equity Share is payable on application.

Fractional Entitlements

The Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Equity Share(s) for every [●] Equity Share(s) held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored as above would be given preferential consideration for the Allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Those Eligible Equity Shareholders holding less than [●] Equity Shares will therefore be entitled to zero Equity Shares under this Issue and shall be dispatched a CAF with zero entitlement. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and would be given preference in the allotment of one additional Equity Share if such Eligible Shareholders have applied for the additional Equity Share(s) However, they cannot renounce the same in favour of third parties. CAFs with zero entitlement will be non-negotiable/non-renounceable.

For example, if an Eligible Equity Shareholder holds between [●] and [●] Equity Shares, he will be entitled to zero Equity Shares on a rights basis. He will be given a preference for Allotment of one additional Equity Share if he has applied for the same.

An illustration stating the Rights Entitlement for number of Equity Shares is set out below:

No. of Equity Shares held as on Record Date	Rights Entitlement

Ranking

The Equity Shares being issued shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Equity Shares allotted in the Issue shall rank *pari passu* with the existing Equity Shares of our Company in all respects, including payment of dividend.

Mode of Payment of Dividend

In the event of declaration of dividend, we shall pay dividend to the Equity Shareholders as per the provisions of the Companies Act and our Articles of Association.

Listing and trading of Equity Shares proposed to be issued

Our Company's existing Equity Shares are currently traded on the BSE (scrip code 504212) and NSE (symbol UNIVCABLES under the ISIN INE279A01012). The fully paid-up Equity Shares proposed to be issued pursuant to the Issue shall, in terms of the circular (no. CIR/MRD/DP/21/2012) by SEBI dated August 2, 2012, be allotted under a temporary ISIN which shall be kept blocked till the receipt of final listing and trading approval from the Stock Exchanges. Upon receipt of such listing and trading approval, the Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN of our Company and be available for trading.

The listing and trading of the Equity Shares shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the listing and trading schedule. Upon Allotment, the Equity Shares shall be traded on Stock Exchanges in the demat segment only.

The Equity Shares allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading shall be taken within seven working days of finalisation of the basis of Allotment. Our Company has made an application for "in-principle" approval for listing of the Equity Shares to the BSE and NSE and has received such approval from BSE pursuant to the letter no. [●] dated [●], 2015 and from NSE pursuant to letter no. [●] dated [●], 2015.

Our Company will also apply to the Stock Exchanges for final approval for the listing and trading of the Equity Shares. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under the Issue will trade after listing on the Stock Exchanges.

If permissions to list, deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Letter of Offer. If such money is not repaid beyond eight days after our Company becomes liable to repay it, i.e., the date of refusal of an application for such a permission from a Stock Exchange, or on expiry of 15 days from the Issue Closing Date in case no permission is granted, whichever is earlier, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest as per applicable laws.

Rights of the Equity Shareholder

Subject to applicable laws, the Equity Shareholders of our Company shall have the following rights:

1. Right to receive dividend, if declared;
2. Right to attend general meetings and exercise voting powers, unless prohibited by law;
3. Right to vote in person or by proxy;
4. Right to receive offers for rights shares and be allotted bonus shares, if announced;
5. Right to receive surplus on liquidation;
6. Right to free transferability of Equity Shares; and
7. Such other rights as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum of Association and Articles of Association.

Arrangements for Disposal of Odd Lots

Our Company's shares will be traded in dematerialised form only and therefore the marketable lot is 1 (ONE) share. Therefore, there is no possibility of any odd lots.

General Terms and Conditions of the Issue for ASBA and Non-ASBA Investors

Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share. In case an Eligible Equity Shareholder holds Equity Shares in physical form, our Company would issue to such Allottees one certificate for the Equity Shares allotted to each folio ("Consolidated Certificate"). In respect of consolidated certificates, our Company will upon receipt of a request from the respective holder of Equity Shares, split such consolidated certificates into smaller denominations.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association.

Nomination

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014. An Eligible Equity Shareholder can nominate any person by filling the relevant details in the CAF in the space provided for this purpose. In case of Eligible Equity Shareholders who are individuals, a sole Eligible Equity Shareholder or the first named Eligible Equity Shareholder, along with other joint Eligible Equity Shareholders, if any, may nominate any person(s) who, in the event of the death of the sole Eligible Equity Shareholder or all the joint Eligible Equity Shareholders, as the case may be, shall become entitled to the Equity Shares offered in the Issue. A person, being a nominee, becoming entitled to the Equity Shares by reason of the death of the original Eligible Equity Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he was an Eligible Equity Shareholder. Where the nominee is a minor, the Eligible Equity Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Shares, in the event of death of the said Eligible Equity Shareholder, during the minority of the nominee. A nomination shall stand rescinded upon the sale of the Equity Shares by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. When the Equity Shares are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such Eligible Equity Shareholders. Fresh nominations can be made only in the prescribed form available on request at the registered office of our Company or such other person at such addresses as may be notified by our Company.

In terms of Section 72 of the Companies Act, 2013 read with rule 19 of Companies (Share Capital and Debentures) Rules, 2014 in the event of death of the holder of Equity Shares or where the Equity Shares are held by more than one person jointly, in the event of death of all the joint holders, the person nominated as the

nominee, 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.

If the person being a nominee, so becoming entitled, elects to be registered as holders of the Equity Share(s) himself, he shall deliver to our Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased holder.

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.

Only one nomination would be applicable for one folio. Hence, in case the Eligible Equity Shareholders has already registered the nomination with our Company, no further nomination needs to be made for Equity Shares that may be allotted in this Issue under the same folio. However, new nominations, if any, by the Eligible Equity Shareholder(s) shall operate in supersession of the previous nomination, if any.

In case the Allotment of Equity Shares is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with respective Depository Participant (“DP”) of the applicant would prevail. Any applicant desirous of changing the existing nomination is requested to inform its respective DP.

Notices

All notices to the Eligible Shareholder(s) required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation and/or, will be sent by post to the Indian address of the Eligible Shareholders provided to our Company. However, the distribution of the Letter of Offer/Abridged Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue (including devolvement of underwriter), our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in the refund of the subscription amount by more than eight days after our Company becomes liable to pay the subscription amount (i.e. 15 days after the Issue Closing Date), our Company shall pay interest at the rate of 15% p.a., for the delayed period, as per Rule 3 of the Companies (Prospectus and Allotment of Securities), Rules, 2014.

Our Promoters and Promoter Companies have intended by their letters dated from May 16, 2015 to May 25, 2015, severally to: (a) to apply for Equity Shares being offered to them pursuant to the Rights Issue to the extent of their Rights Entitlements; (b) to apply directly or through the Promoter Companies for any Equity Shares renounced in their favour; and (c) to apply directly or through the Promoter Companies for any additional Equity Shares in the Rights Issue only to the extent of any unsubscribed portion of the Rights Issue, subject to applicable law, to ensure that at least 90% of the Rights Issue is subscribed.

Procedure for Application

The CAF along with the Abridged Letter of Offer shall be dispatched through registered post or speed post at least three days before the Issue Opening Date. The CAF for the Equity Shares offered as part of the Issue would be printed for all Eligible Equity Shareholders. In case the original CAFs are not received by the Eligible Equity Shareholder or is misplaced by the Eligible Equity Shareholder, the Eligible Equity Shareholder may request the Registrar, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID, Client ID and their full name and Indian address. In case the signature of the Investor(s) does not match with the specimen registered with our Company, the application is liable to be rejected.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the CAF/duplicate CAF attributable to postal delays or if the CAF/duplicate CAF are misplaced in the transit.

Please note that QIBs, Non-Institutional Investors and other Applicants whose Application Money exceeds Rs. 2,00,000 can participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors, or (iii) Investors whose Application Money is more than Rs. 2,00,000, can participate in the Issue either through the ASBA process or the non ASBA process. Renouncees and Eligible Shareholders holding Equity Shares in physical form are not eligible ASBA Investors and must only apply for Equity Shares through the non-ASBA process, irrespective of the Application Money.

Please also note that by virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Eligible Equity Shareholder being an OCB is required to obtain prior approval from RBI for applying to this Issue.

CAF

The Registrar to the Issue will dispatch CAF to Eligible Equity Shareholders as per their Rights Entitlement on the Record Date. The CAF will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to. Applicants may also choose to accept the offer to participate in the Issue by making plain paper Applications. For more information, see “Terms of the Issue – Application on Plain Paper (Non-ASBA Process)” on page 132.

The CAF consists of four parts:

- Part A: Form for accepting the Equity Shares offered as a part of this Issue pursuant to the CAF, in full or in part, and for applying for additional Equity Shares;
- Part B: Form for renunciation of Equity Shares;
- Part C: Form for application of Equity Shares by Renouncee(s);
- Part D: Form for request for split application forms.

Please note that Eligible Equity Shareholders can apply for Equity Shares only through CAF (or plain paper). Please also note that Renouncees can apply for Equity Shares only through CAF.

Option available to the Eligible Shareholders

The CAFs will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies for an investment in Equity Shares, then Eligible Equity Shareholder can:

- Apply for its Rights Entitlement of Equity Shares in full;
- Apply for its Rights Entitlement of Equity Shares in part;
- Apply for its Rights Entitlement of Equity Shares in part and renounce the other part of Equity Shares;
- Apply for its Rights Entitlement in full and apply for additional Equity Shares;
- Renounce its Rights Entitlement in full.

Acceptance of the Issue

You may accept the offer to participate and apply for the Equity Shares offered, either in full or in part, by filling Part A of the CAFs and submit the same along with the Application Money payable to the Banker to the Issue or any of the collection centers as mentioned on the reverse of the CAFs before close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by our Board in this regard. Investors at centres not covered by the collection branches of the Banker to the Issue can send their CAFs together with the cheque drawn at par on a local bank at Mumbai or a demand draft payable at Mumbai to the Registrar by registered post so as to reach the Registrar prior to the Issue Closing Date. Please note that neither our Company nor the Lead Manager or the Registrar shall be responsible for delay in the receipt of the CAF attributable to postal delays or if the CAF is misplaced in the transit. Such applications sent to anyone other than the Registrar are liable to be rejected. For further details on the mode of payment, see “Terms of the Issue - Mode of Payment for Resident Investors” and “Terms of the Issue – Mode of Payment for Non-Resident Investors” on page 134.

Additional Equity Shares

You are eligible to apply for additional Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply for Equity Shares under applicable law and have applied for all the Equity Shares of the same type offered to you without renouncing them in whole or in part in favour of any other person(s). Subject to the foregoing, resident Eligible Equity Shareholders and resident Renouncees may subscribe to additional Equity Shares. Applications for additional Equity Shares shall be considered and Allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under “Terms of the Issue - Basis of Allotment” on page 143.

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the respective CAF. Renouncee(s) applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares.

Where the number of additional Equity Shares applied for exceeds the number of Equity Shares available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Renunciation

The Issue includes a right exercisable by you to renounce the Equity Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not allot and/or register the Equity Shares in favour of (i) more than three persons (including joint holders); (ii) partnership firm(s) or their nominee(s); (iii) minors; (iv) HUF (however, you may renounce your Rights Entitlements to the Karta of an Hindu Undivided Family acting in his capacity of a Karta); or (v) any trust or society (unless the same is registered under the Societies Registration Act, 1860 or the Indian Trust Act, 1882 or any other applicable law relating to societies or trusts and is authorized under its constitution or bye-laws to hold Equity Shares, as the case may be). Additionally, existing Equity Shareholders may not renounce in favour of persons or entities in the United States or who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.

Any renunciation: (i) from resident Indian shareholder(s) to non-resident(s); (ii) from non-resident shareholder(s) to resident Indian(s); or (iii) from a non-resident shareholder(s) to other non-resident(s), and subscription of Equity Shares by such renounce are subject to the renouncer(s)/ renouncee(s) obtaining the necessary regulatory approvals. Our Company proposes to apply to the RBI for seeking approval for renunciation of Rights Entitlement by (a) an Eligible Shareholder resident in India, in favour of any person resident outside India (other than OCBs); (b) an Eligible Shareholder resident outside India (other than OCBs), in favour of any person resident in India; and (c) an Eligible Shareholder resident outside India (other than OCBs), in favour of any other person resident outside India (other than OCBs). In case our Company does not receive such approval, the renouncer/ renouncee is required to obtain such approval and attach to the CAF. All such renunciations shall be subject to any conditions that may be specified in the RBI approval. Applications not complying with conditions of the approval/ not accompanied by such approvals are liable to be rejected.

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, OCBs have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, the Eligible Equity Shareholders of our Company who do not wish to subscribe to the Equity Shares being offered but wish to renounce the same in favour of Renouncees shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has, however, clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000- RB dated May 3, 2000 under the FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of the RBI if the investment is through the automatic route on case by case basis. Shareholders renouncing their rights in favour of OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such approval to us at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Part ‘A’ of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the CAF to the Banker to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part ‘B’ of the CAF) duly filled in shall

be the conclusive evidence for our Company of the fact of renouncement to the person(s) applying for Equity Shares in Part 'C' of the CAF for the purpose of Allotment of such Equity Shares. The Renouncees applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares. Part 'A' of the CAF must not be used by the Renouncee(s) as this will render the application invalid. Renouncee(s) will have no right to further renounce any Equity Shares in favour of any other person.

Procedure for renunciation

The following procedure applies to renunciation of the Equity Shares:

To renounce all the Equity Shares offered to an Equity Shareholder in favour of one Renouncee

If you wish to renounce the offer indicated in Part 'A', in whole, please complete Part 'B' of the CAF. In case of joint holding, all joint holders must sign Part 'B' of the CAF. The person in whose favour renunciation has been made should complete and sign Part 'C' of the CAF. In case of joint Renouncees, all joint Renouncees must sign Part 'C' of the CAF.

To renounce in part/or renounce the whole to more than one person(s)

If you wish to either (i) accept this offer in part and renounce the balance, or (ii) renounce the entire offer under this Issue in favour of two or more Renouncees, the CAF must be first split into requisite number of forms. Please indicate your requirement of SAFs in the space provided for this purpose in Part 'D' of the CAF and return the entire CAF to the Registrar to the Issue so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Eligible Equity Shareholder(s), who has renounced the Equity Shares, does not match with the specimen registered with our Company/Depositories, the application is liable to be rejected.

Renouncee(s)

The person(s) in whose favour the Equity Shares are renounced should fill in and sign Part 'C' of the CAF and submit the entire CAF to the Bankers to the Issue or any of the collection branches as mentioned on the reverse of the CAFs on or before the Issue Closing Date along with the application money in full. The Renouncee cannot further renounce.

Change and/or introduction of additional holders

If you wish to apply for Equity Shares jointly with any other person(s), not more than three including you, who is/are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that the Board of Directors shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof.

Instructions for Options

The summary of options available to Eligible Equity Shareholders is presented below. You may exercise any of the following options with regard to the Equity Shares offered, using the CAF:

Option Available		Action Required
1.	Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A (All joint holders must sign).
2.	Accept your Rights Entitlement in full and apply for additional Equity Shares.	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares. (All joint holders must sign)
3.	Accept a part of your Rights Entitlement and renounce the balance to one or more Renouncee(s)	Fill in and sign Part D (all joint holders must sign) requesting for SAFs. Send the CAF to the Registrar to the Issue so as to reach them on or before the last date

Option Available	Action Required
<p>OR</p> <p>Renounce your Rights Entitlement to all the Equity Shares offered to you to more than one Renouncee - will be permitted only once</p>	<p>for receiving requests for SAFs. Splitting will be permitted only once.</p> <p>On receipt of the SAF take action as indicated below.</p> <p>(i) For the Equity Shares you wish to accept, if any, fill in and sign Part A.</p> <p>(ii) For the Equity Shares you wish to renounce, fill in and sign Part B indicating the number of Equity Shares renounced and hand it over to the Renouncees.</p> <p>(iii) Each Renouncee should fill in and sign Part C for the Equity Shares accepted by them.</p>
<p>4. Renounce your Rights Entitlement in full to one person (Joint Renouncees are considered as one).</p>	<p>Fill in and sign Part B (all joint holders must sign) indicating the number of Equity Shares renounced and hand it over to the Renouncee. The Renouncee must fill in and sign Part C (All joint Renouncees must sign).</p>
<p>5. Introduce a joint holder or change the sequence of joint holders</p>	<p>This will be treated as renunciation. Fill in and sign Part B and the Renouncee must fill in and sign Part C</p>

Please note that:

- Part 'A' of the CAF must not be used by any person(s) other than the Eligible Equity Shareholder to whom the Letter of Offer/Abridged Letter of Offer/CAF has been addressed. If used, this will render the application invalid.
- Request for each SAF should be made for a minimum of 1 (one) Equity Share or, in each case, in multiples thereof and one SAF for the balance Equity Shares, if any.
- Request by the Investor for the SAFs should reach the Registrar on or before [●].
- Only the Eligible Equity Shareholder to whom the Letter of Offer has been addressed shall be entitled to renounce and to apply for SAFs. Forms once split cannot be split further.
- SAFs will be sent to the Investor(s) by post at the Applicant's risk.
- Eligible Equity Shareholders may not renounce in favour of persons or entities in the United States or who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.
- While applying for or renouncing their Rights Entitlement, joint Eligible Equity Shareholders must sign the CAF in the same order and as per specimen signatures recorded with our Company/ Depositories.
- Non-resident Equity Shareholders: Application(s) received from Non-Resident/ NRIs, or persons of Indian origin residing abroad for allotment of Equity Shares allotted as a part of this Issue shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of Equity Shares, subsequent issue and allotment of Equity Shares, interest, export of share certificates, etc. In case a Non-Resident or NRI Eligible Equity Shareholder has specific approval from the RBI in connection with his shareholding, he should enclose a copy of such approval with the CAF.
- The RBI has mandated that CTS 2010 standard non-compliant cheques can be presented in clearing only in reduced frequency, specifically once a week, on Mondays of every week from November 1, 2014 onwards. This would have an impact on timelines for the issuance of final certificates, hence the CAFs accompanied by non-CTS cheques could get rejected.

Availability of duplicate CAF

In case the original CAF is not received, or is misplaced by Eligible Equity Shareholder, the Registrar to the Issue will issue a duplicate CAF on such request of the Eligible Equity Shareholder who should furnish the registered folio number/ DP and Client ID number and his/ her full name and address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue within 7 (seven) days from the Issue Opening Date. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the Investor violates such requirements, he / she shall face the risk of rejection of either original CAF or both the applications. Our Company, the Lead Manager or the Registrar to the Issue will not be responsible for postal delays or loss of duplicate CAF in transit, if any.

Application on Plain Paper (Non-ASBA Process)

An Eligible Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with an account payee cheque drawn on a bank in Mumbai, demand draft, net of bank and postal charges payable at Mumbai and the Investor should send the same by registered post directly to the Registrar to the Issue. For details of the mode of payment, please see “Modes of Payment” on page 133 of the Draft Letter of Offer. Applications on plain paper from any address outside India will not be accepted.

The envelope should be super scribed “Universal Cables Limited – Rights Issue” and should be postmarked in India. The application on plain paper, duly signed by the Investors including joint holders, in the same order and as per specimen recorded with our Company/ Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of the Company, being Universal Cables Limited Limited;
- Name and address of the Investor including joint holders;
- Registered Folio Number/ DP and Client ID no.;
- Number of Equity Shares held as on Record Date;
- Share certificate numbers and distinctive numbers of Equity Shares, if held in physical form;
- Allotment option preferred - physical or demat form, if held in physical form;
- Number of Equity Shares entitled to;
- Number of Equity Shares applied for;
- Number of additional Equity Shares applied for, if any;
- Total number of Equity Shares applied for;
- Total amount paid at the rate of Rs.[●] per Equity Share;
- Particulars of cheque/ demand draft;
- Savings/current account number and name and address of the bank where the Investor will be depositing the refund order (in case of Equity Shares held by such Eligible Equity Shareholders in physical form). In case of Equity Shares allotted in dematerialised form, the bank account details will be obtained from the information available with the Depositories;
- Signature of the Eligible Equity Shareholders to appear in the same sequence and order as they appear in the records of our Company.
- Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
- If the payment is made by a draft purchased from NRE/FCNR/NRO account, as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR/NRO account; and
- A representation that the Investor is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States and is not a “U.S. Person” (as defined in Regulation S under the Securities Act). Additionally, all such Applicants are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”). I/ we understand the Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ are not in the United States and understand that neither us, nor the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of us have reason to believe is in the United States or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilize the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. Our Company shall refund such application amount to the Investor without any interest thereon.

Applicants are requested to strictly adhere to these instructions. Failure to do so could result in the Application being liable to be rejected without our Company, the Lead Manager and the Registrar to the Issue incurring any liabilities to such applicants for such rejections.

Last date for Application

The last date for submission of the duly filled in CAF is [●]. The Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date.

If the CAF together with the amount payable is not received by the Banker to the Issue/ Registrar on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board/ Committee of Directors, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and the Board/ Committee of Directors shall be at liberty to dispose off the Equity Shares hereby offered, as provided under the section “Terms of the Issue - Basis of Allotment” on page 143.

Modes of Payment

In terms of RBI circular no. DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, non-CTS cheques are processed in three CTS centres three days of the week. In order to enable listing and trading of the Equity Shares within seven Working Days of the Bid/Offer Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid/Offer Closing Date.

Mode of payment for Resident Investors

- All cheques / demand drafts accompanying the CAF should be drawn in favour of “Universal Cables Limited-

Rights Issue-R” crossed ‘A/c Payee only’ and should be submitted along with the CAF to the Banker to the Issue or to the Registrar to the Issue on or before the Issue Closing Date;

- Investors residing at places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with an account payee cheque/ demand draft for the full Application Money, net of bank and postal charges drawn in favour of “Universal Cables Limited – Rights Issue - R”, crossed ‘A/c Payee only’ and payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. The envelope should be super scribed “Universal Cables Limited – Rights Issue”. Our Company, the Lead Manager or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

Mode of payment for Non-Resident Investors

As regards applications by non-resident Investor, the following conditions shall apply:

1. Individual non-resident Indian Applicants who are permitted to subscribe for Equity Shares by applicable local securities laws can obtain application forms from the following address:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound, L.B.S. Marg
Bhandup (West)
Mumbai 400 078
Tel: (91 22) 6171 5400
Fax: (91 22) 2596 0329
E-mail: ucl.rights@linkintime.co.in
Investor Grievance E-Mail: ucl.rights@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Sachin Achar
SEBI Registration Number: INR000004058
Corporate Identification Number: U67190MH1999PTC118368

Note: The Letter of Offer/ Abridged Letter of Offer and CAFs to NRIs shall be sent only to their Indian address, if provided.

2. Applications will not be accepted from non-resident Indian in the United States or its territories and possessions, or any other jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.
3. Non-resident investors applying from places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with Demand Draft for the full Application Money, net of bank and postal charges drawn in favour of “Universal Cables Limited – Rights Issue – R”, crossed ‘A/c Payee only’ payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. The envelope should be super scribed “Universal Cables Limited – Rights Issue”. Our Company or the Registrar will not be responsible for postal delays or loss of applications in transit, if any.
4. Payment by non-residents must be made by demand draft payable at Mumbai/ cheque drawn on a bank account maintained with the Banker to the Issue or funds remitted from abroad in any of the following ways:

Application with repatriation benefits

1. By Indian Rupee drafts purchased from abroad and payable at Mumbai or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate); or
2. By cheque / bank drafts remitted through normal banking channel or out of funds in Non-Resident External Account (NRE) or FCNR Account maintained with banks authorised to deal in foreign currency in India, along with documentary evidence in support of remittance;
3. By Rupee draft purchased by debit to NRE/FCNR Account maintained elsewhere in India and payable at Mumbai;
4. FIIs registered with SEBI must utilise funds from special non-resident rupee account;

5. Non-resident investors with repatriation benefits should draw the cheques/ demand drafts in favour of “Universal Cables Limited – Rights Issue – NR”, crossed “A/c Payee only” for the full Application Money, net of bank and postal charges and which should be submitted along with the CAF to the Banker to the Issue/collection centres or to the Registrar to the Issue;
6. Applicants should note that where payment is made through drafts purchased from NRE/ FCNR/ NRO account as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account should be enclosed with the CAF. In the absence of such an account debit certificate, the application shall be considered incomplete and is liable to be rejected.

Application without repatriation benefits

1. As far as non-residents holding Equity Shares on non-repatriation basis are concerned, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident (Ordinary) Account maintained with the Banker to the Issue or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Mumbai. In such cases, the Allotment of Equity Shares will be on non-repatriation basis.
2. Non-resident investors without repatriation benefits should draw the cheques/demand drafts in favour of “Universal Cables Limited – Rights Issue – R”, crossed “A/c Payee only” for the full Application Money, net of bank and postal charges and which should be submitted along with the CAF to the Banker to the Issue/collection centres or to the Registrar to the Issue.
3. Applicants should note that where payment is made through drafts purchased from NRE/ FCNR/ NRO accounts, as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account should be enclosed with the CAF. In the absence of such an account debit certificate, the application shall be considered incomplete and is liable to be rejected.
4. An Eligible Shareholder whose status has changed from resident to non-resident should open a new demat account reflecting the changed status. Any application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Notes:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the IT Act.
2. In case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
3. The CAF duly completed together with the amount payable on application must be deposited with the collecting bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
4. In case of an application received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/ rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

Procedure for Application through the ASBA Process

This section is for the information of the ASBA Investors proposing to subscribe to the Issue through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA Process are advised to make their independent investigations and to ensure that the CAF is correctly filled up.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and

commissions etc. in relation to applications accepted by SCSBs, Applications uploaded by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.

Please note that in accordance with the provisions of the SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIBs and Non-Institutional Investors complying with the eligibility conditions prescribed under the SEBI circular dated December 30, 2009 must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the above conditions may optionally apply through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors, or (iii) Investors whose Application Money is more than Rs. 2,00,000, can participate in the Issue either through the ASBA process or the non ASBA process. Renouncees and Eligible Shareholders holding Equity Shares in physical form are not eligible ASBA Investors and must only apply for Equity Shares through the non-ASBA process, irrespective of the Application Money. All non-retail Investors are encouraged to make use of ASBA process wherever such facilities is available.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA Process is provided on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>. For details on Designated Branches of SCSBs collecting the CAF, please refer the above mentioned SEBI link.

Eligible Shareholders who are eligible to apply under the ASBA Process

The option of applying for Equity Shares in the Issue through the ASBA Process is only available to the Eligible Shareholders of our Company on the Record Date and who:

1. hold the Equity Shares in dematerialised form as on the Record Date and have applied towards his/her Rights Entitlements or additional Equity Shares in the Issue in dematerialised form;
2. have not renounced his/her Rights Entitlements in full or in part;
3. are not a Renouncee;
4. are applying through a bank account maintained with SCSBs; and
5. are eligible under applicable securities laws to subscribe for the Rights Entitlement and the Equity Shares in the Issue.

CAF

The Registrar will dispatch the Equity Shares CAF to all Eligible Equity Shareholders as per their Rights Entitlement on the Record Date for the Issue. Those Investors who wish to apply through the ASBA payment mechanism will have to select for this mechanism in Part A of the CAF and provide necessary details.

Investors desiring to use the ASBA Process are required to submit their applications by selecting the ASBA Option in Part A of the CAF only. Application in electronic mode will only be available with such SCSBs who provide such facility. The Investors shall submit the CAF to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

More than one ASBA Investor may apply using the same ASBA Account, provided that the SCSBs will not accept a total of more than five CAFs with respect to any single ASBA Account.

Acceptance of the Issue

You may accept the Issue and apply for the Equity Shares either in full or in part, by filling Part A of the respective CAFs sent by the Registrar, selecting the ASBA process option in Part A of the CAF and submit the same to the Designated Branch of the SCSB before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by our Board in this regard.

Additional Equity Shares

You are eligible to apply for additional Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply for Equity Shares under applicable law and have applied for all the Equity Shares of the same type offered to you without renouncing them in whole or in part in favour of any other person(s). Subject to the foregoing, resident Eligible Equity Shareholders may subscribe to additional Equity Shares. Applications for additional Equity Shares shall be considered and Allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under “Terms of the Issue - Basis of Allotment” on page 143.

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF.

Renunciation under the ASBA Process

ASBA Investors can neither be Renouncees, nor can renounce their Rights Entitlement.

Mode of payment

The Investor applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorizing the SCSB to block an amount, equivalent to the amount payable on application, in an ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrar. Upon receipt of intimation from the Registrar, the SCSBs shall transfer such amount as per the Registrar’s instruction from the ASBA Account. This amount will be transferred in terms of the SEBI Regulations, into a separate bank account maintained by our Company for the purpose of the Issue. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar and the Lead Manager to the respective SCSB.

The Investor applying under the ASBA Process would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of CAF if the ASBA Account, details of which have been provided by the Investor in the CAF does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, our Company would have a right to reject the application only on technical grounds.

Please note that in accordance with the provisions of the SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011 all QIBs and Non-Institutional Investors complying with the eligibility conditions prescribed under the SEBI circular dated December 30, 2009 must mandatorily invest through the ASBA process.

Options available to the Eligible Shareholders applying under the ASBA Process

The summary of options available to the Eligible Equity Shareholders is presented below. You may exercise any of the following options with regard to the Equity Shares using the respective CAFs received from Registrar:

Option Available	Action Required
1. Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A (All joint holders must sign).
2. Accept your Rights Entitlement in full and apply for additional Equity Shares.	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares. (All joint holders must sign)

The Investors applying under the ASBA Process will need to select the ASBA option process in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the Designated Branch of the SCSBs with the relevant details required under the ASBA process

option and the SCSBs block the requisite amount, then that CAFs would be treated as if the Investor has selected to apply through the ASBA process option.

Application on Plain Paper (ASBA Process)

An Eligible Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. Eligible Shareholders shall submit the plain paper application to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper from any address outside India will not be accepted.

The envelope should be super scribed “Universal Cables Limited – Rights Issue” and should be postmarked in India. The application on plain paper, duly signed by the Eligible Shareholders including joint holders, in the same order and as per the specimen recorded with our Company/ Depositories, must reach the office of the Registrar before the Issue Closing Date and should contain the following particulars:

1. Name of Issuer, being Universal Cables Limited;
2. Name and address of the Eligible Shareholder including joint holders;
3. Registered Folio Number/ DP and Client ID No.;
4. Certificate numbers and distinctive numbers of Equity Shares, if held in physical form;
5. Number of Equity Shares held as on Record Date;
6. Number of Equity Shares entitled to;
7. Number of Equity Shares applied for;
8. Number of additional Equity Shares applied for, if any;
9. Total number of Equity Shares applied for;
10. Total amount paid at the rate of Rs.[●] per Equity Share;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of non-resident investors, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
13. Except for applications on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
14. Signature of the Eligible Shareholders to appear in the same sequence and order as they appear in our records; and
15. Additionally, all such Eligible Shareholders applying through ASBA are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”). I/ we understand the Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ are not in the United States and understand that neither us, nor the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of us have reason to believe is in the United States or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in

compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

Option to receive Equity Shares in Dematerialized Form

ELIGIBLE SHAREHOLDERS UNDER THE ASBA PROCESS MAY PLEASE NOTE THAT THE EQUITY SHARES UNDER THE ASBA PROCESS CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY SUCH ASBA APPLICANT ON THE RECORD DATE.

General instructions for Eligible Shareholders applying under the ASBA Process

1. Please read the instructions printed on the respective CAF carefully.
2. Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, Abridged Letter of Offer are liable to be rejected. The CAF must be filled in English.
3. The CAF in the ASBA Process should be submitted at a Designated Branch of the SCSB and whose bank account details are provided in the CAF and not to the Banker to the Issue (assuming that such Banker to the Issue is not a SCSB), to our Company or the Registrar or the Lead Manager to the Issue.
4. All Eligible Shareholders, and in the case of application in joint names, each of the joint Applicants, should mention his/her PAN allotted under the IT Act, irrespective of the amount of the application. Except for applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **CAFs without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Eligible Shareholders for which PAN details have not been verified shall be “suspended for credit” and no allotment and credit of Equity Shares pursuant to the Issue shall be made into the accounts of such Eligible Shareholders.**
5. All payments will be made by blocking the amount in the ASBA Account. Cash payment or payment by cheque/demand draft/pay order is not acceptable. In case payment is affected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
6. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Eligible Shareholders must sign the CAF as per the specimen signature recorded with our Company/or Depositories.
7. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company/ Depositories. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
8. All communication in connection with application for the Equity Shares, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers and CAF number.
9. Only the person or persons to whom the Equity Shares have been offered and not renouncee(s) shall be eligible to participate under the ASBA process.

10. Only persons outside the restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Equity Shares under applicable securities laws are eligible to participate.
11. Only the Eligible Shareholders holding Equity Shares in demat are eligible to participate through the ASBA process.
12. Eligible Shareholders who have renounced their entitlement in part/ full are not entitled to apply using the ASBA process.
13. Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, all Eligible Shareholders who are QIBs, Non-Institutional Eligible Shareholders and other Eligible Shareholders whose Application Money exceeds Rs. 2,00,000 complying with the eligibility conditions prescribed under the SEBI circular dated December 30, 2009 can participate in the Issue only through the ASBA process. QIBs, Non-Institutional Investors and other Applicants whose Application Money exceeds Rs. 2,00,000 shall use the ASBA facility at various centres where the facility is made available. The Eligible Shareholders who are not (i) QIBs, (ii) Non-Institutional Eligible Shareholders or (iii) investors whose Application Money is more than Rs. 2,00,000, can participate in the Issue either through the ASBA process or the non ASBA process.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

14. In case of non – receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under the section “Terms of the Issue - Application on Plain Paper (ASBA Process)” on page 138.

Do's:

1. Ensure compliance with the eligibility conditions prescribed under the SEBI circular dated December 30, 2009.
2. Ensure that the ASBA Process option is selected in Part A of the CAF and necessary details are filled in.
3. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialized form only.
4. Ensure that the CAFs are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the CAF.
5. Ensure that there are sufficient funds (equal to {number of Equity Shares as the case may be applied for} X {Issue Price of Equity Shares, as the case may be}) available in the ASBA Account mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.
6. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the ASBA Account, of which details are provided in the CAF and have signed the same.
7. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the CAF in physical form.
8. Except for CAFs submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Eligible Shareholder should mention their PAN allotted under the IT Act.

9. Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.
10. Ensure that the Demographic Details are updated, true and correct, in all respects.
11. Ensure that the account holder in whose bank account the funds are to be blocked has signed authorising such funds to be blocked.

Don'ts:

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
2. Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.
3. Do not pay the amount payable on application in cash, by money order, pay order or by postal order.
4. Do not send your physical CAFs to the Lead Manager / Registrar / Banker to the Issue (assuming that such Banker to the Issue is not a SCSB) / to a branch of the SCSB which is not a Designated Branch of the SCSB / Company; instead submit the same to a Designated Branch of the SCSB only.
5. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
6. Do not apply if the ASBA account has been used for five Eligible Shareholders.
7. Do not apply through the ASBA Process if you are not an ASBA Eligible Shareholder.
8. Do not instruct the SCSBs to release the funds blocked under the ASBA Process.
9. Do not submit CAF having the colour of ink specified for another class of Eligible Shareholders.

Grounds for Technical Rejections under the ASBA process

In addition to the grounds listed under “Grounds for Technical Rejections for non-ASBA Investors” on page 149, applications under the ASBA Process are liable to be rejected on the following grounds:

1. Application on a SAF.
2. Application for allotment of Rights Entitlements or additional Equity Shares which are in physical form.
3. DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the Registrar.
4. Sending an ASBA application on plain paper to person other than SCSB.
5. Sending CAF to Lead Manager / Registrar / Collecting Bank (assuming that such Collecting Bank is not a SCSB) / to a branch of a SCSB which is not a Designated Branch of the SCSB / Company.
6. Renouncee applying under the ASBA Process.
7. Submission of more than five CAFs per ASBA Account.
8. Insufficient funds are available with the SCSB for blocking the amount.
9. Funds in the ASBA Account whose details are mentioned in the CAF having been frozen pursuant to regulatory orders.
10. Account holder not signing the CAF or declaration mentioned therein.

11. CAFs that do not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in any restricted jurisdiction and is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.
12. CAFs which have evidence of being executed in/dispatched from any restricted jurisdiction.
13. QIBs, Non-Institutional Investors and other Eligible Shareholders applying for Equity Shares in this Issue for value of more than Rs. 2,00,000 who hold Equity Shares in dematerialised form and is not a Renouncer or a Renouncee not applying through the ASBA process.
14. Application by an Eligible Shareholder whose cumulative value of Equity Shares applied for is more than Rs. 2,00,000 but has applied separately through split CAFs of less than Rs. 2,00,000 and has not done so through the ASBA process.
15. Multiple CAFs, including cases where an Eligible Shareholder submits CAFs along with a plain paper application.
16. Submitting the GIR instead of the PAN.
17. An Eligible Shareholder, who is not complying with any or all of the conditions for being an ASBA Investor, applies under the ASBA process.
18. Applications by persons not competent to contract under the Indian Contract Act, 1872, as amended, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
19. ASBA Bids by SCSB applying through ASBA process on own account, other than through an ASBA Account in its own name with any other SCSB.
20. Applications by Eligible Shareholders ineligible to make applications through the ASBA process, made through the ASBA process.
21. Non-Institutional Investors who have a bank account with an SCSB providing ASBA facility in the location of the Non-Institutional Investors and the application by the Non-Institutional Investors is not made through that SCSB providing ASBA facility in such location.

Depository account and bank details for Eligible Shareholders applying under the ASBA Process

IT IS MANDATORY FOR ALL THE ELIGIBLE SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY THE ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE. ALL ELIGIBLE SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF. ELIGIBLE SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF/PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Eligible Shareholders applying under the ASBA Process should note that on the basis of name of these Eligible Shareholders, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF/plain paper applications, as the case may be, the Registrar to the Issue will obtain from the Depository, demographic details of these Eligible Shareholders such as address, bank account details for printing on refund orders and occupation ("Demographic Details"). Hence, Eligible Shareholders applying under the ASBA Process should carefully fill in their Depository Account details in the CAF.

These Demographic Details would be used for all correspondence with such Eligible Shareholders including mailing of the letters intimating unblocking of bank account of the respective Eligible Shareholder. The Demographic Details given by the Eligible Shareholders in the CAF would not be used for any other purposes by the Registrar.

Hence, Eligible Shareholders are advised to update their Demographic Details as provided to their Depository Participants.

By signing the CAFs, the Eligible Shareholders applying under the ASBA Process would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Letters intimating Allotment and unblocking or refund (if any) would be mailed at the address of the Eligible Shareholder applying under the ASBA Process as per the Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Eligible Shareholder. Eligible Shareholders applying under the ASBA Process may note that delivery of letters intimating unblocking of the funds 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 Eligible Shareholder in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.

Note that any such delay shall be at the sole risk of the Eligible Shareholders applying under the ASBA Process and none of our Company, the SCSBs or the Lead Manager shall be liable to compensate the Eligible Shareholder applying under the ASBA Process for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, (a) names of the Eligible Shareholders (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such applications are liable to be rejected.

Issue Schedule

Issue Opening Date:	[●]
Last date for receiving requests for SAFs:	[●]
Issue Closing Date:	[●]

The Board may however decide to extend the period of Issue as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

Basis of Allotment

Subject to the provisions contained in the Letter of Offer, the Articles of Association of our Company and the approval of the Designated Stock Exchange, the Board will proceed to allot the Equity Shares in the following order of priority reckoned separately for Equity Shares:

- Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/ have applied for Equity Shares renounced in their favour, in full or in part. Allotment to NR Renouncees shall be subject to the permissible foreign investment limits applicable to the Company under FEMA.
- Investors whose fractional entitlements are being ignored would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for Allotment under this head are more than the number of Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment
- Allotment to the Eligible Shareholders who, having applied for all the Equity Shares offered to them as part of the Issue, have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such additional Equity Shares will be at the sole discretion of the Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

- d) Allotment to Renouncees who, having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be at the sole discretion of the Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- e) Allotment to any other person that our Board as it may deem fit provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of the Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of regulation 3(1)(b) of the Takeover Regulations.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Allotment Advices / Refund Orders

Our Company will issue and dispatch Allotment advice/ demat credit and/or letters of regret along with refund order or credit the allotted Equity Shares to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law. Our Company shall also be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees and every officer of our Company in default shall be punishable with imprisonment for a term of one year or with fine which shall not be less than fifty thousand rupees but may extend to three lakh rupees or with both in accordance with Section 40 (5) of the Companies Act, 2013.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Electronic Clearing Service ("NECS") except where Investors have not provided the details required to send electronic refunds.

In case of those Investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, advice regarding their credit of the Equity Shares shall be given separately. Investors 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 15 days of the Issue Closing Date.

The letter of allotment/ refund order would be sent by registered post/ speed post to the sole/ first Investor's Indian address provided by the Eligible Shareholders to our Company. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favour of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

In the case of non-resident shareholders or Investors who remit their Application Money from funds held in NRE/FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF. Subject to the applicable laws and other approvals, in case of Non-resident shareholders or Investors who remit their application money through Indian Rupee demand drafts purchased from abroad, refund and/or payment of dividend or interest and any other disbursement, shall be credited to such accounts and will be made after deducting bank charges or commission in US Dollars, at the rate of exchange prevailing at such time. Our Company will not be responsible for any loss on account of exchange rate fluctuations for conversion of the Indian Rupee amount into US Dollars. The letter of allotment will be sent by registered post / speed post to the Indian address of the Non Resident shareholders or Investors as provided to our Company.

Payment of Refund

Mode of making refunds

The payment of refund, if any, would be done through any of the following modes:

1. NECS – Payment of refund would be done through NECS for Investors having an account at any of the 68 centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories/the records of the Registrar. The payment of refunds is mandatory for Investors having a bank account at any centre where NECS facility has been made available (subject to availability of all information for crediting the refund through NECS).
2. National Electronic Fund Transfer (“**NEFT**”) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
3. Direct Credit – Investors having bank accounts with the Banker to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
4. RTGS – If the refund amount exceeds Rs. 2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the CAF. In the event the same is not provided, refund shall be made through NECS or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
5. For all other Investors the refund orders will be dispatched through speed post/ registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
6. Credit of refunds to Investors in any other electronic manner, permissible under the banking laws, which are in force, and is permitted by SEBI from time to time.

Refund payment to Non- residents

Where applications are accompanied by Indian rupee drafts purchased abroad and payable at Mumbai, refunds will be made in the Indian rupees based on the U.S. dollars equivalent which ought to be refunded. Indian rupees will be converted into U.S. dollars at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned Applicant and our Company shall not bear any part of the risk.

Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques were drawn and details of which were provided in the CAF.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor’s bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders/refund warrants which can then be deposited only in the account specified. Our Company will, in no way, be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice / Share Certificates/ Demat Credit

Allotment advice / share certificates / demat credit or letters of regret will be dispatched to the registered address of

the first named Investor or respective beneficiary accounts will be credited within 15 days, from the Issue Closing Date. In case our Company issues Allotment advice, the respective share certificates will be dispatched within one month from the date of the Allotment. Allottees are requested to preserve such allotment advice (if any) to be exchanged later for share certificates.

Option to receive Equity Shares in Dematerialized Form

Investors (including Applicants who are holding Equity Shares in the physical form as on the Record Date) shall be allotted the Equity Shares in dematerialized (electronic) form at the option of the Investor. Our Company has signed a tripartite agreement with NSDL on November 10, 1998 which enables the Investors to hold and trade in the equity shares issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates. Our Company has also signed a tripartite agreement with CDSL on December 15, 1999 which enables the Investors to hold and trade in the Equity Shares issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

In this Issue, the Allottees who have opted for Equity Shares in dematerialized form will receive their Equity Shares in the form of an electronic credit to their beneficiary account as given in the CAF, after verification with a depository participant. Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Allotment advice, refund order (if any) would be sent directly to the Investor by the Registrar to the Issue but the Investor's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Investor's depository account. CAFs, which do not accurately contain this information, will be given the Equity Shares in physical form. No separate CAFs for Equity Shares in physical and/or dematerialized form should be made. If such CAFs are made, the CAFs for physical Equity Shares will be treated as multiple CAFs and is liable to be rejected. In case of partial Allotment, Allotment will be done in demat option for the Equity Shares sought in demat and balance, if any, will be Allotted in physical Equity Shares. Eligible Shareholders of our Company holding Equity Shares in physical form may opt to receive Equity Shares in the Issue in dematerialized form.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the electronic form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. *Those Investors who have already opened such beneficiary account(s) need not adhere to this step.*
2. For Eligible Shareholders already holding Equity Shares in dematerialized form as on the Record Date, the beneficial account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Equity Shares pursuant to this Issue by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. It may be noted that the Allotment of Equity Shares arising out of this Issue may be made in dematerialized form even if the Equity Shares are not dematerialized. Nonetheless, it should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company/ Depositories.
3. The responsibility for correctness of information (including Investor's age and other details) filled in the CAF vis-à-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in CAF should be the same as registered with the Investor's depository participant.
4. If incomplete / incorrect beneficiary account details are given in the CAF, the Investor will get Equity Shares in physical form.
5. The Equity Shares allotted to Applicants opting for issue in dematerialized form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund order (if any) would be sent directly to the Applicant by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Applicant's depository account.
6. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of

Equity Shares in this Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.

General instructions for non-ASBA Investors

1. Please read the instructions printed on the CAF carefully.
2. Applicants that are not QIBs or are not Non – Institutional Investor or those whose Application money does not exceed Rs. 2,00,000 may participate in the Issue either through ASBA or the non-ASBA process. Eligible Shareholders who have renounced their entitlement (in full or in part), Renouncees and Applicants holding Equity Shares in physical form and/or subscribing in the Issue for Allotment in physical form may participate in the Issue only through the non ASBA process.
3. Application should be made on the printed CAF, provided by our Company except as mentioned under the head “Terms of the Issue – Application on Plain Paper (Non-ASBA Process)” on page 138 and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of the Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the Investors, details of occupation, address, father’s / husband’s name must be filled in block letters.
4. The CAF together with the cheque/demand draft should be sent to the Banker to the Issue or to the Registrar and not to our Company or the Lead Manager to the Issue. Investors residing at places other than cities where the branches of the Banker to the Issue have been authorised by our Company for collecting applications, will have to make payment by demand draft payable at Mumbai of an amount net of bank and postal charges and send their CAFs to the Registrar by registered post. If any portion of the CAF is/are detached or separated, such application is liable to be rejected.

Applications where separate cheques/demand drafts are not attached for amounts to be paid for the Equity Shares are liable to be rejected. Applications accompanied by cash, postal order or stock invest are liable to be rejected.

5. Except for applications on behalf of the Central and State Government, the residents of Sikkim and the officials appointed by the courts, all Investors, and in the case of application in joint names, each of the joint Investors, should mention his/her PAN allotted under the IT Act, irrespective of the amount of the application. CAFs without PAN will be considered incomplete and are liable to be rejected.
6. Investors, holding Equity Shares in physical form, are advised that it is mandatory to provide information as to their savings/current account number, the nine digit MICR number and the name of the bank with whom such account is held in the CAF to enable the Registrar to print the said details in the refund orders, if any, after the names of the payees. Application not containing such details is liable to be rejected.
7. All payment should be made by cheque or demand draft only. Cash payment is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
8. Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Investors must sign the CAF as per the specimen signature recorded with our Company.
9. In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application and a copy of the Memorandum of Association and Articles of Association and / or bye laws of such body corporate or society must be lodged with the Registrar giving reference of the serial number of the CAF. In case the above referred documents are already registered with our Company, the same need not be a furnished again. In case these papers are sent to any other entity besides the Registrar or are sent after the Issue Closing Date, then the application is liable to be rejected. In no case should these papers be attached to the application submitted to the Banker to the Issue.
10. In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company/Depositories. Further, in case of joint Investors who

are Renouncees, the number of Investors should not exceed three. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.

11. Application(s) received from NRs/NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, *inter alia*, be subject to conditions, as may be imposed from time to time by the RBI under FEMA, in the matter of refund of application money, Allotment of Equity Shares, interest, export of share certificates, etc. In case an NR or NRI Investor has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Additionally, applications will not be accepted from NRs/NRIs in any jurisdiction where the offer or sale of the Rights Entitlements and issue of Equity Shares of our Company may be restricted by applicable securities laws.
12. All communication in connection with application for the Equity Shares, including any change in address of the Investors should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Investor, folio numbers and CAF number. Please note that any intimation for change of address of Investors, after the date of Allotment, should be sent to the Registrar and transfer agents of our Company, in the case of Equity Shares held in physical form and to the respective depository participant, in case of Equity Shares held in dematerialized form.
13. SAFs cannot be re-split.
14. Only the person or persons to whom Equity Shares have been offered and not Renouncee(s) shall be entitled to obtain SAFs.
15. Investors must write their CAF number at the back of the cheque /demand draft.
16. Only one mode of payment per application should be used. The payment must be by cheque / demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the bankers clearing house located at the centre indicated on the reverse of the CAF where the application is to be submitted.
17. A separate cheque / draft must accompany each CAF. Outstation cheques / demand drafts or post-dated cheques and postal / money orders will not be accepted and applications accompanied by such cheques / demand drafts / money orders or postal orders will be rejected. The Registrar will not accept payment against application if made in cash.
18. No receipt will be issued for application money received. The Banker to the Issue / Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.
19. The distribution of the Letter of Offer and issue of Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements in those jurisdictions. Persons in such jurisdictions are instructed to disregard the Letter of Offer and not to attempt to subscribe for Equity Shares.
20. Investors shall be given an option to get the Equity Shares in demat or physical mode.
21. Investors are requested to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

Do's for non-ASBA Investors:

1. Check if you are eligible to apply i.e. you are an Eligible Shareholder on the Record Date.
2. Read all the instructions carefully and ensure that the cheque/ draft option is selected in Part A of the CAF and necessary details are filled in.
3. In the event you hold Equity Shares in dematerialised form, ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only.
4. Ensure that your Indian address is available to us and the Registrar and transfer agent, in case you hold the Equity Shares in physical form or the depository participant, in case you hold Equity Shares in dematerialised form.

5. Ensure that the value of the cheque/ draft submitted by you is equal to the (number of Equity Shares applied for) X (Issue Price of Equity Shares, as the case may be) before submission of the CAF.
6. Ensure that you receive an acknowledgement from the collection branch of the Banker to the Issue for your submission of the CAF in physical form.
7. Ensure that you mention your PAN allotted under the IT Act with the CAF, except for Applications on behalf of the Central and the State Governments, residents of the state of Sikkim and officials appointed by the courts.
8. Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.
9. Ensure that the demographic details are updated, true and correct, in all respects.

Don'ts for non-ASBA Investors:

1. Do not apply if you are not eligible to participate in the Issue the securities laws applicable to your jurisdiction.
2. Do not apply on duplicate CAF after you have submitted a CAF to a collection branch of the Banker to the Issue.
3. Do not pay the amount payable on application in cash, by money order or by postal order.
4. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
5. Do not submit Application accompanied with stock invest.
6. Do not submit CAF having the colour of ink specified for another class of Eligible Shareholders.

Grounds for Technical Rejection for non-ASBA Investors

Investors are advised to note that applications are liable to be rejected on technical grounds, including the following:

1. Amount paid does not tally with the amount payable.
2. Bank account details (for refund) are not given and the same are not available with the DP (in the case of dematerialized holdings) or the Registrar and transfer agent (in the case of physical holdings).
3. Age of Investor(s) not given (in case of Renouncees).
4. Except for CAFs on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, PAN not given for application of any value.
5. In case of CAF under power of attorney or by limited companies, corporate, trust, relevant documents are not submitted.
6. If the signature of the Investor does not match with the one given on the CAF and for renounce(s) if the signature does not match with the records available with their depositories.
7. CAFs are not submitted by the Investors within the time prescribed as per the CAF and the Letter of Offer.
8. CAFs not duly signed by the sole/joint Investors.
9. CAFs/ SAFs by OCBs not accompanied by a copy of an RBI approval to apply in this Issue.
10. Applications for additional Equity Shares by NR Renouncees.

11. CAFs submitted by Non-Resident Renouncee(s) who are not FIIs, NRIs or RFPIs.
12. Submission of the CAFs to the SCSBs.
13. Submission of plain paper Application to person other than the Registrar to the Issue.
14. CAFs accompanied by stock invest/ outstation cheques/ post-dated cheques/ money order/ postal order/ outstation demand drafts.
15. In case no corresponding record is available with the depositories that match three parameters, namely, names of the Investors (including the order of names of joint holders), DP ID and Client ID.
16. CAFs that do not include the certifications set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in any restricted jurisdictions and is authorised to acquire the Rights Entitlements and Equity Shares in compliance with all applicable laws and regulations.
17. CAFs which have evidence of being executed in/dispatched from restricted jurisdictions.
18. CAFs by ineligible Non-Residents (including on account of restriction or prohibition under applicable local laws) and where an Indian address has not been provided.
19. CAFs where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements.
20. In case the GIR number is submitted instead of the PAN.
21. Applications by Renouncees who are persons not competent to contract under the Indian Contract Act, 1872, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
22. Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.
23. Applications from QIBs, Non-Institutional Investors or Investors applying in this Issue for Equity Shares for an amount exceeding Rs. 2,00,000, not through ASBA process.
24. Application by an Eligible Shareholder whose cumulative value of Equity Shares applied for is more than Rs. 2,00,000 but has applied separately through SAFs of less than Rs. 2,00,000 and has not been undertaken through the ASBA process.

Please read the Letter of Offer and the instructions contained therein and in the CAF carefully before filling in the CAF. The instructions contained in the CAF are an integral part of the Letter of Offer and must be carefully followed. The CAF is liable to be rejected for any non-compliance of the provisions contained in the Letter of Offer or the CAF.

Investment by FPIs or FII

In accordance with the SEBI (FPI) Regulations, the issue of Equity Shares under this Issue to a single FPI or FII should not exceed 10% of the post-issue paid up capital of our Company. **Applications will not be accepted from FIIs in the United States or its territories and possessions, or any other jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.**

FPI or FII applicants cannot apply for additional Equity Shares or apply for Equity Shares obtained through renunciation in their favour unless accompanied by applicable regulatory approvals from FIPB and/or RBI.

In accordance with foreign investment limits applicable to our Company, the total FII or FPI investment cannot exceed 24% of the total paid-up capital of our Company. With the approval of our Board and our shareholders, (by way of a special resolution), the aggregate FII holding can go up to the permitted sectoral cap applicable to our Company. 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.

An FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account (other than a sub-account which is a foreign corporate or a foreign individual) may participate in the Issue, until expiry of

its registration as an FII or sub-account or until it obtains a certificate of registration as an FPI, whichever is earlier. If the registration of an FII or sub-account has expired or is about to expire, such FII or sub-account may, subject to payment of conversion fees as applicable under the SEBI FPI Regulations, participate in the Issue. An FII or sub-account shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

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.

Investment by NRIs

Investments by NRIs are governed by the portfolio investment scheme under Regulation 5(3)(i) of the FEMA Regulations. Applications will not be accepted from NRIs in restricted jurisdictions.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular number CIR/CFD/ DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs, Non-Institutional Investors or are applying in this Issue for Equity Shares for an amount exceeding Rs. 2,00,000 shall mandatorily make use of ASBA facility.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Application made by asset management companies or custodian of a mutual fund shall clearly indicate the name of the concerned scheme for which Application is being made.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular number CIR/CFD/ DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs, Non-Institutional Investors or are applying in this Issue for Equity Shares for an amount exceeding Rs. 2,00,000 shall mandatorily make use of ASBA facility.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of subsection (1) of Section 38 of the Companies Act, 2013 read with Section 447 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its Equity Shares; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its Equity Shares; or otherwise induces directly or indirectly a company to allot, or register any transfer of, Equity Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

Dematerialized dealing

Our Company has entered into agreements, each dated November 10, 1998 and December 15, 1999 with NSDL and CDSL, respectively, and its Equity Shares bear the ISIN INE279A01012.

Payment by Stockinvest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated 5 November 2003, the Stockinvest Scheme has been withdrawn. Hence, payment through Stockinvest would not be accepted in this Issue.

Disposal of application and application money

No acknowledgment will be issued for the application moneys received by our Company. However, the Bankers to the Issue / Registrar to the Issue receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF.

The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Equity Shares allotted, will be refunded to the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law. Our Company shall also be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees and every officer of our Company in default shall be punishable with imprisonment for a term of one year or with fine which shall not be less than fifty thousand rupees but may extend to three lakh rupees or with both in accordance with Section 40 (5) of the Companies Act, 2013.

For further instructions, please read the CAF carefully.

Utilisation of Issue Proceeds

Our Board of Directors declares that:

- (i) All monies received out of the Issue shall be transferred to a separate bank account maintained by our Company as per the provisions of section 40(3) of the Companies Act, 2013;
- (ii) Details of all monies utilized out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- (iii) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- (iv) Our Company may utilize the funds collected in the Issue only after the basis of Allotment is finalized.

Undertakings by our Company

Our Company undertakes the following:

- 1. The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2. All the steps for completion of the necessary formalities for listing and commencement of trading at all stock exchanges where the Equity Shares are to be listed are taken within seven working days of finalisation of basis of allotment.
- 3. The 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 our Company.
- 4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5. Except as disclosed in section titled “Capital Structure” in this Draft Letter of Offer, no further issue of equity shares affecting our Company’s equity capital shall be made till the Equity Shares issued/ offered in the Issue are listed or till the application money are refunded on account of non-listing, under-subscription etc.
- 6. Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.
- 7. Adequate arrangements shall be made to collect all ASBA applications and to consider then similar to non-ASBA applications while finalising the Basis of Allotment.
- 8. At any given time there shall be only one denomination for the Equity Shares of our Company.
- 9. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue (including devolvement of underwriter), our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in the refund of the subscription amount by more than eight days after our Company becomes liable to pay the subscription amount (i.e. 15 days after the Issue Closing Date), our Company shall pay interest at the rate of 15% p.a., for the delayed period, as per Rule 3 of the Companies (Prospectus and Allotment of Securities), Rules, 2014.

Important

Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the CAF are an integral part of the conditions of the Draft Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.

All enquiries in connection with the Draft Letter of Offer or CAF or Abridged Letter of Offer and requests for SAFs must be addressed (quoting the Registered Folio Number/ DP and Client ID number, the CAF number and the name of the first Equity Shareholder as mentioned on the CAF and super scribed "Universal Cables Limited - Rights Issue" on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound, L.B.S. Marg

Bhandup (West)

Mumbai 400 078

Tel: (91 22) 6171 5400

Fax: (91 22) 2596 0329

E-mail: ucl.rights@linkintime.co.in

Investor Grievance E-Mail: ucl.rights@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Sachin Achar

SEBI Registration Number: INR000004058

Corporate Identification Number: U67190MH1999PTC118368

The Rights Entitlement and the Equity Shares are not intended to be offered or sold to persons in the United States or any other jurisdiction where such offer or sale may be prohibited. The offering to which the Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any shares or rights to sale in the United States, the territories or possessions thereof, or a solicitation therein of an offer to buy any of the said shares or rights. Accordingly, the Letter of Offer and the CAF should not be dispatched or forwarded to or transmitted in or to, the United States at any time. Our Company and the Lead Manager reserve absolute discretion in determining whether to allow such participation as well as the identity of the persons who may be allowed to do so. Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States or any other jurisdiction where such acquisition may be prohibited.

The Issue will remain open for a minimum 15 days. However, the Board will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

SECTION IX

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The contracts referred to below (not being contracts entered into in the ordinary course of business carried on by us or entered into more than two years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at P. O. Birla Vikas, Satna - 485 005, Madhya Pradesh between 10 a.m. and 5 p.m. on all working days from the date of this Draft Letter of Offer until the Issue Closing Date.

Material Contracts

1. Issue Agreement dated May 20, 2015 between our Company and the Lead Manager.
2. Registrar Agreement dated May 15, 2015 between our Company and the Registrar to the Issue.
3. Escrow Agreement dated [●] amongst our Company, the Lead Manager, the Registrar to the Issue and the Escrow Collection Bank.

Material Documents / Documents for Inspection

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended.
2. Certificate of Incorporation of our Company and certificates of incorporation consequent upon change in name of our Company.
3. Resolutions of our Board dated March 31, 2015 in relation to this Issue and other related matters.
4. Postal ballot resolutions of our shareholders dated May 13, 2015 in relation to this Issue and other related matters.
5. Resolution passed by a committee of our Board of Directors dated [●] finalizing the Issue Price, Record Date and the Rights Entitlement Ratio.
6. Letter of offer dated February 12, 1998 filed with the Stock Exchanges by the Company.
7. Consents of our Directors, Company Secretary and Compliance Officer, Statutory Auditors, Lead Manager, Banker to the Issue, Legal Advisor to the Issue and the Registrar to the Issue for inclusion of their names in this Draft Letter of Offer to act in their respective capacities.
8. Consent of M/s. V. Sankar Aiyar and Co., Chartered Accountants, to be named as an “expert” under Sections 2(38) and 26 of the Companies Act, 2013 dated May 27, 2015 on the audited financial statements and the Statement of Tax Benefits dated May 27, 2015.
9. The report of the Statutory Auditors, being M/s. V. Sankar Aiyar and Co., Chartered Accountants, dated May 15, 2015 on the audited financial statements for the financial year ended March 31, 2015.
10. Annual Reports of our Company for the financial years ending 2014 and 2013.
11. Certificate dated May 27, 2015 from Statutory Auditor confirming that our Company has utilised the borrowings for the purposes for which the borrowings were availed.
12. Due Diligence Certificate dated May 29, 2015 addressed to SEBI from the Lead Manager.
13. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.
14. Copy of the letter dated [●] issued by RBI approving the renunciation of rights entitlement;
15. Letter no. [●] dated [●] issued by SEBI for the Issue.

16. Tripartite Agreement dated November 10, 1998 between our Company and NSDL.
17. Tripartite Agreement dated December 15, 1999 between our Company and CDSL.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions etc. issued by SEBI, Government of India and any other competent authority in this behalf have been duly complied with. We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Signed by the Directors of our Company

Name	Signature
Harsh V. Lodha <i>Chairman, Non-Independent, Non-Executive director</i>	
S. R. Jain <i>Independent Director</i>	
S. S. Kothari <i>Independent Director</i>	
S. C. Jain <i>Independent Director</i>	
Dinesh Chanda <i>Independent Director</i>	
Kavita A Sharma <i>Independent Director</i>	
B. R. Nahar <i>Non-Independent, Non-Executive director</i>	

Y. S. Lodha
Chief Executive Officer

Amitava Bose
Manager & Chief Operating Officer

Date: May 29, 2015
Place: New Delhi

Rakesh Barmecha
Chief Financial Officer