14th ANNUAL REPORT
2017-18

Sicagen India Limited
www.sicagen.com

Contents

Board of Directors	**Ashwin C Muthiah** Chairman (DIN: 00255679)
	Sunil Deshmukh Director (DIN: 05210882)
	B Narendran Independent Director (DIN: 01159394)
	Harish Chandra Chawla Independent Director (DIN: 00085415)
	Sashikala Srikanth Independent Director (DIN: 01678374)
	Rita Chandrasekar Independent Director (DIN: 03013549)
	Devidas Mali COO & Whole Time Director (DIN: 01405268)
	Shridhar Gogte (upto 15th May 2018) Whole Time Director (DIN: 07263758)
Chief Financial Officer (CFO)	**D Balagopal**
Company Secretary	**R Achuthan** (upto 9th March 2018) **G Arunmozhi** (w.e.f. 15th May 2018)
Registered Office	4th Floor, SPIC House No. 88, Mount Road, Guindy, Chennai - 600 032
Bankers	Andhra Bank Axis Bank HDFC Bank State Bank of India
Statutory Auditors	M/s. SRSV & Associates Chartered Accountants “Anmol Palani” Level-2 C-4, III Floor No. 88, G.N. Chetty Road, T.Nagar, Chennai - 600 017
Internal Auditors	M/s.Sundar Srini & Sridhar (w.e.f. 1st April 2018) Chartered Accountants No. 9, Rajamannar Street, T.Nagar, Chennai-600017
	M/s.M.K. Dandeker & Co (up to 31st March 2018) Chartered Accountants No. 244, Old No.138, Angappa Naicker Street, Chennai-600001
Secretarial Auditor	R.Kannan Practicing Company Secretary No. 6A, 10th Street, Mahalakshmi Nagar New Colony, Adambakkam, Chennai-600088
Registrar & Share Transfer Agent	Cameo Corporate Services Limited Unit: Sicagen Subramanian Building, 5th Floor No. 1, Club House Road, Chennai - 600 002 Tel: 044 - 28460390 Fax: 044 - 28460129

Company Information

Name of Company	Sicagen India Limited
Incorporation	2004
Revenue	₹ 57819 Lakhs
Net Profit	₹ 642 Lakhs
Shares Issued	₹ 3957 Lakhs
Listing	Bombay Stock Exchange Ltd (BSE) National Stock Exchange of India Ltd (NSE)
Scrip Code	BSE : 533014 NSE : SICAGEN
Demat ISIN	INE176J01011
CIN	L74900TN2004PLC053467

Lines of Business

Building Materials
The distribution of building materials such as MS/GI pipes, precision tubes, seamless tubes, rectangular/square hollow sections, construction steel including TMT steel rebars, PVC pipes, electrical cables, steel fittings, cement, sanitary wares & CP fittings.

For dealers, contractors, builders and corporate buyers our network of 26 branches across India serves as a single window to top building material manufacturers that include TATA Steel, Jindal Pipes, Steel Authority of India, Finolex Cables, Supreme Industries, Maharashtra Seamless, ACC Cements and Dalmia Cements.

Power & Control Systems (Formerly Goodwill Governor Services)
Power & Control Systems is the business partner and India's only authorized service centre for WOODWARD, makers of the World's finest governors and is a Distributor for NORGREN power sector products.

Industrial Packaging (Formerly Beta Industries)
Manufacture of drums and barrels that are used for the transport of lubricant oil, hazardous and non-hazardous chemicals and pulp.

Specialty Chemicals
Provides water treatment and process improvement solutions for petrochemical, fertilizer, refinery, power, pharmaceutical, agro and pesticide industries.

Engineering (Formerly Goodwill Engineering Works)
Builds boats, tugs & barges.

Cable Manufacturing – Wilson Cables Private Ltd, Singapore (Subsidiary)
Manufacture of premium cables for industrial and other critical applications.

Fabrication – Danish Steel Cluster Private Ltd, Bengaluru (Subsidiary)
Precision fabrication of steel, carbon steel, mild steel and aluminium.

Sicagen India Limited

Registered Office: 4th Floor, SPIC House, No.88, Mount Road, Guindy, Chennai - 600032

Phone No. 044-30070300 Fax No. 044-30070399

(CIN: L74900TN2004PLC053467)

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 14th Annual General Meeting of the shareholders of **Sicagen India Limited**, will be held on Monday, 06th August 2018 at 3.00 p.m. at "Rajah Annamalai Hall", Esplanade, Chennai - 600 108 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2018, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare equity dividend for the year 2017-18.
3. To appoint a Director in the place of Mr.Ashwin C Muthiah (DIN 00255679), who retires by rotation and being eligible, offers himself for re-election.

SPECIAL BUSINESS

4. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Mr.J.Karthikeyan, Cost Accountants appointed as the Cost Auditors of the Company by the Board of Directors, for the conduct of the audit of the cost records of the Company for the financial year 2018-19 at a remuneration of Rs.90,000/- (Rupees Ninety Thousand Only) excluding applicable taxes/GST, travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit be and is hereby ratified and confirmed.

By order of the Board
For Sicagen India Limited

Date : 15th May 2018 **G Arunmozhi**
Place : Chennai Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy shall be deposited at the Registered office of the Company not later than 48 (forty eight hours) before the time fixed for holding the meeting; in default, the instrument of proxy shall be treated as invalid.
2. An explanatory statement pursuant to Section 102 of the Companies Act 2013, in respect of Item No.4 of the notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed **from 28th July 2018 to 06th August 2018 (both days inclusive)** for the purpose of payment of dividend to the eligible shareholders as on the **cut off date ie., 27th July 2018**.
4. The members/proxies should bring their attendance slip duly filled in and signed, clearly indicating their Folio No (or) DP ID/Client ID as the case may be, along with the Annual Report and they are requested to hand over the attendance slip at the entrance of the hall for attending the meeting.
5. Shareholders seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
6. Members are hereby informed that the Company has appointed M/s. Cameo Corporate Services Ltd, Unit: Sicagen, "Subramanian Building 5th Floor, No.1, Club House Road, Chennai-600002, Tel:044-28460390/Fax:044-28460129/e-mail address: cameo@cameoindia.com as its Registrar and Share Transfer Agent (RTA) for both electronic and physical transactions of the shares. The shareholders are therefore requested to take note of the same and send all documents, correspondences, queries on any matter to RTA at the above mentioned address.
7. As per SEBI directive, submission of self-attested PAN copy of transferee/legal heir including joint holders if any is mandatory for registration of transfer/ transmission/ transposition of shares. Hence the respective transferee(s)/ legal heir(s) are requested to attach their self-attested PAN copy to the Company/ RTA while lodging the documents for registration.
8. Members those who hold share(s) in physical form are requested to notify immediately any change in their address to the Company / RTA and those who hold share(s) in demat form to the concerned Depository Participants.
9. Members are informed that the equity dividend amount for the year ended 31st March 2011, remaining unclaimed shall become due for transfer on 28th August 2018 to the Investor Education and Protection Fund established by the Central Government in terms of Section 125(2) of the Companies Act, 2013 on expiry of 7 years from the date it became due for payment. Therefore, members are requested to note that no claim shall lie against the Company or the aforesaid fund in respect of any amount of dividend remaining unclaimed/unpaid for a period of 7 years subsequent to the transfer. Any member, who has not claimed dividend in respect of the financial year ended 31st March 2011 onwards is requested to approach the Company/the Registrar and Share Transfer Agents of the Company for claiming the same as early as possible but not later than

28th August, 2018. The Company has sent reminders to all such members at their registered addresses in this regard.

10. Members are informed that the Company is in the process of transferring the equity shares of shareholders who have not claimed any dividend declared by the Company for 7 consecutive years as per the provisions of Section 124(6) of the Companies Act, 2013 read with the IEPF (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017. Any member, who has not claimed any dividend for the period of 7 years continuously is requested to approach the Company/ RTA of the Company for claiming the same as early as possible.
11. The Registered Office of the Company is situated at 4th Floor, SPIC House, No.88, Mount Road, Guindy, Chennai-600032. Hence Members are requested to send all letter correspondence to the above Registered Office.
12. The Company's equity shares are listed with the Bombay Stock Exchange Ltd and the National Stock Exchange of India Ltd and the listing fees for the year 2017-18 has been paid to above Stock Exchanges.
13. Shareholders are aware that the Ministry of Corporate Affairs has allowed paperless compliances by the Companies through electronic form with an intention to reduce paper consumption and contribute towards a greener environment. The Company is also in the process of sending annual reports, notices and other documents in electronic form in order to help delivery of communications by shareholders and reduce paper consumption. Hence the shareholders are hereby requested to register your email ID with the Company/RTA by submitting EARF (Email Address Registration Form), a copy of which is available with the Company and also can be downloaded from the Company's website www.sicagen.com.
12. Shareholders are requested to furnish/update their bank account details (ie Bank account No., Name and address of the Bank, 9 digit MICR code, RTGS/ IFSC code) to remit the dividend amount directly through ECS (Electronic Clearing Services) to their accounts so as to avoid fraudulent encashment / loss of dividend warrant in postal transit. Shareholders who hold shares in demat form may provide their bank account details to their concerned Depository Participant (DP) and those who hold shares in physical form may provide their bank account details to the Company/RTA.
13. Information required to be given under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 about the particulars of Director(s) to be re-appointed at the ensuing Annual General Meeting and their Directorship/Committee Membership/ Chairmanship in other Companies is given hereunder. Directorship held in Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013 are excluded and Memberships/Chairmanships held in Audit Committee and Stakeholders Relationship Committee have only been included.

    (a). Mr.Ashwin C Muthiah, aged about 52 years, a resident of Singapore, holds a Master's degree in Commerce and MBA from Philadelphia University. He has over 27 years of rich experience in the field of general management, new business development strategies, manufacturing facility management, financial management and human resources.

Other Directorship held:

Southern Petrochemicals Industries Corporation Ltd	- Chairman
Manali Petrochemicals Ltd	- Chairman
Tamilnadu Petroproducts Ltd	- Vice Chairman

Other Committee Membership/Chairmanships held:

Manali Petrochemicals Ltd
Stakeholders Relationship Committee - Chairman

Tamilnadu Petroproducts Ltd
Stakeholders Relationship Committee - Member

Instructions for members for voting electronically are as under:-

1) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2016 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the 14th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
2) The facility for voting through ballot paper shall be made available at the AGM hall and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
3) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4) **The remote e-voting period commences on 01st August 2018 (9:00 a.m.) and ends on 05th August 2018 (5:00 p.m.).** During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 27th July 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

5) The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

(i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file “remote e-voting.pdf”.

(ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

(iii) Click on Shareholder - Login

(iv) Put your user ID and password. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select “EVEN” of “Sicagen India Limited”.

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

(x) Upon confirmation, the message “Vote cast successfully” will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to gkrkgram@yahoo.in with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number) USER ID & PASSWORD/PIN

(ii) Please follow all steps from Sl. No.(ii) to (xii) above to cast vote.

6) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

7) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/ Password can use “Forgot User Details/ Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

8) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

9) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 27th July 2018.

10) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 27th July 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or cameo@cameoindia.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

11) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

12) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

13) Mr.R.Kannan, Practicing Company Secretary (CP No. 3313) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

14) The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Polling Paper” for all those members who are present at the

AGM but have not cast their votes by availing the remote e-voting facility.

15) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

16) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.sicagen.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE & BSE.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following explanatory statement sets out the material facts referring to item no. 4 of the notice dated 15th May 2018:-

Item No. 4

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of Company. On recommendation of the Audit Committee at its meeting held on 15th May 2018, the Board has appointed Mr.J.Karthikeyan, Cost Accountant as the Cost Auditor of the Company for the financial year 2018-19 at a remuneration of Rs.90,000/- per annum exclusive of all applicable taxes and reimbursement of out of pocket expenses incurred, if any, in connection with the cost audit. The appointment and the remuneration payable to the above Cost Auditor are required to be ratified subsequently in accordance with the provisions of the Act and Rule 14 of the Rules. Accordingly, the Directors recommend the Resolution as set out in Item No.4 of the Notice for the approval of shareholders.

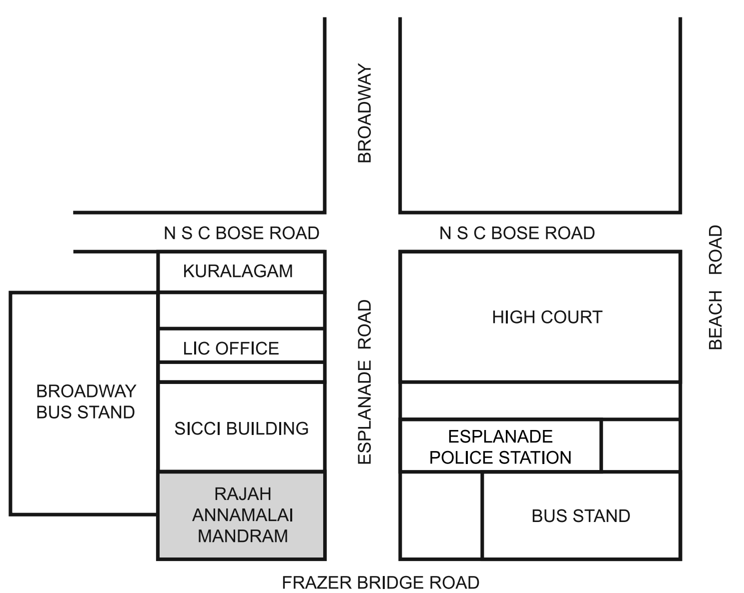
None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at Item No.4 of the Notice.

By order of the Board
For Sicagen India Limited

Date : 15th May 2018
Place : Chennai

G Arunmozhi
Company Secretary

ROUTE MAP FOR AGM VENUE



DIRECTORS' REPORT

Your Directors are pleased to present the 14th Annual Report and the Audited Financial Statements of the Company for the year ended 31st March 2018.

FINANCIAL RESULTS

Financial performance of the Company for the year ended 31st March 2018 is summarized below:

(₹ Lakhs)

	Year ended 31st March 2018	Year ended 31st March 2017
Revenue from operations	**56,645**	56,423
Other Income	**1,174**	1,033
Total Revenue	**57,819**	57,456
Profit before Finance Cost, Depreciation and Tax	**1,567**	1,535
Finance Cost	**688**	616
Depreciation	**174**	160
Profit before Tax	**705**	759
Provision for Tax	**63**	9
Profit after Tax	**642**	750
Other Comprehensive Income	**23**	193
Total Comprehensive Income for the year	**665**	943
Balance in other Equity	**34,269**	33,611
Amount available for Appropriations	**34,934**	34,554
Appropriations		
General Reserve	**Nil**	Nil
Dividend on Equity shares	**237**	237
Tax on Dividend	**48**	48
Balance carried to the Balance Sheet	**34,649**	34,269
Earnings per share (EPS) in Rs.	**1.62**	1.90

REVIEW OF OPERATIONS

Building Materials Division

This is ISO 9001 – 2015 certified division of Sicagen.

The Building Materials division has a rich legacy of being in the business for over seven decades. This business has been partnering with some of the best brands in trading of building materials like Tata steel, JSW, Jindal, APL Apollo, SAIL in steel segment; Dalmia and Penna brands in Cement; Jain, Astral and Ajay in PVC and Finolex for cables as major sourcing channels amongst many others. This division also provides infrastructure solutions to customers on a case to case basis and well received in the market. During the year, the division faced number of challenges including Govt. policies of GST and RERA. Excise duty which was hitherto part of the cost of purchase and sales revenue has been removed as excise duty has been subsumed into GST. Therefore, sales value dropped substantially from July 2017, which was coupled with lower sales on account of GST transition process. The business environment was already at its lowest rung of the ladder with economy reeling under demonetisation which adversely affected the steel, construction and real estate sectors. The Realty sector has passed through one of the toughest times with lack of funds with customers, uncertainty on the compliance with various statutes. However, the major push from the Government on the roads, railways, and urban infrastructure segments has supported our division to improve their order book position in H2.

This division achieved a total turnover of Rs.48,097 Lakhs with a net profit of Rs.284 Lakhs against previous year turnover of Rs.50,203 Lakhs and a net profit of Rs.748 Lakhs. Continuous innovative ideas, efforts from the sales team and effective business strategies by management together with addition of new customers and expansion to new markets had provided necessary impetus to the business to remain buoyant despite many challenges. The Company is planning to expand the operations to other high potential geographical territories while adding various new product portfolios. Further, plans are in place to strengthen the current market share and continue to focus on catering to the existing markets.

Power & Control Systems Division

This is ISO 9001 – 2015 certified division of Sicagen. This division caters to the Power Generating companies, other industries that deal with equipment in the handling of control units segment. This division has an established relationship due to expertise in providing superior quality service with many public sector power generating companies and also earned reputation of being the exclusive authorised service provider for Woodward Governors. This division caters to a variety of customers spread majorly in power, oil refineries, shipping, sugar and fertilizer industries. This business faces competition from the OEM suppliers and is dependent on the capex funds allocated by corporates. During this year the division has grown by 36%.

The revenue of this division during the year under review was Rs.3,759 Lakhs and net profit was Rs.418 Lakhs as compared to the revenue of Rs.2,860 Lakhs and net profit of Rs.332 Lakhs in the previous year. Adequate plans are initiated for expansion to new product portfolios and new markets especially, the overseas market to enhance the turnover. Currently the Company is already servicing some customers in African continent and earned good reputation as quality service providers.

Speciality Chemicals Division

This is 9001 – 2015 certified division of Sicagen.

Specialty Chemicals division has achieved major strides in its turnover with a substantial increase by 114% to Rs.1,098 Lakhs and earned a net profit of Rs.211 Lakhs this year as compared to turnover of Rs.546 Lakhs and a net profit of Rs.92 Lakhs in 2016-17. During the year, this division has expanded its operations to new territories in northern India and bagged many orders from sugar manufacturing companies with strengthened operations that commenced last year. Trading business of some of the related products has contributed to the revenue during the year. This division has set up the road map to explore into many areas including overseas markets in order to diversify its operations to the wide customer base. During the year, the R & D laboratory extended great support by providing a very detailed analysis of our own manufactured products as well as other products to excel the customer satisfaction.

Industrial Packaging Division

This is ISO 9001 – 2015 certified division of Sicagen.

During the year, this division had registered reasonable growth by 47% over the earlier year. This division has introduced new product by diversifying to manufacture of cable reel drums and supplied about 200 drums to overseas market. Unstable raw material (Steel) prices with increase in prices month on month, short fruit pulp season and intense competition from unorganised/ entrepreneur type of businesses continued to be the challenges to the operations. Strategic planning, Improvement in the quality of the barrels, prompt delivery and enhanced productivity ensured higher sales. Turnover during the year stood at Rs.3,327 Lakhs as compared to Rs.2,513 Lakhs in 2016-17.

The net profit of this division has improved over the previous year due to the implementation of many cost reduction measures and higher productivity. This division registered a net profit of Rs.198 Lakhs for the year 2017-18 as against Rs.150 Lakhs in the previous year 2016-17. This division falls under MSME category and is certified under BIS for all product categories as at the year end. Expansion plans are laid out to foray into many other areas of packaging and excel in the customer requirements.

Engineering Division

No operational income was posted during the year 2017-18 due to lack of new orders for boat building operations. However, this division has participated in the tenders floated during the year, negotiating with many customers. Also discussions are going on with BEML and Ministry of Fisheries to tap new business opportunities. Our company anticipates few orders in the ensuing financial years.

During the year, Indian Navy has approved Sicagen India limited as a supplier for Yard craft/ Ferry Craft/ Barges etc.

Dividend

Your Directors are pleased to recommend a dividend of Rs.0.60 per equity share (6% on equity capital of the Company) for the financial year 2017-18 despite a very mixed year with multiple challenges, volatility in raw material prices and financial instability, continued uncertainty in the business environment for most part of the year. Total dividend is Rs.237 Lakhs and dividend distribution tax amounts to Rs.48 Lakhs. The dividend shall be paid to the eligible shareholders whose names appear in the Register of Members as on the record date fixed by the Board.

Disclosures under the Companies Act, 2013

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company has complied with requirements and the details of which are disclosed hereunder.

1. Extract of Annual Return

As per the Companies Amendment Act, 2017, the details of extract of Annual Return which forms part of this report is posted on the Company's website www.sicagen.com.

2. Number of Board Meetings

The Board of Directors met 5 (five) times in the year 2017-18. The details of the Board meetings and the attendance of the Directors are given in the Corporate Governance Report.

3. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors report that:

(a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates which are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2018 and of the profit & loss account of the Company for year ended on that date.

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.

(d) they have prepared the annual accounts on a going concern basis.

(e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and effective.

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

4. Statement on declaration given by Independent Directors

The Company maintains the requisite number of Independent Directors as required under Section 149(4) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have submitted the declaration of independence, as required under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence as provided in sub-Section(6) of Section 149 of the Act.

5. Remuneration Policy

The Company follows a policy on remuneration of Directors, Key Managerial Personnel and Senior Management employees including criteria for determining qualification, positive attributes and independence of Directors. The following is the Remuneration Policy for Directors.

i. For Executive Directors

The remuneration of the Whole Time Directors shall comprise of a fixed component and a performance linked pay, as may be fixed by the Nomination and Remuneration Committee and subsequently approved by the Board of Directors and Members. Performance Linked Pay shall be payable based on the performance of the individual and the Company during the year. Remuneration trend in the industry and in the region, academic background, qualifications, experience and contribution of the individual are to be considered in fixing the remuneration. These Directors are not eligible to receive sitting fees for attending the meetings of the Board and Committees.

ii. For Non-Executive Directors

The Non-Executive Directors will be paid sitting fees for attending the Board and Committee Meetings as per the stipulations in the Act, and the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee. Different scales of sitting fee may be fixed for each category of the directors and type of meeting. However, the fees payable to the Independent Directors and Woman Directors shall not be lower than the fee payable to other categories of directors. In addition to this, the travel and other expenses incurred for attending the meetings are to be met by the Company. Subject to the provisions of the Act and the Articles of Association, the Company in General Meeting may by special resolution sanction and pay to the Directors remuneration not exceeding 1% of the net profits of the Company computed in accordance with the relevant provisions of the Act. The Company shall have no other pecuniary relationship or transactions with any Non-Executive Directors.

6. Explanation of Board on qualification of statutory auditors & secretarial auditor, if any

During the year ended 31st March 2018, there was no qualification, reservation or adverse remark made by the statutory auditor on the financial statements of the company and by the Practicing Company Secretary in their respective reports.

7. Particulars of loans, guarantees or investments given or made by the Company

During the year 2017-18, the Company has not given any loan or given any guarantee or provided security in connection with a loan to any person/body corporate except the loans to parties covered in the register maintained under Section 189 of the Companies Act, 2013. Investment in Danish Steel Cluster Private Ltd (Danish Steel) was made during the year for acquiring the remaining 40% of equity capital of Danish Steel. Upon completion of 40% acquisition, Danish Steel has become a Wholly Owned Subsidiary of the Company with effect from 28th Dec 2017.

8. Related Party Transactions

The related party transactions entered into with related parties are on arm's length basis and in compliance with the applicable provisions of the companies act and the listing agreement. There are no materially significant related party transactions made by the company with promoters, directors or key managerial personnel etc., which may have potential conflict of interest with the interest of the company at large.

All the related party transactions were placed before the Audit Committee and the Board specifying the nature, value and terms and conditions of the transactions. In principle approval is obtained for the transactions which are foreseen and are, repetitive in nature.

9. Amount transferred or proposed to transfer to any reserves

The Company has not transferred or proposed to transfer any amount to any reserves as there is no necessity to transfer such amount as required under the Companies Act, 2013.

10. Material changes and commitments, if any, affecting the financial position of the Company

There are no material changes and commitments affecting the financial position of the company between the end of the financial year 31st March 2018 and the date of this report.

11. Transfer of unclaimed dividend / Shares to the Investor Education and Protection Fund

As required under the provisions of Section 124, other applicable provisions of Companies Act, 2013, and the rules and amendment made thereunder, the Company is required to transfer the dividends that remain unpaid/unclaimed for a period of seven years to Investor Education and Protection Fund (IEPF) and also all the equity shares in respect of which unpaid/unclaimed dividend pertaining to those shares remains unclaimed/unpaid for a period of seven consecutive years to an IEPF account administered by the Central Government. On transfer of the amounts to IEPF account, no claim shall lie in respect of those amounts against the Company. As on 31st March 2018, an amount of Rs.9.82 Lakhs pertaining to the financial year 2010-11, which was lying in the unclaimed dividend account of the Company is required to be transferred to the IEPF account on 28th August 2018.

Members who have so far not encashed their dividend warrant(s) or those yet to claim their dividend amounts pertaining to the financial year 2010-11, may write to the Company/RTA (Cameo Corporate Services Limited) for claiming the same before 28th August 2018.

12. Particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo

Particulars required to be disclosed under Section 134 of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure I, which forms part of this Report.

13. Risk Management Committee

The Company has constituted a Risk Management Committee which comprises of 3 Directors and finance head as members for implementing, monitoring and reviewing of risk management plan periodically. The Committee constituted by the Company has been delegated with powers to oversee the risk management process, risk identification, effective implementation of mitigation plan and risk reporting.

14. Composition of Audit Committee

The Board has constituted an Independent Audit Committee which comprises four members namely Mr.B.Narendran, Mr.Sunil Deshmukh, Mr.Harish Chandra Chawla and Mrs.Sashikala Srikanth. More details on the Audit Committee are given in the Corporate Governance Report.

15. Evaluation of Board

Pursuant to the provisions of Section 134 of the Companies Act, 2013 read with Schedule IV of the Act and also in line with Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Independent Directors of the Company met on 07th February 2018 without the attendance of Non-Independent Directors and Members of Management and reviewed the performance of Non-Independent Directors and the Board as a whole. They also reviewed the performance of the Chairperson.

Evaluation of the Board was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & Committees, competencies, duties and responsibilities, attendance, value of contribution made to the Company's progress etc.

16. Corporate Social Responsibility (CSR)

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has to spend at least 2% of last three years of its average NP profit before tax for carrying out appropriate CSR activities as referred under Schedule VII of the Act. The Company has constituted a CSR Committee and framed a policy for implementation of CSR initiatives.

The Company is a member of the new Not-For-Profit Company formed under Section 8 of the Companies Act, 2013 to carry out necessary CSR activities. A report on CSR activities forming part of this report is attached herewith as separate Annexure II.

17. Vigil Mechanism

Pursuant to the provisions of Section 177 (9) of the Companies Act, 2013 read with the Rule 7 of the

Companies (Meetings of Board and its powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has established a vigil mechanism for its directors and employees to report their grievances or genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. In order to prevent fraudulent activities and also to ensure a corruption free work environment, a detailed Whistle Blower policy has been laid down by the Board. Brief details of the Whistle Blower policy are given in the Corporate Governance Report.

18. Internal Complaints Committee

The Company has constituted an Internal Complaints Committee to prevent and prohibit any form of sexual harassment at workplace and provide redressal for woman employees as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, the members of Internal Complaints Committee met on 20th Nov 2017 and noted that there was no event affecting any of the women employees on account of any sexual harassment at the work place.

19. Particulars required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1), (2) & (3) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014

The particulars required under Section 197(12) read with Rule 5(1), (2) & (3) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 are given in Annexures III & IV, and form part of this Report.

20. Corporate Governance Report

A Report on Corporate Governance as stipulated under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 forms part of this Annual Report. The requisite certificate from a Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as required under the above Regulation is attached to this Report.

21. Management Discussion & Analysis Report

Management Discussion & Analysis Report for the year under review, as stipulated under Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is attached along with this report.

22. Directors/KMPs

Mr.Ashwin C Muthiah, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-election.

Due to personal reasons, Mr.Shridhar Gogte, Whole Time Director and Mr.R.Achuthan, Company Secretary have resigned on 3rd April 2018 and 15th February 2018 and they have been relieved from the services of the Company on 15th May 2018 and 9th March 2018 respectively.

Mr.G.Arunmozhi has been appointed as Company Secretary and Compliance Officer w.e.f 15th May 2018.

23. Auditors

(a). Statutory Auditors

At the 13th Annual General Meeting (AGM), M/s.SRSV & Associates, Chartered Accountants, were appointed as statutory auditors of the Company for a period of 5 years and they will hold office until the conclusion of 18th AGM as per Section 139 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014. M/s.SRSV & Associates, Chartered Accountants, Chennai have also confirmed that the appointment is within the limits as specified under the Companies Act, 2013. Consequent to the amendment made in the provisions of Section 139 of the Act, the ratification of statutory auditors' appointment at the ensuing AGM does not arise.

(b). Cost Auditor and Cost Audit Report

The Company had appointed Mr.J.Karthikeyan, Cost Accountant as Cost Auditor of the Company for the financial year 2017-18 to carry out necessary cost audit in respect of manufacturing activities of the Company such as speciality chemicals division, drums manufacturing division and Goodwill Governor Services division etc.

Pursuant to Section 148 of the Companies Act, 2013 read with the amended rules thereof, the Board of Directors on recommendation of the Audit Committee, appointed Mr.J.Karthikeyan, Cost Accountant, as Cost Auditor of the Company for the financial year 2018-19 and has recommended his remuneration to the shareholders for their ratification at the ensuing Annual General Meeting.

(c). Secretarial Auditor

The Company has appointed Mr.R.Kannan, Practicing Company Secretary to carry out necessary secretarial audit for the financial year 2018-19 as required under Section 204 of the Companies Act, 2013. As required under Section 204 of the Act, the Secretarial Audit Report issued by Mr.R.Kannan, Company Secretary in practice is given in the Annexure V.

(d). Internal Auditor

During the year, M/s.M.K.Dandeker & Co, Chartered Accountants, Chennai, who were appointed as Internal Auditors of the Company on 01st June 2017, have conducted necessary internal audit of the functions and activities of the Company, as required under Section 138 of the Companies Act, 2013 read with the Rule 13 of the Companies (Accounts) Rules, 2014. Since the aforesaid Internal Auditors have expressed their inability to continue to act as Internal Auditors for the upcoming financial year, the Board at its meeting held on 15th May 2018, has appointed M/s.Sundar Srini & Sridhar Chartered Accountants, as new Internal Auditors of the Company in the place of outgoing auditors for the financial year 2018-19.

24. Internal Control System

A strong and robust internal control system is in place in the Company with appropriate policies and procedures to ensure reliability of financial reporting, timely feedback on the achievement of operational and strategic goals, compliance with policies, procedures, rules and regulations, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and economical and efficient use of resources. The internal auditors appointed by the Company continuously monitor the effectiveness of internal controls. Audits are conducted on an ongoing basis and significant deviations are brought to the notice of the Audit Committee and the corrective action is recommended for implementation. All these measures facilitate timely detection of any irregularities and early remedial steps. The audit committee approves the audit plan and the audit plan is reviewed annually. Further, the Audit Committee also reviews the quarterly reports submitted by the Internal Auditors.

25. Fixed Deposit

The Company has not invited or accepted any deposits during the year.

26. Dematerialization of Equity Shares

As at 31st March 2018, 3,82,14,905 equity shares representing 96.57% of the paid-up share capital of the Company have been dematerialized. The shareholders holding shares in physical form are advised to dematerialize their shares to avoid the risks associated with holding the share certificates in physical form.

27. Subsidiary & Associate Companies

In continuation of the proposal to acquire 100% equity capital of Danish Steel Cluster Private Ltd (Danish Steel), the Company has acquired the balance 40% of the equity capital of Danish Steel and completed the transaction during the year 2017-18. Consequent to the above acquisition, Danish Steel has become a 100% subsidiary of your Company with effect from 28th December 2017.

Pursuant to Section 136 of the Companies Act, 2013 which has given exemption from attaching the annual reports of subsidiary companies along with the annual report of the Company, the copies of balance sheet, profit and loss account, report of Directors & Auditors and other related information of South India House Estates & Properties Ltd, Wilson Cables Private Ltd, Danish Steel Cluster Private Ltd (Subsidiary Companies) and EDAC Automation Ltd (Associate Company) are not attached with this annual report. However, a statement containing the salient features of the financial statements of the aforesaid Subsidiary Companies for the year ended 31st March 2018 is attached with the consolidated accounts section.

The Company shall make available the annual accounts of the aforesaid subsidiary Companies and Associate Company to the shareholders of the Company upon their request. The annual accounts of the said subsidiary Companies and Associate Company shall also be kept available for inspection by any member at the Registered office of the Company.

In accordance with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the Financial Statements of the Subsidiaries and Associate is attached in Form AOC-1 as separate Annexure.

28. Consolidated Financial Statements

In accordance with Indian Accounting Standard (Ind AS) 110 of Institute of Chartered Accountants of India and Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the consolidated financial statements are prepared by the Company. The audited consolidated financial statements together with auditors' report for the financial year ended 31st March 2018 are attached with this annual report. In terms of the explanations given in Ind AS 28, the financial statement of Associate Company namely EDAC Automation Ltd, wherein the Company holds 49.99% equity stake, has not been taken into account for consolidation as the Company has no significant influence over the aforesaid Associate Company.

Acknowledgement

Your Directors take this opportunity to express their gratitude to Company's Bankers, NBFCs, Customers, Suppliers, Govt. Departments and other business associates for their unstinted support extended to the Company. Your Directors wish to place on record, their appreciation of the efficient and dedicated services rendered by the employees at all levels across the Company. We are sincerely grateful to all the shareholders for their confidence, faith and support in the endeavours of the Company.

For and on behalf of the Board

Place : Chennai — **Ashwin C Muthiah**
Date : 15th May, 2018 — Chairman

Annexure-I to Directors' Report

The particulars required under Section 134 of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014

A) Conservation of Energy

The operations of the Company are not energy intensive.

B) Technology Absorption

No technology has been imported or absorbed.

Form "A"

Research & Development (R&D)

1	Specific area in which R & D is carried out by the Company	:	Nil
2	Benefits derived as a result of the above R & D.	:	Nil
3	Future Plan of Action	:	Nil
4	Expenditure on R & D	:	Nil

C) Foreign Exchange, Earnings & Outgo

Total Foreign Exchange Earned	:	Rs.13 Lakhs
Used	:	Rs.7 Lakhs

Annexure – II to Directors' Report

Report on Corporate Social Responsibility (CSR) Activities

1). Brief outline of CSR Policy

The Company in its endeavour to contribute its mite for the sustained development and growth of the Society has formulated its CSR Policy to achieve any or all of the following objectives;

a) To provide basic amenities such as sanitation, safe drinking water, etc. to the less privileged and also to provide an impetus to rural development.

b) To promote education through improving the infrastructure in schools run by the government, local bodies and not-for-profit organizations.

c) To improve the capabilities and self-sustenance of the disadvantaged and make them employable and self-reliant through promotion of skills, provision of vocational training, establishment of public libraries, etc.

d) To join hands with other organizations, authorities, local bodies, etc. to cater to the needs of the people living in rural areas including agricultural development activities.

e) To undertake projects in the area of health care and to eradicate hunger, malnutrition and poverty.

f) To ensure environment sustainability, ecological balance and preservation of the quality of soil, air and water.

g) To provide financial support to technology incubators of academic institutions approved by the Central Government.

h) To implement Infrastructure development in areas where the less privileged live.

2). Composition of the CSR Committee

The CSR Committee comprises of the following 3 members nominated by the Board of Directors:

Mr.Ashwin C Muthiah	- Chairman of Committee
Mr.Harish Chandra Chawla	- Member
Mr.Sunil Deshmukh	- Member

During the year, the Committee met once on 07th December 2017.

3). Average net profit of the Company for the last 3 financial years and prescribed CSR limit:

(₹ Lakhs)

Financial Year	Net profit	Avg. Net Profit	CSR limit (2% of avg. net profit)
2014-15	370		
2015-16	603	577	11.50
2016-17	759		

CSR spent during the 2017-18 : ₹5.25 Lakhs

Total amount to be spent for the 2017-18 : ₹11.50 Lakhs

Amount unspent, if any : ₹65.51 Lakhs (includes ₹22.07 Lakhs for the year 2014-15, ₹23.52 Lakhs for 2015-16 and ₹13.68 Lakhs for 2016-17)

4). Reason(s) for not spending whole amount

The Company has already formed jointly with other likeminded entities, a Not-For-Profit entity namely AM Foundation which is implementing in the projects in water management, sanitation and hygiene on behalf of its members including Sicagen. As per the requirement of Puducherry Government, the said Foundation is in the process of providing sanitation facility to the needy by constructing 50 toilets to be implemented in two phases of 25 toilets each. The said project is under implementations and the Company will spend the amount as required to implement the projects through the above said entity.

5). Responsibility Statement

The CSR committee and the Management of the Company hereby affirm that the implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the Company.

Place: Chennai	**Ashwin C Muthiah**	**Harish Chandra Chawla**	**Sunil Deshmukh**
Date: 15th May 2018	Chairman of CSR Committee	Member	Member

Annexure - III to Directors' Report

The particulars required under Section 197(12) of the Companies Act, 2013 read with the Rules 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 annexed to and forming part of the Directors Report for the year ended 31st March 2018.

S. No	Name	Designation	Nature of employment	Qualifications	Experience (Years)	Date of Joining	Age (Years)	Last Employment & Position held	Remuneration Received (₹)
1	Mr. Devidas Mali	COO & Whole Time Director	Operation	ACS, LLB	28	03-Dec-12	54	Bekaert Industries Pvt Ltd GM Operations (Wires)	65,75,000
2	Mr. Shridhar Gogte*	VP (Operations) & Whole Time Director	Operation	ACA	20	01-Jul-15	45	Franke Faber India Ltd Director-Finance	50,70,000
3	Mr. Punit Engineer*	General Manager	Sales	Chartered Engineer	26	10-Apr-14	54	Carlsberg India Private Ltd Senior Manager	33,08,151
4	Mr. D Balagopal	CFO	Finance & Accounts	ACA	27	02-Jul-13	52	Primex Ghana Ltd Associate GM	28,38,892
5	Mr. Nandakumar Varma	General Manager	Operation	B.TECH., MBA	25	05-Apr-93	48	Mekel Corporation Design Engineer	24,20,478
6	Mr. P. Nandakumar*	Joint General Manager	Sales	MBA	25	01-Jul-16	49	EID Parry Sr. Manager Marketing	21,51,636
7	Mr. Prasanna Joshi	Zonal Head	Sales	MBA	11	04-Jun-13	33	AMI Holdings Pvt. Ltd Sr.Manager-Strategic Management	21,07,596
8	Mr. S Santhanakrishnan	General Manager	Operation	MBA	32	03-Jan-97	52	SPIC Ltd Research Associate	18,00,136
9	Mr. Rajesh Lakshman	Deputy General Manager	IT	MCA, ITIL V3	18	01-Nov-12	41	IT Consultant Advisor	17,11,556
10	Mr. P. Raja	Chief Manager	HR	BE, MBA	13	15-Apr-15	37	Godrej India Sr. Manager	16,40,115

Resigned from the services of the Company.

Notes:

1. The nature of employment is contractual.
2. The remuneration includes salary, allowances, performance pay and perquisites pertaining to the FY 2017-18.
3. Other terms and conditions of the employment are as per Company's Rules.
4. None of the employees are related to any Directors of the Company.
5. None of the Directors / Employees holds more than 2% of the equity shares in the Company

Annexure - IV to Directors' Report

The particulars required under Section 197(12) of the Companies Act, 2013 read with the Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 annexed to and forming part of the Directors Report for the year ended 31st March 2018.

1	The ratio of the remuneration of each Director to the median remuneration of the employees.	₹2.69 Lakhs per annum to ₹63.23 Lakhs per annum Ratio of remuneration is 1: 18
2	% increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) in the financial year.	13.7% increase in remuneration to Mr.Shridhar Gogte , Whole Time Director. 7.90% increase in remuneration to CFO. 4.07% increase in remuneration to CS.
3	% increase in the median remuneration of employees in the financial year.	7.64%
4	The number of permanent employees on the rolls of company;	367
5	The explanation on the relationship between average increase in remuneration and company performance;	Increase in remuneration to employees is considered based on the performance criteria fixed by the Company.
6	Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the company;	Performance incentive is linked to overall performance of the individual and Company.
7	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.	NA
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Salary increase to non-managerial employees is at 8.56% and for managerial employees is at 7.17%.
9	Comparison of the each remuneration of the KMPs against the performance of the Company;	Remuneration consists of two parts (i) fixed and (ii) variable incentive. Payment of variable incentive is based on overall performance of the Company.
10	The key parameters for any variable component of remuneration availed by the Directors;	No Director other than Whole Time Directors are receiving any remuneration except sitting fees payment. Variable payment such as performance linked payment to Whole Time Directors shall be based on the performance criteria fixed by the Board from time to time.
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year.	Not applicable

It is affirmed that the remuneration paid / payable to the Directors, KMPs and other median employees are as per the remuneration policy of the Company.

Place: Chennai
Date: 15th May 2018

Devidas Mali
COO & Whole Time Director

Annexure - V to Directors' Report

Form No.MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members of
Sicagen India Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Sicagen India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not applicable
- (d) The Securities and Exchange Board of India (Prohibition of Inside Trading) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not Applicable
- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable
- (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable
- (j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable

(vi) Other laws as may be applicable specifically to the Company in my opinion:

1. Factories Act, 1948,
2. Contract Labour (Regulation and Abolition) Act, 1970
3. Shops and Commercial Establishments Act as applicable
4. Indian Contract Act, 1872
5. Customs Act,1962

Based on the review of the copies of the compliance reports by the functional heads of the Company including in the factories located in Minjur and Thirubuvanai, Pondicherry to the Management/Board of Directors of the Company, I report that the Company has substantially complied with the provisions of those Acts that are applicable to it such as the Payment of Wages Act 1936, Industrial Disputes Act 1947, Minimum Wages Act 1948, Employees Provident Fund and Miscellaneous Provisions Act 1952, Employees State Insurance Act 1948, others Pollution Control laws and other laws mentioned in the said checklist.

I have also examined compliance with the applicable Clauses of the following:

1. Secretarial Standards (SS) on the meetings of the Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI).
2. Listing Agreements entered into by the Company with Bombay Stock Exchange Ltd and National Stock Exchange of India Limited.
3. The Company has initiated the process for transfer of unclaimed shares to Unclaimed Suspense Account as per the requirements of Regulation 39(4) read with Schedule VI of Listing Regulations,2015

No specific violations in respect of Tax laws came to the notice of the undersigned from the review of the said check list. However, I report that I have not carried out the audit with reference with the applicable financial laws such as the direct and indirect tax laws, as same falls under the review of statutory audit and other designed professionals.

I further report that:-

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Audit Committee of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all Directors to schedule the Board/Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
3. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
4. During the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's Affairs.

R Kannan
Practicing Company Secretary
CP No.3363

Date : 15th May 2018
Place : Chennai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2017-18

Economic scenario

The prospects look bright in India with good performance across all sectors in FY 17-18 due to the host of measures undertaken by the Government including implementation of GST, Insolvency and Bankruptcy Code, announcement of bank recapitalization and a number of reforms undertaken to boost industrial growth including Make in India program, Start-up India and Intellectual Rights Policy and increasing its investment over time on building infrastructure to support India's long-term growth. Many initiatives in different services sectors, that include digitization, e-visas, infrastructure status to Logistics, schemes for the housing sector, etc., which could give a further fillip to the services sector.

Growth rate of Gross Value added (GVA) at constant basic prices was at 6.5% in 2017-18, lower than FY 16-17 on account of lower growth in Agriculture & allied and Industry sectors. GDP growth declined to 5.7% in Q1 of FY 18. However, the subsequent quarters of FY 18 witnessed reversal of declining trend of GDP growth, with growth measured at 6.5%, 7.2% and 7.7 % respectively. The nominal GDP growth also picked up to 9.4% indicating further recovery of the economy. Major macro indicators viz. gross fixed investment and exports are expected to grow at a faster pace in H2 of 2017-18. Indian Economy expanded at 6.7% in FY 18 as against 7.1% of FY 17

India's export volume growth started decelerating in Q1, during the period April 2017-Dec 2017, trade deficit shot up to US$ 114.9 billion. The infrastructure deficit is a major concern and infrastructure investment needs to be stepped up as currently it is not in par with the needs of the economy.

The growth of manufacturing sector at 9.1% in Q4, in particular, showed an improvement from 1.2% in Q1 to 7.0% in Q2 of 2017-18. The industrial sector, which constitutes mining, manufacturing, electricity and construction industry grew at 5.8 per cent in Q2 of FY 18. The implicit growth in H2 of all three major sectors of the economy viz. agriculture & allied, industries, and services sectors was better than H1 of 2017-18. Trade, transport, hotels, storage, communications sectors registered growth in H2 of 2017-18. The production of coal, natural gas, refinery products, steel, cement and electricity registered positive growth during this H2 of FY 18.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand and hence spur development,

India's external sector has continued to be resilient and strong in 2017-18 and the balance of payments situation continued to be comfortable. Current account deficit was 1.8% of GDP, merchandise exports grew by 10%, net services receipts grew by 14.6%, net foreign investment grew by 15% in FY 18.

India's foreign exchange reserves reached USD 409.4 billion on December 2017, with a growth of 14.1% on a YOY basis. During 2017-18, the rupee generally traded with an appreciating bias against the US dollar by 2.5 %, on the back of significant capital flows.

Favourable indicators such as moderate inflation, anticipated growth of the industrial sector, expectation of greater stability in GST, expected recovery in investment levels, and ongoing structural reforms could propel India's economy to grow at an accelerated pace.

Outlook for 2018-19

Construction of 321,567 additional houses across 523 cities has been approved by the Ministry of Housing and Urban Poverty Alleviation with an allocation of Rs.18,203 crore.

The Union Cabinet Committee has approved setting up of National Urban Housing Fund for Rs. 60,000 crores, which will help in raising requisite funds in the next four years.

The Government of India has decided to invest Rs.7 trillion for construction of new roads and highways over the next five years.

Employment Generation Programme of Govt. of India will be continued with an outlay of Rs.5,500 crores for three years from 2017-18 to 2019-20.

The Government of India plans to facilitate partnerships between gram panchayats, private companies and other social organisations, to push for rural development.

Our vision: To Inspire, innovate and lead in infrastructural solutions.

Our values: Excellence, Customer focus, Integrity, Commitment and Team work.

Operational performance

Our vision set during the year "to inspire, innovate and lead in infrastructural solutions" has been circulated extensively across the Company and in the market with a target to extend leadership in all the core businesses that we operate. For the current year, launch of important new products, constant focus on delivering superior products in the market and geographical expansion to territories were the key strategies. Further road map has been set in order to sustain the leadership position in the core markets and products that we deliver, to strengthen our presence in other markets and create robust systems and continuous innovation has become increasingly important in view of the persistent challenges in the internal and external environments. Company's products and services continued to top the quality charts. Competencies are being strengthened to develop Sicagen brand with deliverables for product quality, transparency, best-in-class supply, high performing work force.

During the year, the Company has completed the 100% acquisition of Danish Steel Cluster Pvt Limited thereby further expanding into manufacturing segment, exposure to different markets and market players and strength in diverse operations is established.

The Company has been certified with ISO 9001-2015 by BUREAU VERITAS for the building material division including all its branches and warehouses, Power & Control Systems, Industrial Packaging businesses and IT and HR systems, while the Specialty chemicals division is certified by TÜV SÜD South Asia Private Limited.

The Company comes under the second category for adoption of IND AS, as the net worth was less than Rs 500 crores as of 31st March 2015. As per the guidelines under IND AS, the Company should adopt IND AS accounting method from 1st April 2017 with transition date as 1st April 2016. Accordingly, the Company adopted IND AS accounting for the Financial year 2017-18 with transition date as 1st April 2016 and all the figures of previous year have been regrouped in line with IND AS compliance process of accounting.

The Company has secured the IT and ERP systems to Oracle Cloud platform to protect adequately against any kind of threat to the loss of data or disruption due to natural calamities or human interference.

The total revenue of the Company, during the year under review was Rs.57,819 Lakhs as compared to Rs.57,456 Lakhs for 2016-17 with Profit before tax of Rs.705 Lakhs as against Rs.759 Lakhs for 2016-17.

The performance of operations are detailed in the Directors report

Opportunities & Outlook

The Company is continuing to explore the various prospects for progress and desire to excel in the operations with sustained growth. Strategic alliance with partners to expand the product range and catering to a wide customer base and thereby enhancing product portfolio, expansion to foreign markets especially African continent and thereby enhancing product portfolio. The Govt of India thrust on Infrastructure, focus on developing the "Make in India" concept is expected to enhance the local production and increase the demand for domestic products. The Company is anticipating growth on these factors and is anticipating new opportunities arising from high potential infrastructure plans.

With our passion for growth and success, we are determined to leverage on human capital to continue on the path of growth, as we move forward, our leadership team is focused on driving innovation and is cultivating a Company culture aimed at helping us become one of the most trusted partners in the core businesses. We envisage great opportunities as the Indian economy is accelerating at higher level than the earlier period. We believe innovation is increasingly important to respond to future opportunities and challenges, as we strive to continue creating values for our Company by reaching more consumers and enriching them with top quality products

The Company believes that various initiatives implemented by the management shall equip the organization to be robust and competitive and overcome the emerging challenges in the business environment. We continue to pursue excellence in corporate governance. We focused on strengthening the existing process of market penetration, initiated several measures to retain the market share despite the challenges and commenced various action plans in this direction. The Company is determined to provide its customers best quality products and also channeling the opportunities to excel in the areas of customer development and product development. This dynamic environment puts a premium on finding new approaches that deliver clear value to the customers and all stake holders. Therefore the Company has augmented efforts on customer satisfaction, timely product delivery, innovation and technology upgradation and has identified certain key thrust areas and strategies to focus on the upcoming opportunities to deliver customer excellence.

Risks & Concerns

The Company has a comprehensive risk management framework in place for identification, assessment, treatment & reporting of risks. The major risks originate from several external factors. Price volatility of steel in 2017-18 impacted the operations our trading business, wide fluctuations in demand and supply conditions adversely affected the steel industry. Due to the established relationship with suppliers, increased number of supply points and the centralized sourcing of raw materials are some of the mitigation plans implemented. Uncertainty arisen out of some of the Govt policies also impact the business such as the implementation of GST, RERA Acts in 2017-18 had crippled the trading industry to a large extent as many customers belong to small scale trading community. Many of the building projects remained static to a great extent leaving the builders in rearranging the business plans to comply with new enactments. Intense competition from the unorganized sector & competitive prices generated pressure on selling prices and the margins leading to lower margins across all divisions. Further, the cyclical trends in the business wiped off some of the market share. Growth in some of the Sectors continued to be hampered by a number of constraints. Being a diversified conglomerate, Diversification of the business portfolio smoothens the inherent cyclicality that individual sectors periodically face and mitigates volatility in revenue and margins at the Company level. Company is considering all reasonable steps to stay ahead of the competition and take mileage of the experience and expertise gathered over many years. The Company continues to rely on the mechanism for risk assessment to monitor market conditions and appropriate measures are taken to strengthen the existing business practices and policies to mitigate the risks. Various policies and procedures implemented by the management, business planning processes and strategies, cost optimisation, operational excellence initiatives, critical management reviews are adopted in the risk management framework. The risk committee reviews with management and Internal Audit the identification, prioritization and management of the risks, the accountabilities and roles of the functions involved in risk management, the risk portfolio and the related actions implemented by management.

All the business processes are reviewed strictly and continuously by the risk management committee to minimize the risk of price fluctuations in the volatile market. Adequate efforts are also in place for credit risk and measures are imposed to reduce the market exposure. The Risk Management Committee works on the critical risks impacting the Company during the reviews and suggestions and mitigation plans are drawn up and implemented as appropriate within the overall framework of the Company.

Internal Control System & Adequacy

The Company believes that a strong internal control framework is an important pillar of Corporate Governance. The Company's internal control systems are commensurate with the nature of its business. Existence of adequate internal control system designed to provide reasonable assurance on the effectiveness and efficiency of operations, reliable financial controls and strict compliance with all applicable laws, rules and regulations and ensuring adherence to corporate policies. The internal control systems were designed to provide reasonable assurance regarding the reliability of financial reporting, preparation and fair presentation of its published financial statements. Therefore, effective internal controls provide reasonable assurance with respect to financial statement preparation and presentation. Periodical audit is being conducted by the Internal Auditors and their reports are placed before the Audit Committee of the Board. Audit involves performing procedures to obtain audit evidence about the adequacy of the internal systems. The Audit Committee reviews internal audit reports, operational, financial systems and processes and risk management policies etc followed by the Company and advise appropriate decisions. The audit committee formulates procedures and guidelines for areas of weaknesses which are identified during internal audit or as triggered by process owners or management based on internal or external risk factors.

Human Resource Development and talent retention

Your Company views its people as central to the success of its journey of value creation and therefore considers its employees as an important and valuable asset & maintains cordial relationship with them. The Company focusses on employee development and growth by creating a vibrant work environment to attract and retain talent across the organisation. The management is committed to the philosophy of conducting business in an ethical manner with respect for human values, individual dignity and professional conduct.

Many initiatives have been put in place to increase gender diversity and enhance amenities to the employees. The Company ensures employees development through engagement, development and retention by providing extensive opportunities to prove their talent and efficiency and grow with the Company. The Company has also framed a talent strategy for adopting newer ways of hiring to improve learning and development by conducting leadership programs and revamping fresher hiring models. Our work culture provides safety, good health, development of talent, quality of life of our employees. Periodical training & development programs are conducted focusing on aspects relating to employee productivity, talent management, capability development, employee engagement and engaging activities to enhance employee morale. The Company is determined in creating strong and long term relationship with all employees. As employee retention and development are the highest priorities, the Company is therefore focusing on hiring, engaging and retaining talent.

Cautionary Statement

Statements in the management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas market in which the Company operates, changes in the government regulations, tax laws and other statutes and incidental factors.

REPORT ON CORPORATE GOVERNANCE 2017-18

1. Company's Philosophy

Corporate Governance is a reflection of our policies, our culture, our relationship with stakeholders and our commit to value. Your Company strives to conduct business with sound Corporate Governance practices which reflect fairness, integrity, accountability and transparency in our dealings with stakeholders and regulatory authorities.

2. Board of Directors

As on 31st March 2018, the Board comprised of 8 Directors which consists of 2 Executive Directors, 2 Non-Executive Directors and 4 Independent Directors. All Directors are with professional expertise in various fields such as administration, marketing, finance, accounts, legal, secretarial and engineering. The Board of Directors of the Company is headed by Mr.Ashwin C Muthiah, Chairman, Non-Executive Director. There is no pecuniary relationship or transaction by the Non-Executive Directors with the Company and vice-versa.

3. Number of meetings of Board of Directors and the dates on which held during the financial year 2017-18

Total Number of Board Meetings held : 5

I Quarter (Apr' 17 – Jun'17)	II Quarter (Jul'17 – Sept'17)	III Quarter (Oct'17 – Dec '17)	IV Quarter (Jan'18 – Mar'18)
17.05.2017	28.06.2017 06.09.2017	07.12.2017	07.02.2018

Attendance of Directors at the meeting of the Board of Directors held during 2017-18 and the last Annual General Meeting (AGM) held on 27th July 2017 are as follows.

Name and designation of the Director	Category / Position	Attendance		Number of other Directorships & Committee Membership/ Chairmanship		
		At Board Meetings	At Last AGM	Director	Member of Committee	Chairman of Committee
Mr.Ashwin C Muthiah Chairman	Non-Executive Non Independent	5	Yes	4	1	1
Mr.Sunil Deshmukh Director	Non-Executive Non Independent	5	Yes	8	1	-
Mr.B.Narendran Director	Non-Executive Independent	5	Yes	6	4	3
Mr.Harish Chandra Chawla Director	Non-Executive Independent	4	Yes	2	1	-
Ms.Sashikala Srikanth Director	Non-Executive Independent	5	Yes	6	2	2
Ms.Rita Chandrasekar Director	Non-Executive Independent	3	Yes	2	1	1
Mr.Devidas Mali COO & Whole Time Director	Executive Non Independent	4	Yes	2	1	-
Mr.Shridhar Gogte* Whole Time Director	Executive Non Independent	4	Yes	-	-	-

** Resigned on 3rd April 2018 and relieved from the services of the Company on 15th May 2018.*

Directorships held in public limited companies are only included. Directorship held in private Companies, foreign companies and companies registered under Sec.8 of the Companies Act, 2013 are excluded. Memberships/ Chairmanships held in Audit Committee and Stakeholders Relationship Committee have only been included.

4. Committees of Board of Directors

The Board has constituted various Committees to discuss, deal with the matters in detail and to monitor the activities falling within the terms of reference and discharge the roles and responsibilities as prescribed under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and/or the Companies Act, 2013 from time to time.

(a) Audit Committee

The Company has a qualified and independent Audit Committee which comprises four Directors, three of whom are Non-Executive Independent. The Audit Committee comprises of the following members.

Sl. No.	Name of the Director	Position
1	Mr.B Narendran	Chairman
2	Mr.Sunil Deshmukh	Member
3	Mr.Harish Chandra Chawla	Member
4	Ms.Sashikala Srikanth	Member

The Company Secretary acted as Secretary to the Audit Committee.

Attendance details of Audit Committee Meetings

Four Audit Committee meetings were held during the financial year 2017-18 i.e. on 17.05.2017, 06.09.2017, 07.12.2017 and 07.02.2018. The attendance record of the audit committee meetings is given hereunder.

Sl. No.	Name of the Director	No. of meetings attended
1	Mr.B Narendran	4
2	Mr.Sunil Deshmukh	4
3	Mr.Harish Chandra Chawla	4
4	Ms.Sashikala Srikanth	4

The terms of reference of Audit Committee are as follows:-

1. Oversee the company's financial reporting process and review the financial statements and auditors' report thereon.
2. Recommendation of appointment, re-appointment and if required, the replacement or removal of the statutory auditors, cost auditors, internal auditors and fixation of their fees.
3. Recommend the appointment of Chief Financial Officer after assessing the qualifications, experience, background etc.
4. Review and monitor the auditor's independence, performance and effectiveness of audit process;
5. Review of internal control and internal audit system.
6. Review of the functioning of Vigil mechanism under whistle blower policy.
7. Seek information from any employee, if needed.
8. Obtain legal or expert opinion or professional advice from outside, if any required.
9. Approval or any subsequent modification of transactions of the company with related parties;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Monitoring the end use of funds raised through public offers and related matters.
14. Investigation of any activity within the terms of reference of Audit Committee.

(b) Stakeholders Relationship Committee

The Stakeholders Relationship Committee consists three members as stated below.

Sl. No.	Name of the Director	Position
1	Mr.B Narendran	Chairman
2	Mr.Devidas Mali	Member
3	Mr.Shridhar Gogte	Member

The terms of reference of the Stakeholders Relationship Committee are:-

1. To monitor the work related to transfer, transmission, demat, remat, sub-division and consolidation of shares.
2. To consider and approve transfer, transmission and transposition of shares.
3. To consider and approve issue of duplicate share certificates, re-materialization, consolidation and splitting of shares.
4. To consider and resolve the grievances of security holders including complaints related to transfer of shares, non-receipt of annual reports, dividends.
5. To review the quarterly audit report on reconciliation of share capital issued by the practicing company secretary and place the same to the Board.
6. To review the shareholding pattern of the Company to be submitted on quarterly basis to the stock exchanges.

The Company Secretary who acted as Secretary to the Committee was authorized to approve share transfers and resolve shareholders grievances.

The Committee met 5 times during the year and all the members were present at the meeting. During the year under review, 13 complaints were received from the shareholders and out of which 2 investor complaints were pending as on 31st Mar 2018. No documents were pending for transfer as on 31st May 2018.

(c) Nomination & Remuneration Committee

The following Directors are the present members of the Nomination and Remuneration Committee. During the year, the Committee met once on 28th June 2017.

Sl. No.	Name of the Director	Position
1	Mr.Harish Chandra Chawla	Chairman
2	Mr.Sunil Deshmukh	Member
3	Mr.B.Narendran	Member
4	Ms.Sashikala Srikanth	Member

The terms of reference of Nomination and Remuneration Committee are:-

1. To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the appointment and payment of remuneration to Directors, Key Managerial Personnel and other senior management level employees.
2. To identify persons who are qualified to become Directors and who may be appointed in senior management and recommend to the Board their appointment and removal.
3. To recommend the appointment of Managing Director(s), Chief Executive Officer, Whole Time Director(s) and the terms and conditions of their appointment.
4. To carry out evaluation of every Director.
5. To determine remuneration package of Directors and recommend to the Board for its approval.
6. To recommend the appointment of Chief Financial Officer, Company Secretary and other Division/Business Heads of the Company and the terms and conditions of their appointment including remuneration.

(d) Capital Issues and Allotment Committee

The Capital Issues and Allotment Committee comprises four members as stated below.

Sl. No	Name of the Director	Position
1	Mr.B Narendran	Chairman
2	Mr.Sunil Deshmukh	Member
3	Mr.Harish Chandra Chawla	Member
4	Mr.Devidas Mali	Member

The Broad terms of reference of the Capital Issues and Allotment Committee are:-

1. To issue, offer and allot in the course of one or more public or private offerings in domestic and/or international market, the following securities:
   (i) Optionally convertible redeemable cumulative/non-cumulative preference shares.
   (ii) Issue of share warrants convertible into equity shares of the company as per SEBI guidelines.
   (iii) Issue of equity shares under private placement on preferential basis as per SEBI guidelines.
   (iv) Rights cum public issue of equity shares as per SEBI guidelines.
   (v) Raising of funds through GDR/ADR/FCCBs/Secured Premium Notes.
2. To appoint Lead Managers, Co-managers, Advisors, Merchant Bankers, Underwriters, Registrars, Legal Managers for the purpose of issue of further capital and fix their remuneration.
3. To open necessary bank accounts.
4. To determine the allottees under the preferential issue and other issues of capital.
5. To determine the allotment of shares and issue allotment letters, share certificates, advices, refund orders.
6. To comply with listing and other statutory requirements and to carry out all or any other acts or deeds relating to the issue of various securities.
7. To secure necessary approvals from the appropriate authorities and shareholders' through postal ballot for the increase in the authorized share capital and fund raising.

No meeting was held during the financial year 2017-18 as there was no occasion to meet by the members of Capital Issues & Allotment Committee.

(e) Management Committee

The Management Committee was formed by the Board to authorize Company executives to borrow money, grant loan, make investments and give guarantee as and when necessity arises. The Committee comprises three members as stated below.

Sl.No	Name of the Director	Position
1	Mr.Sunil Deshmukh	Chairman
2	Mr.B Narendran	Member
3	Mr.Devidas Mali	Member

During the year, the Management Committee met twice on 08th September 2017 and 08th December 2017.

The terms of reference of Management Committee are as follows:

1. To approve the business plan, borrowing plan and investment policy;
2. To recommend delegation of powers to the executives to enable day to day operations;
3. To borrow money from any Banks, NBFCs and/or other lending institutions to the extent up to Rs.200 Crores (Rupees two hundred crores only);

4. To invest in any class of shares, debentures, stocks, bonds, etc. of other body corporate(s) to the extent up to Rs.30 crores (Rupees thirty crores only);
5. To give guarantee or provide security in connection with the loan availed or to be availed by any other body corporate(s) to the extent of Rs.10 crores (Rupees ten crores only);
6. To give loan to any other body corporate(s) to the extent up to Rs.30 crores (Rupees thirty crores only); and the above shall be reviewed by the Committee and the above limits replenished upon approval/ratification by the Board of Directors of the Company at the subsequent Board Meetings.
7. To mortgage all or any part of the immovable properties, current assets, book debts, inventories with various banks, NBFCs, financial institutions for the purpose of securing any borrowing facility and execute such documents as are required for availing such facility.
8. To conduct postal ballot process and obtain requisite approval from the shareholders as and when required.

The Company Secretary acted as Secretary to the Management Committee.

(f). Risk Management Committee

The Company has constituted a Risk Management Committee which comprises four members as stated below.

Sl.No	Name	Position
1	Mr.Sunil Deshmukh	Chairman
2	Mr.Devidas Mali	Member
3	Mr.Shridhar Gogte	Member
4	Mr.D.Balagopal (CFO)	Member

The Committee constituted by the Board has been delegated with powers to oversee the risk management process, risk identification, effective implementation of mitigation plan and risk reporting.

(g). Corporate Social Responsibility (CSR) Committee

The CSR Committee constituted for implementation of CSR activities comprises three members as stated below.

Sl.No	Name of the Director	Position
1	Mr.Ashwin C Muthiah	Chairman
2	Mr. Harish Chandra Chawla	Member
3	Mr.Sunil Deshmukh	Member

During the year, the members of CSR Committee met once on 07th December 2017.

5. Details of remuneration paid/payable to the Whole Time Director(s) for the financial year 2017-18

The details of remuneration paid/payable to Whole Time Director(s) of the Company for the financial year 2017-18 are as follows:

(₹ Lakhs)

Name	Salary & Special Allowances	Perks & other payments	Total
Mr. Devidas Mali COO & Whole Time Director	48.75	17.00*	65.75
Mr.Shridhar Gogte Whole Time Director	45.45	5.25	50.70

* *Includes Rs.13 Lakhs paid towards Performance Linked Pay (PLP) pertaining to the FY 2016-17 .*

6. Details of sitting fee paid to the Non-executive Directors for the financial year 2017-18

The Non-Executive Directors were paid sitting fees of Rs.50,000/- per meeting for attending the Board meetings. The details of sitting fees paid to each of the Directors during the year 2017-18 are given below:

Sl.No	Name of the Director	Amount (₹)	Tax deducted (₹)	Net amount Paid (₹)
1	Mr.Ashwin C Muthiah	2,50,000	77,250	1,72,750
2	Mr.Sunil Deshmukh	2,50,000	77,250	1,72,750
3	Mr.B Narendran	2,50,000	25,000	2,25,000
4	Mr.Harish Chandra Chawla	2,00,000	20,000	1,80,000
5	Ms.Sashikala Srikanth	2,50,000	25,000	2,25,000
6	Ms.Rita Chandrasekar	1,50,000	15,000	1,35,000
	Total	13,50,000	2,39,500	11,10,500

7. Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations 2015, the Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulation, Monitoring and Reporting of Trading in the Securities of the Company by the Insiders.

8. Code of Conduct

The Company has formulated a Code of Conduct for the Board members and Senior Management Personnel. All the Board members and Senior Management Personnel have affirmed compliance with above code and a declaration to that effect signed by the COO & Whole Time Director is attached and forms part of this report.

9. Reconciliation of Share Capital and Audit

The Company has appointed a qualified Practicing Company Secretary to carry out necessary audit for reconciliation of the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited and the total issued and listed capital on quarterly basis. A copy of the Reconciliation of share capital and audit report issued by the Practicing Company Secretary is periodically placed before the Board and submitted to the stock exchanges/depositories.

10. General Body Meetings

Details of date, time and venue of Annual General Meetings (AGM) of the Company held for last 3 years are given below.

Year	Date & Time	Venue
2015	23rd September 2015 at 3.30 p.m.	Raja Annamalai Hall, Esplanade, Chennai-600 108
2016	20th September 2016 at 2.30 p.m.	Raja Annamalai Hall, Esplanade, Chennai-600 108
2017	27th June 2017 at 10.00 a.m.	Raja Annamalai Hall, Esplanade, Chennai-600 108

Special resolutions approving appointment of Whole Time Directors were passed at the Annual General Meetings held on 23rd September 2015 and 27th June 2017. The Company has not convened any Extra-Ordinary General Meeting during the financial year 2017-18.

11. Postal Ballot

No item was transacted through Postal Ballot during the financial year 2017-18. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing of special resolution through Postal Ballot.

12. Related Party Transactions & Disclosures

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors, the subsidiaries or relatives, etc. that may have potential conflict of interest of the Company at large.

a). There are no materially significant transactions with the related party viz. Promoters, Directors or the Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large.

b). There are no pecuniary relationships or transactions with the Non-executive Directors of the Company except the payment of sitting fees made for attending the Board Meetings of the Company.

c). No transactions were entered into with related parties during the financial year exceeding 5% of annual turnover or 25% of the net worth of the Company as per the last audited financial statements of the Company.

d). The Company has complied with various rules and regulations prescribed by Stock exchanges, SEBI or any other statutory authority relating to capital markets. No penalties or strictures have been imposed by them on the Company.

13. Minutes of Subsidiary Companies

The Minutes of meeting of Board of Directors of Subsidiary Companies were placed before the Board of Directors of the Company.

14. General Shareholders information

(a). Registered Office

The Registered office of the Company is situated at 4th Floor, SPIC House, No.88, Mount Road, Guindy, Chennai-600032.

(b). Disclosures regarding appointment or re-appointment of Directors

According to the Articles of Association, one-third of the Directors retire by rotation and, if eligible, offer themselves for re-appointment at the Annual General Meeting. Mr.Ashwin C Muthiah, Director shall retire in the ensuing Annual General Meeting and he is eligible for re-appointment.

(c). Communication with shareholders

The Company's quarterly, half yearly and annual results are regularly submitted to the stock exchanges and also published in the leading news papers in accordance with the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The above results are simultaneously posted on the Company's website www.sicagen.com as required under the said SEBI Regulations. Annual Reports of the Company are also available on the Company's website.

(d). Communication through electronic mode

As per the earlier circular issued by the Ministry of Corporate Affairs, all the companies have been allowed / permitted to send its annual report comprising of Notice, Directors' Report, Auditors' Report, Balance Sheet, Profit & Loss account etc. by email to its members after giving an advance opportunity to register their Email address with the Company or with the concerned depository. In order to implement the above practice, the shareholders are hereby requested to register your email ID with the Company/RTA by submitting EARF (Email Address Registration Form), a copy of which is available with the Company and also can be downloaded from the Company's website www.sicagen.com.

(e). Ensuing AGM

Date	:	06th August 2018
Time	:	3.00 p.m.
Venue	:	Rajah Annamalai Hall, Esplanade, Chennai - 600108
Book closure	:	From 28th July 2018 to 06th August 2018 (both days inclusive)
Date of payment of dividend	:	Between 20th August 2018 and 31st August 2018.

(f). Financial Calendar for 2017-18 (Tentative)

The financial year of the Company from April to March of every year and the tentative financial calendar for publication of quarterly / annual results is as under;

1.	1st quarter ending 30th June 2018	Before 15th August, 2018
2.	2nd quarter ending 30th September 2018	Before 15th November, 2018
3.	3rd quarter ending 31st December 2018	Before 15th February, 2019
4.	Last quarter & year ending 31st March 2019	Within 60 days of end of the year.

Annual General Meeting : on or before 30th September, 2019.

(g). Listing of Equity Shares on Stock Exchanges

The equity shares of the Company are listed on Bombay Stock Exchange Ltd (BSE) and National Stock Exchange of India Ltd (NSE). Annual listing fee for the financial year 2017-18 was paid to BSE and NSE.

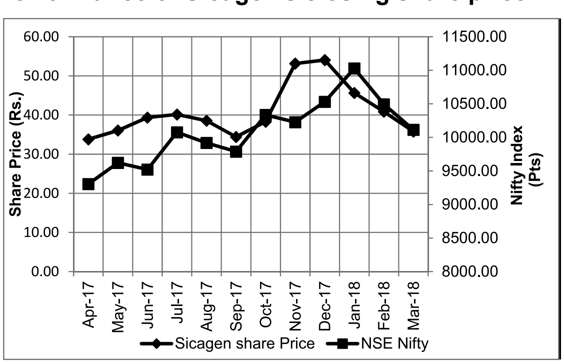
Name of the Stock Exchange	Scrip Code	Trade Name
Bombay Stock Exchange	533014	SICAGEN
National Stock Exchange	SICAGEN	SICAGEN

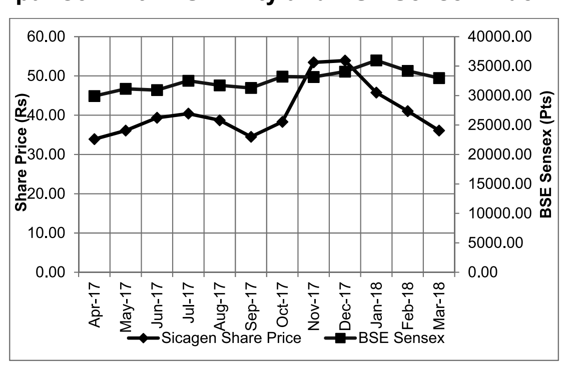
(h). Stock market data

The Company's equity shares have been listed/traded on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Month wise high and low closing quotation of shares traded on BSE and NSE during the period 1st April 2017 to 31st March 2018 are given below.

Month & Year		BSE			NSE		
		High	Low	Average	High	Low	Average
		₹	₹	₹	₹	₹	₹
April	2017	37.55	26.00	31.78	37.30	26.00	31.65
May	2017	45.00	33.10	39.05	45.00	33.25	39.13
June	2017	42.85	34.65	38.75	42.50	34.55	38.53
July	2017	42.80	37.75	40.28	42.80	37.75	40.28
August	2017	39.20	33.70	36.45	39.40	33.50	36.45
September	2017	39.40	34.50	36.95	39.60	34.25	36.93
October	2017	41.20	34.25	37.73	41.10	34.00	37.55
November	2017	53.45	36.15	44.80	53.15	36.30	44.73
December	2017	53.90	42.30	48.10	54.05	42.05	48.05
January	2018	61.55	45.75	53.65	61.65	45.65	53.65
February	2018	49.15	40.45	44.80	49.40	40.80	45.10
March	2018	40.85	35.70	38.28	40.55	35.70	38.13

(i) Performance of Sicagen's closing share price in comparison with NSE Nifty and BSE Sensex index





(j). Share Transfer & Depository System

The physical share transfers, transmissions, transpositions etc., are processed by the RTA and all the documents duly completed in all respects are registered and returned within the stipulated time. The routine requests from the shareholders such as transfers, transmissions, transpositions, change of name, demat, remat etc., are duly approved by the Whole Time Directors/Company Secretary and the details of which are placed before the Stakeholders Relationship Committee and the Board on a periodical basis.

The Company has availed depository services from National Securities Depository Ltd (NSDL) & Central Depository Services (India) Ltd (CDSL) for dematerialization of shares. The shareholders may kindly note the Company's ISIN: INE 176J01011 allotted by NSDL & CDSL. Since trading in equity shares of the Company shall be permitted only in dematerialized form, the shareholders who are holding shares in physical form, are advised to dematerialize their shares to avoid the risks associated with holding the share certificates in physical form.

The shareholders may also kindly note that as directed by SEBI, the Company/RTA is in the process of sending reminders to the shareholders, who are holding the shares in physical form and who have not claimed their share certificates from the Company so far, to retrieve their share certificates.

(k). Registrar and Share Transfer Agents (RTA)

The Company has appointed M/s. Cameo Corporate Services Limited, as its Registrar and Share Transfer Agent both for electronic and physical transactions of the shares. The shareholders are therefore requested to send all documents, correspondences, queries, intimations on any matters relating to transfer/transmission/demat/remat of shares, issue of duplicate share certificates, change of address etc., to the following address;

M/s.Cameo Corporate Services Limited
Unit: Sicagen India Limited
No.:1, Club House Road,
"Subramanian Building", 5th Floor
Chennai - 600002
Tel: 044–28460390 Fax: 044-28460129
e-mail: cameo@cameoindia.com

A separate email ID companysecretary@sicagen.com has been created by the Company for the purpose of registering the complaints by the investors. Mr.G.Arunmozhi, Company Secretary has been appointed as Compliance Officer of the Company for redressal of investors' grievances. The shareholders may correspond to the following address for redressal of grievances if any.

Mr.G.Arunmozhi
Company Secretary
Sicagen India Limited
4th Floor, SPIC House, No.88, Mount Road,
Guindy, Chennai-600032,
Tel: 044-30070300 Fax: 044-30070399
e-mail: companysecretary@sicagen.com , secl@sicagen.com

(l). Distribution of shareholding as on 31st March 2018

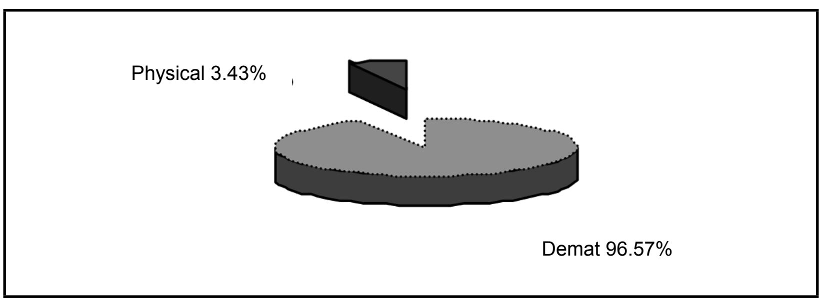
No. of shares Category	No. of holders	% of total	No. of shares	% of total
Upto 500	40141	92.03	2631284	6.65
501-1000	1703	3.90	1414546	3.57
1001-2000	825	1.89	1286683	3.25
2001-3000	315	0.72	818251	2.07
3001-4000	125	0.29	453159	1.15
4001-5000	142	0.32	674869	1.70
5001-10000	196	0.45	1467711	3.71
10001 and Above	175	0.40	30825181	77.90
Total	**43622**	**100.00**	**39571684**	**100.00**

(m). Shareholding Pattern as on 31st March 2018

Category	No. of holders	No. of shares held	% of holding
Promoters Holding			
Promoters & Associates	12	16586378	41.91
Non-Promoters Holding			
(a) Institutional Investors			
Mutual Funds	4	1177	0.00
Financial Institutions / Banks	17	195260	0.49
Central/State Government	1	334	0.00
Insurance Companies	2	67770	0.17
Foreign Portfolio Investors	4	4831018	12.21
(b) Others			
Bodies Corporate	479	5348967	13.52
Trusts	1	100	0.00
Clearing Members	42	48040	0.12
NRIs	222	317251	0.80
Hindu Undivided Families (HUF)	604	522621	1.32
(c) Other Public shareholding	42234	11652768	29.46
Total	**43622**	**39571684**	**100.00**

(n). Dematerialization of Shares

3,82,14,905 equity shares representing 96.57% of the paid-up share capital of the Company have been dematerialized up to 31st March 2018. Trading in equity shares of the Company is permitted only in dematerialized form



(o). Nomination of physical shares

Members holding shares in physical form are encouraged to nominate a person to whom the shares in the Company shall vest in the event of death. Nomination forms will be sent to the Members on request.

(p). COO / CFO Certification

As required under Regulation 17(8) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a certificate from COO & CFO was submitted to the Board and the same has been annexed herewith.

(q). Practicing Company Secretary's Certificate on Corporate Governance

The Company has obtained a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the same has been annexed at the end of this report.

(r). Plant Locations

Specility Chemicals	:	Thirubuvanai, Pondicherry
Drums Manufacturing	:	Minjur, Ponneri Taluk, Chennai
Plant location of Subsidiary Companies		
Cable Manufacturing	:	Wilson Cables Private Limited, Jurong Industrial Estate, Singapore
Steel Fabrication	:	Danish Steel Cluster Private Ltd, KIADB Industrial Area, Jigani, Bengaluru

Certificate of COO / CFO

(Under Regulation 17(8) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

To

The Board of Directors of
Sicagen India Limited

We, Devidas Mali, COO & Whole Time Director and D.Balagopal, CFO of the Company hereby certify to the Board of Directors of the Company that:

a. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2018 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

c. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit committee

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date : 15th May 2018	**Devidas Mali**	**D Balagopal**
Place : Chennai	COO & Whole Time Director	CFO

Compliance Certificate on Corporate Governance Report

Practicing Company Secretary's Certificate
[Under Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

To

The Shareholders of Sicagen India Limited,

We have examined the compliance of the conditions of Corporate Governance by Sicagen India Limited for the year ended 31st March 2018 as stipulated Under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the period from 1st April 2017 to 31st March 2018.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance in the aforesaid SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

R Kannan
Practicing Company Secretary
FCS No.: 6718
CP No.: 3363

Date : 15th May 2018
Place : Chennai

Declaration from COO & Whole Time Director on Code of Conduct

To

The Shareholders of Sicagen India Limited,

As provided under Regulation 26(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31st March 2018.

Date : 15th May 2018
Place : Chennai

Devidas Mali
COO & Whole Time Director

Annual Report 2017-18

Accounts - Standalone

Independent Auditor's Report

To the Members of SICAGEN INDIA LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of SICAGEN INDIA LIMITED ("the Company"), which comprise the Balance sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income) the Cash Flow Statement, the Statement of Changes in Equity for the financial year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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. 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 Standalone Ind AS 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 standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2018;

(b) in the case of the Statement of Profit and Loss (including Other Comprehensive Income), of the profit & total Comprehensive Income for the year ended on that date;

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date; and

(d) in the case of the Statement of Changes in Equity, changes for the year ended on that date

Other Matters

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at 1st April 2016 included in these Standalone Ind AS financial statements are based on the previously issued statutory financial statements prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other accounting principles generally accepted in India,audited by CNGSN & Associates LLP, Chartered Accountants, the predecessor auditor, whose report for the year ended March 31, 2016 and March 31, 2017 dated 25th May, 2016 and 17th May, 2017 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matter.

Report on other Legal and Regulatary Requrirements.

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3

of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

(e) On the basis of the written representations received from the Directors as on 31st March 2018, taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Companies Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2".

(g) 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 36

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.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For **SRSV & Associates**
Chartered Accountants
F.R.No.**015041S**
V. RAJESWARAN
Partner
Memb.No.020881

Place: Chennai
Date: 15th May, 2018

Annexure 1 to the Independent Auditor's Report

Referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our Report of even date

i. a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.

c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties of the Company are held in the name of the Company.

ii. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification.

iii. The company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act. Accordingly, reporting under this clause does not arise.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act 2013 in respect of loans, investments, guarantees and security.

v. In our opinion and according to the information and explanations given to us the company has not accepted any deposits during the year. Accordingly, reporting under this clause does not arise.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. a) According to the records of the Company and information and explanations given to us, the company is 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, value added tax, Goods and Services Tax, cess and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months.

b) As at 31st March 2018 according to the records of the Company, the following are the particulars of the disputed dues on account of sales tax, income tax, customs duty, wealth tax, service tax and cess, which have not been deposited on account of dispute:

Sl. No	Period	Nature of Dues	Not Paid (₹ Lakhs)	Forum where Pending
1	2009-10	Income Tax	200	High Court
2	2011-12	Income Tax	1,699	ITAT
3	2015-16	Income Tax	151	CIT(A)

viii. Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to any financial institution, bank, Government or debenture holders.

ix. The company has not raised any money by way of initial public offer or further public offer during the Current year and the term loans were applied for the purposes for which those were raised.

x. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion, the Company is not a Nidhi Company. Accordingly, clause (xii) of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.

xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of the related party transactions have been disclosed in the Financial Statements, as required by the applicable accounting standards.

xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly clause (xiv) of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with Directors or persons connected with the Directors. Accordingly, clause (xv) of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.

xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause (xvi) of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.

For **SRSV & Associates**
Chartered Accountants
F.R.No.**015041S**

V. RAJESWARAN
Partner
Memb.No.020881

Place: Chennai
Date: 15th May, 2018

Annexure 2 to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s SICAGEN INDIA LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SRSV & Associates**
Chartered Accountants
F.R.No.**015041S**

V. RAJESWARAN
Partner
Memb.No.020881

Place: Chennai
Date: 15th May, 2018

Balance Sheet as at 31st March 2018

(₹ Lakhs)

Particulars	Note	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
I. ASSETS							
1. Non Current Assets							
a) Property,Plant and Equipment	2a	**8101**		7963		7790	
b) Capital work-in-progress	2b	**28**		3		-	
c) Other Intangible assets	2c	**97**		74		82	
d) Financial Assets							
(i) Investments	3	**14560**		15999		17724	
(ii) Loans	4	**1929**		1335		365	
e) Other non-current assets	5	**4885**	**29600**	4883	30257	4802	30763
2. Current assets							
(a) Inventories	6	**5314**		5707		5039	
(b) Financial Assets							
(i) Trade receivables	7	**13152**		11517		7517	
(ii) Cash and cash equivalents	8	**1107**		1116		961	
(iii) Bank Balance other than (ii) above	9	**358**		626		109	
(iv) Loans	10	**3**		1		-	
(c) Current Tax Assets (Net)	11	**403**		391		456	
(d) Other Current Assets	12	**972**	**21309**	857	20215	716	14798
TOTAL			**50909**		50472		45561
II. Equity and Liabilities							
1. Equity							
(a) Share capital	13	**3957**		3957		3957	
(b) Other equity	14	**34649**	**38606**	34269	38226	33611	37568
Liabilities							
2. Non-current liabilities							
(a) Provisions	15	**32**		28		43	
(b) Deferred Tax Liabilities	16	**45**	**77**	20	48	18	61
3. Current liabilities							
a) Financial Liabilities							
(i) Borrowings	17	**5291**		6576		4467	
(ii) Trade Payables	18	**5826**		4432		2306	
(iii) Other financial liabilities	19	**620**		609		647	
b) Other current liabilities	20	**348**		421		366	
c) Provisions	21	**141**	**12226**	160	12198	146	7932
TOTAL			**50909**		50472		45561
Significant Accounting Policies	1						
Notes on Financial Statements	1 to 41						

As per our Report of even date

For and on behalf of the Board

For SRSV & ASSOCIATES
Chartered Accountants
F.R.No.015041S

V.RAJESWARAN
Partner
M.No.020881
Place : Chennai
Date: 15th May 2018

ASHWIN C MUTHIAH
Chairman

B. NARENDRAN
Director

SUNIL DESHMUKH
Director

DEVIDAS MALI
COO & Whole Time Director

D.BALAGOPAL
Chief Financial Officer

G.ARUNMOZHI
Company Secretary

Statement of Profit and Loss for the year ended 31st March 2018

(₹ Lakhs)

	Particulars	Note	For the year ended 31st March 2018	For the year ended 31st March 2017
I.	**INCOME**			
	Revenue from operations	22	**56645**	56423
	Other Income	23	**1174**	1033
	Total Revenue		**57819**	57456
II.	**EXPENSES**			
	Cost of materials consumed	24	**3929**	2684
	Purchases of Stock-in-Trade	25	**46990**	49043
	(Increase)/Decrease in inventories of Finished Goods, Work-In-Progress and Stock in Trade	26	**306**	(583)
	Employee Benefit Expense	27	**2054**	1906
	Finance Costs	28	**688**	616
	Depreciation and Amortization Expense		**174**	160
	Other expenses	29	**2973**	2871
	Total expenses		**57114**	56697
III.	**Profit before tax**		**705**	759
	Tax expense			
	(1) Current tax		**38**	7
	(2) Deferred tax		**25**	2
IV.	**Profit / (Loss) for the period**		**642**	750
	Other Comprehensive Income	30		
	Item that will not be reclassified to profit or loss		**23**	193
	Total Comprehensive Income for the period (Comprising Profit/ (Loss) and other Comprehensive Income for the Period)		**665**	943
V.	**Earnings per equity share**	31		
	Basic and diluted EPS		**1.62**	1.90
Significant Accounting Policies		1		
Notes on Financial Statements		1 to 41		

As per our Report of even date

For and on behalf of the Board

For SRSV & ASSOCIATES
Chartered Accountants
F.R.No.015041S

V.RAJESWARAN
Partner
M.No.020881
Place : Chennai
Date: 15th May 2018

ASHWIN C MUTHIAH
Chairman

B. NARENDRAN
Director

SUNIL DESHMUKH
Director

DEVIDAS MALI
COO & Whole Time Director

D.BALAGOPAL
Chief Financial Officer

G.ARUNMOZHI
Company Secretary

Statement of Changes in Equity

Share Capital

(₹ Lakhs)

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	**Amount**	Number	Amount	Number	Amount
Authorised						
Equity Shares of ₹ 10 each	**50000000**	**5000**	50000000	5000	50000000	5000
Issued						
Equity Shares of ₹ 10 each	**39571684**	**3957**	39571684	3957	39571684	3957
Subscribed & Paid up						
Equity Shares of ₹ 10 each fully paid	**39571684**	**3957**	39571684	3957	39571684	3957

Other Equity

Particulars	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as per 1st April 2016	**2856**	**29443**	**200**	**(3114)**	**4226**	**33611**
Total Comprehensive Income for the year	-	-	-	750	193	943
Dividend and Dividend Tax paid during the year	-	-	-	(285)	-	(285)
Balance at 31st March 2017	**2856**	**29443**	**200**	**(2649)**	**4419**	**34269**
Total Comprehensive Income for the year	-	-	-	642	23	665
Dividend and Dividend Tax paid during the year	-	-	-	(285)	-	(285)
Balance at 31st March 2018	**2856**	**29443**	**200**	**(2292)**	**4442**	**34649**

As per our Report of even date

For SRSV & ASSOCIATES
Chartered Accountants
F.R.No.015041S

V.RAJESWARAN
Partner
M.No.020881
Place : Chennai
Date: 15th May 2018

For and on behalf of the Board

ASHWIN C MUTHIAH
Chairman

B. NARENDRAN
Director

SUNIL DESHMUKH
Director

DEVIDAS MALI
COO & Whole Time Director

D.BALAGOPAL
Chief Financial Officer

G.ARUNMOZHI
Company Secretary

Statement of Cash Flow for the year ended 31st March 2018

(₹ Lakhs)

	Particulars	Year ended 31st March 2018		Year ended 31st March 2017	
A	**Cash Flow from Operating Activities**				
	Profit before tax		**705**		759
	Adjustments for				
	Depreciation	**174**		160	
	(Profit)/Loss on Disposal of Fixed Assets(net)	**(6)**		13	
	Interest Income	**(177)**		(36)	
	Dividend Income	**(560)**		(794)	
	Receipt of Mercantile Ventures Shares-Non Cash Item	**(412)**		-	
	Interest Expenditure	**639**	**(342)**	567	(90)
	Operating Profit before Working Capital Changes		**363**		669
	Adjustments for				
	Trade and Other Receivables	**(1832)**		(5391)	
	Inventories	**393**		(668)	
	Trade Payables and Other Liabilities	**31**	**(1408)**	4250	(1809)
	Cash Generated from Operations		**(1045)**		(1140)
	Tax Paid		**(40)**		(10)
	Net Cash from Operating Activities		**(1085)**		(1150)
B	**Cash Flow from Investing Activities**				
	Purchase of Fixed Assets	**(361)**		(357)	
	Sale of Fixed Assets(net)	**7**		16	
	Redemption of Investments (net)	**2500**		2500	
	Investment in Subsidiary-Danish Steel	**(619)**		(582)	
	Interest Income Received	**45**		30	
	Dividend Income Received	**428**		550	
	Net Cash used in Investing Activities		**2000**		2157
C	**Cash Flow from Financing Activities**				
	Interest Paid	**(639)**		(567)	
	Dividend Paid (Including Dividend Tax)	**(285)**		(285)	
	Net Cash used in Financing Activities		**(924)**		(852)
D	**Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)**		**(9)**		155
	Cash and Cash Equivalents as at (Opening) 1st April 2017		**1116**		961
	Cash and Cash Equivalents as at (Closing) 31st March 2018		**1107**		1116

As per our Report of even date

For SRSV & ASSOCIATES
Chartered Accountants
F.R.No.015041S

V.RAJESWARAN
Partner
M.No.020881
Place : Chennai
Date: 15th May 2018

For and on behalf of the Board

ASHWIN C MUTHIAH	**B. NARENDRAN**	**SUNIL DESHMUKH**
Chairman	Director	Director
DEVIDAS MALI	**D.BALAGOPAL**	**G.ARUNMOZHI**
COO & Whole Time Director	Chief Financial Officer	Company Secretary

1. Significant Accounting Policies

1.1 Brief description of the Company

Sicagen (the Company) is a public limited company, incorporated and domiciled in India whose shares are publicly traded. The registered office is located at SPIC House, Guindy, Chennai - 600032, Tamil Nadu, India. The Company together with its subsidiaries and associates (collectively referred to as the “Group”) operate in a diversified operating segments such as trading of Building materials, Sales & Servicing Power & controls systems, manufacturing of MS barrels and manufacture of water treatment chemicals. The subsidiary Companies are into manufacture of Cables, precision steel fabrication and property development.

1.2 Statement of compliance

The company’s financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of section 133, read with sub-section (1) of Section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. The financials for the year ended March 31, 2018 of the company are the first financial statements prepared in compliance with Ind AS. The date of transition to Ind AS is April 1, 2016. The financial statements upto the year ended March 31, 2017, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (“I-GAAP”) and other relevant provisions of the Act. The figures for the year ended March 31, 2017 have now been restated as per Ind AS to provide comparability. These financials statements have been approved for issue by the Board of Directors at their meeting held on 15th May 2018.

1.3 First Time Adoption Of Ind AS

The financial statements for the year ended 31st Mar 2018 are the first financial statements prepared in accordance with Ind AS. The Reconciliation and description of the effect of transition from previous GAAP to Ind AS on Equity, Statement of Profit and Loss are provided in Note 38. The Balance sheet as on the date of transition has been prepared in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards. All applicable Ind AS were applied consistently and retrospectively in preparation of the first Ind AS Financial Statements with certain mandatory exceptions and voluntary exemptions for the specific cases as provided under Ind AS 101.

The exemptions availed by the company under Ind AS 101 are as follows:

(i) The company has adopted the carrying value determined in accordance with I-GAAP for all of its property plant & equipment as deemed cost of such assets at the transition date.

(ii) The estimates as at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with I-GAAP

In accordance with Ind AS 101 on First time adoption of Ind AS, the Company has prepared its first Ind AS financial statements which include:

(i) Three Balance sheets namely, the opening Balance sheet as at April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising assets or liabilities which are not permitted by Ind AS, by reclassifying assets and liabilities from previous GAAP as required by Ind AS, and applying Ind AS in measurement of recognised assets and liabilities; and Balance sheets as at March 31, 2018 and 2017; and

(ii) Two statements each of profit and loss; cash flows and changes in equity for the years ended March 31, 2018 and 2017 together with related notes.

The same accounting policies have been applied for all the periods presented except when the Company has made use of certain exceptions and/ or exemptions.

1.4 Basis of accounting

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS and certain items of property, plant and equipment that were revalued in earlier years in accordance with the I-GAAP principles. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost.

FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

All assets and liabilities for which fair value is measured and disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are unobservable.

For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

For the purpose of fair value disclosures, the company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

Investments

The fair value of investments in equity is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

Trade Receivables

The fair value of trade and other receivables is estimated as the present value of the future cash flows, discounted at the market rate of interest at the reporting date. However, the fair value generally approximates the carrying amount due to the short term nature of such assets and for others difference of carrying amount and fair value is not material for disclosure.

1.5 Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Significant Estimates and judgments

The areas involving critical estimates or judgments are:

i) Defined benefit obligation - (Refer Note 34)

ii) Estimation of useful life of Property, Plant and Equipment - Refer Note 1.10

iii) Estimation and evaluation of provisions and contingencies relating to tax litigations – (Refer Note 36)

1.6 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (“the Act”). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash flows”. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimals places.

1.7 Current and non-current classification

Operating cycle for the business activities of the company covers the duration of the specific project/contract/product line/service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

1.8 Revenue recognition

Revenue is recognised based on nature of activity when consideration can be reasonably measured and recovered with reasonable certainty. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from operations

Revenue includes excise duty and adjustments made towards liquidated damages and price variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

1.8.1 Sale of goods

Revenue from the sale of manufactured and traded goods is recognised when the goods are delivered and titles have been passed, provided all the following conditions are satisfied:

1. Significant risks and rewards of ownership of the goods are transferred to the buyer;
2. The amount of revenue can be measured reliably; it is probable that the economic benefits associated with the transaction will flow to the company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.8.2 Rendering of services

Revenue from rendering of services is recognised when the outcome of a transaction can be estimated reliably. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

1. the amount of revenue can be measured reliably;
2. it is probable that the economic benefits associated with the transaction will flow to the company;
3. the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
4. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.8.3 Other operational revenue

This represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

1.8.4 Other income

i). Interest income is accrued on a time basis by reference to the principal outstanding and recognised using the effective interest rate method.

ii). Dividend income is accounted in the period in which the right to receive the same is established.

iii). Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

1.9 Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

1.10 Property, plant and equipment (PPE)

1.10.1 Tangible Assets

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any.

For transition to Ind AS, the company has elected to adopt as deemed cost, the carrying value of PPE measured as per I-GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2016. In respect of the revalued assets, the value is determined by valuers reduced by accumulated depreciation and cumulative impairment is taken as cost on transition date.

PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions).

1.10.2 Depreciation and amortization

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land and properties under construction) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Serial Number	Category of the Assets	Life
1	Factory Building	30 years
2	Office Building	60 years
3	Plant & Machinery	15 years
4	Electrical Equipments*	10-15 years
5	Computer & Accessories	3 years
6	Office Equipments	5 years
7	Furniture & Fixtures	10 years
8	Motor Car	8 years

*For few assets useful life is determined by technical evaluation.

Depreciation method is reviewed at end of each financial year to reflect the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Freehold land is not depreciated.

1.10.3 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost, less accumulated amortisation and cumulative impairment.

1.10.4 Research and development expenditure on new products:

Expenditure on research is expensed under respective heads of account in the period in which it is incurred. Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

1.10.5 Impairment of assets

As at the end of each accounting year, the company reviews the carrying amounts of its PPE, intangible assets and investments in subsidiary, associate and joint venture companies to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use;

(ii) in the case of a cash generating unit (a group of assets that generates are identified with independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

1.11 Employee Benefits

1.11.1 Short term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.

1.11.2 Post-employment benefits:

i) Defined contribution plans: The state governed provident fund scheme, employee state insurance scheme and the company's superannuation scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

ii) Defined benefit plans: The employees' gratuity fund scheme managed by board of trustees established by the company represents the defined benefit plan. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Defined benefit employee costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost.

Gains or losses on settlement of any defined benefit plan are recognised in profit or loss when such settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the company recognises related restructuring costs or termination benefits

1.12 Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

Operating leases: The leases which are not classified as finance lease are operating leases.

Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

1.13 Financial instruments

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets and financial liabilities are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. In case of interest free or concession loans given to subsidiary companies, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

1.13.1 Financial assets:

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:

1. Investments in debt instruments – at amortised cost, subject to following conditions:
   i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
   ii) The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
2 Investment in equity instruments issued by subsidiary, associates and joint ventures are measured at cost less impairment.
3 Investment in preference shares of associate companies are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.
4 Investments in equity instruments are classified at FVTPL, unless the related instruments are not held for trading and the company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income. The Company has chosen the option to measure the fair value changes in the equity Instruments through FVTOCI on initial recognition and all subsequent measurement.
5 For financial assets that are measured at FVTOCI, income by way of interest, dividend and exchange difference (on debt instrument) are recognised in profit or loss and changes in fair value (other than on account of such income) are recognised in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measured at FVTOCI, the cumulative gain or loss previously accumulated in other equity are reclassified to profit or loss. In case of equity instruments measured at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments

Use of deemed cost for investments in subsidiaries, joint ventures and associates

Para 31 of Ind AS 101 states, If an entity uses a deemed cost in its opening Ind AS Balance Sheet for an investment in a subsidiary, joint venture or associate in its separate financial statement, the entity's first Ind AS separate financial statements shall disclose:

(a) the aggregate deemed cost of those investments for which deemed cost is their previous GAAP carrying amount;

(b) the aggregate deemed cost of those investments for which deemed cost is fair value; and

(c) the aggregate adjustment to the carrying amounts reported under previous GAAP.

The Company has elected to value its investments in subsidiaries and associate at previous GAAP carrying values on transition to Ind AS. Investment in overseas subsidiary is valued at Net assets basis method and the revaluation amount is adjusted in the Other Comprehensive Reserve as on transition date.

Derecognition:

A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or
2. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and
   (a) the company has transferred substantially all the risks and rewards of the asset, or
   (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

Impairment of financial assets:

The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

1.13.2 Financial liabilities:

i) Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher.

   All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

ii) A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

iii) The company designates certain hedging instruments, such as derivatives, embedded derivatives and in respect of foreign currency risk, certain non-derivatives, as either fair value hedges or cash flow hedges or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

   A. Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

      Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

   B. Cash flow hedges: In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

      Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion, are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

      In case of time period related hedges, the forward element and the spot element of a forward contract is separated and only the change in the value of the spot element of the forward contract is designated as the hedging instrument. Similarly, wherever applicable, the foreign currency basis spread is separated from the financial instrument and is excluded from the designation of that financial instrument as the hedging instrument in case of time period related hedges. The changes in the fair value of the forward element of the forward contract or the foreign currency basis spread of the financial instrument is accumulated in a separate component of equity as 'cost of hedging'. The changes in the fair value of such forward element or foreign currency basis spread are reclassified to profit or loss as a reclassification adjustment on a straight line basis over the period of the forward contract or the financial instrument.

      Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

1.14 Inventories

Inventories are valued after providing for obsolescence, as under:

a) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

b) Manufacturing work-in-progress at lower of weighted average cost including related overheads or net realisable value. In the case of qualifying assets, cost also includes applicable borrowing costs as per Ind AS 16 relating to borrowing costs.

c) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes related overheads and excise duty paid/payable on such goods.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

1.15 Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to insignificant risk of change in value, are not included as part of cash and cash equivalents.

1.16 Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.17 Foreign currencies

(i) The functional currency and presentation currency of the company is Indian Rupee.

(ii) Transactions in currencies other than the company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in profit or loss in the period in which they arise except for:

a). exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

b). exchange differences on transactions entered into in order to hedge certain foreign currency risks.

1.18 Proposed Dividend

Under previous GAAP, the Company had recognised for proposed dividends relating to year ended 31st March 2016 and 31st March 2017 in that respective year, though the approval of that dividend took place after the reporting date. As per Ind AS 10, proposed dividends do not meet the definition of liability until they have been approved by shareholders at the Annual General Meeting. Therefore, the Company has not recognised a liability for dividend that has been proposed but not be approved until after the reporting date.

Dividend distribution tax on proposed dividend has not been recognised at the end of the reporting period.

1.19 Accounting and reporting of information for Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief operating decision making body in the Company to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Segment accounting policies are in line with the accounting policies of the company. In addition, the following specific accounting policies have been followed for segment reporting:

i) Segment revenue includes sales and other operational revenue directly identifiable with/ allocable to the segment including inter segment revenue.

ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result.

iii) Most of the centrally incurred costs are allocated to segments mainly on the basis of their respective expected segment revenue estimated at the beginning of the reported period.

iv) Income which relates to the company as a whole and not allocable to segments is included in “unallocable corporate income”.

v) Segment result includes margins on inter-segment capital jobs, which are reduced in arriving at the profit before tax of the company.

vi) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the company as a whole.

vii) Segment non-cash expenses forming part of segment expenses includes the fair value of the employee stock options which is accounted as employee compensation cost and is allocated to the segment.

viii) Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer prices which are either determined to yield a desired margin or agreed on a negotiated basis.

1.20 Taxes on income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961, and based on the expected outcome of assessments/ appeals.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company’s financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/ business losses/losses under the head “capital gains” are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

1.21 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

a) the company has a present obligation (legal or constructive) as a result of a past event;

b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

c) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure, required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent liability is disclosed in case of:

a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

1.22 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for;

b) uncalled liability on shares and other investments partly paid;

c) funding related commitment to subsidiary, associate and joint venture companies; and

d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.23 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

1.24 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

1.25 Key sources of estimation

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment, Intangible assets, allowance for doubtful debts/ advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

1.26 Related Party Transaction

Terms and conditions of transactions with the related parties:

(1) Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

(2) The Company is seconding its personnel to Subsidiary Companies as per the terms and conditions agreed between the Companies. The cost incurred by the group towards superannuation and employee benefits are recovered from these Companies.

(3) Outstanding balances (other than loan) of Subsidiaries and Associate at the year-end, are unsecured and interest free.

(4) For the year ended 31st March 2018 and 31st March 2017, the Company has not recorded any impairment of receivables relating to amounts payable by related parties.

This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

2. Property, Plant & Equipment as at 31st March 2018

(₹ Lakhs)

Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 1st April 2017	Additions	Transfer	Disposals / Adjustments	**Balance as at 31st March 2018**	Balance as at 1st April 2017	Depreciation charged for the year	Transfer	Disposals / Adjustments	**Balance as at 31st March 2018**	**Balance as at 31st March 2018**	Balance as at 31st March 2017
a) Property, Plant & Equipment												
Land - Free hold	6303	5	-	-	**6308**	-	-	-	-	**-**	**6308**	6303
- Lease hold	1	-	-	-	**1**	-	-	-	-	**-**	**1**	1
Buildings	999	74	-	-	**1073**	41	45	-	-	**86**	**987**	958
Plant and Equipment	391	56	(53)	-	**394**	33	35	-	(3)	**65**	**329**	358
Furniture and Fixtures	166	58	-	-	**224**	13	19	-	-	**32**	**192**	153
Vehicles	58	9	-	3	**64**	6	6	1	-	**11**	**53**	52
Office Equipment	77	38	20	-	**135**	14	23	-	3	**40**	**95**	63
Trucks	5	-	-	-	**5**	1	3	-	-	**4**	**1**	4
Lease hold improvements	109	27	-	-	**136**	38	21	-	-	**59**	**77**	71
Electrical Equipments	-	30	33	-	**63**	-	5	-	-	**5**	**58**	-
Total	8109	297	-	3	**8403**	146	157	1	-	**302**	**8101**	7963
b) Capital Work In Progress	3	70	-	45	**28**	-	-	-	-	**-**	**28**	3
Total	3	70	-	45	**28**	-	-	-	-	**-**	**28**	3
c) Intangible Assets												
Computer software	88	40	-	-	**128**	14	17	-	-	**31**	**97**	74
Total	88	40	-	-	**128**	14	17	-	-	**31**	**97**	74
Grand Total	8200	407	-	48	**8559**	160	174	1	-	**333**	**8226**	8040

Property, Plant & Equipment as at 31st March 2017

(₹ Lakhs)

Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 1st April 2016	Additions	Transfer	Disposals / Adjustments	Balance as at 31st March 2017	Balance as at 1st April 2016	Depreciation charged for the year	Transfer	Disposals / Adjustments	Balance as at 31st March 2017	Balance as at 31st March 2017	Balance as at 31st March 2016
a) Property, Plant & Equipment												
Land - Free hold	6274	29	-	-	6303	-	-	-	-	-	6303	6274
- Lease hold	1	-	-	-	1	-	-	-	-	-	1	1
Buildings	963	36	-	-	999	-	41	-	-	41	958	963
Plant and Equipment	314	96	(9)	10	391	-	33	-	-	33	358	314
Furniture and Fixtures	80	88	-	2	166	-	13	-	-	13	153	80
Vehicles	28	40	-	10	58	-	6	-	-	6	52	28
Office Equipment	47	27	9	6	77	-	14	-	-	14	63	47
Trucks	5	-	-	-	5	-	1	-	-	1	4	5
Lease hold improvements	78	31	-	-	109	-	38	-	-	38	71	78
Total	7790	347	-	28	8109	-	146	-	-	146	7963	7790
b) Capital Work In Progress	-	86	-	83	3	-	-	-	-	-	3	-
Total	-	86	-	83	3	-	-	-	-	-	3	-
c) Intangible Assets												
Computer software	82	6	-	-	88	-	14	-	-	14	74	82
Total	82	6	-	-	88	-	14	-	-	14	74	82
Grand Total	7872	439	-	111	8200	-	160	-	-	160	8040	7872

The Company has elected the fair value of PPE as at 01st April, 2016 (transition cost) as deemed cost and has accordingly disclosed the same as above

3 Non Current Investments

(₹ Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade Investments			
(a) Investment in Equity Instruments	**13560**	12499	11724
(b) Investment in Preference Shares	**1000**	3500	6000
Total	**14560**	15999	17724
Aggregate amount of quoted investments	**1430**	988	795
Aggregate amount of unquoted investments	**13130**	15011	16929
Total	**14560**	15999	17724

3.1 Details of Trade Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Fair Value (₹ Lakhs)		
			2018	2017			**2018**	2017	**2018**	2017	2016
(1)	**(2)**	**(3)**	**(4)**	(5)	**(6)**	**(7)**	**(8)**	(9)	**(10)**	(11)	(12)
(a)	**Investment in Equity Instruments**										
	Southern Petrochemicals Industries Corporation Ltd	Others	**3017349**	3017349	Quoted	Fully Paid	**2**	2	**1011**	709	592
	First Leasing company of India Ltd (includes bonus shares)	Others	**2153649**	2153649	Quoted	Fully Paid	**9**	9	**-**	-	-
	Mercantile Ventures Ltd	Others	**4008205**	2360205	Quoted	Fully Paid	**3.58**	2	**419**	279	203
	Mitsuba Sical India Pvt Ltd	Others	**300000**	300000	Unquoted	Fully Paid	**-**	-	**-**	-	-
	EDAC Automation Ltd	Associate	**449970**	449970	Unquoted	Fully Paid	**50**	50	**45**	45	45
	South India House Estates & Properties Ltd	Subsidiary	**10000000**	10000000	Unquoted	Fully Paid	**100**	100	**1000**	1000	1000
	Wilson Cables Pte Ltd	Subsidiary	**5886216**	5886216	Unquoted	Fully Paid	**100**	100	**9884**	9884	9884
	Danish Steel Cluster Pvt Ltd	Subsidiary	**7084703**	4250823	Unquoted	Fully Paid	**100**	60	**1201**	582	-
	AM Foundation	Others	**1200**	1200	Unquoted	Fully Paid	**12**	12	**-**	-	-
(b)	**Investments in Preference Shares**										
	Greenstar Fertilizers Ltd	Others	**-**	2500000	Unquoted	Fully Paid	**-**	53.20	**-**	2500	5000
	EDAC Engineering Ltd	Others	**10000000**	10000000	Unquoted	Fully Paid	**83**	83	**1000**	1000	1000
	Total								**14560**	15999	17724

Notes to Investments

3.2 During the year, the preference shares held in Green Star Fertilizers Ltd have been completely redeemed.

3.3 During the year, the Company has acquired 28,33,880 equity shares representing 40% equity capital of Danish Steel Cluster Private Ltd and completed 100% acquisition.

3.4 During the year, the Company has received 16,48,000 equity shares of Mercantile Ventures Ltd (MVL) valuing Rs.4.12 crores, originally allotted to Manali Petrochemicals Ltd (MPL) against the old outstanding dues payable by MVL, which was adjusted against the payment due from MPL towards supply of materials by the Company before demerger.

3.5 The equity shares held in Southern Petrochemicals Industries Corporation Ltd which are considered as strategic in long term investments have been duly revalued at market value as per Ind AS.

3.6 All Quoted Investments have been fair valued at the prevailing Market Price as per Ind AS.

3.7 All Investments are fully paid up.

3.8 Refer Note 39 for valuation of Investments relating to First Time Adoption of Ind AS

4. Loans (₹ Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
a. Security Deposits			
Unsecured, considered good	**358**	352	365
b. Loans and advances to related parties			
Unsecured, considered good	**1571**	983	-
Total	**1929**	1335	365

5. Other Non-Current Assets

Other advances	**4885**	4883	4802
Total	**4885**	4883	4802

The company is making provisions for loans & advances which have been outstanding for a period of three years or more based on Expected Credit Loss (ECL) model. However, any advances with cetainty of loss is provided for even with lower aging.

6. Inventories

a. Raw Materials and components	**303**	361	286
b. Work-in-progress	**58**	42	44
c. Finished goods	**19**	27	14
d. Stock-in-trade	**4919**	5107	4503
e. Stores and spares	**15**	157	180
f. Loose Tools	**-**	1	1
g. Others	**-**	12	11
Total	**5314**	5707	5039

7. Trade Receivables

Unsecured, considered good	**16750**	15115	11115
Less : Provision for doubtful debts	**3598**	3598	3598
Total	**13152**	11517	7517

The Company has a detailed review mechanism for overdue customer receivables at various levels within the organisation to ensure proper attention and focus for realisation.The company is making provisions for trade receivables outstanding for a period of three years or more based on Expected Credit Loss (ECL) model. However, any trade receivable with certainty of loss is provided for even with lower aging of debt.

8. Cash and Cash Equivalents

Balances with banks			
Current Accounts	**1038**	1082	913
Cheques, drafts on hand	**62**	26	38
Cash on hand	**7**	8	10
Total	**1107**	1116	961

8.1 Cash Credit facility availed by the Company is grouped under head Financial Liabilities (Refer Note No.17)

9. Bank balance and Others (₹ Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Margin Money	**102**	77	66
Balance with bank (for unpaid dividend)	**56**	49	43
Bank Deposits with maturity for more than 3 months but less than 12 months	**200**	500	-
Total	**358**	626	109

10. Loans

Other loans and advances			
Loans and advances to Employees	**3**	1	-
Total	**3**	1	-

11. Current tax Assets (Net)

Advance Income tax	**2672**	2623	2681
Less:			
Provision for Tax	**2269**	2232	2225
Total	**403**	391	456

12. Other Current Assets

Prepaid expense - unsecured considered good	**84**	116	22
Advance Sales Tax	**29**	60	111
Balance with Government authorities Unsecured considered good			
Cenvat Credit Receivable	**-**	7	2
Vat Credit receivable	**-**	46	45
GST Credit Receivable			
CGST Input Receivable	**32**	-	-
SGST Input Receivable	**75**	-	-
IGST Input Receivable	**171**	-	-
Service Tax credit receivable	**-**	3	4
Debit Balance with creditors			
Unsecured, considered good	**204**	374	532
Others	**377**	251	-
Total	**972**	857	716

13. Share Capital

Particulars	**As at 31st March 2018**		As at 31st March 2017		As at 1st April 2016	
	Number	**₹ Lakhs**	Number	₹ Lakhs	Number	₹ Lakhs
Authorised						
Equity Shares of ₹ 10 each	**50000000**	**5000**	50000000	5000	50000000	5000
Issued						
Equity Shares of ₹ 10 each	**39571684**	**3957**	39571684	3957	39571684	3957
Subscribed & Paid up						
Equity Shares of ₹ 10 each fully paid	**39571684**	**3957**	39571684	3957	39571684	3957

13.1 Number of shares and the amount outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March 2018		As at 31st March 2017	
	Number	**₹ Lakhs**	Number	₹ Lakhs
Shares outstanding at the beginning of the year	**39571684**	**3957**	39571684	3957
Shares Issued during the year	**-**	**-**	-	-
Shares bought back during the year	**-**	**-**	-	-
Shares outstanding at the end of the year	**39571684**	**3957**	39571684	3957

13.2 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Shares held	**% of Holding**	No. of Shares held	% of Holding	No. of Shares held	% of Holding
M/s.Ranford Investments Ltd.	**7400649**	**18.70**	7400649	18.70	7400649	18.70
M/s.Darnolly Investments Ltd.	**7276102**	**18.39**	7276102	18.39	7276102	18.39
M/s.Twinshield Consultants Pvt.Ltd.	**3148810**	**7.96**	3148810	7.96	3148810	7.96

13.3 Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: **NIL**

14. Other Equity (₹ Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital Reserve	**2856**	2856	2856
Securities Premium Reserves	**29443**	29443	29443
General Reserve	**200**	200	200
Retained Earnings	**(2292)**	(2649)	(3114)
Other Comprehensive Income Reserve	**4442**	4419	4226
Total	**34649**	34269	33611

15. Provisions - Non current

Provision for employee benefits			
Gratuity	**-**	-	10
Leave Encashment	**29**	25	29
Others	**3**	3	4
Total	**32**	28	43

16. Deferred Tax Liability

Opening Balance	**20**	18	18
Provided in Profit & Loss a/c during the year	**25**	2	-
Closing Balance	**45**	20	18

17. Borrowings (₹ Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Secured			
Working Capital Facility	**1919**	3597	2779
Unsecured			
From Banks	**1948**	1902	1681
From Other Parties	**1416**	1070	-
Trade Deposits	**8**	7	7
Total	**5291**	6576	4467

17.1 Credit facilities availed from Banks/NBFCs by way of Channel Financing arrangements for the Company were secured by way of hypothecation of relevant stocks.

17.2 Working capital facilities availed were secured by hypothecation of stocks and receivables of all Divisions and creation of equitable mortgage by way of deposit of title deeds of certain immovable assets of the Company as collateral security.

18. Trade payables

Trade Payables	**5826**	4432	2306
Total	**5826**	4432	2306

19. Other Financial Liabilities

Unpaid Dividend	**56**	49	43
Other payables	**386**	386	386
Liability for Expenses	**178**	174	218
Total	**620**	609	647

20. Other Current Liabilities

Advance from Customers	**137**	188	248
Others	**211**	233	118
Total	**348**	421	366

21. Provisions - Current

Provision for employee benefits			
Bonus/Performance pay	**141**	160	146
Total	**141**	160	146

(₹ Lakhs)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
22. Revenue From Operations		
Sale of products		
Traded Goods	**50778**	51976
Manufactured Goods	**4832**	3489
Sub-Total	**55610**	55465
Sale of services	**893**	870
Other operating revenues		
Scrap Sales	**141**	88
Others	**1**	-
Total	**56645**	56423
22.1 Details of Products Sold		
Traded Goods		
Steel Pipes	**32809**	35010
Steel	**9372**	9565
PVC Pipes	**1032**	763
Cables	**2549**	2767
Spares and Others	**5016**	3871
Sub-Total (A)	**50778**	51976
Manufactured Goods		
Drums	**3185**	2371
Others	**910**	742
Chemicals	**737**	376
Sub-Total (B)	**4832**	3489
Total (A)+(B)	**55610**	55465
23. Other Income		
Interest Income	**177**	36
Dividend Income	**560**	794
Other non-operating income	**437**	203
Total	**1174**	1033
24. Cost of Raw Materials Consumed		
Inventory at the beginning of the year	**399**	318
Add : Purchases	**3848**	2765
Less : Inventory at the end of the year	**318**	399
Total	**3929**	2684

(₹ Lakhs)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
24.1 Details of Raw Material Consumed		
CRCA Coils	**2225**	1464
Others	**1704**	1220
Total	**3929**	2684
25. Purchases of Stock-in-Trade		
Steel Pipes	**30334**	32551
Steel	**8890**	9121
PVC Pipes	**950**	731
Cables	**2471**	2685
Spares and Others	**4345**	3955
Total	**46990**	49043
26. (Increase)/Decrease in inventories of finished goods, Work-In-Progress (WIP) and Stock in Trade		
Inventory at the end of the year		
Finished Goods	**19**	27
WIP	**58**	39
Stock in Trade	**4919**	5236
Sub-Total (A)	**4996**	5302
Inventory at the beginning of the year		
Finished Goods	**27**	14
WIP	**39**	41
Stock in Trade	**5236**	4664
Sub-Total (B)	**5302**	4719
(Increase)/Decrease (B-A)	**306**	(583)
27. Employee benefit expense		
Salaries, Wages and Bonus	**1819**	1670
Contribution to Provident Fund and Others	**106**	103
Staff Welfare Expense	**129**	133
Total	**2054**	1906
28. Finance Cost		
Interest	**639**	567
Bank Charges	**49**	49
Total	**688**	616
29. Other Expenses		
Rent	**395**	389
Rates & Taxes	**65**	113
Insurance	**44**	43
Power & Fuel	**133**	120
Office Maintenance	**326**	215
Vehicle Operating Expenses	**1**	1
Repairs & maintenance		
Plant & Machinery	**2**	1
Building	**7**	5
Vehicles	**20**	20
Others	**175**	139
Travelling & Conveyance	**330**	327

(₹ Lakhs)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Printing & Stationery	**31**	32
Postage, Telegram & Telephone	**75**	80
Staff Recruitment & Training	**-**	5
Subscription / Donation	**16**	20
Advertisement,Publicity & Sales Promotion	**127**	154
Payment to Auditors (Details given below)	**17**	28
Legal & Professional Fees	**12**	36
Freight & Forwarding charges	**749**	501
Director's Sitting Fee	**14**	14
Brokerage & Commission	**8**	15
Other Selling Expenses	**2**	2
Consumable Stores & Tools	**28**	10
Security Service Charges	**109**	120
Loss on sale of Fixed Assets	**-**	16
Entertainment Expenses	**2**	2
Consultancy Fees	**122**	88
Miscellaneous Expenses	**10**	9
Testing Fees	**2**	-
Excise Duty on sales	**151**	366
Total	**2973**	2871

29.1 Payment to Auditor

Statutory Audit Fees	**12**	14
Taxation matters	**3**	3
Other services	**2**	11
Total	**17**	28

30. Other Comprehensive Income

Items that will not be reclassified to profit or loss

Remeasurement of defined benefit plans	**(7)**	-
Equity Instruments through other comprehensive Income	**30**	193
Total	**23**	193

31. Earning Per Share [EPS]

Profit after Tax	**642**	750
No.of Shares used in computing EPS-Basic	**39571684**	39571684
Face value per share (₹)	**10**	10
Weighted Average number of equity shares	**39571684**	39571684
Basic & diluted earning per share (₹)	**1.62**	1.90

32. Expenditure in Foreign Currency during the Financial year

Travelling Expenses	**7**	5
Total	**7**	5

33. Earnings in Foreign Exchange (Received during the year)

Export of goods	**13**	-

34. Employee Benefit Obligation

Defined Benefit plans as per Acturial Valuation

34.1 Disclosure Report as per IND AS 19 (₹ Lakhs)

I. Principal Actuarial Assumptions [Expressed as weighted averages]	**As at 31st March 2018**	
	Gratuity	**Leave**
Discount Rate	**7.21%**	**7.21%**
Rate of increase in compensation levels	**6.00%**	**6.00%**
Attrition rate	**20.00%**	**20.00%**
Expected rate of return on Plan Assets	**7.21%**	**-**
II. Changes in the Present Value of the Obligation (PVO)		
PVO as at the beginning of the period	**206**	**24**
Interest Cost	**14**	**2**
Current service cost	**20**	**7**
Past Service Cost	**1**	**-**
Benefits paid and charges deducted	**(24)**	**(5)**
Actuarial loss/(gain) on obligation (balancing figure)	**8**	**1**
PVO as at the end of the period	**225**	**29**
III. Changes in the Fair Value of Plan Assets - Reconciliation of Opening and Closing Balances		
Fair value of plan assets as at the beginning of the period	**207**	**-**
Expected return on plan assets	**15**	**5**
Contributions	**27**	**(5)**
Benefits paid and charges deducted	**(24)**	**-**
Actuarial gain/(loss) on plan assets [balancing figure]	**-**	**-**
Fair value of plan assets as at the end of the period	**225**	**-**
IV. Actual Return on Plan Assets		
Expected return on plan assets	**15**	**-**
Actuarial gain (loss) on plan assets	**-**	**-**
Actual return on plan assets	**15**	**-**
V. Actuarial Gain / Loss Recognized		
Acturial gain / (loss) for the year - Obligation	**(8)**	**(1)**
Actuarial gain / (loss) for the year - Plan Assets	**-**	**-**
Sub Total	**(8)**	**(1)**
Actuarial (gain) / loss recognized	**8**	**1**
Unrecognized actuarial (gain) / loss at the end of the year	**-**	**-**
VI. Amounts Recognised in the Balance Sheet and Related Analysis		
Present value of the obligation	**225**	**29**
Fair value of plan assets	**225**	**-**
Amount determined under para 63 of Ind AS 19	**-**	**-**
Net Defined Benefit Liability recognized in the Balance Sheet	**-**	**29**
Present value of future reduction in contribution under para 65 of Ind AS 19	**-**	**-**
Net Defined Benefit Asset recognised under para 64 of Ind AS19	**-**	**-**

(₹ Lakhs)

VII. Expenses Recognised in the Statement of Profit and Loss	As at 31st March 2018	
	Gratuity	Leave
Current service cost	**20**	**7**
Net Interest on Net Defined Benefit Obligations	**(1)**	**2**
Expected return on plan assets	**-**	**-**
Net actuarial (gain) / loss recognised in the year	**19**	**9**
Past service cost	**1**	**1**
Expenses recognized in the statement of profit and loss	**20**	**10**
VIII. Amount Recognized for the Current Period in the Statement of Other Comprehensive Income [OCI]		
Actuarial (gain) / loss on Plan Obligations	**8**	**-**
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	**-**	**-**
Effect of Balance Sheet asset limit	**-**	**-**
Amount recognized in OCI for the current period	**8**	**-**
IX. Movements in the Liability Recognized in the Balance Sheet		
Opening net liability adjusted for effect of balance sheet limit	**(1)**	**24**
Amount recognised in Profit and Loss	**-**	**10**
Amount recognised in OCI	**8**	**-**
Contribution paid	**(27)**	**(5)**
Closing net liability	**(20)**	**29**
X. Amount for the Current Period		
Present Value of obligation	**225**	**29**
Plan Assets	**225**	**-**
Surplus (Deficit)	**-**	**(29)**
Experience adjustments on plan liabilities - (loss) / gain	**(5)**	**(1)**
Impact of Change in Assumptions on Plan Liabilities- (loss) / gain	**(2)**	**-**
Experience adjustments on plan assets - (loss) / gain	**-**	**-**
XI. Major Categories of Plan Assets (As Percentage of Total Plan Assets)		
Funds managed by Insurer	**100%**	**-**
XII. Enterprise's Best Estimate Of Contribution For Next Year	**NA**	**NA**

Additional Disclosures Under IND AS19 (₹ Lakhs)

34.2 Type of Plan	Gratuity	Leave
1.0 The following table sets out the additional disclosures required under Ind AS 19		
1.1 Date of valuation	**31st March 2018**	**31st March 2018**
1.2 Average Duration of Defined Benefit Obligations (in years)	**3.86**	**3.90**
1.3 Sensitivity Analyses		
A. Discount Rate + 50 BP	**7.71%**	**7.71%**
Defined Benefit Obligation [PVO]	**221**	**28**
Current Service Cost	**18**	**7**
B. Discount Rate - 50 BP	**6.71%**	**6.71%**
Defined Benefit Obligation [PVO]	**228**	**29**
Current Service Cost	**19**	**7**
C. Salary Escalation Rate + 50 BP	**6.50%**	**6.50%**
Defined Benefit Obligation [PVO]	**229**	**29**
Current Service Cost	**19**	**7**
D. Salary Escalation Rate - 50 BP	**5.50%**	**5.50%**
Defined Benefit Obligation [PVO]	**221**	**28**
Current Service Cost	**18**	**7**
1.4 Expected Contributions in the Following Years [mid - year cash flows]		
Year 1	**NA**	**5**
Year 2	**NA**	**5**
Year 3	**NA**	**5**
Year 4	**NA**	**4**
Year 5	**NA**	**3**
Next 5 Years	**NA**	**7**
"NA " denotes " Not Available"		
1.5 Expected Benefit Payments in the Following Years [mid - year cash flows]		
Year 1	**49**	**5**
Year 2	**49**	**5**
Year 3	**45**	**5**
Year 4	**39**	**4**
Year 5	**24**	**3**
Next 5 Years	**66**	**7**

35. Related Party Transaction

a.List of related parties where control exists

Name of the Related Party	Relationship
Wilson Cables Pte Limited	Wholly Owned Subsidiary Company
South India House Estates And Properties Limited	Wholly Owned Subsidiary Company
Danish Steel Cluster Private Limited	Wholly Owned Subsidiary Company
Firstgen Distribution Private Limited	Enterprise over which a Director is able to exercise significant influence
SIDD Life Sciences Private Limited	Enterprise over which a Director is able to exercise significant influence
Medihub Sciencetec Private Limited	Enterprise over which a Director is able to exercise significant influence
South India Investments & Associates	Enterprise over which a Director's Relative is a partner and is able to exercise significant influence

b. Other related parties with whom transactions have taken place during the year 2017 -18

Name of the related parties & relationship

Mr.Devidas Mali, COO & Whole Time Director

Mr.Shridhar Gogte, VP & Whole Time Director

c. The following transactions were carried out with the related parties during the year 2017-18

Sale of Goods/Income from Services Rendered	(₹ Lakhs)
Wilson Cables Pte Limited	18.57
Danish Steel Cluster Private Limited	629.30
Firstgen Distribution Private Limited	2698.62
Purchase of Goods	
Danish Steel Cluster Private Limited	224.63
Firstgen Distribution Private Limited	451.38
SIDD Life Sciences Private Limited	390.34
IT Support Charges	
Wilson Cables Pte Limited	19.65
SIDD Life Sciences Private Limited	1.15
Medihub Sciencetec Private Limited	3.54
Rent Received	
South India House Estates And Properties Limited	1.41
SIDD Life Sciences Private Limited	0.41
Medihub Sciencetec Private Limited	1.27
Reimbursement of Expenses - Payable	
Wilson Cables Pte Limited	168.67
Managerial Remuneration Paid	
Mr.Devidas Mali	69.97
Mr.Shridhar Gogte	55.04
South India House Estates And Properties Limited	
Mr.V.Rajagopal	0.75
Reimbursement of Expenses - Receivable	
Wilson Cables Pte Limited	51.00
Danish Steel Cluster Private Limited	80.15
South India House Estates And Properties Limited	9.35
Loan Given (including Interest)	
Danish Steel Cluster Private Limited	417.85

36. Contingent Liability

a. Appeal is pending at High Court for the Assessement year 2009-10 for a demand of Rs.200 Lakhs.Appeal filed with ITAT (A) for a demand of Rs.1699 Lakhs for the Assessment year 2011-12. Appeal filed with CIT (A) for a demand of Rs.151 Lakhs for the Assessement year 2015-16. Provision has not been made for any of the above demands.

b. Guarantees given by the bankers for performance of Contracts and others Rs.572.45 Lakhs (Rs.378.20 Lakhs).

37. Segment Information for the year ended 31st March 2018

Information about Primary Business Segments

(₹ Lakhs)

	2018				2017			
Business Segments	**Trading**	**Manufacturing**	**Eliminations**	**Total**	Trading	Manufacturing	Eliminations	Total
Revenue								
External Sales	**51698**	**4955**	**-**	**56653**	52851	3577	-	56428
Inter Segment Sales		**-**	**(8)**	**(8)**	-	-	(5)	(5)
Total Revenue	**51698**	**4955**	**(8)**	**56645**	52851	3577	(5)	56423
Result								
Segment Result	**1080**	**394**	**-**	**1474**	1349	154	-	1503
Unallocated Corporate Expenses								
net of Unallocated Income				**(130)**				(177)
Operating Profit				**1344**				1326
Interest Expense				**639**				567
Income Taxes(net of def.tax)				**63**				9
Profit from ordinary activities				**642**				750
Exceptional items				**-**				-
Net Profit				**642**				750
Other Information								
Segment Assets	**21779**	**1959**	**-**	**23738**	20868	1807	-	22675
Unallocated Corporate Assets	**-**	**-**	**-**	**27171**	-	-	-	27797
Total Assets	**21779**	**1959**	**-**	**50909**	20868	1807	-	50472
Segment Liabilities	**9319**	**248**	**-**	**9567**	7698	162	-	7860
Unallocated Corporate Liabilities	**-**	**-**	**-**	**2736**	-	-	-	4386
Total Liabilities	**9319**	**248**	**-**	**12303**	7698	162	-	12246
Capital Expenditure	**266**	**96**	**-**	**362**	258	98	-	356
Depreciation	**128**	**46**	**-**	**174**	123	37	-	160

Information about Secondary Business Segments

	India	**Rest of the World**	**Total**	India	Rest of the World	Total
Revenue by Geographical Market	**56640**	**13**	**56653**	56426	2	56428
Segment Assets	**23738**	**-**	**23738**	22675	-	22675
Capital Expenditure	**362**	**-**	**362**	356	-	356

Notes:

A) The Company has identified Business Segment as the Primary Segment and Geographic Segment as the Secondary Segment for disclosure.

The Company's Primary segment has been identified as business segment based on nature of products,returns and Internal Business Reporting System as per Ind AS 108.

B) The Business Segments identified are Trading and Manufacturing.

C) The Geographical Segment considered for disclosure are India and Rest of the World. All sales facillities are located in India.Geographical segments are based on the location of the customer who is invoiced or in relation to which the revenue is otherwise recognised.

D) Segmental assets include all the operating assets used by the respective segment and principally consists of operating cash,debtors,inventories and fixed assets.

38 First Time Ind AS Adoption Reconciliation

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101:

a) Reconciliation of Balance Sheet

(₹ Lakhs)

PARTICULARS	As at 31st March 2017			As at 1st April 2016		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS						
Non-current assets						
Property, Plant and Equipment	3050	4913	7963	2883	4907	7790
Capital Work in Progress	3		3	-	-	-
Other Intangible Assets	74	-	74	82	-	82
Financial Assets						
- Investments	11580	4419	15999	13498	4226	17724
- Loans	1335	-	1335	365	-	365
Other non current Assets	15441	(10558)	4883	15360	(10558)	4802
Current assets						
Inventories	5707	-	5,707	5039	-	5039
Financial Assets						
- Trade receivables	15115	(3598)	11517	11115	(3598)	7517
- Cash and cash equivalents	1116	-	1116	961	-	961
- Bank Balance other than cash equivalents	626	-	626	109	-	109
- Other Current Financial assets	1	-	1	-	-	-
Current Tax Asset (Net)	391	-	391	456	-	456
Other Current Assets	857	-	857	716	-	716
Total Assets	**55296**	**(4824)**	**50472**	**50584**	**(5023)**	**45561**
EQUITY AND LIABILITIES						
Equity						
Equity Share capital	3957	-	3957	3957	-	3957
Other Equity	38515	(4246)	34269	38056	(4,445)	33611
LIABILITIES						
Non-current liabilities						
Provisions	28	-	28	43	-	43
Deferred Tax Liability	313	(293)	20	311	(293)	18
Current liabilities						
Financial Liabilities						
- Borrowings	6576	-	6576	4467	-	4467
- Trade payables	4432	-	4432	2306	-	2306
- Other financial liabilities	894	(285)	609	932	(285)	647
Other Current Liabilities	421	-	421	366	-	366
Provisions	160	-	160	146	-	146
Total Equity and Liabilities	**55296**	**(4824)**	**50472**	**50584**	**(5023)**	**45561**

b) Reconciliation of total equity as at 31st March 2017 and 1st April 2016 (₹ Lakhs)

Particulars	As at 31st March 2017	As at 1st April 2016
Equity (shareholders' fund) under previous GAAP	42472	42013
Adjustments:		
Fair valuation as deemed cost for Property, Plant and Equipment	4913	4,907
Fair valuation of Investments	4419	4226
Expected Credit Loss Adjustment	(14156)	(14156)
Tax Adjustments	293	293
Derecognition of Dividend & Dividend Tax	285	285
Equity (shareholders' fund) as per Ind AS	**38226**	**37568**

c). Reconciliation of total comprehensive income for the year ended 31st March 2017

Particulars	Year ended 31st March 2017
Net Profit as reported under previous GAAP	744
Adjustment towards sale of assets fair valued as per Ind AS	6
Net Profit as reported under Ind AS (A)	750
Other comprehensive income: Fair Valuation of Investments **(B)**	193
Total comprehensive income (A+B)	**943**

NOTES TO FIRST TIME IND AS ADOPTION RECONCILIATION :

Items relating to total equity and Other comprehensive income

(a) **Impact of Fair valuation as deemed cost for Property, Plant and Equipment:** Under Indian GAAP, the property, plant and equipment is carried at cost less accumulated depreciation and amortisation. Ind AS 101 allows entity to elect to measure Property, Plant and Equipment on the transition date at its fair value or previous GAAP carrying value (book value) as deemed cost. Entire classes of PPE have been fair valued as on date of transition. The resulting impact of fair valuation is reflected in the reserves.

(b) **Impact on Fair Valuation of Investments:** As per IND AS 101, the fair value of investments in equity is determined by reference to their quoted prices on the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

(c) **Impact on Trade Receivables and Loans and advances:** The Company is making provisions for trade receivables and loans and advances outstanding for a period of three years or more based on Expected Credit Loss (ECL) model. However, any trade receivable or advance with certainty of loss is provided for even with lower aging.

(d) **Derecognition of Proposed Dividend:** Proposed Dividend has to be recognized upon approval by the shareholders in the Annual General Meeting. Accordingly, Proposed Dividend has been reversed with corresponding credit to Equity as at the date of transition i.e. 1st April 2016 and recognized in the Equity during the year ended 31st March 2017 as declared and paid.

(e) **Other comprehensive income:** Under Indian GAAP, the Company has not presented the other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP loss to loss as per Ind AS. Further, Indian GAAP loss is reconciled to total comprehensive income as per Ind AS.

39 DISCLOSURE OF FAIR VALUE MEASUREMENT:

39.1 The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial instruments by category as at 31st March, 2018, 31st March 2017 and 1st April, 2016 are as follows :

(₹ Lakhs)

PARTICULARS	As at 31st March 2018		As at 31st March 2017		As at 01st April 2016	
	Amortised Cost	**FVOCI**	Amortised Cost	FVOCI	Amortised Cost	FVOCI
Financial Assets						
Investments in Subsidiaries	**12085**	**-**	11466	-	10884	-
Loans	**1929**	**-**	1335	-	365	-
Trade Receivables	**13152**	**-**	11517	-	7517	-
Cash and cash equivalents	**1107**	**-**	1116	-	961	-
Bank Balances other than cash equivalents	**358**	**-**	626	-	109	-
Other Financial Assets-Loans	**3**	**-**	1	-		-
Investments						
- Equity Instruments		**1475**		1033		840
- Preference Shares	**1000**	**-**	3500	-	6000	-
Financial Liabilities						
Borrowings	**5291**	**-**	6576	-	4467	-
Trade Payables	**5826**	**-**	4432	-	2306	-
Other Financial Liabilities	**620**	**-**	609	-	647	-

39.2 Valuation Techniques used for Fair Valuation is as follows:

(₹ Lakhs)

Particulars	As at 31st March, 2018					As at 31st March, 2017					As at 1st April, 2016				
	Carrying Amount	Level of Input used in			Total	Carrying Amount	Level of Input used in			Total	Carrying Amount	Level of Input used in			Total
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
Financial Assets															
Investments in Subsidiaries	**2201**	**-**	**-**	**9884**	**12085**	1582	-	-	9884	11466	1000	-	-	9884	10884
Loans	**1929**	**-**	**-**	**-**	**1929**	1335	-	-	-	1335	365	-	-	-	365
Trade Receivables	**13152**	**-**	**-**	**-**	**13152**	11517	-	-	-	11517	7517	-	-	-	7517
Cash and cash equivalents	**1107**	**-**	**-**	**-**	**1107**	1116	-	-	-	1116	961	-	-	-	961
Bank Balances other than cash equivalents	**358**	**-**	**-**	**-**	**358**	626	-	-	-	626	109	-	-	-	109
Other Financial Assets - Loans	**3**	**-**	**-**	**-**	**3**	1	-	-	-	1	-	-	-	-	-
Investments															
- Equity Instruments	**-**	**1475**	**-**	**-**	**1475**	-	1033	-	-	1033	-	840	-	-	840
- Preference Shares	**1000**	**-**	**-**	**-**	**1000**	3500	-	-	-	3500	6000	-	-	-	6000
Financial Liabilities															
Borrowings	**5291**	**-**	**-**	**-**	**5291**	6576	-	-	-	6576	4467	-	-	-	4467
Trade Payables	**5826**	**-**	**-**	**-**	**5826**	4432	-	-	-	4432	2306	-	-	-	2306
Other Financial Liabilities	**620**	**-**	**-**	**-**	**620**	609	-	-	-	609	647	-	-	-	647

Valuation techniques used to determine the fair value

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

40. Financial risk management

The treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's principal financial liabilities comprises of loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

Trade receivables

The Company primarily sells goods to customers comprising, of dealers, institutions, public sector enterprises, state owned companies and large private corporates. Accordingly, the Company's customer credit risk is low. General payment terms include a credit period ranging from 60 to 120 days. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as credit defaults, credit ratings from international credit rating agencies and the Company's historical experience for customers. Management considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

Loans and advances

Cash and cash equivalents and deposits with banks

The Company has banking operations with highly rated banks including scheduled banks which are owned by Government of India and Private Sector Banks. The risk of default with government controlled entities is considered to be insignificant.

Provision for expected credit losses

For financial assets loss allowance is measured using 36 months expected credit loss model. However, any trade receivable with certainty of loss is provided for even with lower aging of debt.

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low.

Category-wise classification for applicable financial assets

I. Measured at amortised cost: (₹ Lakhs)

Particulars	31st March 2018	31st March 2017	1st April 2016
Loans	**1929**	1335	365
Trade receivables	**13152**	11517	7517
Cash and cash equivalents	**1107**	1116	961
Bank Balance Other than cash equivalents	**358**	626	109
Other Financial Assets-Loans	**3**	1	-

II. Measured at fair value through Other Comprehensive Income (FVTOCI):

(i) Investment in Equity Instruments (Quoted) (₹ Lakhs)

Particulars	31st March 2018	31st March 2017	1st April 2016
Investment in Equity Instruments (Quoted)	**1430**	988	795

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk through cash credit limits and undrawn borrowing facilities by continuously monitoring forecast and actual cash flows.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements of the Company. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ Lakhs)

Particulars	31st March 2018	31st March 2017	1st April 2016
Working Capital Facility (Andhra Bank)	**1919**	3597	2779
Channel Financing Facility	**3364**	2972	1681
Total	**5283**	6569	4460

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt. While most of the Company's outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk.

41. Previous year's figures have been regrouped and rearranged in line with Ind AS wherever necessary.

Annual Report 2017-18

Accounts - Consolidated

Independent Auditor's Report

To the Members of SICAGEN INDIA LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of M/s SICAGEN INDIA LIMITED ("the Holding Company"), and its subsidiaries (collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31st March 2018, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated cash flow statement and the consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of the consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance(including Other Comprehensive Income), consolidated cash flows and consolidated changes in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the Companies in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated Ind AS financial statements based on our audit. While conducting the 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 thereunder.

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 consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their audit reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March 2018;

(b) in the case of the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), of the consolidated profit and total consolidated Comprehensive Income for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

(d) in the case of the Consolidated Statement of Changes in Equity, changes for the year ended on that date

Other Matters

We did not audit the financial statements of "Wilson Cables Private Limited", "South India House Estates & Properties Limited" and "Danish Steel Cluster Private Limited", the subsidiaries, whose financial statements reflect the Group's share of total assets of Rs.27,691 Lakhs as at 31st March, 2018, total revenue is Rs.17,640

Lakhs and net cash outflow amounting to Rs.465 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by other auditors.

The Holding Company had prepared separate sets of consolidated financial statements for the year ended 31st March 2017 and 31st March 2016 in accordance with Accounting Standards prescribed under Section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (As amended) and other accounting principles generally accepted in India, which were audited by CNGSN & Associates LLP, Chartered Accountants, the predecessor auditor who expressed an unmodified opinion vide audit reports dated 17th May 2017 and 25th May 2016 respectively. The Standalone Ind AS financial statements of the Holding Company and the consolidated Ind AS financial statements have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS, which have been audited by us and by other auditors in case of the standalone financial statements of the subsidiaries whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far it relate to the amounts and disclosures included in respect of these subsidiaries are based solely on the reports of such other auditors. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid consolidated Ind AS financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss (Including Other Comprehensive Income), the consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March 2018 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March 2018 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure 1".

g) 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 consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 37 to the consolidated Ind AS financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable for the year ended 31st March 2018.

For **SRSV & ASSOCIATES**
Chartered Accountants
F.R.No.**015041S**

V. RAJESWARAN
Partner
Memb.No.020881

Place: Chennai
Date: 15th May, 2018

Annexure I to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of M /s SICAGEN INDIA LMITED ("the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note, issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports and the information and explanation provided by the management is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, based on the test checks conducted by us, the Holding Company and its subsidiary companies, have, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were prima facie operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

We did not audit the internal financial control over financial reporting in so far as it relates to subsidiaries which have been considered in the consolidated Ind AS financial statements. The internal financial control over financial reporting in so far as it relates to such subsidiaries have been audited by other auditors whose reports has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial control over financial reporting for the Holding Company and its subsidiaries, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiaries is based solely on the report of the auditor of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the report of the other auditor.

For **SRSV & ASSOCIATES**
Chartered Accountants
F.R.No.**015041S**

V. RAJESWARAN
Partner
Memb.No.020881

Place: Chennai
Date: 15th May, 2018

Consolidated Balance Sheet as at 31st March 2018

(₹ Lakhs)

Particulars	Note	As at 31st March 2018		As at 31st March 2017		As at 31st April 2016	
I. ASSETS							
1. Non Current Assets							
(a) Property,Plant and Equipment	2a	**20150**		18230		15823	
(b) Capital work-in-progress	2b	**29**		84		184	
(c) Other Intangible assets	2c	**109**		1245		82	
(d) Financial Assets							
(i) Investments	3	**3412**		5356		7480	
(ii) Loans	4	**2168**		2161		2190	
(e) Other non-current assets	5	**311**	**26179**	195	27271	248	26007
2. Current assets							
(a) Inventories	6	**12231**		12040		8718	
(b) Financial Assets							
(i) Trade receivables	7	**18455**		14689		10709	
(ii) Cash and cash equivalents	8	**1260**		1734		3057	
(iii) Bank Balance other than (ii) above	9	**370**		626		109	
(iv) Loans	10	**4**		1		1	
(c) Current Tax Assets (Net)	11	**482**		409		468	
(d) Other Current Assets	12	**1386**	**34188**	1068	30567	905	23967
TOTAL			**60367**		57838		49974
II. EQUITY AND LIABILITIES							
1. Equity							
(a) Share capital	13	**3957**		3957		3957	
(b) Other equity	14	**35349**	**39306**	34491	38448	33763	37720
2. Minority Interest			**-**		836		-
Liabilities							
3. Non-current liabilities							
(a) Financial Liabilities							
Borrowings	15	**1157**		1281		1356	
(b) Provisions	16	**1845**		1843		1841	
(c) Deferred Tax Liabilities (Net)	17	**274**	**3276**	246	3370	97	3294
4. Current liabilities							
(a) Financial Liabilities							
(i) Borrowings	18	**8540**		7603		4698	
(ii) Trade Payables	19	**7565**		5550		2872	
(iii) Other financial liabilities	20	**984**		757		781	
(b) Other current liabilities	21	**530**		1107		456	
(c) Provisions	22	**159**		160		146	
(d) Current Tax Liabilities (Net)	23	**7**	**17785**	7	15184	7	8960
TOTAL			**60367**		57838		49974
Significant Accounting Policies	1						
Notes on Financial Statements	1 - 42						

As per our Report of even date

For and on behalf of the Board

For SRSV & ASSOCIATES
Chartered Accountants
F.R.No.015041S

V.RAJESWARAN	**ASHWIN C MUTHIAH**	**B. NARENDRAN**	**SUNIL DESHMUKH**
Partner	Chairman	Director	Director
M.No.020881			
Place : Chennai	**DEVIDAS MALI**	**D.BALAGOPAL**	**G.ARUNMOZHI**
Date: 15th May 2018	COO & Whole Time Director	Chief Financial Officer	Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March 2018

(₹ Lakhs)

	Particulars	Note	For the year ended 31st March 2018	For the year ended 31st March 2017
I.	**INCOME**			
	Revenue from operations	24	**73988**	71595
	Other Income	25	**1472**	1497
	Total Revenue		**75460**	73092
II.	**EXPENSES**			
	Cost of materials consumed	26	**18442**	15606
	Purchases of Stock-in-Trade	27	**47180**	49043
	(Increase)/Decrease in inventories of Finished Goods, Work-In-Progress and Stock in Trade	28	**(445)**	(1575)
	Employee Benefit Expense	29	**3917**	3396
	Finance Costs	30	**899**	661
	Depreciation and Amortization Expense		**510**	413
	Other expenses	31	**4792**	4797
	Total expenses		**75295**	72341
III.	**PROFIT BEFORE TAX**		**165**	751
	Tax expense			
	(1) Current tax		**38**	(9)
	(2) Deferred tax		**12**	29
IV.	**PROFIT / (LOSS) FOR THE PERIOD**		**115**	731
Less:-Share of Profit/(Loss) of Minority Interest			-	(15)
Net Consolidated Profit/Loss (after adjusting Minority Interest)			**115**	746
Other Comprehensive Income		32		
A.Item that will not be reclassified to profit or loss			**133**	375
B.Item that will be reclassified to profit or loss			(1)	-
Total Comprehensive Income for the period (Comprising Profit/ (Loss) and other Comprehensive Income for the Period)			**247**	**1121**
V.	**EARNINGS PER EQUITY SHARE**	33		
	(1) Basic and diluted EPS (₹)		**0.29**	1.89
Significant Accounting Policies		1		
Notes on Financial Statements		1 - 42		

As per our Report of even date

For and on behalf of the Board

For SRSV & ASSOCIATES
Chartered Accountants
F.R.No.015041S

V.RAJESWARAN
Partner
M.No.020881
Place : Chennai
Date: 15th May 2018

ASHWIN C MUTHIAH
Chairman

B. NARENDRAN
Director

SUNIL DESHMUKH
Director

DEVIDAS MALI
COO & Whole Time Director

D.BALAGOPAL
Chief Financial Officer

G.ARUNMOZHI
Company Secretary

Consolidated Statement of Changes in Equity

Share Capital

(₹ Lakhs)

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	**Amount**	Number	Amount	Number	Amount
Authorised						
Equity Shares of ₹ 10 each	**50000000**	**5000**	50000000	5000	50000000	5000
Issued						
Equity Shares of ₹ 10 each	**39571684**	**3957**	39571684	3957	39571684	3957
Subscribed & Paid up						
Equity Shares of ₹ 10 each fully paid	**39571684**	**3957**	39571684	3957	39571684	3957

Other Equity

Particulars	Reserves and Surplus				Foreign Currency Translation Reserve	Equity Instruments through Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings			
Balance as per 1st April 2016	7587	29443	200	(5976)	(323)	2832	33763
Total Comprehensive Income for the year				746		375	1121
Dividend and Dividend Tax paid during the year				(285)			(285)
Fair Valuation of Property, Plant and Equipment				969			969
Netgain/(loss)ontransactionwith non-controlling interest				(274)			(274)
Change in Foreign Currency Translation	(2385)			1395	187		(803)
Balance at 31st March 2017	5202	29443	200	(3425)	(136)	3207	34491
Total Comprehensive Income for the year				115		132	247
Dividend and Dividend Tax paid during the year				(285)			(285)
Netgain/(loss)ontransactionwith non-controlling interest	(509)			671			162
Change in Foreign Currency Translation	475				259		734
Balance at 31st March 2018	**5168**	**29443**	**200**	**(2924)**	**123**	**3339**	**35349**

As per our Report of even date

For and on behalf of the Board

For SRSV & ASSOCIATES
Chartered Accountants
F.R.No.015041S

V.RAJESWARAN
Partner
M.No.020881
Place : Chennai
Date: 15th May 2018

ASHWIN C MUTHIAH
Chairman

B. NARENDRAN
Director

SUNIL DESHMUKH
Director

DEVIDAS MALI
COO & Whole Time Director

D.BALAGOPAL
Chief Financial Officer

G.ARUNMOZHI
Company Secretary

Consolidated Statement of Cash Flow for the year ended 31st March 2018

(₹ Lakhs)

	Particulars	Year ended 31st March 2018		Year ended 31st March 2017	
A	**Cash Flow from Operating Activities**				
	Profit before tax		**165**		751
	Adjustments for				
	Depreciation	**510**		413	
	(Profit)/Loss on Disposal of Fixed Assets(net)	**(6)**		19	
	Effect of Exchange Rate Changes	**259**		(802)	
	Receipt of Mercantile Ventures shares -Non Cash Items	**(412)**		-	
	Change in Deferred Tax Liability	**(17)**		119	
	Interest Income	**(178)**		(45)	
	Dividend Income	**(560)**		(794)	
	Interest Expenditure	**834**	**430**	600	(490)
	Operating Profit before Working Capital Changes		**595**		261
	Adjustments for				
	Trade and Other Receivables	**(3870)**		(4509)	
	Inventories	**(191)**		(3322)	
	Trade Payables and Other Liabilities	**2313**	**(1748)**	3474	(4357)
	Cash Generated from Operations		**(1153)**		(4096)
	Tax Paid		**(21)**		12
	Net Cash from Operating Activities		**(1174)**		(4084)
B	**Cash Flow from Investing Activities**				
	Purchase of Fixed Assets	**(1330)**		(2297)	
	Sale of Fixed Assets(net)	**7**		17	
	Redemption of Investment (Net)	**1944**		2226	
	Interest Income Received	**39**		38	
	Dividend Income Received	**428**		550	
	Net Cash used in Investing Activities		**1088**		534
C	**Cash Flow from Financing Activities**				
	Long term Borrowings (net of repayment)	**937**		2906	
	Interest Paid	**(834)**		(600)	
	Increase/(Decrease) in Minority Interest	**(206)**		206	
	Dividend paid (Including Dividend Tax)	**(285)**		(285)	
	Net Cash used in Financing Activities		**(388)**		2227
D	**Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)**		**(474)**		(1323)
	Cash and Cash Equivalents as at (Opening) 1st April 2017		**1734**		3057
	Cash and Cash Equivalents as at (Closing) 31st March 2018		**1260**		1734

As per our Report of even date

For and on behalf of the Board

For SRSV & ASSOCIATES
Chartered Accountants
F.R.No.015041S

V.RAJESWARAN	**ASHWIN C MUTHIAH**	**B. NARENDRAN**	**SUNIL DESHMUKH**
Partner	Chairman	Director	Director
M.No.020881			
Place : Chennai	**DEVIDAS MALI**	**D.BALAGOPAL**	**G.ARUNMOZHI**
Date: 15th May 2018	COO & Whole Time Director	Chief Financial Officer	Company Secretary

1. Significant Accounting Policies

1.1 Brief description of the Company

Sicagen (the Company) is a public limited company, incorporated and domiciled in India whose shares are publicly traded. The registered office is located at SPIC House, Guindy, Chennai - 600032, Tamil Nadu, India. The Company together with its subsidiaries and associates (collectively referred to as the "Group") operate in diversified operating segments such as trading of Building materials, Sales & Servicing of Power & controls systems, manufacture of MS barrels and manufacture of water treatment chemicals. The subsidiary Companies are into manufacture of Cables, precision steel fabrication and property development.

1.2 Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statement have been prepared on the historical cost convention under accrual basis of accounting except for certain assets and liabilities (as per the accounting policy below), which have been measured at fair value. The financial statements upto year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first Consolidated financial statements of the Group under Ind AS. Refer Note 39- First Time Adoption of Ind AS for an explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position and financial performance.

Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee, has the ability to use its power to affect its returns and has power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.

The consolidated Financial Statements have been prepared in accordance with Ind AS 110 "Consolidated Financial Statements" and Ind AS 28 "Accounting for Investments in Associated companies in the consolidated Financial statements."

The consolidated financial statements of the Group combines financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses. Unrealised losses are also eliminated during consolidation unless the transaction provides evidence of an impairment of the transferred asset.

The consolidated financial statements of Sicagen India limited and its subsidiaries have been prepared in accordance with accounting policies and standards applicable to them in the countries in which they are incorporated as stated in the accounting policies in the respective companies and published separately.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

Minority's share in net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.

The results and financial position of the foreign subsidiaries are translated into the reporting currency as follows:

(i) Assets and liabilities are translated at the closing rate at the date of that balance sheet.

(ii) Income and expenses are translated at average exchange rates (unless average rate is not reasonable at the rates prevailing on the transaction dates, in such case income and expenses are translated at the rate on the dates of the transactions); and

(iii) All resulting exchange differences are accumulated in foreign currency translation reserve until the disposal of net investment.

Non-controlling interests (if any) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.9.5 below.

The subsidiary companies and associates considered in the consolidated financial statements are:

Subsidiary Companies:

Sl No	Name of the Company	Country of incorporation	Proportion of ownership voting power (%)	Reporting date
1	South India House Estates And Properties Limited	India	100	31.03.2018
2	Danish Steel Cluster Pvt Limited (DSC)	India	100	31.03.2018
3	Wilson Cables Pte Limited	Singapore	100	31.03.2018

Associates:

Associates are all entities over which the group has significant influence but not control or joint control. (This is generally the case where the group holds between 20% and 50% of the voting rights). Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost. Under the equity method of accounting, the investments are initially recognised at cost. Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The consolidated financial statements do not include the financial statements of its associate company. Sicagen India Limited holds 49.99% of equity capital of EDAC Automation Limited but it does not exercise any significant influence and therefore takes the applicability of the conditions mentioned in the Ind AS 28.

Associate Company

Sl No	Name of the Company	Country of incorporation	Proportion of ownership voting power (%)	Reporting date
1	EDAC Automation Limited	India	49.99	31.03.2018

1.3 Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. Estimates are based on historical experience, where applicable and other assumption that management believes are reasonable under the circumstances. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period.

1.4 Significant Estimates and judgments

The areas involving critical estimates or judgments are:

i) Defined benefit obligation

ii) Estimation of useful life of Property, Plant and Equipment

iii) Estimation and evaluation of provisions and contingencies relating to tax litigations

1.5 Operating cycle for current and non-current classification

Operating cycle for the business activities of the Group covers the duration of the specific sales/ project/ contract/ product line/ service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

1.6 First Time Adoption Of Ind AS

The financial statements for the year ended 31-03-2018 are the first financial statements prepared in accordance with Ind AS. The Reconciliation and description of the effect of transition from previous GAAP to Ind AS on Equity, Statement of Profit and Loss are provided in Note 39 . The Balance sheet as on the date of transition has been prepared in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards. All applicable Ind AS were applied consistently and retrospectively in preparation of the first Ind AS Financial Statements with certain mandatory exceptions and voluntary exemptions for the specific cases as provided under Ind AS 101.

The exemptions availed by the company under Ind AS 101 are as follows:

(i) The company has adopted the carrying value determined in accordance with I-GAAP for all of its property, plant & equipment as deemed cost of such assets at the transition date.

(ii) The estimates as at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with I-GAAP

In accordance with Ind AS 101 on First time adoption of Ind AS, the Company has prepared its first Ind AS financial statements which include:

(i) Three Balance sheets namely, the opening Balance sheet as at April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising assets or liabilities which are not permitted by Ind AS, by reclassifying assets and liabilities from previous GAAP as required by Ind AS, and applying Ind AS in measurement of recognised assets and liabilities; and Balance sheets as at March 31, 2018 and 2017; and

(ii) Two statements each of profit and loss; cash flows and changes in equity for the years ended March 31, 2018 and 2017 together with related notes.

The same accounting policies have been applied for all the periods presented except when the Company has made use of certain exceptions and/ or exemptions.

FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in the economic best interest.

All assets and liabilities for which fair value is measured are disclosed in the financial statements are categorised within fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are unobservable.

For assets and liabilities that are recognised in the Balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period (i.e) based on the lowest level input that is significant to the fair value measurement as a whole.

For the purpose of fair value disclosures, the company has determined the classes of assets and liabilities based on the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

Investments

The fair value of investments in equity is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques.

Trade Receivables

The fair value of trade and other receivables is estimated as the present value of the future cash flows, discounted at the market rate of interest at the reporting date. However, the fair value generally approximates the carrying amount due to the short term nature of such assets and for others difference of carrying amount and fair value is not material for disclosure.

1.7 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Amounts in the financial statements are presented in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimals places.

1.8 Revenue recognition

Revenue is recognised based on nature of activity when consideration can be reasonably measured and recovered with reasonable certainty. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from operations

Revenue includes excise duty and adjustments made towards liquidated damages and price variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

1.8.1 Sale of goods

Revenue from the sale of manufactured and traded goods is recognised when the goods are delivered and titles have been passed, provided all the following conditions are satisfied:

1. Significant risks and rewards of ownership of the goods are transferred to the buyer;
2. The amount of revenue can be measured reliably; it is probable that the economic benefits associated with the transaction will flow to the company; and the costs

incurred or to be incurred in respect of the transaction can be measured reliably.

1.8.2 Rendering of services

Revenue from rendering services is recognised when the outcome of a transaction can be estimated reliably. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

1. the amount of revenue can be measured reliably;
2. it is probable that the economic benefits associated with the transaction will flow to the company;
3. the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
4. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.8.3 Other operational revenue

This represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

1.8.4 Other income

i). Interest income is accrued on a time basis by reference to the principal outstanding and recognised using the effective interest rate method.

ii). Dividend income is accounted in the period in which the right to receive the same is established.

iii). Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

1.8.5 Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

1.9 Property, plant and equipment (PPE)

1.9.1 Tangible Assets

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any.

For transition to Ind AS, the company has elected to adopt as deemed cost, the carrying value of PPE measured as per I-GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2016. In respect of revalued assets, the value is determined by valuers reduced by accumulated depreciation and cumulative impairment is taken as cost on transition date.

PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions infra).

1.9.2 Depreciation and amortization

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land and properties under construction) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Sl. No	Category of the Assets	Life
1	Factory Building	30 years
2	Office Building	60 years
3	Plant & Machinery	15 years
4	Electrical Equipments*	10-15 years
5	Computer & Accessories	3 years
6	Office Equipments	5 years
7	Furniture & Fixtures	10 years
8	Motor Car	8 years

* For few assets useful life is determined by technical evaluation.

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Freehold land is not depreciated.

1.9.3 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost, less accumulated amortisation and cumulative impairment.

1.9.4 Research and development expenditure on new products:

Expenditure on research is expensed under respective heads of account in the period in which it is incurred. Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life is are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

1.9.5 Impairment of assets

As at the end of each accounting year, the company reviews the carrying amounts of its PPE, intangible assets and investments in subsidiary, associate and joint venture companies to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use;

(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

1.10 Employee Benefits

1.10.1 Short term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.

1.10.2 Post-employment benefits:

i) **Defined contribution plans:** The state governed provident fund scheme, employee state insurance scheme and the company's superannuation scheme are defined contribution plans. The contribution paid/ payable under the schemes is recognised during the period in which the employee renders the related service.

ii) **Defined benefit plans:** The employees' gratuity fund scheme managed by board of trustees established by the company represents the defined benefit plan. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Defined benefit employee costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost.

Gains or losses on settlement of any defined benefit plan are recognised in profit or loss when such settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the company recognises related restructuring costs or termination benefits

1.11 Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

Operating leases: The leases which are not classified as finance lease are operating leases.

Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

1.12 Financial instruments

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets and financial liabilities are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. In case of interest free or concession loans given to subsidiary companies, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

1.12.1 Financial assets:

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:

1. Investments in debt instruments – at amortised cost, subject to following conditions:

   i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

   ii) The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2 Investment in equity instruments issued by subsidiary, associates and joint ventures are measured at cost less impairment.

3 Investment in preference shares of associate companies are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.

4 Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income. The Company has chosen the option to measure the fair value changes in the equity Instruments through FVOCI on initial recognition and all subsequent measurement.

5 For financial assets that are measured at FVTOCI, income by way of interest, dividend and exchange difference (on debt instrument) is recognised in profit or loss and changes in fair value (other than on account of such income) are recognised in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measured at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments measured at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments

Use of deemed cost for investments in subsidiaries, joint ventures and associates

Para 31 of Ind AS 101 states‘ If an entity uses a deemed cost in its opening Ind AS Balance Sheet for an investment in a subsidiary, joint venture or associate in its separate financial statements , the entity’s first Ind AS separate financial statements shall disclose:

(a) the aggregate deemed cost of those investments for which deemed cost is their previous GAAP carrying amount;

(b) the aggregate deemed cost of those investments for which deemed cost is fair value; and

(c) the aggregate adjustment to the carrying amounts reported under previous GAAP.

The Company has elected to value its investments in subsidiaries and associate at previous GAAP carrying values on transition to Ind AS. Investment in overseas subsidiary is valued at Net assets basis method and the revaluation amount is adjusted in the Other Comprehensive Reserve as on transition date.

Derecognition

A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or

2. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and

   (a) the company has transferred substantially all the risks and rewards of the asset, or

   (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

Impairment of financial assets:

The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

1.12.2 Financial liabilities:

i) Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher.

All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

ii) A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

iii) The company designates certain hedging instruments, such as derivatives, embedded derivatives and in respect of foreign currency risk, certain non-derivatives, as either fair value hedges or cash flow hedges or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

A. Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

B. Cash flow hedges: In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion, are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

In case of time period related hedges, the forward element and the spot element of a forward contract is separated and only the change in the value of the spot element of the forward contract is designated as the hedging instrument. Similarly, wherever applicable, the foreign currency basis spread is separated from the financial instrument and is excluded from the designation of that financial instrument as the hedging instrument in case of time period related hedges. The changes in the fair value of the forward element of the forward contract or the foreign currency basis spread of the financial instrument is accumulated in a separate component of equity as 'cost of hedging'. The changes in the fair value of such forward element or foreign currency basis spread are reclassified to profit or loss as a reclassification adjustment on a straight line basis over the period of the forward contract or the financial instrument.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

1.13 Inventories

Inventories are valued after providing for obsolescence, as under:

a) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

b) Manufacturing work-in-progress at lower of weighted average cost including related overheads or net realisable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.

c) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes related overheads and excise duty paid/payable on such goods.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

1.14 Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

1.15 Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.16 Foreign currencies

(i) The functional currency and presentation currency of the company is Indian Rupee.

(ii) Transactions in currencies other than the company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in profit or loss in the period in which they arise except for:

   a). exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

   b). exchange differences on transactions entered into in order to hedge certain foreign currency risks.

1.17 Accounting and reporting of information for Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the company to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Segment accounting policies are in line with the accounting policies of the company. In addition, the following specific accounting policies have been followed for segment reporting:

i) Segment revenue includes sales and other operational revenue directly identifiable with/allocable to the segment including inter segment revenue.

ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result.

iii) Most of the centrally incurred costs are allocated to segments mainly on the basis of their respective expected segment revenue estimated at the beginning of the reported period.

iv) Income which relates to the company as a whole and not allocable to segments is included in "unallocable corporate income".

v) Segment result includes margins on inter-segment capital jobs, which are reduced in arriving at the profit before tax of the company.

vi) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the company as a whole.

vii) Segment non-cash expenses forming part of segment expenses includes the fair value of the employee stock options which is accounted as employee compensation cost and is allocated to the segment.

viii) Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer prices which are either determined to yield a desired margin or agreed on a negotiated basis.

1.18 Taxes on income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961, and based on the expected outcome of assessments/ appeals.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/ business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded alongwith the tax as applicable.

1.19 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

a) the company has a present obligation (legal or constructive) as a result of a past event;
b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
c) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
b) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

1.20 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for
b) uncalled liability on shares and other investments partly paid
c) funding related commitment to subsidiary, associate and joint venture companies and
d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.21 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

1.22 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

1.23 Key sources of estimation

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment, Intangible assets, allowance for doubtful debts/ advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

1.24 Related Party Transaction

Terms and conditions of transactions with the related parties

(1) Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

(2) The Company is seconding its personnel to Subsidiary Companies as per the terms and conditions agreed between the Companies. The cost incurred by the group towards superannuation and employee benefits are recovered from these Companies.

(3) Outstanding balances (other than loan) of Subsidiaries and Associate at the year-end, are unsecured and interest free.

(4) For the year ended 31st March 2017 and 31st March 2016, the subsidiary Company South India House Estates & Properties Limited has recorded impairment of receivables relating to amounts payable by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

2. Property, Plant & Equipment as at 31st March 2018

(₹ Lakhs)

Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 1st April 2017	Additions	Transfer	Disposals / Adjustments	**Balance as at 31st March 2018**	Balance as at 1st April 2017	Depreciation charged for the year	Transfer	Disposals / Adjustments	**Balance as at 31st March 2018**	**Balance as at 31st March 2018**	Balance as at 31st March 2017
a) Property, Plant & Equipment												
Land - Free hold	13322	5	-	-	**13327**	-	-	-	-	**-**	**13327**	13322
- Lease hold	1	-	-	-	**1**	-	-	-	-	**-**	**1**	1
Buildings	1381	127	-	-	**1508**	47	61	-	-	**108**	**1400**	1334
Under Lease	1508	1470	-	-	**2978**	89	106	-	-	**195**	**2783**	1419
Plant and Equipment	1767	528	(53)	23	**2219**	160	202	(3)	21	**338**	**1881**	1607
Furniture and Fixtures	213	86	-	-	**299**	19	26	-	-	**45**	**254**	194
Vehicles	176	9	-	3	**182**	18	18	-	1	**37**	**145**	158
Office Equipment	146	131	20	1	**296**	26	44	3	-	**73**	**223**	120
Trucks	5	-	-	-	**5**	1	3	-	-	**4**	**1**	4
Lease hold improvements	109	27	-	-	**136**	38	21	-	-	**59**	**77**	71
Electrical Equipments	-	30	33	-	**63**	-	5	-	-	**5**	**58**	-
Total	18628	2413	-	27	**21014**	398	486	-	22	**864**	**20150**	18230
b) Capital Work In Progress	1245	112	-	1328	**29**	-	-	-	-	**-**	**29**	1245
Total	1245	112	-	1328	**29**	-	-	-	-	**-**	**29**	1245
c) Intangible Assets												
Computer software	99	49	-	-	**148**	15	24	-	-	**39**	**109**	84
Total	99	49	-	-	**148**	15	24	-	-	**39**	**109**	84
Grand Total	19972	2574	-	1355	**21191**	413	510	-	22	**903**	**20288**	19559

Property, Plant & Equipment as at 31st March 2017

(₹ Lakhs)

Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
	Balance as at 1st April 2016	Additions	Transfer	Disposals / Adjustments	Balance as at 31st March 2017	Balance as at 1st April 2016	Depreciation charged for the year	Transfer	Disposals / Adjustments	Balance as at 31st March 2017	Balance as at 31st March 2017	Balance as at 31st March 2016
a) Property, Plant & Equipment												
Land - Free hold	11593	1729	-	-	13322	-	-	-	-	-	13322	11593
- Lease hold	1	-	-	-	1	-	-	-	-	-	1	1
Buildings	1048	333	-	-	1381	-	47	-	-	47	1334	1048
Under Lease	1508	-	-	-	1508	-	89	-	-	89	1419	1508
Plant and Equipment	1271	514	(9)	10	1766	-	159	-	-	159	1607	1271
Furniture and Fixtures	118	97	-	2	213	-	19	-	-	19	194	118
Vehicles	130	56	-	10	176	-	18	-	-	18	158	130
Office Equipment	71	72	9	5	147	-	27	-	-	27	120	71
Trucks	5	-	-	-	5	-	1	-	-	1	4	5
Lease hold improvements	78	31	-	-	109	-	38	-	-	38	71	78
Total	15823	2832	-	27	18628	-	398	-	-	398	18230	15823
b) Capital Work In Progress	184	1144	-	83	1245	-	-	-	-	-	1245	184
Total	184	1144	-	83	1245	-	-	-	-	-	1245	184
c) Intangible Assets												
Computer software	82	17	-	-	99	-	15	-	-	15	84	82
Total	82	17	-	-	99	-	15	-	-	15	84	82
Grand Total	16089	3993	-	110	19972	-	413	-	-	413	19559	16089

The Company has elected the fair value of PPE as at 01st April, 2016 (transition cost) as deemed cost and has accordingly disclosed the same as above.
The additional column in F.Y 2016-17 includes the revaluation amount of Land (Rs.1614 Lakhs) in accordance with Ind As of Subsidiary Company-Danish Steel Cluster Private Limited acquired on 22.11.2016.

3 Non Current Investments

(₹ Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade Investments			
(a) Investment in Equity Instruments	**2412**	1856	1480
(b) Investment in Preference Shares	**1000**	3500	6000
Total	**3412**	5356	7480
Aggregate amount of quoted investments	**2367**	1811	1435
Aggregate amount of unquoted investments	**1045**	3545	6045
Total	**3412**	5356	7480

3.1 **Details of Trade Investments**

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Fair Value (₹ Lakhs)		
			2018	2017			**2018**	2017	**2018**	2017	2016
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
A.	**SUBSIDIARY COMPANY'S INVESTMENTS**										
	Investment in Equity Instruments										
	Southern Petrochemicals Industries Corporation Ltd	Others	**1636900**	1636900	Quoted	Fully Paid	**0.80**	0.80	**548**	384	321
	First Leasing Company of India Ltd	Others	**121718**	121718	Quoted	Fully Paid					
	Synthetics & Chemicals Ltd	Others	**1125**	1125	Quoted	Fully Paid					
	Birla Power Solutions Ltd	Others	**3600**	3600	Quoted	Fully Paid					
	Heidelberg Cements India Ltd	Others	**700**	700	Quoted	Fully Paid			**1**	1	1
	Lakshmi Finance & Ind. Corporation Ltd	Others	**900**	900	Quoted	Fully Paid	**0.03**	0.03			
	Mercantile Ventures Ltd	Others	**3711000**	3711000	Quoted	Fully Paid	**3.29**	3.29	**388**	438	319
	Pondicherry Spinners Ltd	Others	**50000**	50000	Unquoted	Fully Paid	**3.28**	3.28			
	Corn Industries & General Enterprises Ltd	Others	**79606**	79606	Unquoted	Fully Paid	**17.08**	17.08			
	Sai Business & Consultancy Systems Pvt Ltd	Others	**70350**	70350	Unquoted	Fully Paid	**17.40**	17.40			
	Sri Balajee Leasing Services Ltd	Others	**541**	541	Unquoted	Fully Paid					
	Sree Karpagambal Mills Ltd	Others	**-**	2500	Unquoted	Fully Paid					
	Armenian Investments Ltd	Others	**-**	9300	Unquoted	Fully Paid					
	Elliot Investments Ltd	Others	**-**	12900	Unquoted	Fully Paid					
	Harrington Investments Ltd	Others	**3900**	3900	Unquoted	Fully Paid					
	Everest Investments Ltd	Others	**10000**	10000	Unquoted	Fully Paid					
	Ripon Investments Ltd	Others	**-**	3900	Unquoted	Fully Paid					
	Navia Markets Ltd	Others	**10000**	10000	Unquoted	Fully Paid					
	Mac Packaging Ltd	Others	**220012**	220012	Unquoted	Fully Paid					
	India Radiators Ltd	Others	**47188**	47188	Unquoted	Fully Paid	**5.24**	5.24			
	Profad Ltd	Others	**100150**	100150	Unquoted	Fully Paid					

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Fair Value (₹ Lakhs)		
			2018	2017			**2018**	2017	**2018**	2017	2016
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
B.	**HOLDING COMPANY'S INVESTMENTS**										
(a)	**Investment in Equity Instruments**										
	Southern Petrochemicals Industries Corporation Ltd	Others	**3017349**	3017349	Quoted	Fully Paid	**2**	2	**1011**	709	591
	First Leasing Company of India Ltd (includes bonus shares)	Others	**2153649**	2153649	Quoted	Fully Paid	**9**	9			
	Mercantile Ventures Ltd	Others	**4008205**	2360205	Quoted	Fully Paid	**3.58**	2	**419**	279	203
	Mitsuba Sical India Pvt Ltd	Others	**300000**	300000	Unquoted	Fully Paid					
	EDAC Automation Ltd	Associate	**449970**	449970	Unquoted	Fully Paid	**50**	50	**45**	45	45
	AM Foundation	Others	**1200**	1200	Unquoted	Fully Paid	**12**	12			
(b)	**Investments in Preference Shares**										
	Greenstar Fertilizers Limited	Others	**-**	2500000	Unquoted	Fully Paid	**-**	53.20	**-**	2500	5000
	EDAC Engineering Ltd	Others	**10000000**	10000000	Unquoted	Fully Paid	**83**	83	**1000**	1000	1000
	Total (A+B)								**3412**	5356	7480

3.2 All investments held by the company are fully paid up.

3.3 During the year, the preference shares held in Green Star Fertilizers Ltd have been completely redeemed.

3.4 During the year, the Company has acquired 28,33,880 equity shares representing 40% equity capital of Danish Steel Cluster Private Ltd and completed 100% acquisition.

3.5 During the year, the Company has received 16,48,000 equity shares of Mercantile Ventures Ltd (MVL) valuing Rs.4.12 crores, originally allotted to Manali Petrochemicals Ltd (MPL) against the old outstanding dues payable by MVL, which was adjusted against the payment due from MPL towards supply of materials by the Company before demerger.

3.6 The equity shares held in SPIC which are considered as strategic in long term investments have been duly revalued at market value as per Ind AS.

3.7 During the year, 2500 equity shares held by subsidiary company in Sree Karpagambal Mills Ltd (SKML) were surrendered under buy back scheme offered by SKML

3.8 1,73,550 equity shares owned by subsidiary company in SPIC are under the process of retransfer as per the direction of the Madras High Court. However, the Company will take appropriate steps for transfer of such shares in such manner as it may deem fit and proper subject to further judicial/regulatory clearance if any required in future.

3.9 All Quoted Investments have been Fair valued at prevailing Market price as per Ind AS.

3.10 Refer Note 40 for valuation of Investments relating to First Time Adoption of Ind AS.

4. Loans (₹ Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
a. Security Deposits			
Unsecured, considered good	**367**	361	391
b. Loans and advances to related parties			
Unsecured, considered good	**1031**	1030	1029
Less: Provision for Doubtful Loans & Advances	**1029**	1029	1029
Net Loans & Advances	**2**	1	-
c. Other loans and advances			
Unsecured, considered good	**1799**	1799	1799
Total	**2168**	2161	2190

The Company is making provisions on loans & advances which has been outstanding for a period of three years or more based on Expected Credit Loss (ECL) model. However, any advances with certainty of loss is provided for even with lower aging.

5. Other Non-Current Assets

a. Capital Advances	**3**	-	-
b. Advances other than capital advances	**-**	8	-
c. Other Advances	**308**	187	248
Total	**311**	195	248

The Company is making provisions on loans & advances which have been outstanding for a period of three years or more based on Expected Credit Loss (ECL) model. However, any advances with certainty of loss is provided for even with lower aging.

6. Inventories

a. Raw Materials and components	**2521**	3028	1208
b. Work-in-progress	**618**	276	756
c. Finished goods	**4158**	3459	2059
d. Stock-in-trade	**4919**	5107	4503
e. Stores and spares	**15**	157	180
f. Loose Tools	**-**	1	1
g. Others	**-**	12	11
Total	**12231**	12040	8718

7. Trade Receivables

Unsecured, considered good	**22103**	19966	15986
Doubtful	**13**	-	-
Less: Provision for Doubtful receivables	**3661**	5277	5277
Total	**18455**	14689	10709

The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.The company is making provisions on trade receivables outstanding for a period of three years or more based on Expected Credit Loss (ECL) model. However, any trade receivable with certainty of loss is provided for even with lower aging of debt.

8. Cash and Cash Equivalents (₹ Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with banks			
Current Accounts	**1187**	1338	1526
Cheques, drafts on hand	**61**	26	38
Cash on hand	**10**	12	14
Bank Deposits with maturity of less than 3 months	**2**	358	1479
Total	**1260**	1734	3057

8.1 Cash Credit facility availed by the Company is grouped under head Financial Liabilities Note No.18

9. Bank balance and Others

Margin Money	**114**	77	66
Balance with bank (for unpaid dividend)	**56**	49	43
Bank Deposits with maturity for more than 3 months but less than 12 months	**200**	500	-
Total	**370**	626	109

10. Loans

a. Security Deposits			
Unsecured, considered good	**1**	-	-
Other loans and advances			
Loans and advances to Employees	**3**	1	1
Total	**4**	1	1

11. Current tax Assets (Net)

Advance Income tax	**2751**	2831	2883
Less:			
Provision for Tax	**2269**	2422	2415
Total	**482**	409	468

12. Other Current Assets

a. Advances other than capital advances			
Security Deposit	**55**	-	-
Other advances	**263**	-	-
b. Prepaid expense-unsecured considered good	**129**	157	65
c. Advance Sales Tax	**29**	60	111
d. Balance with Govt authorities - unsecured considered good			
Cenvat Credit receivable	**-**	61	2
Vat Credit receivable	**-**	46	105
GST Credit receivable			
CGST Receivable	**33**	-	-
SGST Receivable	**79**	-	-
IGST Receivable	**187**	-	-
Service Tax credit receivable	**-**	3	4
e. Debit Balance with creditors			
Unsecured, considered good	**234**	490	618
f. Others	**377**	251	-
Total	**1386**	1068	905

13. Share Capital

(₹ Lakhs)

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	**Amount**	Number	Amount	Number	Amount
Authorised						
Equity Shares of ₹ 10 each	**50000000**	**5000**	50000000	5000	50000000	5000
Issued						
Equity Shares of ₹ 10 each	**39571684**	**3957**	39571684	3957	39571684	3957
Subscribed & Paid up						
Equity Shares of ₹ 10 each fully paid	**39571684**	**3957**	39571684	3957	39571684	3957

13.1 Number of shares and the amount outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March 2018		As at 31st March 2017	
	Number	**Amount**	**Number**	Amount
Shares outstanding at the beginning of the year	**39571684**	**3957**	-	-
Shares Issued during the year	**-**	**-**	-	-
Shares bought back during the year	**-**	**-**	-	-
Shares outstanding at the end of the year	**39571684**	**3957**	-	-

13.2 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March 2018		As at 31st March 2017	
	No. of Shares held	**% of Holding**	No. of Shares held	% of Holding
M/s.Ranford Investments Ltd.	**7400649**	**18.70**	7400649	18.70
M/s.Darnolly Investments Ltd.	**7276102**	**18.39**	7276102	18.39
M/s.Twinshield Consultants Pvt.Ltd.	**3148810**	**7.96**	3148810	7.96

13.3 Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: **NIL**

14. Other Equity

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital Reserve	**5168**	5202	7587
Securities Premium Reserves	**29443**	29443	29443
General Reserve	**200**	200	200
Retained Earnings	**(2924)**	(3425)	(5976)
Foreign Currency Translation Reserve	**123**	(136)	(323)
Other Comprehensive Income Reserve	**3339**	3207	2832
Total	**35349**	34491	33763

15. Borrowings

Term Loans			
From Banks	**1157**	1281	1356
Total	**1157**	1281	1356

15.1 The term loan availed by foreign subsidiary is secured by first legal mortgage over the property at 142 Gul Circle,Jurong Industrial Estate, Singapore and a fixed and floating charge on Company's assets and undertakings.

16. Provisions (₹ Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(a) Provision for employee benefits			
Gratuity	**-**	-	10
Leave Encashment	**43**	41	29
(b) Others			
Provision for Wealth Tax	**3**	3	3
Provision for Loans and Advances	**1799**	1799	1799
Total	**1845**	1843	1841

17. Deferred Tax Liability

Deferred Tax Liability	**274**	246	97
Closing Balance	**274**	246	97

17.1 Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

18. Borrowings

Secured			
Working Capital Facility	**1919**	3597	2779
Term Loans from Banks	**3248**	1027	231
Unsecured			
From Banks	**1948**	1902	1681
From Other Parties	**1417**	1070	-
Trade Deposits	**8**	7	7
Total	**8540**	7603	4698

18.1 Credit facilities availed from Banks/NBFCs by way of Channel Financing/Inventory Funding arrangements for the company were secured by way of hypothecation of stock.

18.2 Working capital facilities availed were secured by hypothecation of stocks and receivables of all divisions and creation of equitable mortgage by way of deposit of title deeds of certain immovable assets of the company as collateral security.

18.3 The term loan availed by foreign subsidiary is secured by first legal mortgage over the property at 142 Gul Circle,Jurong Industrial Estate, Singapore and a fixed and floating charge on Company's assets and undertakings.

19. Trade payables

Trade Payables	**7565**	5550	2872
Total	**7565**	5550	2872

20. Other Financial Liabilities (₹ Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Interest accrued but not due on borrowings	**49**	-	-
Interest accrued and due on borrowings	**76**	-	-
Unpaid Dividend	**56**	49	43
Other payables	**492**	386	386
Liability for Expenses	**180**	322	352
Statutory remittances	**120**	-	-
Advance from customers	**11**	-	-
Total	**984**	757	781
21. Other Current Liabilities			
Advance from Customers	**319**	829	306
Others	**211**	278	150
Total	**530**	1107	456
22. Provisions			
Provision for employee benefits			
Gratuity	**16**	-	-
Leave encashment	**2**	-	-
Bonus/Performance pay	**141**	160	146
Total	**159**	160	146
23. Current tax Liabilities (Net)			
Provision for Tax	**7**	7	7
Total	**7**	7	7

(₹ Lakhs)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
24 Revenue From Operation		
Sale of products		
Traded Goods	**50968**	51976
Manufactured Goods	**21344**	18639
Sub-Total	**72312**	70615
Sale of services	**968**	880
Other operating revenues		
Scrap Sales	**704**	100
Others	**4**	-
Total	**73988**	71595

24.1 Details of Products Sold		
Traded Goods		
Steel Pipes	**32809**	35010
Steel	**9372**	9565
PVC Pipes	**1032**	763
Cables	**2549**	2767
Spares and Others	**5206**	3871
Sub-Total (A)	**50968**	51976
Manufactured Goods		
Drums	**3185**	2371
Others	**3438**	1699
Cables	**13984**	14193
Chemicals	**737**	376
Sub-Total (B)	**21344**	18639
Total (A)+(B)	**72312**	70615

25. Other Income		
Interest Income	**178**	45
Dividend Income	**560**	794
Other non-operating income	**734**	658
Total	**1472**	1497

26. Cost of Raw Materials Consumed		
Inventory at the beginning of the year	**2633**	1395
Add : Purchases	**18286**	16882
Less : Inventory at the end of the year	**2477**	2671
Total	**18442**	15606

26.1 Details of Raw Material Consumed (₹ Lakhs)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
CRCA Coils	**2224**	1464
Others	**3193**	1578
Cables	**13025**	12564
Total	**18442**	15606

27. Purchases of Stock-in-Trade

Steel Pipes	**30334**	32551
Steel	**8890**	9121
PVC Pipes	**950**	731
Cables	**2471**	2685
Spares and Others	**4535**	3955
Total	**47180**	49043

28. (Increase)/Decrease in inventories of Finished goods, Work-In-Progress (WIP) and Stock in Trade

Inventory at the end of the year		
Finished Goods	**3977**	3608
WIP	**599**	281
Stock in Trade	**4919**	5235
Sub-Total (A)	**9495**	9124
Inventory at the beginning of the year		
Finished Goods	**3537**	2340
WIP	**277**	545
Stock in Trade	**5236**	4664
Sub-Total (B)	**9050**	7549
(Increase)/Decrease (B-A)	**(445)**	(1575)

29. Employee benefit expense

Salaries, Wages and Bonus	**3345**	2841
Contribution to Provident Fund and Others	**283**	269
Staff Welfare Expense	**289**	286
Total	**3917**	3396

30. Finance Cost

Interest	**834**	600
Bank Charges	**65**	61
Total	**899**	661

31. Other Expenses

Rent	**489**	476
Rates & Taxes	**115**	215
Insurance	**95**	96
Power & Fuel	**329**	300
Office Maintenance	**354**	220
Vehicle Operating Expenses	**1**	1
Repairs & maintenance		
Plant & Machinery	**33**	16
Building	**20**	8
Vehicles	**48**	31
Others	**280**	229

(₹ Lakhs)

Particulars	**For the year ended 31st March 2018**	For the year ended 31st March 2017
Travelling & Conveyance	**439**	442
Printing & Stationery	**40**	40
Postage, Telegram & Telephone	**101**	107
Staff Recruitment & Training	**-**	5
Subscription / Donation	**24**	27
Advertisement,Publicity & Sales Promotion	**162**	177
Payment to Auditors (Details given below)	**31**	38
Legal & Professional Fees	**197**	58
Freight & Forwarding charges	**1044**	831
Director's Sitting Fee	**162**	165
Brokerage & Commission	**8**	15
Foreign Exchange Fluctuation	**-**	5
Other Selling Expenses	**2**	2
Consumable Stores & Tools	**77**	96
Bad Debts written off	**29**	20
Security Service Charges	**109**	120
Loss on sale of Fixed Assets	**-**	16
Entertainment Expenses	**9**	14
Consultancy Fees	**122**	198
Miscellaneous Expenses	**38**	89
Testing Fees	**47**	47
Foreign Workers Levy	**103**	107
Factory Miscellaneous Expenses	**70**	78
Excise duty on sales	**193**	508
Provision for slow and non-moving Inventories	**21**	-
Total	**4792**	4797

31.1 Payment to Auditor

Statutory Audit Fee	**26**	24
Taxation matters	**3**	3
Other services	**2**	11
Total	**31**	38

32. Other Comprehensive Income

(A) Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit plans	**(11)**	-
Equity Instruments through other comprehensive Income	**144**	375
Total	**133**	375
(B) Items that will be reclassified to profit or loss:		
The effective portion of gains and loss on hedging instruments in a cash flow hedge	**(1)**	-
Total	**(1)**	-

33. Earning Per Share [EPS] (₹ Lakhs)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
No.of Shares used in computing EPS-Basic	**39571684**	39571684
Face value per share (₹)	**10**	10
Weighted Average number of equity shares	**39571684**	39571684
Basic & diluted earning per share (₹)	**0.29**	1.89

34. Expenditure in Foreign Currency during the Financial year:

Travelling Expenses	**7**	5
Interest in IFU Loan	**-**	4
Job Work	**-**	1
Total	**7**	10

35. Earnings in Foreign Exchange (Received during the year)

Export of goods	**397**	35

36. Related Party Transaction

a.List of related parties where control exists

Name of the Related Party	Relationship
Wilson Cables Pte Limited	Wholly Owned Subsidiary Company
South India House Estates & Properties Limited	Wholly Owned Subsidiary Company
Danish Steel Cluster Private Limited	Wholly Owned Subsidiary Company
DSC Denmark Holding Aps, Denmark from 22.11.2016 to 28.12.2017	Associate Company of Danish Steel Cluster Private Limited which is a Subsidiary Company
Firstgen Distribution Private Limited	Enterprise over which a Director is able to exercise significant influence
SIDD Life Sciences Private Limited	Enterprise over which a Director is able to exercise significant influence
Medihub Sciencetec Private Limited	Enterprise over which a Director is able to exercise significant influence
South India Investments & Associates	Enterprise over which a Director's Relative is a partner and is able to exercise significant influence
LSJ Sourcing & Consulting Aps, Denmark from 22.11.2016 to 28.12.2017	Company in which KMP/Relative of KMP of Subsidiary Company exercise significant influence

b. Other related parties with whom transactions have taken place during the year 2017 -18

Name of the related parties & relationship

Mr.Devidas Mali	COO & Whole Time Director
Mr Sridhar Gogte	VP & Whole Time Director
Mr.Sunil Sudhakar Deshmukh	KMP in Subsidiary Company

c. The following transactions were carried out with the related parties during the year 2017-18

	(₹ Lakhs)
Sale of Goods/Income from Services Rendered	
Wilson Cables Pte Limited	18.57
Danish Steel Cluster Private Limited	629.30
Firstgen Distribution Private Limited	2,698.62

	(₹ Lakhs)
Purchase of Goods	
Danish Steel Cluster Private Limited	224.63
Firstgen Distribution Private Limited	451.38
SIDD Life Sciences Private Limited	390.34
IT Support Charges	
Wilson Cables Pte Limited	19.65
SIDD Life Sciences Private Limited	1.15
Medihub Sciencetec Private Limited	3.54
Rent Received	
South India House Estates & Properties Limited	1.41
SIDD Life Sciences Private Limited	0.41
Medihub Sciencetec Private Limited	1.27
Managerial Remuneration	
Mr.Devidas Mali	69.97
Mr. Shridhar Gogte	55.04
Mr. Sunil Sudhakar Deshmukh	148.00
South India House Estates & Properties Limited	0.75
Mr. V Rajagopal	
Reimbursement of Expenses-Payable	
Wilson Cables Pte Limited	168.67
Reimbursement of Expenses-Receivable	
Wilson Cables Pte Limited	51.00
Danish Steel Cluster Private Limited	80.15
South India House Estates & Properties Limited	9.35
Loan Given (including Interest)	
Danish Steel Cluster Private Limited	417.85

37. Contingent Liability

a. Appeals pending at High Court for the Assessement year 2009-10 for a demand of Rs.200 Lakhs.Appeal filed with ITAT (A) for a demand of Rs.1699 Lakhs for the Assessment year 2011-12.Appeal filed with CIT (A) for a demand of Rs. 151 Lakhs for the Assessement year 2015-16. Provision has not been made for any of the above demands.

b. Guarantees given by the bankers for performance of Contracts and others Rs.572.45 Lakhs (Rs. 378.20 Lakhs).

Subsidiary Company

c. Appeals filed with CIT (A) for a demand of Rs.285 Lakhs (Assessment year 2013-14) by Subsidiary Company South India House Estates and Private Limited. Provision has not been made for the demand.

d. Claims under Income Tax amounting to Rs.2.64 Lakhs is pending for subsidiary company Danish Steel Cluster Private Limited for which no provision has been made in the books of accounts

e. Guarantees given by the bankers for performance of Contracts and others Rs.2.84 Lakhs (Rs.2.84 Lakhs).

38. Segment Information for the year ended 31st March 2018

Information about Primary Business Segments

(₹ Lakhs)

	2018				2017			
Business Segments	**Trading**	**Manufacturing**	**Eliminations**	**Total**	Trading	Manufacturing	Eliminations	Total
REVENUE								
External Sales	**51984**	**22012**		**73996**	52873	18727		71600
Inter Segment Sales			**(8)**	**(8)**			(5)	(5)
Total Revenue	**51984**	**22012**	**(8)**	**73988**	52873	18727	(5)	71595
RESULT								
Segment Result	**1075**	**54**		**1129**	1335	193		1528
Unallocated Corporate Expenses net of Unallocated Income				**(130)**				(177)
Operating Profit				**999**				1351
Interest Expense				**834**				600
Income Taxes(net of def.tax)				**50**				20
Profit from ordinary activities				**115**				731
Exceptional items								
Net Profit				**115**				731
OTHER INFORMATION								
Segment Assets	**24395**	**10372**		**34767**	27939	7968		35907
Unallocated Corporate Assets				**25600**				21931
Total Assets	**24395**	**10372**		**60367**	27939	7968		57838
Segment Liabilities	**11173**	**7152**		**18325**	9545	4623		14168
Unallocated Corporate Liabilities				**2736**				4386
Total Liabilities	**11173**	**7152**		**21061**	9545	4623		18554
Capital Expenditure	**267**	**979**		**1246**	260	2036		2296
Depreciation	**134**	**376**		**510**	128	285		413

Information about Secondary Segments

	India	**Rest of the World**	**Total**	India	Rest of the World	Total
Revenue by Geographical Market	**59446**	**14542**	**73988**	56318	15277	71595
Segment Assets	**34767**		**34767**	35907		35907
Capital Expenditure	**1246**		**1246**	2296		2296

Notes:

A) The Company has identified Business Segment as the Primary Segment and Geographic Segment as the Secondary Segment disclosure.

The Company's Primary segment identified as business segment based on nature of products,returns and Internal Business Reporting System as per Ind AS 108

B) The Business Segments identified are Trading and Manufacturing.

C) The Geographical Segment considered for disclosure are India and Rest of the World. Geographical segments are based on the location of the customer who is invoiced or in relation to which the revenue is otherwise recognised.

D) Segmental assets include all operating assets used by the respective segment and principally consists of operating cash,debtors,inventories and fixed assets.

39. First Time Ind AS Adoption Reconciliation

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101

a) Reconciliation of Balance Sheet (₹ Lakhs)

PARTICULARS	As at 31st March 2017			As at 1st April 2016		
	Previous GAAP	Effect of transition to IndAS	IndAS	Previous GAAP	Effect of transition to IndAS	IndAS
ASSETS						
Non-current assets						
Property, Plant and Equipment	6,387	11,843	18,230	5,600	10,223	15,823
Capital Work in Progress	1,245		1,245	184		184
Other Intangible Assets	84		84	82		82
Goodwill on Consolidation	274	(274)				
Financial Assets						
Investments	7,526	(2,170)	5,356	10,025	(2,545)	7,480
Loans	3,190	(1,029)	2,161	3,219	(1,029)	2,190
Other non current Assets	12683	(12,488)	195	12,736	(12,488)	248
Current assets						
Inventories	12040		12,040	8,718		8,718
Financial Assets						
Trade receivables	19,966	(5,277)	14,689	15,986	(5,277)	10,709
Cash and cash equivalents	1,734		1,734	3,057		3,057
Bank Balance other than cash equivalents	626		626	109		109
Loans	1		1	1		1
Current Tax Asset (Net)	409		409	468		468
Other Current Assets	1,068		1,068	905		905
Total Assets	67,233	(9,395)	57,838	61,090	(11,116)	49,974
EQUITY AND LIABILITIES						
Equity						
Equity Share capital	3,957		3,957	3,957		3,957
Other Equity	43,953	(9,462)	34,491	44,301	(10,538)	33,763
Minority Interest	191	645	836			
LIABILITIES						
Non-current liabilities						
Borrowings	1281		1,281	1356		1,356
Provisions	1843		1,843	1,841		1,841
Deferred Tax Liability	539	(293)	246	390	(293)	97
Current liabilities						
Financial Liabilities						
Borrowings	7,603		7,603	4,698		4,698
Trade payables	5,550		5,550	2,872		2,872
Other financial liabilities	1042	(285)	757	1,066	(285)	781
Other Current Liabilities	1107		1107	456		456
Provisions	160		160	146		146
Current Tax Liabilities (Net)	7		7	7		7
Total Equity and Liabilities	67,233	(9,395)	57,838	61,090	(11,116)	49,974

First Time Ind AS Adoption Reconciliation

b). Reconciliation of total equity as at 31st March 2017 and 1st April 2016

(₹ Lakhs)

Particulars	As at 31st March 2017	As at 1st April 2016
Equity (shareholders' fund) under previous GAAP	48,101	48,258
Adjustments:		
Fair valuation as deemed cost for Property, Plant and Equipment	11,843	10,223
Fair valuation of Investments	(2,170)	(2,545)
Expected Credit Loss Adjustment	(18,794)	(18,794)
Tax Adjustments	293	293
Derecognition of Dividend & Dividend Tax	285	285
Net gain/loss on transaction with non-controlling interest	(274)	-
Equity (shareholders' fund including Minority Interest) as per Ind AS	39,284	37,720

c). Reconciliation of total comprehensive income for the year ended 31st March 2017

Particulars	Year ended 31st March 2017
Net Profit as reported under previous GAAP	740
Adjustment towards sale of assets fair valued as per Ind AS	6
Net Profit as reported under Ind AS (A)	746
Other comprehensive income: Fair Valuation of Investments **(B)**	375
Total comprehensive income (A+B)	1,121

NOTES TO FIRST TIME Ind AS ADOPTION RECONCILIATION
Items relating to total equity and Other comprehensive income

(a) Impact of Fair valuation as deemed cost for Property, Plant and Equipment Under I GAAP, the property plant and equipment is carried at cost less accumulated depreciation and amortisation. Ind AS 101 allows entity to elect to measure Property, Plant and Equipment on the transition date at its fair value or previous GAAP carrying value (book value) as deemed cost. Entire classes of PPE have been fair valued as on date of transition. The resulting impact of fair valuation is reflected in the reserves."

(b) Impact on Fair Valuation of Investments As per Ind AS 101, the fair value of investments in equity is determined by reference to their quoted prices at the reporting date. In the absence of the quoted price, the fair value of the equity is measured using valuation techniques."

(c) Impact on Trade Receivables and Loans and advances The company is making provisions on trade receivables and loan and advances outstanding for a period of three yrs or more based on Expected Credit Loss (ECL) model. However, any trade receivable or advance with certainty of loss is provided for even with lower aging.

(d) Derecognition of Proposed Dividend Proposed dividend has to be recognized upon approval by the shareholders in the Annual General Meeting. Accordingly, Proposed Dividend has been reversed with corresponding credit to Equity as at the date of transition i.e. 01-04-2016 and recognized in the Equity during the year ended 31-03-2017 as declared and paid.

(e) Other comprehensive incomeUnder Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP loss to loss as per Ind AS. Further, Indian GAAP loss is reconciled to total comprehensive income as per Ind AS.

40. DISCLOSURE OF FAIR VALUE MEASUREMENT:

40.1 The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to their short term maturities of these instruments.

The fair value of financial instruments by category as at 31st March 2018, 31st March 2017 and 1st April 2016 are as follows : (₹ Lakhs)

PARTICULARS	As at 31st March 2018		As at 31st March 2017		As at 01st April 2016	
	Amortised Cost	**FVOCI**	Amortised Cost	FVOCI	Amortised Cost	FVOCI
Financial Assets						
Investments						
Equity Instruments		**2412**		1856		1480
Preference Shares	**1000**		3500		6000	
Loans	**2168**		2161		2190	
Trade Receivables	**18455**		14689		10709	
Cash and cash equivalents	**1260**		1734		3057	
Bank Balances other than cash equivalents	**370**		626		109	
Other Financial Assets-Loans	**4**		1		1	
Financial Liabilities						
Borrowings	**1157**		1281		1356	
Borrowings - Current	**8540**		7603		4698	
Trade Payables	**7503**	**62**	5542	8	2850	22
Other Financial Liabilities	**984**		757		781	

40.2 Valuation Techniques used for Fair Valuation is as follows: (₹ Lakhs)

Particulars	As at 31st March 2018					As at 31st March 2017					As at 1st April 2016				
	Carrying Amount	**Level of Input used in**			**Total**	Carrying Amount	Level of Input used in			Total	Carrying Amount	Level of Input used in			Total
		Level 1	**Level 2**	**Level 3**			Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
Financial Assets															
Investments															
Equity Instruments	**-**	**2412**	**-**	**-**	**2412**	-	1856	-	-	1856	-	1480	-	-	1480
Preference Shares	**1000**	**-**	**-**	**-**	**1000**	3500	-	-	-	3500	6000	-	-	-	6000
Loans	**2168**	**-**	**-**	**-**	**2168**	2161	-	-	-	2161	2190	-	-	-	2190
Trade Receivables	**18455**	**-**	**-**	**-**	**18455**	14689	-	-	-	14689	10709	-	-	-	10709
Cash and cash equivalents	**1260**	**-**	**-**	**-**	**1260**	1734	-	-	-	1734	3057	-	-	-	3057
Bank Balances other than cash equivalents	**370**	**-**	**-**	**-**	**370**	626	-	-	-	626	109	-	-	-	109
Other Financial Assets-Loans	**4**	**-**	**-**	**-**	**4**	1	-	-	-	1	1	-	-	-	1
Financial Liabilities															
Borrowings	**1157**	**-**	**-**	**-**	**1157**	1281	-	-	-	1281	1356	-	-	-	1356
Borrowings - Current	**8540**	**-**	**-**	**-**	**8540**	7603	-	-	-	7603	4698	-	-	-	4698
Trade Payables	**7503**	**-**	**62**	**-**	**7565**	5542	-	8	-	5550	2850	-	22	-	2872
Other Financial Liabilities	**984**	**-**	**-**	**-**	**984**	757	-	-	-	757	781	-	-	-	781

Valuation techniques used to determine the fair value

Level 1 : Quoted (Unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

41. Financial risk management

The treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's principal financial liabilities comprise loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

Trade receivables

The Company primarily sells goods to customers comprising, dealers, institutions, public sector enterprises, state owned companies and large private corporates. Accordingly, the Company's customer credit risk is low. General payment terms include a credit period ranging from 60 to 120 days. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as credit defaults, credit ratings from international credit rating agencies and the Company's historical experience for customers. Management considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

Loans and advances

Cash and cash equivalents and deposits with banks

The Company has banking operations with highly rated banks including scheduled banks which are owned by Government of India and Private Sector Banks. The risk of default with government controlled entities is considered to be insignificant.

Provision for expected credit losses

For financial assets loss allowance is measured using 36 month expected credit loss model. However, any trade receivable with certainty of loss is provided for even with lower aging of debt.

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low.

Category-wise classification for applicable financial assets:

I. Measured at amortised cost:

(₹ Lakhs)

Particulars	31st March 2018	31st March 2017	1st April 2016
Loans	**2168**	2161	2190
Trade receivables	**18455**	14689	10709
Cash and cash equivalents	**1260**	1734	3067
Bank Balance Other than cash equivalents	**370**	626	109
Other Financial Assets-Loans	**4**	1	1

II. Measured at fair value through Other Comprehensive Income (FVTOCI):

(i) Investment in Equity Instruments (Quoted) (₹ Lakhs)

Particulars	31st March 2018	31st March 2017	1st April 2016
Investment in Equity Instruments (Quoted)	**2367**	1811	1435

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation..

The Company manages liquidity risk through cash credit limits and undrawn borrowing facilities by continuously monitoring forecast and actual cash flows.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements of the Company. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period: (₹ Lakhs)

Particulars	31st March 2018	31st March 2017	1st April 2016
Working Capital Facility (Andhra Bank)	**1919**	3597	2779
Channel Financing Facility	**3365**	2972	1681
Term Loan	**3248**	1027	231
Total	**8532**	7596	4691

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(1) Foreign currency risk management:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Company actively manages its currency rate exposures, arising from transactions entered and denominated in foreign currencies, through derivative instruments such as foreign currency forward contracts to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by the Management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

As at 31st March 2018	Currency	Gross Exposure	Exposure hedged using derivatives	Net Exposure
Assets	DKK	685,478	685,478	-
Assets	EURO	38,446	-	38,446
Assets	SGD	81,17,099	-	8,117,099
Liabilities	NA	-	-	-

As at 31st March 2017	Currency	Gross Exposure	Exposure hedged using derivatives	Net Exposure
Assets	DKK	659,688	-	659,688
Assets	EURO	52,083	-	52,083
Assets	SGD	51,05,626	-	51,05,626
Liabilities	EURO	21,025	-	21,025

As at 1st April 2016	Currency	Gross Exposure	Exposure hedged using derivatives	Net Exposure
Assets	USD	20,836	-	20,836
Assets	SGD	64,38,286	-	64,38,286
Liabilities	DKK	255,608	-	255,608
Liabilities	EURO	16,284	-	16,284
Liabilities	EURO	461,286	-	461,286

Interest rate risk

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt. While most of the Company's outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk.

42. Previous year's figures have been regrouped and rearranged in line with Ind AS wherever necessary.

Additional Information of Subsidiary and Associate Companies

For the Financial year ended 31st March 2018

(₹ Lakhs)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
1	2	3	4	5	6	7	8	9
Parent								
Sicagen India Limited	98%	38,606	558%	642	17%	23	269%	665
Subsidiaries								
Indian Subsidiary								
South India House Estates and Properties Limited	2%	762	-5%	(6)	86%	113	43%	107
Danish Steel Cluster Private Limited	2%	664	-159%	(183)	-3%	(4)	-76%	(187)
Foreign Subsidiary								
Wilson Cables Pte Limited	-2%	(726)	-294%	(338)	-	-	-137%	(338)
Associates (Investments as per the equity method)		NA		NA		NA		NA
Joint Ventures (as per proportionate consolidation)		NA		NA		NA		NA
TOTAL	**100%**	**39,306**	**100%**	**115**	**100%**	**132**	**100%**	**247**

As per our Report of even date

For SRSV & ASSOCIATES
Chartered Accountants
F.R.No.015041S

V.RAJESWARAN
Partner
M.No.020881

Place : Chennai
Date: 15th May 2018

For and on behalf of the Board

ASHWIN C MUTHIAH
Chairman

B. NARENDRAN
Director

SUNIL DESHMUKH
Director

DEVIDAS MALI
COO & Whole Time Director

D.BALAGOPAL
Chief Financial Officer

G.ARUNMOZHI
Company Secretary

Attachment to the Financial Statement
FORM AOC - 1
Statement containing sailent features of the financial statement of subsidiaries/associate companies
(Pursuant to first proviso to sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A" : Subsidiaries

Sl.No.	Particulars	Indian Subsidiaries		Foreign Subsidiary	
		South India House Estates And Properties Ltd	Danish Steel Cluster Pvt Ltd.	Wilson Cables Pte Ltd	
		Rs. In Lakhs	Rs. In Lakhs	Amount in SGD	Rs. In Lakhs
1	The date of when subsidiary was acquired	01.10.2006	28.12.2017	31.03.2011	
2	Reporting currency and Exchange rate as on last date of the relevant financial year in the case of foreign subsidiary	INR	INR		"SGD INR 49.6351/SGD"
3	Share Capital	1000	708	5886216	2922
4	Reserves and Surplus	762	814	13185657	6237
5	Total Assets	8192	4223	31395603	15275
6	Total Liabilities	8192	4223	31395603	15275
7	Investments	937	-	-	-
8	Turnover	36	2814	29457273	14528
9	Profit before taxation	(5)	(184)	(737457)	(350)
10	Provision for taxation	1	(1)	(25966)	(12)
11	Profit after taxation	(6)	(183)	(711491)	(338)
12	Proposed Dividend	-	-	-	-
13	% of Shareholding	100%	100%	100%	

Notes : 1 Subsidiaries which are yet to commence operations - NIL
2 Subsidiaries which have been liquidated or sold during the year - NIL

Part "B" : Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Assocaite Company

Sl. No.	Name of the Associate	EDAC Automation Limited
1	Latest audited balance sheet date	31st March 2018
2	Date on which the Associate was acquired	01.04.2014
3	**Shares of Associate held by the Company on the year end**	
	(i) No. of Shares	449970
	(ii) Amount of Investment in Associate (Rs. In Lakhs)	45
	(iii) Extent of Holding %	49.99%
4	Description of how there is significant influence	Nil
5	Reason why the Associate is not consolidated	No Significant Influence
6	Net worth attributable to shareholding as per latest audited balance sheet	(5.34)
7	**Profit / (Loss) for the year**	(23.37)
	(i) Considered in Consolidation	-
	(ii) Not Considered in Consolidation	(23.37)

Notes : 1 Associates which are yet to commence operations - NIL
2 Associates which have been liquidated or sold during the year - NIL

As per our Report of even date

For and on behalf of the Board

For SRSV & ASSOCIATES
Chartered Accountants
F.R.No.015041S

V.RAJESWARAN
Partner
M.No.020881
Place : Chennai
Date: 15th May 2018

ASHWIN C MUTHIAH
Chairman

B. NARENDRAN
Director

SUNIL DESHMUKH
Director

DEVIDAS MALI
COO & Whole Time Director

D.BALAGOPAL
Chief Financial Officer

G.ARUNMOZHI
Company Secretary

Sicagen India Limited

Registered Office: 4th Floor, SPIC House, No.88, Mount Road, Guindy, Chennai - 600032
(CIN: L74900TN2004PLC053467)

PROXY FORM
FORM NO. MGT – 11

[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): ______________________________

Registered Address: ______________________________

____

E-mail ID : ______________________________

Folio No./ DP ID & Client ID : ______________________________

I/We being the Member(s) of ____________ equity shares of ₹10 each of Sicagen India Limited hereby appoint:

1. Name: ______________________________

Address: ______________________________

E-mail Id: ______________________________

Signature: ______________________________, or failing him

2. Name: ______________________________

Address: ______________________________

E-mail Id: ______________________________

Signature: ______________________________, or failing him

3. Name: ______________________________

Address: ______________________________

E-mail Id: ______________________________

Signature: ______________________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **14th Annual General Meeting** of the Company, to be held on Monday, the **06th August 2018 at 3.00 p.m. at Rajah Annamalai Hall, Esplanade, Chennai-600108** and at any adjournment(s) thereof, in respect of the resolutions, as indicated below:

Resolution No:

1. Adoption of the audited Balance Sheet as at 31st March 2018, the Statement of Profit and Loss for the financial year ended on that date and the reports of the Board of Directors and auditors thereon.
2. Declaration of equity dividend for the financial year 2017-18.
3. Re-appointment of Mr.Ashwin C Muthiah as a Director, who is liable to retire by rotation and, being eligible, offers himself for re-appointment.
4. Ratification for appointment of Cost Auditor and fixing of remuneration for the financial year 2017-18.

Signed: this ____________ day of ______________, 2018

Signature of Member(s): ______________________

Affix Re.1 Revenue Stamp & Sign across the Stamp

Signature of the Proxy holder(s): ____________________

Note: The Proxy form must be deposited at the Registered Office of the Company not later than 48 hours before the time for holding the aforesaid meeting; otherwise it will be treated as invalid. The Proxy need not be a member of the Company.

Note: In line with good corporate govenance and in compliance with the Secretarial Standard, no gift articles would be given to the shareholders for attending the Annual General Meeting.

Sicagen India Limited

Registered Office: 4th Floor, SPIC House, No.88, Mount Road, Guilndy, Chennai - 600032

(CIN: L74900TN2004PLC053467)

ATTENDANCE SLIP

Name & Address of the Shareholder	Folio No:
	DP ID :
	Client ID:

I hereby certify that I am a member / proxy appointed by the member* of the Company and record my presence at the **14th Annual General Meeting** of the Company, at **Rajah Annamalai Hall, Esplanade, Chennai-600108, on Monday, the 06th August 2018 at 3.00 p.m.**

Name of the Member(s) / Proxy*	Signature of the Member(s) / Proxy*

* Strike out whichever is not applicable.

Note: Please fill up this attendance slip and hand over at the entrance of the meeting hall.

Note: In line with good corporate govenance and in compliance with the Secretarial Standard, no gift articles would be given to the shareholders for attending the Annual General Meeting.

REGISTERED BOOK POST / COURIER

To:

If undelivered, please return to:

Sicagen India Limited

4th Floor, SPIC House,
No.88, Mount Road, Guindy,
Chennai - 600032

Printed at Chennai Micro Print (P) Ltd., Chennai - 77