



15th ANNUAL REPORT

2018-19



Contents

Page No.

Company Information	2
Notice to Shareholders	3-12
Directors' Report	13-18
Annexures to Directors' Report	
Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo	19
Report on CSR Activities	19-20
Particulars of Managerial Personnel (Top 10 Employees)	21-22
Secretarial Audit Report	23-24
Management Discussion and Analysis Report	25-28
Report on Corporate Governance	29-41
Auditor's Report on Standalone Financial Statements	43-49
Standalone Financial Statements	50-83
Auditor's Report on Consolidated Financial Statements	85-91
Consolidated Financial Statements	92-123
Additional Information of Subsidiary and Associate Companies	124
Attachment to the Financial Statement (FORM AOC - 1)	125
Proxy Form	127
Attendance Slip	129

Sicagen India Limited

Board of Directors

Ashwin C Muthiah	DIN: 00255679	Chairman
B Narendran	DIN: 01159394	Independent Director
Sashikala Srikanth	DIN: 01678374	Independent Director
Rita Chandrasekar	DIN: 03013549	Independent Director
S Radhakrishnan	DIN: 00061723	Independent Director (w.e.f 09.08.2018)
M Rajamani	DIN: 00195006	Independent Director (w.e.f 28.11.2018)
S R Ramakrishnan	DIN: 00120126	Non Executive Non Independent Director (w.e.f 01.12.2018)
R.Chandrasekar	DIN: 06374821	Whole Time Director (w.e.f 28.11.2018)
Sunil Deshmukh	DIN: 05210882	Non Executive Non Independent Director (up to 03.08.2018)
Harish Chandra Chawla	DIN: 00085415	Independent Director (up to 06.08.2019)
Devidas Mali	DIN: 01405268	COO & Whole Time Director (up to 28.11.2018)

Chief Financial Officer

D Balagopal

Company Secretary

G Arunmozhi

Statutory Auditors

SRSV & Associates
Chartered Accountants
"Anmol Palani" Level-2 C-4, III Floor
No.88, G.N. Chetty Road, T.Nagar
Chennai - 600017

Registered Office

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

Internal Auditors

Sundar Srini & Sridhar
Chartered Accountants
No.9, Rajamannar Street, T.Nagar
Chennai-600017

Bankers

Andhra Bank
Axis Bank
HDFC Bank

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 Ltd
Unit: Sicagen
Subramanian Building, 5th Floor
No.1, Club House Road
Chennai - 600002
Tel: 044-28460390 / 044-40020728

Cost Auditor

J.Karthikeyan
Cost Accountant
No.16, Muthalamman Kovil Street
Selaiyur
Chennai-600073

Company Information

Name of Company	Sicagen India Limited
Incorporation	2004
Revenue	` 54774 Lakhs
Net Profit	` 219 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, structural tubes, seamless tubes, ERW tubes, rectangular/square hollow sections, construction steel including TMT steel rebars, steel fittings, PVC pipes, UPVC pipes, roofing sheets, electrical cables, switchgears, cement etc.

For dealers, contractors, builders and corporate buyers our network of 24 branches across India serves as a single window to top building material manufacturers that include TATA Steel, Jindal Pipes, Steel Authority of India, Maharashtra Seamless, Supreme Industries, Finolex Cables, 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, Danfoss for Drives and Motors, Eaton & ABB for Switch Gears.

Industrial Packaging (Formerly Beta Industries)

Manufacture of drums and barrels that are used for the transport of lubricant oil, hazardous and non-hazardous chemicals, bitumen and fruit 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.

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **15th Annual General Meeting (AGM)** of the shareholders of **Sicagen India Limited** will be held on Wednesday, the 31st July 2019 at 3.30 p.m. at “Rajah Annamalai Mandram”, 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 2019, 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 2018-19.
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 Mr.R.Chandrasekar (DIN 06374821), who was appointed as an additional Director of the Company by the Board of Directors on 9th August 2018 pursuant to Section 161 of the Companies Act, 2013 and who ceased to hold office on the date of this Annual General Meeting and whose appointment is recommended by the Nomination & Remuneration Committee, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

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

RESOLVED THAT Mr.S.R.Ramakrishnan (DIN 00120126), who was appointed as an additional Director of the Company by the Board of Directors on 28th November 2018 effective from 1st December 2018 pursuant to Section 161 of the Companies Act, 2013 and who ceased to hold office on the date of this Annual General Meeting and whose appointment is recommended by the Nomination & Remuneration Committee, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

6. **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 Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the time being in force, Mr.S.Radhakrishnan

(DIN 00061723), who was appointed as an additional Director of the Company by the Board of Directors on 9th August 2018 pursuant to Section 161 of the Act and who ceased to hold office on the date of this Annual General Meeting and whose appointment is recommended by the Nomination & Remuneration Committee, proposing his candidature for the office of Director, be and is hereby appointed as Director AND THAT the appointment of Mr.S.Radhakrishnan (DIN 00061723) as Independent Director of the Company and to hold office for a period of 5 years with effect from 9th August 2018 be and is hereby approved and he shall not be liable to retire by rotation.

7. **To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution.**

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the time being in force, Mr.M.Rajamani (DIN 00195006), who was appointed as an additional Director of the Company by the Board of Directors on 28th November 2018 pursuant to Section 161 of the Act and who ceased to hold office as on the date of this Annual General Meeting and whose appointment is recommended by the Nomination & Remuneration Committee, proposing his candidature for the office of Director, be and is hereby appointed as Director AND THAT the appointment of Mr.M.Rajamani (DIN 00195006) as Independent Director of the Company and to hold office for a period of 5 years with effect from 28th November 2018 be and is hereby approved and he shall not be liable to retire by rotation.

FURTHER RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the consent of the shareholders be and is hereby accorded to continue the Directorship of Mr.M.Rajamani (DIN 00195006), a Non-Executive Independent Director of the Company who is going to attain the age of 75 years during the month of February 2020.

8. **To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution.**

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions,

Sicagen India Limited

if any, of the Companies Act, 2013 (Act) and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, for the time being in force, Mr.B.Narendran (DIN 01159394), Independent Director of the Company whose re-appointment is recommended by the Nomination & Remuneration Committee, be and is hereby re-appointed as Independent Director of the Company to hold office for a further period of 5 (five) years with effect from 11th August 2019 and he shall not be liable to retire by rotation.

FURTHER RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the consent of the shareholders be and is hereby accorded to continue the Directorship of Mr.B.Narendran (DIN 01159394), a Non-Executive Independent Director of the Company who is going to attain the age of 75 years during the month of June 2020.

9. To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution.

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the time being in force, Mrs.Sashikala Srikanth (DIN 01678374), Independent Director of the Company and whose re-appointment is recommended by Nomination & Remuneration Committee, be and is hereby re-appointed as Independent Director of the Company to hold office for a further period of 5 (five) years with effect from 11th August 2019 and she shall not be liable to retire by rotation.

10. To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution.

RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 of the Companies Act, 2013 (Act) read with Schedule V to the Act and other applicable provisions if any of the Act, including any statutory modifications and/or re-enactments of the Act and/or any notification which the Central Government may issue from time to time and subject to the provisions of Articles of Association of the Company and also subject to such other statutory approvals as may be required, Mr.R.Chandrasekar (DIN 06374821) be and

is hereby appointed as "Whole Time Director" of the Company on the following terms as recommended by the Nomination & Remuneration Committee of the Board of Directors of the Company.

(1) Term :

3 years with effect from 28th November 2018

(2) Remuneration Package

a) Salary:

Rs.20,00,000/- (Rupees Twenty Lakhs Only) p.a.

b) Performance Linked Pay:

Rs.8,00,000/- (Rupees Eight Lakhs Only) p.a.

c) Perquisites, Flexi pay & Other allowance:

An amount not exceeding Rs.30,00,000/- p.a. as per Company's rules as well as Income Tax rules.

(Perquisites & Other allowance are classified as HRA, Leave Travel Allowance, Special Allowance, Reimbursement of Petrol expenses, Contribution to Provident Fund, Gratuity, Personal Accident Insurance, Mediciclaim Insurance etc.)

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to alter, vary or revise the terms of the above remuneration, from time to time, in such manner so as not to exceed the limits specified under Schedule V of Act or any amendments thereto and the minimum remuneration payable in case of no profit or inadequate profits shall be restricted to the limits, which can be doubled as prescribed in Section II of Schedule V of the Act.

11. 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 2019-20 at a remuneration of Rs.90,000/- (Rupees Ninety Thousand Only) excluding service tax, 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 : 22nd May 2019
Regd. Office: Chennai

G Arunmozhi
Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote 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 to 11 of the notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed **from 25th July 2019 to 31st July 2019 (both days inclusive)** for the purpose of payment of equity dividend to the eligible shareholders as on **24th July 2019 (Record date)**.
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. The 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 / 044-40020728 / 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 2012, remaining unclaimed shall become due for transfer on 04.10.2019 to the Investor Education and Protection Fund (IEPF) 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 2011-12 onwards is requested to approach the Company/ RTA for claiming the same as early as possible, but not later than 04th October 2019. The Company is sending 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 the past 7 (Seven) years continuously as per the provisions of Section 124(6) read with the IEPF (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017. Hence, the members, who have not claimed any dividend for the period of 7 (Seven) years continuously are requested to approach either the Company or its RTA 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 Bombay Stock Exchange Ltd (BSE) and National Stock Exchange of India Ltd (NSE) and the listing fees for the year 2019-20 have already 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. Therefore, the Company is sending annual reports, notices and other documents in electronic form to the shareholders whose email IDs have been registered with the Company in order to help in prompt receiving of communications by shareholders and reduce paper consumption. The shareholders, who have not registered their email IDs so far, are hereby requested to register the same with 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.
14. 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

Sicagen India Limited

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.

15. Information required to be given under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 about the particulars of Director(s) to be appointed/re-appointed at this Annual General Meeting and their Directorship/Committee Membership/Chairmanship in other Companies is separately given in the notice.

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, 2015 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 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 25th July 2019 (9:00 a.m.) and ends on 30th July 2019 (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 24th July 2019, 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 given at end of this Notice:
- 6) 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.

- 7) 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.
- 8) Mr.R.Kannan, Practicing Company Secretary (CP No. 3313) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- 9) 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.
- 10) 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.
- 11) 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 to 11 of the notice dated 22nd May 2019:-

ITEM No. 4

The Board of Directors, at their Meeting held on 9th August 2018 on the recommendation of the Nomination and Remuneration Committee had appointed Mr.R.Chandrasekar (DIN 06374821) as an Additional Director of the Company w.e.f 9th August 2018 pursuant to Section 161 of the Companies Act, 2013 ("the Act") and he will hold office upto the date of this AGM. Hence the Board recommends the resolution in relation to appointment of Mr.R.Chandrasekar as Director for approval by the shareholders of the Company.

Except Mr.R.Chandrasekar, none of the Directors, Key Managerial Personnel of the Company and their relatives is interested in this Resolution.

ITEM No. 5

The Board of Directors, at their Meeting held on 28th November 2018 on the recommendation of the Nomination and Remuneration Committee had appointed Mr.S.R.Ramakrishnan (DIN 00120126) as an Additional Director of the Company w.e.f 1st December 2018 pursuant to Section 161 of the Companies Act, 2013 ("the Act") and he will hold office upto the date of this AGM. The Board recommends the resolution in relation to appointment of Mr.S.R.Ramakrishnan as Director for approval by the shareholders of the Company.

Except Mr.S.R.Ramakrishnan, none of the Directors, Key Managerial Personnel of the Company and their relatives is interested in this Resolution.

ITEM No. 6

The Board of Directors, at their meeting held on 09th August 2018 on the recommendation of Nomination and Remuneration Committee had appointed Mr.S.Radhakrishnan (DIN: 00061723) as an Additional Director of the Company w.e.f 9th August 2018 pursuant to Section 161 of the Companies Act, 2013 ("the Act") and he will hold office upto the date of this AGM. The Board had also appointed Mr.S.Radhakrishnan, as an Independent Director of the Company for a period of 5 (five) years w.e.f 9th August 2018 pursuant to Section 149 of the Act and SEBI (LODR) Regulations, 2015.

In the opinion of the Board, Mr.S.Radhakrishnan fulfils the conditions specified in the Act and SEBI (LODR) Regulations for appointment as an Independent Director of the Company and is independent of the Management. The Board recommends the resolution seeking approval of the shareholders for the appointment of Mr.S.Radhakrishnan as an Independent Director.

Except Mr.S.Radhakrishnan, none of the Directors, Key Managerial Personnel of the Company and their relatives is interested in this Resolution.

ITEM No. 7

The Board of Directors, at their meeting held on 28th November 2018 on the recommendation of Nomination and Remuneration Committee had appointed Mr.M.Rajamani (DIN: 00195006) as an Additional Director of the Company w.e.f 28th November 2018 pursuant to Section 161 of the Companies Act, 2013 ("the Act") and he will hold office upto the date of this AGM. The Board had also appointed Mr.M.Rajamani, as an Independent Director of the Company for a period of 5 (five) years w.e.f 28th November 2018 pursuant to Section 149 of the Act and SEBI (LODR) Regulations, 2015.

In the opinion of the Board, Mr.M.Rajamani fulfils the conditions specified in the Act and SEBI (LODR) Regulations for appointment as an Independent Director of the Company and is independent of the Management. The Board recommends the resolution seeking approval of the Members for the appointment of Mr.M.Rajamani as an Independent Director.

Pursuant to Regulation 17(1A) of SEBI (LODR) Regulations 2015, the approval of the shareholders is also required to continue the Directorship of Mr.M.Rajamani as he is going to attain the age of 75 years in the month of February 2020. Considering his qualification, experience and expertise, the Board is willing to continue his Directorship for the benefit of the Company. Hence, the Board also recommends the resolution seeking approval of the shareholders so as to continue the Directorship of Mr.M.Rajamani on attainment of his age limit as specified in the aforesaid SEBI Regulations.

Except Mr.M.Rajamani, none of the Directors, Key Managerial Personnel of the Company and their relatives is interested in this Resolution.

ITEM No. 8

At the 10th AGM held on 11th August 2014, the shareholders approved the appointment of Mr.B.Narendran (DIN 01159394) as an Independent Director for a period of 5 (Five) years w.e.f 11th August 2014. Since the tenure of his appointment comes to an end on 10th August 2019, the Board of Directors, at their meeting held on 22nd May 2019 on the recommendation of Nomination and Remuneration Committee has re-appointed Mr.B.Narendran as an Independent Director, for a further period of 5 (Five) years w.e.f 11th August 2019 pursuant to Section 149 of the Act and SEBI (LODR) Regulations, 2015.

In the opinion of the Board, Mr.B.Narendran fulfils the conditions specified in the Act and SEBI (LODR) Regulations for re-appointment as an Independent Director of the Company and is independent of the Management. The Board recommends the resolution seeking approval of the shareholder for the re-appointment of Mr.B.Narendran as an Independent Director.

Pursuant to Regulation 17(1A) of SEBI (LODR) Regulations 2015, the approval of the shareholders is also required to continue the Directorship of Mr.B.Narendran as he is going to attain the age of 75 years in the month of June 2020. Considering his qualification, experience and expertise, the Board is willing to continue his Directorship for the benefit of the Company. Hence, the Board also recommends the resolution seeking approval of the shareholders so as to continue the Directorship of Mr.B.Narendran on attainment of his age limit as specified in the aforesaid SEBI Regulations.

Except Mr.B.Narendran, none of the Directors, Key Managerial Personnel of the Company and their relatives is interested in this Resolution.

Sicagen India Limited

ITEM No. 9

At the 10th AGM held on 11th August 2014, the shareholders approved the appointment of Mrs.Sashikala Srikanth (DIN 01678374) as an Independent Director for a period of 5 years w.e.f 11th August 2014. Since the tenure of her appointment comes to an end on 10th August 2019, the Board of Directors, at their meeting held on 22nd May 2019 on the recommendation of Nomination and Remuneration Committee had re-appointed Mrs.Sashikala Srikanth as an Independent Director for a further period of 5 (five) years w.e.f 11th August 2019 pursuant to Section 149 of the Act and the SEBI (LODR) Regulations, 2015. Considering her qualification, experience and expertise, the Board is willing to continue her Directorship for the benefit of the Company.

In the opinion of the Board, Mrs.Sashikala Srikanth fulfils the conditions specified in the Act and SEBI (LODR) Regulations for re-appointment as an Independent Director of the Company and is independent of the Management. The Board recommends the resolution seeking approval of the shareholder for the re-appointment of Mrs.Sashikala Srikanth as an Independent Director.

Except Mrs.Sashikala Srikanth, none of the Directors, Key Managerial Personnel of the Company and their relatives is interested in this Resolution.

Item No. 10

The Board of Directors, at their meeting held on 28th November 2018 on consideration of qualification and experience and on recommendation of Nomination and Remuneration Committee had inducted Mr.R.Chandrasekar, as Whole Time Director of the Company for a period of 3 years w.e.f 28th November 2018 in the place of vacancy caused due to resignation of Mr.Devidas Mali from the Whole Time Directorship of Company. Pursuant to the provisions of Section 196 and 197 of the Companies Act, 2013 (Act) read with Schedule V to the Act, the terms of appointment of Mr.R.Chandrasekar on such remuneration as mentioned in the resolution is subject to the approval of shareholders at this Annual General Meeting. Hence the Board of Directors recommends the resolution as set out in the Notice for the approval of the shareholders.

Except Mr.R.Chandrasekar, none of the Directors, Key Managerial Personnel of the Company and their relatives is interested in this Resolution.

Item No. 11

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 the recommendation of the Audit Committee at its meeting held on 22nd May 2019, the Board has approved the appointment of Mr.J.Karthikeyan, Cost Accountants as the Cost Auditor of the Company for the financial year 2019-20 at a remuneration of Rs.90,000/- per

annum exclusive of reimbursement of service tax and all out of pocket expenses incurred, if any, in connection with the cost audit. The appointment and the remuneration of the 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 for the approval of shareholders.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in this Resolution.

By order of the Board
For Sicagen India Limited

Date : 22nd May 2019
Regd. Office: Chennai

G Arunmozhi
Company Secretary

Details of the Directors seeking appointment / re-appointment at this Annual General Meeting

The particulars of Directors to be appointed/re-appointed at this Annual General Meeting and the details of their other Directorship and Committee Membership/Chairmanship held in other Companies as required under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are given hereunder. The Directorship held in Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013 have been excluded and Memberships/ Chairmanships held in Audit and Stakeholders Relationship Committees have only been included.

(1) Mr.Ashwin C Muthiah, aged about 53 years, a resident of Singapore, holds a Master's degree in Commerce and MBA from Philadelphia University. He is a third generation industrialist spearheading the business operation of various Companies in SPIC group and has more than 29 years of rich experience in the field of general management, new business development strategies, manufacturing facility management, financial management and human resources. He has been instrumental in creating and developing a result-oriented management team among the group. He is also associated with various charitable trusts and foundations in India.

Mr.Ashwin C Muthiah is a Non-Executive Non-Independent Director in the Company and holding Directorships on the Board of various entities. He holds 41,838 equity shares in the Company.

Other Directorships held

Name of the Company	Position
Southern Petrochemicals Industries Corporation Ltd	Chairman
Manali Petrochemicals Ltd	Chairman
Tamilnadu Petroproducts Ltd	Vice Chairman

Other Committee Membership/Chairmanships held:

Name of the Company	Name of the Committee	Position
Manali Petrochemicals Ltd	Stakeholders Relationship Committee	Chairman
Tamilnadu Petroproducts Ltd	Stakeholders Relationship Committee	Member

(2) Mr.R.Chandrasekar, aged about 55 years, is a graduate in Commerce and Chartered Accountant with more than 31 years of work experience in Finance & Accounts, Audit, Taxation, Legal & Secretarial and has worked in diverse segments such as Audit, Engineering Consultancy, EPC & Construction, Manufacturing, Mining, etc. He had held various senior financial positions such as General Manager, Chief Finance Officer and Directorships in major corporates in India and also in MNC in the Middle East for more than a decade.

Mr.R.Chandrasekar is a Whole Time Director in the Company and also acting as Director on the Board of various other entities. He do not hold any shares in the Company and there is no relationship between the Directors inter-se.

Other Directorships held

Name of the Company	Position
South India House Estates & Properties Ltd	Whole Time Director
Edac Engineering Ltd	Director

Other Committee Membership/Chairmanships held:

Name of the Company	Name of the Committee	Position
South India House Estates & Properties Ltd	Audit Committee	Member

(3) Mr.S.R.Ramakrishnan, aged 69 years, is B.Tech (Chem) from IIT Madras. He has an overall 45 years of experience in technical management & business management with the last 15 years in Board position. During his employment, he worked in various departments including operation, process engineering, Technical services, R & D, Corporate Planning, etc. He has held senior positions in various Companies.

Mr.S.R.Ramakrishnan is a Non-Executive Non-Independent Director in the Company and also acting as Director on the Board of various entities. He do not hold any shares in the Company and there is no relationship between the Directors inter-se.

Other Directorships held

Name of the Company	Position
Southern Petrochemicals Industries Corporation Ltd	Whole Time Director

Other Committee Membership/Chairmanships held:

Name of the Company	Name of the Committee	Position
Southern Petrochemicals Industries Corporation Ltd	Stakeholders Relationship Committee	Member

(4) Mr.S.Radhakrishnan, aged around 68 years, is a Mechanical Engineer from Madras University. He has vast experience of over 44 years in the areas of Engineering, Procurement, Construction, Commissioning, Operation, Maintenance, Inspection, Technical Services, Project Execution & Management and Contracting in Power, Oil & Gas, Chemical & Petrochemical, Fertilizer and other industrial sectors in India, Middle East and Singapore. He was holding key management positions and Directorship in various Companies.

Mr.S.Radhakrishnan is a Non-Executive Independent Director in the Company and also acting as Director on the Board of various other entities. He do not hold any shares in the Company and there is no relationship between the Directors inter-se.

Other Directorships held

Name of the Company	Position
Southern Petrochemicals Industries Corporation Ltd	Director

Other Committee Membership/Chairmanships held:

Name of the Company	Name of the Committee	Position
Southern Petrochemicals Industries Corporation Ltd	Audit Committee	Member

(5) Mr.M.Rajamani, aged about 74 years, holds a Bachelor Degree in Chemical Engineering and PG Diploma from Indian Institute of Technology (IIT) Madras. He initially started his career with ISRO, Trivandram and he has been spearheading the business of different companies since 1972 and has more than 48 years of rich experience in the areas of corporate planning, budgeting, project finance, materials management, manufacturing and Human Resources & Administration. During his employment, he held various senior positions like General Manager, Vice President, Executive Director and Whole Time Director in various Companies. He was holding the position as Regional Vice President (South) in National Institute of Personnel Management (NIPM) and Indian Society for Training and Development (ISTD) and also the Chairman of Madras Chapter of NIPM.

Mr.M.Rajamani is a Non-Executive Independent Director in the Company and also acting as Director on the Board of various other entities. He do not hold any shares in the Company.

Sicagen India Limited

Other Directorships held

Name of the Company	Position
South India House Estates & Properties Ltd	Director

Other Committee Membership/Chairmanships held:

Name of the Company	Name of the Committee	Position
South India House Estates & Properties Ltd	Audit Committee	Member

(6) Mr.B.Narendran, aged 74 years, holds a Bachelor Degree in Chemical Engineering and MS in Transportation. He joined as Consultant in State Highways Administration, Baltimore, USA in 1993. From 1995, he held various key positions like Manager, Senior General Manager and Executive Director in various Companies. After his retirement from the whole time employment, he was a Consultant to Shell Inc Detroit & Rite-Aid Pharmacy Houston, USA for 2 years. He has over 48 years of rich experience in Marketing, Finance, Accounts and Internal Audit.

Mr.B.Narendran is a Non-Executive Independent Director of the Company and also acting as Director on the Board of various entities. He holds 2,515 equity shares in the Company and there is no relationship between the Directors inter-se.

Other Directorships held

Name of the Company	Position
Southern Petrochemicals Industries Corporation Ltd	Director
Tuticorin Alkali Chemicals & Fertilizers Ltd	Director
Mercantile Ventures Ltd	Director
Green Star Fertilizers Ltd	Director
South India House Estates & Properties Ltd	Director
India Radiators Ltd	Director

Other Committee Membership/Chairmanships held

Name of the Company	Name of the Committee	Position
Southern Petrochemical Industries Corporation Ltd	Audit Committee	Member
	Stakeholders Relationship Committee	Chairperson
Tuticorin Alkali Chemicals & Fertilizers Ltd	Audit Committee	Chairperson
	Stakeholders Relationship Committee	Member

Greenstar Fertilizers Ltd	Audit Committee	Member
Mercantile Ventures Ltd	Audit Committee	Member
South India House Estates & Properties Ltd	Audit Committee	Chairperson
India Radiators Ltd	Audit Committee	Member

(7) Mrs.Sashikala Srikanth, aged 62 years, is a graduate in Economics and a Chartered Accountant. At present she is providing consultancy services to various corporate including in the area of CSR. Prior to this, she was Senior General Manager – Resources of IAL Group and Group Financial Controller of Shattaff Group, in Dubai from 2003 to 2005 and held various Senior Management level positions in leading Companies from 1996 to 2003. She was associated with M/s.A.F.Ferguson & Co., Chartered Accountants, Chennai from 1987 to 1995 where she had also done her articles during 1984-87.

Mrs.Sashikala Srikanth is a Non-Executive Independent Director in the Company and also acting as Director on the Board of various other entities. She do not hold any shares in the Company and there is no relationship between the Directors inter-se.

Other Directorships held

Name of the Company	Position
Southern Petrochemicals Industries Corporation Ltd	Director
Manali Petrochemicals Ltd	Director
Tamilnadu Petroproducts Ltd	Director

Other Committee Membership/Chairmanships held

Name of the Company	Name of the Committee	Position
Southern Petrochemical Industries Corporation Ltd	Audit Committee	Chairperson
Tamilnadu Petroproducts Ltd	Audit Committee	Chairperson
Greenstar Fertilizers Ltd	Audit Committee	Chairperson
Manali Petrochemicals Ltd	Audit Committee	Member
Edac Engineering Ltd	Audit Committee	Member
	Audit Committee	Member
Mercantile Ventures Ltd	Stakeholders Relationship Committee	Member

How to vote electronically using NSDL e-Voting system

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID Forexample if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you.

Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - a) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

Sicagen India Limited

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

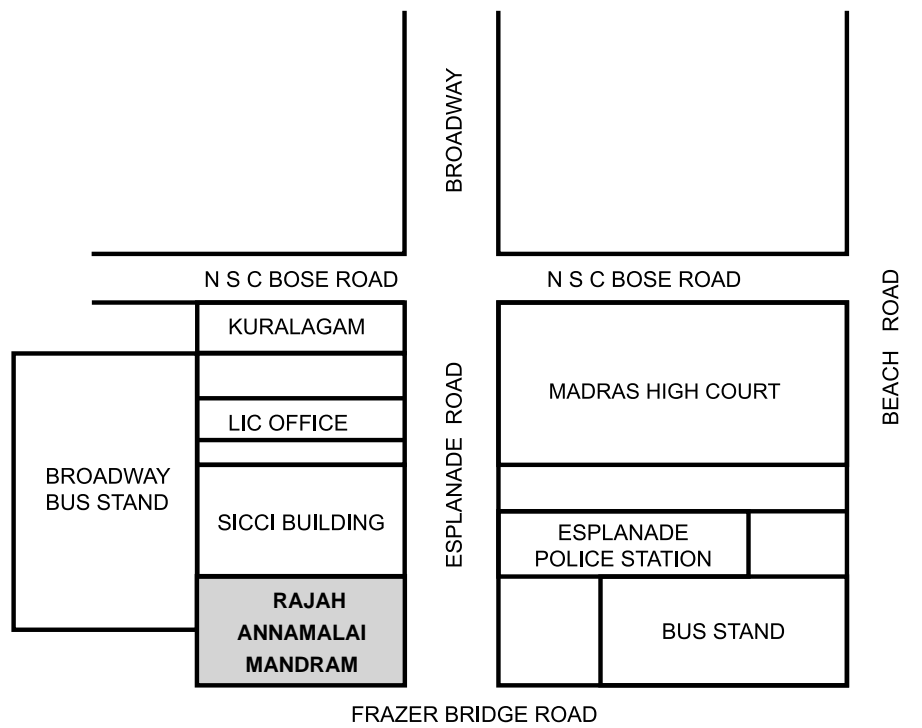
General Guidelines for shareholders

- 1 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. with attested specimen signature of the duly authorized signatory(ies) who are

authorized to vote, to the Scrutinizer by e-mail to _____<Please mention the e-mail ID of Scrutinizer> with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

ROUTE MAP FOR AGM VENUE



DIRECTORS' REPORT

Your Directors are pleased to present the 15th Annual Report and the Audited Financial Statements of the Company for the year ended 31st March 2019.

FINANCIAL RESULTS

Financial performance of the Company for the year ended 31st March 2019 is summarized below:

	Year ended 31 st March 2019	Year ended 31 st March 2018
		(Rs. in Lakhs)
Revenue from operations	53,781	56,645
Other Income	993	1,174
Total Revenue	54,774	57,819
Profit before Finance Cost, Depreciation and Tax	1,406	1,567
Finance Cost	723	688
Depreciation	179	174
Profit Before Tax	504	705
Provision for Tax	285	63
Profit After Tax	219	642
Other Comprehensive Income	(465)	23
Total Comprehensive Income for the year	(246)	665
Opening Balance in Other Equity	34,649	34,269
Amount available for Appropriations	34,403	34,934
Appropriations		
General Reserve	--	--
Dividend on Equity shares	158	237
Tax on Dividend	33	48
Balance carried to the Balance Sheet	34,212	34,649
Earnings per share (EPS) in Rs.	0.55	1.62

REVIEW OF OPERATIONS

Building Materials Division

The Building Materials Business possesses the advantage of its presence in the market spanning over several decades with a reasonable market share and customer base. This division has built its reputation as the most reliable partners for building material supplies with the best brands in industrial application of tubes, steel pipes, cements, cables, PVC pipes from Tata Steel, JSW, Jindal Steel & Power, APL Apollo, SAIL, Jain, Astral, Ajay, Dalmia and Finolex as major sourcing channels. Further, localised sourcing with certain reputed suppliers supports the seamless delivery requirements of the customers. This business derives good strength from the business experts that provide infrastructure solutions on need base to customers.

The financial year 2018-19 being one of the toughest years in the business with slump in economy resulted with many sectors reeling under negative growth. The business environment is impacted due to sluggish growth, liquidity crisis and very slow recovery from GST. However the Building material business through its uniqueness in diversity has adapted itself to changes with comfort

and poise and the setback due to the risks posed by the economy have been mitigated to a great extent.

This division achieved a total turnover of Rs.45,555 lakhs with a net profit of Rs.82 Lakhs against previous year turnover of Rs.48,097 lakhs and a net profit of Rs.284 lakhs. While innovation and creativity are the focus points to enhance customer satisfaction, constant efforts from the sales team supported by the effective business strategies by management have resulted in achieving the targets for the year 2018-19. Entry to new geographies, increasing the customer base in existing markets had presented necessary thrust to the business to remain buoyant despite the challenging environment in the building materials industry. Constant endeavour to supplement the existing business with addition of various new product portfolios that provide value addition to the business, strengthening the current market share and focus on expansion to new markets is on the agenda.

Power & Control Systems Division

This division is into service, manufacture and trading of Power & Control Systems and units required for Power, Cement, Steel, paper, Petrochemical, Refinery, Fertilizer

Sicagen India Limited

companies and such other industries in the business of dealing with instrumentation products, actuators and other controlling equipment. This business has partnership with global brands namely Woodward for Governors, IMI Norgren for Power Products, Eaton & ABB for Switch Gears and Danfoss for Drives and for Motors and vast experience of about three decades and expertise in the field of Electric power management products. Providing superior quality service solutions that make power systems more efficient, reliable and manageable had enabled this business to reach great heights in the related market both in many public and private sectors. Having reputation of being the exclusive authorised service provider in India for Woodward Governors of USA, this division caters to the needs of diversified Customers. Competition from the OEM suppliers and lower priority from the customers for Capex are the major challenges for this business.

This division's revenue during the year under review was Rs.2,973 Lakhs and net profit was Rs.477 Lakhs as compared to revenue of Rs.3,759 Lakhs and net profit of Rs.418 Lakhs in the previous year. Currently this division is catering to some African countries with service of Governors to cement Industry and established reputation as quality service providers. The management chalked out plans for expansion of product portfolios and venturing into new markets. These measures coupled with command over the current market would enhance the turnover substantially.

Specialty Chemicals Division

This business is on a decent growth path for the last few years. The division had put in good efforts towards focused approach on the current customer base that supported for higher turnover and addition of new customers from many business segments which in turn contributed to improve the turnover in the financial year 2018-19. This division caters to diversified businesses like Fertiliser, Sugar, Oil & Gas and Power generation industries with manufacture of wide range of products like water treatment chemicals, defoamers, demulsifier, colorants, antiscaling agents, anticaking agents, biocides and water proof chemicals. Revenue for 2018-19 was Rs.1,158 Lakhs and net profit was Rs.239 lakhs as compared to revenue of Rs.1,098 lakhs and a net profit of Rs.211 Lakhs in 2017-18. Revenue from operations in the new territories has supported the increased turnover and strengthened the operations substantially. Road map to overseas market to diversify and to cater to the wide customer base as laid down last year has seen good results with many orders and some revenue generation in the current year. This year the division exported water treatment chemicals to Nigeria for a value of USD 50,000. Further plans are in the pipe line for development of R & D facility for product enhancement and quality service so as to meet the customers' satisfaction.

Industrial Packaging Division

This division has performed well in the current year with 18% over last year due to the orders from customer in new

geographies reached as a part of expansion plan and also supported by higher volumes from the existing customers. The division has forayed into new product portfolio by manufacture of 30/25/20 ltrs MS drums in addition to the traditional 210 ltrs drums. This business faced major challenge due to volatile steel prices during the current fiscal coupled with intense competition from unorganised players. This division's growth, despite the challenges can be attributed to the qualitative measures initiated by producing superior quality drums at affordable prices, improved logistics management and higher productivity with lower manpower. Turnover stood at Rs.4,124 lakhs as compared to Rs.3,327 Lakhs in 2017-18. The net profit of this division has improved over the previous year. This division registered a net profit of Rs.212 lakhs for the year 2018-19 as against Rs.198 lakhs in the previous year. This division falls under MSME category and is certified under BIS for all product categories as at the year end.

Engineering Division

No operational income was posed during the year 2018-19 due to lack of new orders for boat building operations. However, this division has been discussing with many customers for orders. During the year, Sicagen has been shortlisted as one of the manufacturers of superior quality boats as per the proposed plan of Ministry of Fisheries to build boats for the fishermen for deep sea fishing. Sicagen is expecting to secure good orders in the ensuing year from the Fisheries department.

Dividend

Your directors are pleased to recommend a dividend of 40 paise per equity share (4% on equity capital of the Company) for the financial year 2018-19 despite multiple challenges like volatility in raw material prices, financial instability, liquidity crisis and poor demand that prevailed for most part of the year. Total dividend is Rs.158 lakhs and dividend distribution tax amounts to Rs.33 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 Act, 2013, 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 2018-19. 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 2019 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 2019, 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 2018-19, the Company has not given any loan, guarantee and/or provided any security in connection with the loan to any person/body corporate except the loans to the parties covered in the register maintained under Section 189 of the Companies Act, 2013.

The Company has made additional investments to the extent SGD 1 million (Singapore Dollar One Million only) in the equity capital of wholly owned subsidiary Company M/s.Wilson Cables Private Ltd, Singapore and Rs.4000 (Rupee Four Thousand Only) in the equity capital of AM Foundation, a Not- For- Profit entity.

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.

Sicagen India Limited

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 be transferred 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 2019 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 and other applicable provisions of Companies Act, 2013, and the rules and amendments made thereunder, the Company is required to transfer the dividends that remain unpaid/unclaimed for a period of 7 (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. During the year, the Company has already transferred the unclaimed dividend amount of Rs.9.82 Lakhs pertaining to the financial year 2010-11 to IEPF account. The Company is also in the process of transfer of shares in respect of which unclaimed dividend has been transferred, to IEPF account.

As on 31st March 2019, an amount of Rs.9.91 Lakhs pertaining to the financial year 2011-12, which was lying in the unclaimed dividend account of the Company, is required to be transferred to the IEPF account on 4th October 2019.

Members who have so far not encashed their dividend warrant(s) or those yet to claim their dividend amounts pertaining to the financial year 2011-12, may write to the Company/RTA (Cameo Corporate Services Limited) for claiming the same before transfer to the IEPF account.

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

During the year, the Risk Management Committee constituted by the Board has been dissolved as it is no longer required and also not applicable to the Company.

14. Composition of Audit Committee

During the year, the Audit Committee has been reconstituted and it comprises of Mrs.Sashikala Srikanth, as Chairman, Mr.B.Narendran, Mr.S.Radhakrishnan and Mr.R.Chandrasekar as members. 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 13th February 2019 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 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, through a Not-For-Profit entity formed under Section 8 of the Companies Act, 2013, is carrying out necessary CSR projects at various places. 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, there was no event affecting any of the women employees on account of any sexual harassment at the work place.

19. Compliance with Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

20. 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.

21. 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.

22. 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.

23. 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. Sunil Deshmukh and Mr. Harish Chandra Chawla have resigned from the directorship of the Company on 3rd August 2018 and 6th August 2018 respectively. Mr. Devidas Mali resigned from the Whole time Directorship of the Company w.e.f 28th November 2018.

Mr. S. Radhakrishnan and Mr. R. Chandrasekar were appointed as additional Directors w.e.f 9th August 2018 and Mr. M. Rajamani and Mr. S. R. Ramakrishnan were also appointed as additional Directors w.e.f 28th November 2018 and 1st December 2018 respectively.

Mr. R. Chandrasekar was inducted as Whole Time Director for a period of 3 years w.e.f 28th November 2018.

24. 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 this AGM does not arise.

(b). Cost Auditor

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, has appointed Mr. J. Karthikeyan, Cost Accountant as Cost Auditor of the Company for the financial year 2019-20 to carry out necessary cost audit in respect of manufacturing activities of the Company such as specialty chemicals division, drums manufacturing division and governor services division etc. The Board has recommended the remuneration payable to the above Cost Auditor for ratification of shareholders 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 2019-20 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 Auditors

M/s. Sundar Srinii & Sridhar, Chartered Accountants, Chennai, who was appointed as Internal Auditors of the Company for the financial year 2018-19, have conducted necessary internal audit, as required under Section 138 of the Companies Act, 2013 read with the Rule 13 of the Companies (Accounts) Rules, 2014. During the year, the Board has re-appointed M/s. Sundar Srinii & Sridhar, Chartered Accountants as Internal Auditors for the upcoming financial year 2019-20.

Sicagen India Limited

25. Internal Control System

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss that all the transactions are properly authorized and recorded and Information provided to management is reliable and timely. The Company ensures adherence to all statutes. The strong and robust internal control system is in place with appropriate policies and procedures to ensure the achievement of operational and strategic goals, compliance with policies, rules and regulations, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and economical and efficient use of resources.

The Company has engaged a firm of external consultants for the internal auditor function to continuously monitor the effectiveness of internal controls. Audits are conducted on an ongoing basis and all significant deviations are brought to the notice of the Audit Committee. Corrective action is recommended for implementation by the audit committee. All these measures do facilitate timely detection of any irregularities and provide early remedial steps. The Audit Committee approves the audit plan assigned to the internal auditors and the audit plan is reviewed annually. Further, the Audit Committee also reviews the quarterly reports submitted by internal auditors critically and all material deviations are seriously viewed.

26. Fixed Deposit

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

27. Issue of shares

The Company has not issued and allotted any kinds of securities during the year.

28. Dematerialization of Equity Shares

As at 31st March 2019, 3,82,79,053 equity shares representing 96.73% of the paid-up share capital of the Company have been dematerialized. The shareholders holding shares in physical form are advised to dematerialize their equity shares to avoid the risks associated with holding the share certificates in physical form.

29. Subsidiary & Associate Companies

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), Wilson Far East Private Ltd, Singapore (became a step down subsidiary of Wilson Cables Private Ltd during the year) and Edac Automation Ltd (Associate Company) are not attached with this annual report. Hence a statement containing the salient features of the financial statements of the aforesaid Subsidiary Companies/Step down Subsidiary/ Associate Company for the year ended 31st March 2019 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.

30. 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 2019 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
Date : 22nd May 2019

Ashwin C Muthiah
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.64.35 Lakhs
Used	:	Rs.831.92 Lakhs

Annexure –II to Directors’ Report

Report on 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.

- To provide basic amenities such as sanitation, safe drinking water, etc. to the less privileged and also to provide an impetus to rural development.
- To promote education through improving the infrastructure in the schools run by the government, local bodies and not-for-profit organizations.
- 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.
- 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.
- To undertake projects in the area of health care and to eradicate hunger, malnutrition, poverty.
- To ensure environment sustainability, ecological balance and preservation of the quality of soil, air and water.
- To provide financial support to technology incubators of academic institutions approved by the Central Government.
- To implement Infrastructure development in areas where the less privileged live.

2). Composition of the CSR Committee

During the year, the CSR Committee reconstituted and it comprises of the following 3 members as on 31st March 2019.

Ashwin C Muthiah	- Chairman
Sashikala Srikanth	- Member
R Chandrasekar	- Member

During the year, the Committee met one time on 13th February 2019.

Sicagen India Limited

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

(Rs. in Lakhs)

Financial Year	Net profit	Average Net Profit	CSR limit (2% of avg. net profit)
2015-16	603		
2016-17	759	689.00	13.78
2017-18	705		

CSR spent during the 2018-19 : Rs.56.46 Lakhs

Total amount to be spent for 2018-19 : Rs.13.78 Lakhs

Amount unspent, if any : Rs.22.83 Lakhs

4. Reason(s) for not spending whole amount

During the year, the Company has spent a sum of Rs.56.46 Lakhs through AM Foundation, a Not-For-Profit entity which is involved in the projects in water management, sanitation and hygiene etc., for construction of 50 public toilets at Puducherry. As per the requirement of Puducherry Government, the said AM Foundation has implemented the project in two phases of 25 toilets each. The Company is also in the process of identifying certain areas where the sanitation facilities are required and will spend the amount 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 CSR policy is in compliance with CSR objectives and policy of the Company.

Place: Chennai

Ashwin C Muthiah

Sashikala Srikanth

R.Chandrasekar

Date: 22nd May 2019

Chairman

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 2019.

S. No	Name	Designation	Nature of employment	Qualifications	Experience (Years)	Date of Joining	Age (Years)	Last Employment & Position held	Remuneration Received (₹)
1	Devidas Mali*	COO & Whole Time Director	Operation	ACS, LLB	29	03-Dec-12	55	Bekeart Industries Pvt Ltd GM Operations (Wires)	55,40,511
2	D Balagopal	Chief Financial Officer	Finance & Accounts	ACA	28	02-Jul-13	53	Primex Ghana Ltd Associate GM	29,30,402
3	Nandakumar Varma	General Manager Power & Control Systems	Operation	B.Tech MBA	26	05-Apr-93	49	Mekel Corporation, Design Engineer	27,09,978
4	Prasanna Joshi	Dy. General Manager Building Materials	Sales	MBA	12	04-Jun-13	34	AMI Holdings Pvt Ltd, Sr.Manager-Strategic Management	22,42,596
5	S Santhanakrishnan	General Manager Speciality	Operation	MBA	33	03-Jan-97	53	SPIC Ltd, Research Associate	22,16,552
6	Ajit Ravindra Joshi	Chief Strategy Officer	Operation	MBA	25	06-Jan-18	54	Watson India Media Pvt Ltd Director	18,82,437
7	Rajesh Lakshmanan	Deputy General Manager	IT	MCA, ITIL V3	19	01-Nov-12	42	IT Consultant Advisor	17,81,336
8	D Aditya Kiran	Regional Sales Manager- Building Materials	Sales	MBA	18	01-Jul-13	45	Egwood Boards & Panels Pvt Ltd Branch Manager	16,39,044
9	R.Chandrasekar **	Whole Time Director	Operation	ACA	30	28-Nov-18	54	Edac Engineering Ltd CFO & Whole Time Director	15,86,664
10	G Arunmozhi	Dy. General Manager Legal & Company Secretary	Legal & Secretarial	ACS, LLB	17	15-Feb-18	42	Sun Direct TV Pvt Ltd Company Secretary	15,68,462

* Resigned w.e.f 28th November 2018.

** Appointed as Whole Time Director w.e.f 28th November 2018.

Notes:

- The nature of employment is contractual.
- The remuneration includes salary, allowances, performance pay and perquisites pertaining to the FY 2018-19.
- Other terms and conditions of the employment are as per the Company's Rule.
- None of the employees are related to any Directors of the Company.
- 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 2019.

1	The ratio of the remuneration of each Director to the median remuneration of the employees.	Rs. 2.78 Lakhs per annum to Rs. 58.00 Lakhs per annum Ratio of remuneration is 1:15
2	% increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) in the financial year.	No increase in remuneration to Whole Time Director as it is not applicable for the financial year 2018-19. 4.20% increase in remuneration to CFO. No increase in remuneration to Company Secretary as it is not applicable for the financial year 2018-19.
3	% increase in the median remuneration of employees in the financial year.	6.50%
4	The number of permanent employees on the rolls of company;	3.48
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 7.00% and for managerial employees is at 6.40%.
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 is 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: 22nd May 2019

R Chandrasekar
Whole Time Director

Annexure - V to Directors' Report
Form No.MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year Ended 31st March 2019

[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 there on.

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 2019 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 2019 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) Regulation, 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

Sicagen India Limited

(vi) The 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. Shop and Commercial Establishment Act
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 factory 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.

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 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.

Date : 22nd May 2019
Place : Chennai

R Kannan
Practicing Company Secretary
CP No.3363

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2018-19

Economic scenario 2018-19

India has emerged as the fastest growing economy in the world and is expected to grow at 7.3% in the year 2019 and 7.5% in 2020. In 2018-19 fiscal, Indian economy has recorded a growth of 7% which is lower than 7.2% recorded in 2017-18. Although, the annual GDP growth rate has been falling down for the past 2 years, the 1st quarter of fiscal 2018-19 has shown a growth rate of 8.2% and 1st half has also shown the growth of 7.65%. However, 3rd quarter and 2nd half of 2018-19 has recorded a decline in the growth rate of GDP 7.1% and 6.75% respectively due to various mixed factors.

India remains positive about the economic growth prospects, which is aligned with the projections of international development agencies. Major businesses are optimistic and confident about India's positive growth performance and also believe that India has the potential to grow at an average rate of 7% or more in the coming years. 'Make in India' campaign launched in 2014 permitting 100% FDI in 25 sectors of the economy has placed the Country to become one of the most attractive destinations for investments in the Manufacturing Sectors. The infrastructure development plans which include the project on National Corridors, approved by the Government, have gained a global recognition to the Indian economy and it is expected to contribute additional growth rate of GDP at 2% to 3%. The Digital India initiatives created by the Government for digital infrastructure and service in India, are also expected to contribute better growth to enhance the GDP.

Industry outlook and opportunities for 2019-20

The building material industry being second largest employer in the country is providing a significant contribution to the nation's economy and is expected to grow by 10% in 2019-20 backed by massive infrastructure development projects. Industry forecasts also indicate that the Indian construction/building material industry is expected to record a growth rate of 15.7%. Launch of numerous ambitious construction schemes in the recent past by the government including creation of industrial parks, national corridors, smart cities, logistics network, Housing For All 2022 Scheme etc., are strong contributing agents to the growth of the construction industry. Hence all these initiatives will need supplies of building materials making the industry vibrant.

The steel drums market is expected to witness significant growth in many developing areas owing to the rise in demand for steel drums in the chemical as well as oil solvent industries. The oil and lubricant segments are estimated to have promising potential in the development of steel drums market and hence the outlook for the domestic steel drums market is expected to witness significant growth.

The revenues of water treatment chemicals market are expected to grow at 9% to 9.87% during the forecast period 2018-21. Due to rapid industrialization and urbanization, the increasing demand for water treatment chemicals from industries for boilers, cooling towers and effluents, continues to be driving force for increasing consumption of water treatment chemicals.

The demand for instrumentation products, actuators and other controlling equipment has been increased tremendously due to rapid industrialization. Hence the outlook for governor sales and services is also expected to witness significant growth.

Operational Review

During the year under review, the total revenue from operations of the Company was Rs.53,781 Lakhs as compared to Rs.56,645 Lakhs in 2017-18. Profit before tax was Rs.504 lakhs as against Rs.705 Lakhs in the previous year.

Building Material Division has posted a total turnover of Rs.45,555 Lakhs with a net profit of Rs.82 Lakhs for the current year against the turnover of Rs.48,097 Lakhs and a net profit of Rs.284 Lakhs in the previous year. The deep decline in the net profit was mainly due to heavy competitive pressures on pricing, increase in interest rates, purchase cost and other operational and administrative expenditure. Sluggish macroeconomic environment, lower demand of construction materials, competition from unorganized sector, impact due to demonetization and initial apprehensions, confusions and struggles in GST implementation were also major factors that resulted in decline in turnover and profits of this division. However, the Management is continuously reviewing these threats and devising appropriate mitigative actions appropriately.

Power and Control Systems Division continued to perform well and the revenue of this division for 2018-19 was Rs.2,973 Lakhs as compared to Rs.3,759 Lakhs in 2017-18. Although there was a decline in revenue, this division's profit before tax was increased by 14% to Rs.477 Lakhs as compared to Rs.418 Lakhs in the previous year due to product mix and retrofit orders. Sales of Woodward products and Norgren products were increased by 9% as compared to last year. This division during the year, has also entered into distributorship with ABB Switch Gear and Danfoss VFD drives. In order to expand and grow further, this division is exploring new opportunity in additional locations and also adding new products and services.

During the year under review, Speciality Chemicals Division has registered a highest turnover and profit for the year 2018-19 as compared to previous years. The

Sicagen India Limited

turnover of Rs.1,158 Lakhs with 13% increase in net profit of Rs.239 Lakhs as compared to the turnover of Rs.1,098 Lakhs and net profit of Rs.211 Lakhs in 2017-18. This division has continuously bagged orders for supply of Cooling Water Treatment (CWT) chemicals from Neyveli Lignite Corporation and Andhra Pradesh Power Generation Co. This division has also bagged new orders valuing Rs.60 Lakhs from Fertilizer & Chemicals Travancore, Kochin for supply of CWT chemicals for two years and Rs.80 Lakhs from Coramendal Fertilizers Ltd, Chennai for supply of defoamer to their phosphoric acid plant for one year. Annual contract for supply of Neem Oil to SPIC valuing Rs.220 Lakhs was also executed by this division during 2018-19. New orders valuing Rs.50 Lakhs for supply of cooling water treatment chemicals to Dangote Cement Nigeria, Africa and Rs.25 Lakhs for supply of condensate water treatment chemicals to Sugar Industries in Northern India.

During the year, Industrial Packaging division has produced 2,80,200 barrels and registered 13% growth in production during 2018-19 as compared to 2017-18. The total revenue of this division for the year, increased by 24% to Rs.4124 lakhs (including excise duty) and the net profit by 7% to Rs.212 Lakhs as compared to previous year. During the year, this division has bagged new orders valuing Rs.18.08 Lakhs from Apex Coco & Solar Energy, Sembcorp Energy, Dollar Corporation Colombo and various other customers.

Engineering Division has not posted any operational income during the year 2018-19 due to lack of new orders for boat building operations from customers. However this division expects new orders from Ministry of Fisheries to build boats for the fishermen for deep sea fishing in the ensuing years for which discussions with the department are going on to bag the contract.

The Company has taken several initiatives to improve market coverage, business development and also to strengthen the core values of excellence, customer focus, integrity, commitment and team work. The Company continues to focus on all elements of cost so as to increase the margin.

The ISO 9001-2015 certification by BUREAU VERITAS for the building material, Power & Control Systems, Industrial Packaging businesses and certification from TÜV SÜD South Asia Private Limited for the Specialty chemicals division have ensured strengthened internal control processes and documentation, that provided adequate audit trail for all operating activities of the Company.

Details of significant changes in key financial ratios (Change in 25% or more as compared to the immediately previous financial years) are given below:

Particulars	Details	Detailed explanations
Debtors Turnover	-	Change is less than 25%
Inventory Turnover	-	do
Interest Coverage Ratio	-	do
Current Ratio	-	do
Debt Equity Ratio	-	do
Operating Profit Margin (%)	-	do
Net Profit Margin (%)	25% (Reduction)	There were exceptional losses on sale of assets during the year

The details of change in return of net worth as compared to the immediately previous financial year along with explanation thereof are provided in the financial statements.

Opportunities & Outlook

Our persistent efforts towards growth and success, focus on driving innovation and cultivating a company culture are aimed at becoming one of the most trusted partners in the core businesses. We envisage great opportunities as the Indian economy is accelerating at higher level. The new frontier in urban infrastructure is Smart Cities. A growing number of cities are adopting elements of smart city infrastructure. The company is anticipating growth on these factors and is anticipating new opportunities arising from high potential infrastructure plans. Further, various Government schemes such as minimum support price and improved rural economy will aid in increased purchasing power that would trigger growth across all segments of the economy and create great demand in the country. We strongly believe innovation is increasingly important to respond to future opportunities and challenges, as we strive to continue creating value for our company by reaching more consumers and enriching them with top quality products. The Company continues to implement several projects to improve its efficiency transparency and process control across supply chain. The Company believes that various initiatives of the management shall provide the company to be robust and competitive to overcome the emerging challenges in the business environment.

Risks & Concerns

The Company's core area of business is mainly related to trading and marketing. Risks can occur in a number of areas, including products, transactions, operations, pricing, trade/credit policies, interest rates, taxes and duties, demand variations, market liquidity position etc.

Management expects competition to persist and increase in the future with a number of players entering the market. This may have an impact on margins and profitability. Management ensures that competition is monitored and continuous efforts are made to attract as well as retain new and existing customers. Inventory management processes are also being monitored to handle the risk of price changes in the volatile market. The Company keeps an eye on all risk factors and all possible steps are being taken to maintain and enhance the competitive edge.

The Management Committee of the Board together with all business heads periodically reviews the key internal and external risks associated with the Company's business operations. The functional heads are responsible for the risk management process including risk identification, impact assessment, effective implementation of risk mitigation plan and risk reporting. The Management Committee recommendations are reviewed by the Board periodically.

Internal Control System & Adequacy

Given the nature of business and size of operations, the Company has designed a proper and adequate internal control system to ensure that a) recording of transactions are accurate, complete, and authorised; b) Adherence to Indian Accounting standards and compliance to applicable statutes, Company policies and procedures; c) Effective usage of resources, and safeguarding of assets.

Company, through its own independent and multi-disciplinary Internal Audit function with the support of third party service providers, carries out risk based internal audit reviews, with an annual Internal Audit plan. From time to time, the Company's systems of internal controls covering financial, operational, compliance, IT applications, etc. are reviewed by external experts. Presentations are made to the Audit Committee, on the findings of such reviews. Significant deficiencies in Internal control identified if any, are reviewed periodically and appropriate control measures are implemented.

The Company has designed and implemented Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5) (e) of the Companies Act, 2013. For the year ended 31st March 2019, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

The Company has well established internal control procedures and maintains appropriate policies, procedures and systems with an approved delegation of authority

and that all the transactions are properly authorized and recorded ensuring efficient conduct of the business. Internal controls included obtaining an understanding and assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Further, the procedures also laid out the requirements of adhering to Company's policies, measures to safeguard of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and the financial reporting process.

The objective of internal control is to ensure that –

- Operations are effective and in line with the strategy and
- Financial reports and information given by the management are reliable, complete and also provide substantial and correct information on the company's financial position.

The Company operates according to specified internal operating instructions and complies with all the laws and regulations, as applicable.

The internal control systems are effective across all functions of finance, operations, statutory compliance and other areas adequately covering all the activities of the company. These controls are initiated with the perspective to provide an efficient system to meet the challenging business requirements over a period of time.

Cost Audit and Secretarial Audit are also carried out to confirm compliance with all statutory regulations. Adequate segregation of duties among the staff at various levels is ensured for a proactive control of the transaction process. Proper delegation of authority and process of authorization of transactions and activities at each level are well defined. The authority matrix for decision making is in line with the organization structure and business processes.

Detailed management reviews of internal audit reports are carried out periodically with all functional and business heads to analyse the business risks and to design strategies as well to meet the changing operational requirements. Review of control mechanism through ERP is carried out to improve the control process and develop better systems to protect the company assets and also strengthen the quality of internal control measures.

Board reviews the financial statements and internal controls on a quarterly basis as reviewed by the Audit Committee meeting with all the details.

Human Resource Development and talent retention

The Company has implemented several initiatives focused on acquiring and nurturing talent. It firmly believes that people are its greatest asset, and has adopted various

Sicagen India Limited

policies and initiatives in order to sustain healthy employee relations, growth and development as well as work satisfaction. Human Resource Development framework followed by the Company includes workforce planning, employee engagement, performance & compensation management, learning & development, career & succession planning and organization development. The Company focusses on employee development and growth by creating a vibrant work environment to attract and retain talent across the organization.

The management is committed to the philosophy of conducting business in an ethical manner with respect for human values, individual dignity and professional conduct. 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 structure, challenges, outlook, financials and HR policies may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and supply and price situations in the domestic and overseas market in which the company operates, changes in the Government, laws, rules, regulations and other statutes and other incidental factors.

REPORT ON CORPORATE GOVERNANCE 2018-19

1. Company's Philosophy

Corporate Governance is a reflection of our policies, our culture, our relationship with stakeholders and our commitment 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 2019, the Board comprised of 8 Directors which consists of 1 Executive Director, 2 Non-Executive Directors and 5 Independent Directors. All Directors are with professional expertise in various fields such as administration, marketing, finance, accounts 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 vis-versa.

3. Number of meetings of Board of Directors and the dates on which held during the financial year 2018-19.

(i). Total Number of Board Meetings held : 5

I Quarter (Apr' 18 – Jun'18)	II Quarter (Jul'18 – Sept'18)	III Quarter (Oct'18 – Dec '18)	IV Quarter (Jan'19 – Mar'19)
15.05.2018	09.08.2018	22.10.2018 28.11.2018	13.02.2019

(ii). Attendance of Directors at the meeting of the Board of Directors held during 2018-19 and the last Annual General Meeting (AGM) held on 06.08.2018 are as follows.

Name and designation of the Director	Category/ Position	Attendance		No. of other Directorships & Committee Membership/ Chairmanship			Directorship held in listed entities (Category of Directorship)
		At Board Meetings	At Last AGM	Director	Member of Committee	Chairman of Committee	
Ashwin C Muthiah Chairman	Non-Executive Non Independent	5	Yes	3	1	1	1) Southern Petrochemical Industries Corpn. Ltd (Non- Executive Non Independent) 2) Manali Petrochemicals Ltd (Non-Executive Non Independent) 3) Tamilnadu Petroproducts Ltd (Non-Executive Non Independent)
B Narendran Director	Non-Executive Independent	5	Yes	6	6	3	1) Southern Petrochemical Industries Corpn. Ltd (Non- Executive Independent) 2) Tuticorin Alkali Chemicals & Fertilizers Ltd (Non-Executive Independent) 3) Mercantile Ventures Ltd (Non-Executive Independent) 4) India Radiators Ltd (Non- Executive Independent)
Sashikala Srikanth Director	Non-Executive Independent	5	Yes	6	3	3	1) Southern Petrochemical Industries Corpn. Ltd (Non- Executive Independent) 2) Manali Petrochemicals Ltd (Non-Executive Independent) 3) Tamilnadu Petroproducts Ltd (Non-Executive Independent) 4) Mercantile Ventures Ltd (Non-Executive Independent)

Sicagen India Limited

Rita Chandrasekar Director	Non-Executive Independent	4	Yes	2	1	2	1) Tuticorin Alkali Chemicals & Fertilizers Ltd (Non-Executive Independent) 2) India Radiators Ltd (Non-Executive Independent)
S.Radhakrishnan Director (Appointed w.e.f 09.08.2018)	Non-Executive Independent	4	NA	2	2	-	Southern Petrochemical Industries Corpn. Ltd (Non-Executive Independent)
M.Rajamani Director (Appointed w.e.f 28.11.2018)	Non-Executive Independent	2	NA	1	-	-	-
S.R.Ramakrishnan Director (Appointed w.e.f 01.12.2018)	Non-Executive Non Independent	1	NA	1	2	-	Southern Petrochemical Industries Corpn. Ltd (Executive)
R.Chandrasekar Whole Time Director (Appointed w.e.f 28.11.2018)	Executive Non-Independent	3	NA	2	3	-	-
Sunil Deshmukh Director (Resigned on 03.08.2018)	Non-Executive Non Independent	1	No	-	-	-	NA
Harish Chandra Chawla Director (Resigned on 06.08.2018)	Non-Executive Independent	4	No	-	-	-	NA
Devidas Mali COO & Whole Time Director (Resigned w.e.f 28.11.2018)	Executive Non-Independent	4	Yes	-	-	-	NA

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.

(iii) Details of equity shares of the Company held by Non- Executive Directors as on 31st March 2019

Name and designation of the Director	Category/Position	No of equity shares held
Ashwin C Muthiah	Non-Executive Non Independent	41,838
B Narendran	Non-Executive Independent	2,515
Sashikala Srikanth	Non-Executive Independent	Nil
Rita Chandrasekar	Non-Executive Independent	Nil
S Radhakrishnan	Non-Executive Independent	Nil
M.Rajamani	Non-Executive Independent	Nil
S R Ramakrishnan	Non-Executive Non Independent	Nil

(iv) Details of familiarization programs conducted for the Independent Directors are disclosed in the Company's website <http://www.sicagen.com>

(v) List of core skills/expertise/competencies identified by the Board

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board members.

- Knowledge on Company's business, policies, risks & threats, potential opportunities and knowledge of the industry in which the Company operates.
- Behavioral Skills-attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.

- Business strategy, sales & marketing, corporate governance, administration and decision making.
- Financial and Management skills.
- Technical and professional skills and specialized knowledge in relation to the Company's business.

(vi) Confirmation of Independent Directors

The independent Directors have been appointed in terms of requirement of Companies Act, Listing regulations and in the opinion of the Board, they fulfill the conditions specified therein and are independent of the Management.

Due to personal reasons, Mr. Harish Chandra Chawla, Independent Director has resigned from the Board on 6th August 2018 and the said Director has confirmed that there was no other material reason for his resignation.

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 as on 31st March 2019.

Sl. No.	Name of Director	Position
1	Sashikala Srikanth	Chairperson
2	B Narendran	Member
3	S Radhakrishnan	Member
4	R Chandrasekar	Member

The Company Secretary acted as Secretary to the Audit Committee.

Attendance details of Audit Committee

Four Audit Committee meetings were held during the financial year 2018-19 i.e. on 15th May 2018, 9th August 2018, 22nd October 2018 and 13th February 2019. The attendance record of the audit committee meetings is given hereunder.

Sl. No.	Name of the Director	No. of meetings attended
1	B Narendran	4
2	Sashikala Srikanth	4
3	S Radhakrishnan	2
4	R Chandrasekar	2

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;

Sicagen India Limited

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 consisting of three members as on 31st March 2019 is as follows.

Sl. No.	Name of Director	Position
1	Rita Chandarsekar	Chairperson
2	S R Ramakrishnan	Member
3	R Chandrasekar	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/share certificate for re-materialization and consolidation, 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 the relevant members were present at the meeting. During the year under report, 13 complaints were received from the shareholders and out of which 1 investor complaints were pending as on 31st March 2019. No documents were pending for transfer as on 31st March 2019.

(c) Nomination & Remuneration Committee

The following Directors are the present members of the Nomination and Remuneration Committee as on 31st March 2019. During the year the Committee met 2 times on 9th August 2018 and 28th November 2018.

Sl. No.	Name of the Director	Position
1	S Radhakrishnan	Chairperson
2	B Narendran	Member
3	M Rajamani	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 Directors.

5. To determine remuneration package of Directors and recommend to the Board for 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

During the year, the Capital Issues and Allotment Committee constituted by the Board was dissolved as there was no need for it and also not mandatory to the Company.

(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 4 members as on 31st March 2019 as follows.

Sl.No	Name	Position
1	B Narendran	Chairperson
2	S Radhakrishnan	Member
3	M Rajamani	Member
4	S R Ramakrishnan	Member

During the year, the Management Committee met on 17th December 2018, 9th January 2019, 13th February 2019 and 13th March 2019.

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.
9. To review of business operations and to oversee the risk management process, risk identification, effective implementation of mitigation plan and risk reporting on periodical basis.

The Company Secretary acted as Secretary to the Management Committee.

(f). Risk Management Committee

During the year, the Risk Management Committee constituted by the Board was dissolved as it is not mandatory to the Company.

(g). Corporate Social Responsibility (CSR) Committee

The CSR Committee constituted for implementation of CSR activities comprises three members as on 31.03.2019 as stated below.

Sicagen India Limited

SI.No	Name	Position
1	Ashwin C Muthiah	Chairman
2	Sashikala Srikanth	Member
3	R Chandrasekar	Member

During the year, the members of CSR Committee met 1 time on 13th February 2019.

5. Details of remuneration paid/payable to the Whole Time Director(s) for the financial year 2018-19.

The details of remuneration paid/payable to Whole Time Director(s) of the Company for the financial year 2018-19 are as follows:

(Rs. in lakhs)

Name	Salary & Special Allowances	Perks & other payments	Total
R Chandrasekar Whole Time Director (<i>Appointed on 28.11.2018</i>)	14.73	1.13	15.86
Devidas Mali COO & Whole Time Director (<i>Resigned w.e.f 28.11.2018</i>)	31.83	22.23	54.06

6. Details of sitting fee paid to the Non-executive Directors for the financial year 2018-19.

The Non-Executive Directors were paid sitting fees of Rs.50,000/- and Rs.10,000/- per meeting for attending Board and Management Committee Meetings respectively. The details of sitting fees paid to each of the Directors for having attended Board and Management Committee Meetings during the year 2018-19 are given below:

SI.No	Name of the Director	Amount (Rs.)	Tax deducted (Rs.)	Net amount Paid (Rs.)
1	Ashwin C Muthiah	2,50,000	77,250	1,72,750
2	B Narendran	2,50,000	25,000	2,25,000
3	Sashikala Srikanth	2,50,000	25,000	2,25,000
4	S Radhakrishnan	2,00,000	20,000	1,80,000
5	R Chandrasekar	1,50,000	15,000	1,35,000
6	Rita Chandrasekar	1,50,000	15,000	1,35,000
7	M Rajamani	1,00,000	10,000	90,000
8	S R Ramakrishnan	50,000	5,000	45,000
9	Sunil Deshmukh*	50,000	15,450	34,550
10	Harish Chandra Chawla**	50,000	5,000	45,000
	Total	15,50,000	217,700	13,32,300

*Resigned on 03.08.2018

**Resigned on 06.08.2018

SI.No	Name of the Director	Amount (Rs.)	Tax deducted (Rs.)	Net amount Paid (Rs.)
1	B Narendran	30,000	3,000	27,000
2	S Radhakrishnan	20,000	2,000	28,000
3	M Rajamani	30,000	3,000	27,000
4	S R Ramakrishnan	30,000	3,000	27,000
	Total	1,10,000	11,000	99,000

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 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 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
2016	20 th September 2016 at 2.30 p.m.	Raja Annamalai Mandram, Esplanade, Chennai-600 108
2017	27 th June 2017 at 10.00 a.m.	Raja Annamalai Mandram, Esplanade, Chennai-600 108
2018	6 th August 2018 at 3.00 p.m.	Raja Annamalai Mandram, Esplanade, Chennai-600 108

Special resolutions approving appointment of Whole Time Directors were passed at the Annual General Meeting held 27th June 2017. The Company has not convened any Extra-Ordinary General Meeting during the financial year 2018-19.

11. Postal Ballot

No item was transacted through Postal Ballot during the financial year 2018-19. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

12. Related party transaction & 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 with interest of the Company at large.

- 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.
- 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.
- No transactions 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.
- 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 imposed 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 periodically 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 retires 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. The Board has recommended the re-appointment of the above retiring Director. Mr.S.Radhakrishnan

Sicagen India Limited

and Mr.R.Chandrasekar were appointed as additional Directors w.e.f 9th August 2018 and Mr.M.Rajamani and Mr.S.R.Ramakrishnan were also appointed as additional Directors w.e.f 28th November 2018 and 1st December 2018 respectively. Mr.R.Chandrasekar was inducted as Whole Time Director for a period of 3 years w.e.f 28th November 2018.

(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 in 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 : 31st July 2019
Time : 3.30 p.m.
Venue : Rajah Annamalai Mandram, Esplanade, Chennai - 600108
Book closure : From 25th July 2019 to 31st July 2019 (both days inclusive)
Dividend payment date : Between 20th August 2019 and 27th August 2019.

(f). Financial Calendar for 2018-19 (Tentative)

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

1. 1 st quarter ending 30 th June 2019	Before 15 th August, 2019
2. 2 nd quarter ending 30 th September 2019	Before 15 th November, 2019
3. 3 rd quarter ending 31 st December 2019	Before 15 th February, 2020
4. Last quarter & year ending 31 st March 2020	Within 60 days of end of the year

Annual General Meeting On or before 30th September, 2020

(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 2018-19 was paid to BSE and NSE.

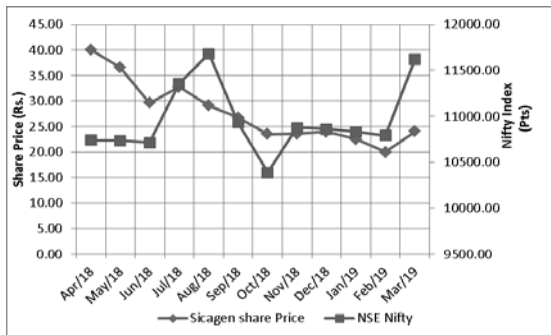
Name of the Stock Exchange	Scrip Code	Trade Name
Bombay Stock Exchange	533014	SICAGEN
National Stock Exchange	SICAGEN	SICAGEN

(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 1st April 2018 to 31st March 2019 is given below.

Month & Year	BSE			NSE		
	High	Low	Average	High	Low	Average
	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.
April 2018	44.65	36.00	40.32	44.40	36.00	40.20
May 2018	41.85	34.25	38.05	41.40	34.50	37.95
June 2018	36.20	26.90	31.55	36.95	27.10	32.02
July 2018	34.20	26.40	30.30	34.35	26.00	30.17
August 2018	33.50	27.00	30.25	33.70	26.85	30.27
September 2018	34.40	25.05	29.95	35.50	25.00	30.25
October 2018	28.75	21.50	25.12	29.00	21.45	25.22
November 2018	26.20	21.85	24.03	26.50	22.75	24.62
December 2018	25.25	20.40	22.82	24.90	20.65	22.77
January 2019	28.50	22.00	25.25	28.55	21.85	25.20
February 2019	24.35	18.00	21.75	23.05	17.30	20.17
March 2019	30.90	20.20	22.55	30.40	19.10	24.75

(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 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.

Sicagen India Limited

M/s.Cameo Corporate Services Limited

Unit: Sicagen India Limited

No.:1, Club House Road, "Subramanian Building", 5th Floor

Chennai - 600002

Tel: 044-28460390 / 044-40020728 / 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: 044-4075 4075 Fax: 044-4075 4079

E-mail: companysecretary@sicagen.com, secl@sicagen.com

(l). Distribution of shareholding as on 31st March 2019

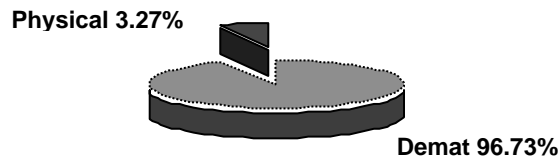
No. of shares Category	No. of holders	% of total	No. of shares	% of total
Upto 500	39489	91.93	2539401	6.41
501-1000	1708	3.97	1406218	3.55
1001-2000	817	1.90	1278698	3.23
2001-3000	308	0.72	802783	2.03
3001-4000	135	0.31	485404	1.23
4001-5000	129	0.30	608106	1.54
5001-10000	200	0.47	1482588	3.75
10001 and Above	173	0.40	30968486	78.26
Total	42959	100.00	39571684	100.00

(m). Shareholding Pattern as on 31st March 2019

Category	No. of holders	No. of shares held	% of holding
Promoters Holding			
Promoters & Associates	11	16536392	41.79
Non-Promoters Holding			
(a) Institutional Investors			
Mutual Funds	4	1177	0.00
Financial Institutions / Banks	17	173702	0.44
Central/State Govt.	1	334	0.00
Insurance Companies	2	67770	0.17
Foreign Portfolio Investors	3	4881018	12.33
(b) Others			
Bodies Corporate	409	5076553	12.83
Clearing Members	34	37808	0.10
NRIs	227	322968	0.82
Hindu Undivided Families (HUF)	652	483520	1.22
(c) Other Public shareholding	41599	11990442	30.30
Total	42959	39571684	100.00

(n). Dematerialization of Shares

3,82,79,053 equity shares representing 96.73% of the paid-up share capital of the Company have been dematerialized up to 31st March 2019. 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). Unclaimed Suspense Account

As on date 5,770 shareholders have not claimed their shares aggregating 3,49,262 equity shares, which are under unclaimed suspense account as per the records of RTA. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. 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 Section 124(6) of the Company Act 2013 and IEPF Rules.

(q). WTD & CFO Certification

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

(r). 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.

(s). Plant Locations

Speciality Chemicals	:	Thirubuvanai, Pondicherry
Drums Manufacturing	:	Minjure, Ponneri Taluk, Chennai
Plant location of subsidiary Companies	:	
Cable Manufacturing	:	Wilson Cables Private Ltd
	:	Jurong Industrial Estate, Singapore
Steel Fabrication	:	Danish Steel Cluster Private Ltd
	:	Kiadb Industrial Area, Jigani, Bengaluru

Sicagen India Limited

Certificate of WTD / CFO

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

To

The Board of Directors of
Sicagen India Limited

We, R.Chandrasekar, 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 2019 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 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 they are aware and the steps they 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 : 22nd May 2019

Place : Chennai

R.Chandrasekar

Whole Time Director

D Balagopal

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 2019 as stipulated Under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the period from 1st April 2018 to 31st March 2019.

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.

None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

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 : 22th May 2019

Place : Chennai

Declaration from Whole Time Director on Code of Conduct

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 2019.

Date : 22th May 2019

Place : Chennai

R Chandrasekar

Whole Time Director

Annual Report 2018-19

Accounts - Standalone



Independent Auditor’s Report
To the Members of SICAGEN INDIA LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **SICAGEN INDIA LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, and changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

Revenue Recognition (Ind AS 115)	Audit Procedure
<p>Recognition of revenue is complex due to several types of customer contracts across divisions.</p> <p>The application of the new standard on recognition of revenue involves significant judgment and estimates made by the management which includes;</p> <ul style="list-style-type: none"> • Identification of performance obligations contained in contracts. • Determination of the most appropriate method for recognition of revenue relating to the identified performance obligations. • Assessment of transaction price. • Allocation of the assessed price to the individual performance obligations. 	<p>Audit procedure involved review of the Company’s Ind AS 115 implementation process and key judgments made by management, evaluation of customer contracts in light of Ind AS 115 on sample basis and comparison of the same with management’s evaluation and assessment of design and operating effectiveness of internal controls relating to revenue recognition.</p> <p>Based on the procedures performed, it is concluded that management’s judgments with respect to recognition and measurement of revenue in light of Ind AS 115 is appropriate.</p> <p>Furthermore, the appropriateness of the disclosures made in Note. 1.7 to the financial statements was assessed.</p>

<p style="text-align: center;">Existence and impairment of Trade Receivables</p> <p>Trade Receivables are significant to the Company's financial statements. The Collectability of trade receivables is a key element of the company's working capital management, which is managed on an ongoing basis by its management. Due to the nature of the Business and the requirements of customers, various contract terms are in place which impacts the timing of revenue recognition.</p> <p>Given the magnitude and judgment involved in the impairment assessment of trade receivables, we have identified this as a key audit matter.</p>	<p style="text-align: center;">Audit Procedure</p> <p>We performed audit procedures on existence of trade receivables, which included substantive testing of revenue transactions, obtaining trade receivable external confirmations and testing the subsequent payments received.</p> <p>Assessing the impact of trade receivables requires judgment and we evaluated management's assumptions in determining the provision for impairment of trade receivables, by analyzing the ageing of receivables, assessing significant overdue individual trade receivables and specific local risks, combined with the legal documentations, where applicable.</p> <p>We tested the timing of revenue and trade receivables recognition based on the terms agreed with the customers. We also reviewed, on a sample basis, terms of the contract with the customers, invoices raised, etc., as a part of our audit procedures.</p> <p>Legal cases have been filed in the case of some debtors and we have analyzed the company's chances of succeeding in the litigation.</p> <p>Furthermore we assessed the appropriateness of the disclosures made in Note 7 & 40 to the financial statements.</p> <p>Our procedures did not identify any material exceptions.</p>
<p style="text-align: center;">Disposal of Fixed Assets and relevant taxation</p> <p>During the year the company has sold two lands for the value of Rs 4,437 lakhs.</p> <p>The costs of acquisition of these assets were Rs.244 lakhs. These assets were restated on 01.04.2016 as per the Ind AS transition at Rs.4,582 lakhs.</p> <p>This resulted in a loss of Rs 145 lakhs which has been accounted in Statement of Profit & Loss A/c under head Other Expenses (Note 29) as Loss on sale of assets.</p>	<p style="text-align: center;">Audit Procedure</p> <p>Audit checks conducted for the Authorization of the sale of land and sale agreements were called for. Tax Opinions were obtained from Experts on the taxation of the sale transaction.</p> <p>The Company as per its computation of Book profits of Rs. 504 lakhs, has given effect to the provision of Sec115JB explanation (2c) and thereby subjected the revaluation amounts under Ind AS transition provisions to MAT upon disposal of the relevant assets. The company has also given effect to the bad debts written off as described in Note no 29.2 in the expected credit losses.</p> <p>The reversal of provisions for Expected Credit Loss model have not been considered for MAT purpose as they have not been deducted from MAT workings at the time of creation.</p> <p>The company had written off Rs.11,924 lakhs of Loans and advances as a part of Ind AS transition. One fifth of these advances have been claimed for Rs.2,385 Lakhs U/s 115JB of MAT computation for the year 2018-19 & 2017-18. The company has taken expert legal opinion to support its position under MAT, regular provisions of Income Tax and for related disclosures.</p> <p>Our Audit Procedures did not identify any material exceptions.</p>
<p style="text-align: center;">Discussion on investments in subsidiaries</p> <p>Investments to the tune of Rs 12,603 lakhs in subsidiaries are identified as a Key Audit Matter owing to the size and its impact in assessing the true and fair view of the Financials statements.</p>	<p style="text-align: center;">Audit Procedure</p> <p>Audit Procedures were performed to confirm the value of the investments and testing the same for impairment by reviewing the financial statements of the subsidiaries.</p> <p>Our Audit Procedures did not identify any material exceptions.</p>

<p style="text-align: center;">Contingent Liability</p> <p>On assessment of Provisions for taxation, litigations and claims as at 31st March 2019 the Company had a provision in respect of possible or actual taxation disputes, litigation and claims to the tune of Rs. 1,957 lakhs.</p> <p>These provisions are estimated using a significant degree of management judgment in interpreting the various relevant rules, regulations and practices and in considering precedents in various forums.</p>	<p style="text-align: center;">Audit Procedure</p> <p>The Audit addressed this Key Audit Matter by;</p> <ul style="list-style-type: none"> • Assessing the adequacy of tax Provisions by reviewing correspondence with tax Authorities. • Discussing significant litigations and claims with the Company's Internal Legal Counsel. • Reviewing previous judgments made by relevant tax Authorities and opinions given by Company's advisors & • Assessing the reliability of the past estimates of the management. <p>Our Audit Procedures did not identify any material exceptions</p>
<p style="text-align: center;">Loans & Advances to Subsidiaries</p> <p>Loans and advances to the tune of Rs. 1,433 lakhs were given to subsidiary Danish Steel Clusters Pvt Ltd which has incurred losses during the year.</p>	<p style="text-align: center;">Audit Procedure</p> <p>Audit check done for the Authorization of Loan Advanced and repayment terms and capability of the subsidiary to repay. The Holding Company has made payments to fund the operations of the Subsidiary for a few months as the subsidiary had liquidity issues.</p> <p>Our Audit Procedures did not identify any material exceptions</p>

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the standalone financial statements and our report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with the 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 implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

Sicagen India Limited

assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and

timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the aforesaid 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 March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the 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 matter to be included in the Auditors' Report under section 197(16) of the Act as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) 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 standalone financial statements – Refer Note 37 to the standalone financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- For SRSV & Associates
Chartered Accountants
F.R.No.015041S
V. Rajeswaran
Partner
Memb.No.020881
- Place: Chennai
Date: 22nd May 2019

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 examination of records of the Company, the title deeds of immovable properties 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. In our opinion and according to the information and explanations given to us the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. (Based on the above para, matters referred in clause iii(a), iii(b) and iii(c) of paragraph 3 of Companies (Auditors Report) Order 2016 are not applicable).
- 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, goods & service tax, wealth tax, duty of customs, 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 March 31, 2019 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:

Sicagen India Limited

S.No	Period	Nature of Dues	Not Paid (` In Lakhs)	Forum where Pending
1	AY 2009-10	Income Tax	200	High Court
2	AY 2011-12	Income Tax	1,699	ITAT
3	AY 2015-16	Income Tax	39	CIT(A)
4	FY 2016-17	CST	14	Appellate Deputy Commissioner
5	FY 2017-18	CST	2	Appellate Deputy Commissioner
6	FY 2012-13 & FY 2013-14	Service Tax	3	Commissioner (Appeals)

- 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 a financial institution, bank, Government or debenture holders.
- ix. The Company has not raised 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 financial period.
- 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 explanation 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 have been disclosed in the standalone 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. (Based on the above Para, matters referred in clause (xiv) of paragraph 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

Place: Chennai
Date: 22nd May 2019

Partner
Memb.No.020881

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 March 31, 2019 in conjunction with our audit of the standalone 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, 2019, 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

Place: Chennai
Date: 22nd May 2019

Partner
Memb.No.020881

Sicagen India Limited

Balance Sheet as at 31st March 2019

(` Lakhs)

Particulars	Note	As at 31st March 2019	As at 31st March 2018	
I. ASSETS				
1. Non Current Assets				
(a) Property, Plant and Equipment	2a	3204	8101	
(b) Capital work-in-progress	2b	2	28	
(c) Investment Property	2c	321	-	
(d) Other Intangible assets	2d	106	97	
(e) Financial Assets				
(i) Investments	3	14614	14560	
(ii) Loans	4	2347	1929	
(f) Other non-current assets	5	4882	4885	29600
2. Current Assets				
(a) Inventories	6	5268	5314	
(b) Financial Assets				
(i) Trade receivables	7	12442	13152	
(ii) Cash and cash equivalents	8	980	1107	
(iii) Bank Balance other than (ii) above	9	4534	358	
(iv) Loans	10	-	3	
(c) Current Tax Assets (Net)	11	648	403	
(d) Other Current Assets	12	1181	972	21309
	TOTAL	50529	50909	
II. EQUITY AND LIABILITIES				
1. Equity				
(a) Share Capital	13	3957	3957	
(b) Other equity	14	34117	34649	38606
Liabilities				
2. Non-current liabilities				
(a) Provisions	15	30	32	
(b) Deferred Tax Liabilities	16	31	45	77
3. Current liabilities				
a) Financial Liabilities				
(i) Borrowings	17	6517	5291	
(ii) Trade Payables	18	5142	5826	
(iii) Other financial liabilities	19	220	620	
b) Other current liabilities	20	360	348	
c) Provisions	21	155	141	12226
	TOTAL	50529	50909	
Significant Accounting Policies 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: 22nd May 2019

ASHWIN C MUTHIAH

Chairman

B. NARENDRAN

Director

R. CHANDRASEKAR

Whole Time Director

D. BALAGOPAL

Chief Financial Officer

G. ARUNMOZHI

Company Secretary

Statement of Profit and Loss for the year ended 31st March 2019

(` Lakhs)

Particulars	Note	For the year ended 31 st March 2019	For the year ended 31 st March 2018
I. INCOME			
Revenue from operations	22	53781	56645
Other Income	23	993	1174
Total Revenue		54774	57819
II. EXPENSES			
Cost of materials consumed	24	4438	3929
Purchases of Stock-in-Trade	25	44141	46990
(Increase)/Decrease in inventories of Finished Goods, Work-In-Progress and Stock in Trade	26	252	306
Employee Benefit Expense	27	1945	2054
Finance Costs	28	723	688
Depreciation and Amortization Expense		179	174
Other expenses	29	2592	2973
Total expenses		54270	57114
III. Profit before tax		504	705
Tax expense			
(1) Current tax		299	38
(2) Deferred tax		(14)	25
IV. Profit / (Loss) for the period		219	642
V. Other Comprehensive Income	30		
Item that will not be reclassified to profit or loss		(465)	23
VI. Total Comprehensive Income for the period (Comprising Profit/ (Loss) and other Comprehensive Income for the Period)		(246)	665
VII. Earnings per equity share (EPS)	31		
Basic and diluted EPS (`)		0.55	1.62
Significant Accounting Policies			
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: 22nd May 2019

ASHWIN C MUTHIAH

Chairman

B. NARENDRAN

Director

R. CHANDRASEKAR

Whole Time Director

D.BALAGOPAL

Chief Financial Officer

G.ARUNMOZHI

Company Secretary

Sicagen India Limited

Statement of Changes in Equity

Share Capital

(` Lakhs)

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of ` 10 each	50000000	5000	50000000	5000
Issued				
Equity Shares of ` 10 each	39571684	3957	39571684	3957
Subscribed & Paid up				
Equity Shares of ` 10 each fully paid	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 at 1st April 2017	2856	29443	200	(2649)	4419	34269
Profit for the year 2017-18				642		642
Other Comprehensive Income for the year 2017-18	-	-	-		23	23
Dividend and Dividend Tax paid during the year	-	-	-	(285)	-	(285)
Balance as at 31st March 2018	2856	29443	200	(2292)	4442	34649
Profit for the year 2018-19				219		219
Other Comprehensive Income for the year 2018-19				(2)	(463)	(465)
Transfer within reserves	-	-	-	(7)	7	-
Dividend and Dividend Tax paid during the year	-	-	-	(286)	-	(286)
Balance as at 31st March 2019	2856	29443	200	(2368)	3986	34117

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: 22nd May 2019

ASHWIN C MUTHIAH

Chairman

B. NARENDRAN

Director

R. CHANDRASEKAR

Whole Time Director

D.BALAGOPAL

Chief Financial Officer

G.ARUNMOZHI

Company Secretary

Statement of Cash Flow for the year ended 31st March 2019

(` Lakhs)

Particulars	Year ended 31 st March 2019	Year ended 31 st March 2018
A Cash Flow from Operating Activities		
Profit before tax	504	705
Adjustments for		
Depreciation	179	174
(Profit)/Loss on Disposal of Fixed Assets(net)	151	(6)
Interest Income	(284)	(177)
Dividend Income	(184)	(560)
Receipt of Mercantile Ventures Shares-Non Cash Item	-	(412)
Interest Expenditure	627	489
Operating Profit before Working Capital Changes	993	363
Adjustments for		
Trade and Other Receivables	713	(1637)
Other Current & Non Current Assets	(671)	(195)
Inventories	46	393
Trade Payables and Other Liabilities	53	141
Cash Generated from Operations	1,134	(1045)
Less:Tax Paid	508	40
Net Cash from Operating Activities	626	(1085)
B Cash Flow from Investing Activities		
Purchase of Property Plant & Equipment	(239)	(361)
Proceeds from Sale of Property Plant & Equipment	4455	7
Redemption of Investments	-	2500
Investment in Subsidiary-Danish Steel Cluster Pvt Ltd	-	(619)
Investment in Subsidiary- Wilson Cables Pte Ltd	(517)	-
Movement in Fixed Deposits	(4101)	-
Interest Income Received	116	45
Dividend Income Received	286	428
Net Cash used in Investing Activities	-	2000
C Cash Flow from Financing Activities		
Term Loan Availed	160	-
Interest Paid	(627)	(639)
Dividend Paid (Including Dividend Tax)	(286)	(285)
Net Cash used in Financing Activities	(753)	(924)
D Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)	(127)	(9)
Cash and Cash Equivalents as at 1 st April 2018	1107	1116
Cash and Cash Equivalents as at 31 st March 2019	980	1107

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: 22nd May 2019

ASHWIN C MUTHIAH

Chairman

B. NARENDRAN

Director

D.BALAGOPAL

Chief Financial Officer

R. CHANDRASEKAR

Whole Time Director

G.ARUNMOZHI

Company Secretary

Sicagen India Limited

1. Significant Accounting Policies

1.1 Brief description of the Company

Sicagen India Limited (the Company) is a public limited company, incorporated and domiciled in India whose shares are publicly traded. The registered office is located at 4th Floor, SPIC House, No. 88, Mount Road, 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 sections 133 read with sub-section (1) of Section 210A of the Companies Act, 1956, (1 of 1956). 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, 2019 were authorized and approved for issue by the Board of Directors at their meeting held on 22nd May 2019.

1.3 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. 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.

1.4 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 35)
- 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- 37)

1.5 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 decimal places.

1.6 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.

1.7 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. The Indian Accounting Standard (Ind AS) 115, Revenue from Contracts with Customers is applicable from FY 2018-19, the management believes that the adoption of Ind AS 115 does not have any significant impact on the standalone financial statements.

The following is a summary of new and/or revised significant accounting policies related to revenue recognition. The effect of adoption of Ind AS 115 was

insignificant. The Standard requires identification of performance obligations for the transfer of goods and services in each contract with customers. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue from contracts for sale of products or services

Revenue from contracts with customers for the sale of products is recognised at a point in time when the control of the asset is transferred to the customer which is usually upon shipment or delivery of goods as per the terms of the each contract and where there is no uncertainty as to measurement or collectability of consideration.

Revenue from contracts with customers for the sale of services is recognised when a customer obtains control of the services, which is upon completion of service.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset (Receivables) based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability (referred as deferred revenue).

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss except for the period upto 30th June 2017 where Revenue includes excise duty.

1.7.1 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 upon satisfaction of performance obligations.

1.7.2 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. (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).
- ii). Dividend income is accounted in the period in which the right to receive the same is established. (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).
- 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 Exceptional items

An item of income or expense which by its size, type

Sicagen India Limited

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.

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company.

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 Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the group is classified as investment property. Investment Property is measured initially at its cost and including related transaction cost where applicable, borrowing cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item is measured reliably.

The amendment to Ind AS 40, Investment Property is not applicable

1.9.3 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.

S.No.	Category of the Assets	Useful 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.

1.9.4 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.

1.9.5 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.

1.9.6 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:

- in the case of an individual asset, at the higher of the net selling price and the value in use;
- in the case of a cash generating unit (a group of assets that generates or is 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.

1.10 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.

Sicagen India Limited

- 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) 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.
- 6 The Company measures its investments in equity instruments of subsidiaries, joint ventures and associates at cost in accordance with Ind AS 27

Derecognition:

A financial asset is primarily derecognized 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:

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company applies the expected credit loss model for recognising impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Company expects to receive).

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.

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 capitalized / 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

Functional and presentation currency:

The financial statements are presented in Indian Rupee ('Rs.') which is also the functional and presentation currency of the Company.

Sicagen India Limited

Transactions and balances:

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

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction. Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

The management believes that the adoption of amendment to Ind AS 21, Foreign currency transactions and advance consideration does not have any significant impact on the standalone financial statements.

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 along with 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.

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.

Warranties:

Provisions for expected cost of warranty obligations under legislation governing sale of goods are recognised on the date of sale of the relevant products at the Management's best estimate of the expenditure required to settle the obligation which takes into account the empirical data on the nature, frequency and average cost of warranty claims and regarding possible future incidences.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments .

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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.

1.20 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;

Sicagen India Limited

- 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.

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 2019

(Lakhs)

Particulars	Gross Block			Accumulated Depreciation			Net Block			
	Balance as at 1 st April 2018	Additions	Transfer	Disposals/ Adjustments	Balance as at 31 st March 2019	Depreciation charged for the year	Transfer	Disposals/ Adjustments	Balance as at 31 st March 2019	Balance as at 31 st March 2018
a) Property, Plant & Equipment										
Land - Free hold	6308	-	-	4459	1849	-	-	-	-	6308
- Lease hold	1	-	-	-	1	-	-	-	-	1
Buildings	1073	18	(249)	135	707	86	42	(6)	12	987
Plant and Equipment	394	63	-	8	449	65	36	-	5	329
Furniture and Fixtures	224	14	-	49	189	32	18	-	8	192
Vehicles	64	-	-	21	43	11	6	-	6	53
Office Equipment	135	44	-	12	167	40	22	-	2	95
Trucks	5	-	-	-	5	4	-	-	-	1
Lease hold improvements	136	15	-	1	150	59	26	-	-	77
Electrical Equipments	63	1	-	(4)	68	5	6	-	(5)	58
Total	8403	155	(249)	4681	3628	302	156	(6)	28	8101
b) Capital Work In Progress										
Total	28	40	-	66	2	-	-	-	-	28
c) Investment Property										
Total	-	83	249	-	332	-	5	6	-	321
d) Intangible Assets										
Computer software	128	27	-	-	155	31	18	-	-	97
Total	128	27	-	-	155	31	18	-	-	97
Grand Total	8559	305	-	4747	4117	333	179	-	28	8226

Property, Plant & Equipment as at 31st March 2018

(` Lakhs)

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

3 Non Current Investments (<` Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Trade Investments		
(a) Investment in Equity Instruments	13614	13560
(b) Investment in Preference Shares	1000	1000
Total	14614	14560
Aggregate amount of quoted investments	967	1430
Aggregate amount of unquoted investments	13647	13130
Total	14614	14560

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)	
			2019	2018			2019	2018	2019	2018
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
(a) Investment in Equity Instruments										
	Southern Petrochemicals Industries Corporation Ltd	Others	3017349	3017349	Quoted	Fully Paid	2	2	767	1011
	Mercantile Ventures Ltd	Others	4008205	4008205	Quoted	Fully Paid	3.58	3.58	200	419
	First Leasing Company of India Ltd (includes bonus shares)	Others	2153649	2153649	Quoted	Fully Paid	9	9	-	-
	Mitsuba Sical India Pvt Ltd	Others	300000	300000	Unquoted	Fully Paid	-	-	-	-
	South India House Estates & Properties Ltd	Subsidiary	10000000	10000000	Unquoted	Fully Paid	100	100	1000	1000
	Wilson Cables Pte Ltd	Subsidiary	6886216	5886216	Unquoted	Fully Paid	100	100	10401	9884
	Danish Steel Cluster Pvt Ltd	Subsidiary	7084703	7084703	Unquoted	Fully Paid	100	100	1201	1,201
	Edac Automation Ltd	Associate	449970	449970	Unquoted	Fully Paid	50	50	45	45
	AM Foundation	Others	1600	1200	Unquoted	Fully Paid	16	12	-	-
(b) Investments in Preference Shares										
	Edac Engineering Ltd	Others	10000000	10000000	Unquoted	Fully Paid	83	83	1000	1000
Total									14614	14560

3.2 During the year, the Company has invested in 10,00,000 equity shares valuing Rs.517 lakhs in its foreign subsidiary Wilson Cables Pte Ltd.

3.3 All Quoted Investments have been fair valued at the prevailing market price as per Ind AS.

3.4 All Investments are fully paid up.

3.5 During the year, Edac Engineering Ltd has filed an application seeking approval of NCLT for reissue of preference shares against the redemption and accrued dividend thereon.

Sicagen India Limited

4. Loans

(` Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
a. Security Deposits		
Unsecured, considered good	914	358
b. Loans and advances to related parties		
Unsecured, considered good	1433	1571
Total	2347	1929

5. Other Non-Current Assets

Other advances	4882	4885
Total	4882	4885

6. Inventories

a. Raw Materials and components	496	303
b. Work-in-progress	100	58
c. Finished goods	35	19
d. Stock-in-trade	4609	4919
e. Stores and spares	28	15
Total	5268	5314

7. Trade Receivables

Unsecured, considered good	12520	16750
Less : Provision for doubtful debts	78	3598
Total	12442	13152

7.1 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 where the probability of default is high and the counter party's capacity to meet the obligations is not strong. Refer Note 40- "Provision for Expected Credit Loss Model" for details related to Provision for Doubtful debts during transition to Ind AS.

8. Cash and Cash Equivalents

Balances with banks

Current Accounts	966	1038
Cheques, drafts on hand	6	62
Cash on hand	8	7
Total	980	1107

9. Bank balance and Others

Margin Money	177	102
Balance with bank (for unpaid dividend)	56	56
Bank Deposits with maturity for more than 3 months but less than 12 months	4301	200
Total	4534	358

10. Loans

(₹ Lakhs)

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	Number	Lakhs	Number	Lakhs
Other loans and advances				
Loans and advances to Employees		-		3
Total		-		3

11. Current tax Assets (Net)

Advance Income tax	3216	2672
Less:		
Provision for Tax	2568	2269
Total	648	403

12. Other Current Assets

Advances other than capital advances		
Security Deposit	9	-
Other Advances	5	-
Prepaid expense-unsecured considered good	69	84
Advance Sales Tax	-	29
Balance with government authorities		
Unsecured considered good		
GST Credit Receivable	171	278
Debit Balance with creditors		
Unsecured, considered good	572	204
Others	355	377
Total	1181	972

13. Share Capital

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	Number	Lakhs	Number	Lakhs
Authorised				
Equity Shares of ₹ 10 each	50000000	5000	50000000	5000
Issued				
Equity Shares of ₹ 10 each	39571684	3957	39571684	3957
Subscribed & Paid up				
Equity Shares of ₹ 10 each fully paid	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 31 st March 2019		As at 31 st March 2018	
	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

Sicagen India Limited

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

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	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

(` Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Capital Reserve	2856	2856
Securities Premium Reserves	29443	29443
General Reserve	200	200
Retained Earnings	(2368)	(2292)
Other Comprehensive Income Reserve	3986	4442
Total	34117	34649

15. Provisions - Non current

Provision for employee benefits	30	29
Others	-	3
Total	30	32

16. Deferred Tax Liability

Opening Balance	45	20
Provided in Profit & Loss A/c during the year	(14)	25
Closing Balance	31	45

17. Borrowings

Secured

Working Capital Facility	2991	1919
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Unsecured

From Banks	1921	1948
From Other Parties	1603	1416
Trade Deposits	2	8
Total	6517	5291

17.1 Credit facilities availed from Banks by way of Channel Financing/Inventory Funding arrangements for the Company were secured by way of hypothecation of stock.

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 and the wholly owned subsidiary as collateral security.

17.3 Unsecured Loans includes Term Loan from NBFC for Rs.240 lakhs repayable in 24 installments commencing from August, 2018.

18. Trade payables

(` Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Dues to Micro, Small and Medium Enterprises *	48	-
Dues to enterprises other than Micro, Small and Medium Enterprises	5094	5826
Total	5142	5826

18.1 Dues to micro, small and medium enterprises are determined to the extent such parties have been identified on the basis of information received by the management.

18.2 Dues to Micro, Small and Medium Enterprises *

I) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	48	-
II) the amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
III) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
IV) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
V) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	-	-

19. Other Financial Liabilities

Unpaid Dividend	56	56
Other payables	-	386
Liability for Expenses	163	178
Trade/Security Deposit	1	-
Total	220	620

20. Other Current Liabilities

Advance from Customers	246	137
Others	114	211
Total	360	348

21. Provisions - Current

Provision for employee benefits	155	141
Total	155	141

Sicagen India Limited

(` Lakhs)

Particulars	For the year ended 31 st March 2019	For the year ended 31 st March 2018
22. Revenue From Operations		
Sale of products		
Traded Goods	47598	50778
Manufactured Goods	5068	4832
Sub-Total	52666	55610
Sale of services	905	893
Other operating revenues		
Scrap Sales	209	141
Others	1	1
Total	53781	56645
22.1 Details of Products Sold		
Traded Goods		
Steel Pipes	31537	32809
Steel	8673	9372
PVC Pipes	572	1032
Cables	2311	2549
Power & Control Equipment	1780	2051
Spares and Others	2725	2965
Sub-Total (A)	47598	50778
Manufactured Goods		
Drums	3893	3185
Power & Control Equipment	373	891
Chemicals	798	737
Others	4	19
Sub-Total (B)	5068	4832
Total (A)+(B)	52666	55610
23. Other Income		
Interest Income	284	177
Dividend Income	184	560
Other non-operating income	525	437
Total	993	1174
24. Cost of Raw Materials Consumed		
Inventory at the beginning of the year	318	399
Add : Purchases	4644	3848
Less : Inventory at the end of the year	524	318
Cost of Raw Materials consumed	4438	3929

(` Lakhs)

Particulars	For the year ended 31 st March 2019	For the year ended 31 st March 2018
24.1 Details of Raw Material Consumed		
CRCA Coils	3097	2225
Others	1341	1704
Cost of Raw Materials consumed	4438	3929
25. Purchases of Stock-in-Trade		
Steel Pipes	31013	30334
Steel	6706	8890
PVC Pipes	393	950
Cables	2253	2471
Power & Control Equipment	1659	1900
Spares and Others	2117	2445
Total	44141	46990
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	35	19
WIP	100	58
Stock in Trade	4609	4919
Sub-Total (A)	4744	4996
Inventory at the beginning of the year		
Finished Goods	19	27
WIP	58	39
Stock in Trade	4919	5236
Sub-Total (B)	4996	5302
(Increase)/Decrease (B-A)	252	306
27. Employee benefit expense		
Salaries, Wages and Bonus	1735	1819
Contribution to Provident Fund and Others	107	106
Staff Welfare Expense	103	129
Total	1945	2054
28. Finance Cost		
Interest	643	639
Bank Charges	80	49
Total	723	688

Sicagen India Limited

29. Other Expenses

(` Lakhs)

Particulars	For the year ended	For the year ended
	31 st March 2019	31 st March 2018
Rent	374	395
Rates & Taxes	75	65
Insurance	44	44
Power & Fuel	143	133
Office Maintenance	348	326
Vehicle Operating Expenses	1	1
Repairs & maintenance		
Plant & Machinery	3	2
Building	8	7
Vehicles	24	20
Others	90	175
Travelling & Conveyance	264	330
Printing & Stationery	27	31
Postage, Telegram & Telephone	55	75
Subscription / Donation/ CSR	18	16
Advertisement, Publicity & Sales Promotion	90	127
Payment to Auditors (Details given below)	23	17
Legal & Professional Fees	21	12
Freight & Forwarding charges	420	749
Director's Sitting Fee	17	14
Other Selling Expenses	3	2
Consumable Stores & Tools	22	28
Security Service Charges	98	109
Brokerage & Commission	98	8
Loss on sale of Fixed Assets	151	-
Entertainment Expenses	1	2
Consultancy Fees	82	122
Miscellaneous Expenses	13	10
Testing Fees	1	2
Provision for Doubtful Debtors	78	-
Excise Duty on sales	-	151
Total	2592	2973

29.1 Payment to Auditor

Statutory Audit Fees	12	12
Taxation matters	2	3
Other services	9	2
Total	23	17

29.2 In Other expenses- Rs.78 lakhs has been provided towards Expected credit loss of the receivables for the FY 2018-19. The Opening Balances of "Provision for Doubtful Debts" account was Rs.3,598 lakhs. This amount arose at the time of Ind As transition while restating the opening balances for 1st April 2016. This amount has been reversed to other expenses during the year 2018-19 and the corresponding bad debts amounting to Rs. 3,598 lakhs has been written off. The write off of bad debts corresponding to this provision was duly approved in the company's board meeting. The effect of this reversal is Nil on a net basis. The amount appearing in the Other Expenses- Sub head -Provision for Doubtful Debts in Note 29 represents merely the provision created during the current financial year.

30. Other Comprehensive Income

(₹ Lakhs)

Particulars	For the year	For the year
	ended	ended
	31 st March 2019	31 st March 2018
A.Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit plans	(2)	(7)
Equity Instruments through other comprehensive Income	(463)	30
Total	(465)	23
B.Items that will be reclassified to profit or loss:		
Others	-	-
Total	(465)	23

31. Earning Per Share [EPS]

Profit after Tax	219	642
No.of Shares used in computing EPS-Basic	39571684	39571684
Face value per share (Rs.)	10	10
Weighted Average number of equity shares	39571684	39571684
Basic & diluted earning per share	0.55	1.62

32. Expenditure in Foreign Currency during the Financial year

Travelling Expenses	10	7
Reimbursement of Expenses	294	-
Others	8	-
Total	312	7

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

Export of goods	64	13
-----------------	----	----

34. Income Tax Expense

Tax Expenses		
Current Tax	299	38
Deferred tax charge	(14)	25
Income tax expense reported in the statement of profit or loss	285	63

34.1 Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before tax	504	705
Accounting profit before income tax	504	705
Corporate Tax Rate	34.94%	33.06%
Tax on Accounting Profit	176	233
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax on Exempt Income	(64)	(185)
Non - Deductible Expenses	39	13
Effect of Income Taxed at Different Rate	165	(1)
Deferred Tax Liability	(14)	25
Other Adjustments	(17)	(21)
Income tax expense	285	63

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of income tax assets is based on estimates of taxable income and the period over which income tax assets will be recovered.

Sicagen India Limited

35. Employee Benefit Obligation

Defined Benefit plans as per Actuarial Valuation

Disclosure Report as per Ind AS 19

1. Principle actuarial assumptions

Particulars	Gratuity		Compensated Absence	
	31 st March 2019	31 st March 2018	31 st March 2019	31 st March 2018
Discount Rate	6.95% p.a	7.21% p.a	6.95% p.a	7.21% p.a
Salary Growth Rate	6.00% p.a	6.00% p.a	6.00% p.a	6.00% p.a
Withdrawal Rates	20.00% p.a at all ages	20.00% p.a at all ages	20.00% p.a at all ages	20.00% p.a at all ages
Rate of Return on Plan Assets	6.95% p.a	7.21% p.a		
Leave Availment Rate	-	-	2.5% p.a	10% p.a
Leave Encashment in Service	-	-	-	-

2. Profit and loss account for the period

(` Lakhs)

Particulars	Gratuity		Compensated Absence	
	31 st March 2019	31 st March 2018	31 st March 2019	31 st March 2018
Service cost:				
Current service cost	21	20	7	7
Past service cost and loss/ (gain) on curtailments and settlement	-	1	-	-
Net interest cost	-	(1)	2	2
Net value of remeasurements on Obligation & plan assets	-	-	2	1
Total Charge to P&L	21	20	11	10

3. Other Comprehensive Income for the Current Period

Particulars	Gratuity		Compensated Absence	
	31 st March 2019	31 st March 2018	31 st March 2019	31 st March 2018
Components of actuarial gain/ losses on obligations:				
Due to Change in financial assumptions	2	(2)	-	-
Due to change in demographic assumption	-	-	-	-
Due to experience adjustments	(1)	10	2	1
Return on plan assets excluding amounts included in interest income	1	-	-	-
	2	8	2	1

4. Funded Status of the Plan

(` Lakhs)

Particulars	Gratuity		Compensated Absence	
	31 st March 2019	31 st March 2018	31 st March 2019	31 st March 2018
Present value of unfunded obligations	-	-	30	29
Present value of funded obligations	246	225	-	-
Fair value of plan assets	(246)	(225)	-	-

5. Reconciliation of Defined Benefit Obligation

Particulars	Gratuity		Compensated Absence	
	31 st March 2019	31 st March 2018	31 st March 2019	31 st March 2018
Opening Defined Benefit Obligation	225	206	29	24
Transfer in/(out) obligation	7	-	-	-
Current service cost	22	20	7	7
Interest cost	16	14	2	2
Components of actuarial gain/losses on obligations:	-	-	-	-
Due to Change in financial assumptions	2	(2)	-	-
Due to change in demographic assumption	-	-	-	-
Due to experience adjustments	(2)	10	2	1
Past service cost	-	1	-	-
Loss (gain) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-	-	-
Benefits paid	(24)	(24)	(10)	(5)
Closing Defined Benefit Obligation	246	225	30	29

Sicagen India Limited

6. Reconciliation of Plan Assets

(` Lakhs)

Particulars	Gratuity		Compensated Absence	
	31 st March 2019	31 st March 2018	31 st March 2019	31 st March 2018
Opening value of plan assets	225	207	-	-
Transfer in/(out) plan assets	7	-	-	-
Interest Income	16	15	-	-
Return on plan assets excluding amounts included in interest income	(1)	-	-	5
Assets distributed on settlements	-	-	-	-
Contributions by employer	23	27	-	(5)
Assets acquired in an amalgamation in the nature of purchase	-	-	-	-
Exchange differences on foreign plans	-	-	-	-
Benefits paid	(24)	(24)	-	-
Closing value of plan assets	246	225	-	-

7. Reconciliation of Net Defined Benefit Liability

Particulars	Gratuity		Compensated Absence	
	31 st March 2019	31 st March 2018	31 st March 2019	31 st March 2018
Net opening provision in books of accounts	-	(1)	29	24
Transfer in/(out) obligation	7	-	-	-
Transfer (in)/out plan assets	(7)	-	-	-
Employee Benefit Expense as per Annexure 2	21	20	11	10
Amounts recognized in Other Comprehensive Income	2	8	-	-
	23	27	40	34
Benefits paid by the Company	-	-	(10)	(5)
Contributions to plan assets	(23)	(27)	-	-
Closing Provision in Books of Accounts	-	-	30	29

8. Sensitivity to key Assumptions

(₹ Lakhs)

Particulars	Gratuity		Compensated Absence	
	31 st March 2019	31 st March 2018	31 st March 2019	31 st March 2018
Discount rate Sensitivity				
Increase by 0.5%	242	221	30	28
(% change)	-1.57%	-1.59%	-1.59%	-1.61%
Decrease by 0.5%	250	228	31	29
(% change)	1.63%	1.64%	1.65%	1.67%
Salary growth rate Sensitivity				
Increase by 0.5%	250	229	31	29
(% change)	1.63%	1.84%	1.66%	1.68%
Decrease by 0.5%	242	221	30	28
(% change)	-1.59%	-1.80%	-1.61%	-1.64%
Withdrawal rate (W.R.) Sensitivity				
W.R. x 110%	246	-	30	-
(% change)	0.06%	-	-1.24%	-
W.R. x 90%	245	-	31	-
(% change)	-0.10%	-	1.33%	-

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

The Expected Contribution for the next year to Defined Benefit Plans (Gratuity- Funded) is Rs. 19.54 lakhs

The Average Outstanding Term of the Obligation (Gratuity) as at the Valuation date is 3.54 years.

36. Related Party Transaction
a. List of related parties where control exists
Name of the Related Party
Wholly Owned Subsidiary

Wilson Cables Private Limited

South India House Estates & Properties Limited

Danish Steel Cluster Private Limited

Enterprise over which a Director is able to exercise significant influence

Firstgen Distribution Private Limited

SIDD Life Sciences Private Limited

Medihub Sciencetec Private Ltd

Enterprise over which a Director's Relative is a partner and is able to exercise significant influence

South India Investments & Associates

Sicagen India Limited

Key Management Personnel

Devidas Mali, COO & Whole Time Director (Resigned w.e.f 28th November 2018)

R Chandrasekar, Whole Time Director (Appointed w.e.f 28th November 2018)

D Balagopal, Chief Financial Officer

G Arunmozhi, Company Secretary

b. The following transactions were carried out with the related parties during the year 2018-19

Sale of Goods/Income from Services Rendered	(` Lakhs)
Firstgen Distribution Private Limited	1740.12
Danish Steel Cluster Private Limited	558.60
Wilson Cables Private Limited	12.92
Purchase of Goods	
Firstgen Distribution Private Limited	12.34
SIDD Life Sciences Private Limited	320.06
Manergerial Remuneration	
Devidas Mali	55.40
R Chandrasekar	15.87
D Balagopal	29.30
G Arunmozhi	15.68
IT Support Charges	
Wilson Cables Private Limited	18.00
Medihub Sciencetec Private Ltd	4.72
Rent Received	
South India House Estates & Properties Limited	1.42
Medihub Sciencetec Private Ltd	1.70
Firstgen Distribution Private Limited	0.81
Reimbursement of Expenses-Payable	
Wilson Cables Private Limited	213.02
Reimbursement of Expenses-Receivable	
Wilson Cables Private Limited	28.52
Danish Steel Cluster Private Limited	54.76
Medihub Sciencetec Private Ltd	0.17
South India House Estates & Properties Limited	59.81
Loan Given (including Interest)	
Danish Steel Cluster Private Limited	171.89

37. Contingent Liability

- Appeals pending at High Court for the Assesment year 2009-10 for a demand of Rs.200 lakhs. Appeal filed with ITAT (A) for a demand of Rs.1,699 Lakhs for the Assessment year 2011-12. Appeal filed with CIT (A) for a demand of Rs.39 lakhs for the Assesment year 2015-16.
- CST Appeal pending at Appellate Deputy Commissioner for the financial year 2016-17 & 2017-18 for a demand of Rs.14 lakhs & Rs.2 lakhs respectively.
- Service Tax appeal pending at CESTAT for the financial year 2012-13 & 2013-14 for Rs.3 lakhs. Provision has not been made for any of the above demands.
- Guarantees given by the bankers for performance of Contracts and others Rs.530.03 Lakhs (Rs.572.45 Lakhs).

38. Segment Information for the year ended 31st March 2019
Information about Primary Business Segments

(Lakhs)

Business Segments	2019				2018			
	Trading	Manufacturing	Eliminations	Total	Trading	Manufacturing	Eliminations	Total
Revenue								
External Sales	48509	5272	-	53781	51693	4952	-	56645
Inter Segment Sales	3	2	(5)	-	5	3	(8)	-
Total Revenue	48512	5274	(5)	53781	51698	4955	(8)	56645
Result								
Segment Result	1201	442	-	1643	1080	394	-	1474
Unallocated Corporate Expenses								
net of Unallocated Income				(496)				(130)
Operating Profit				1147				1344
Interest Expense				643				639
Income Taxes(net of def.tax)				285				63
Net Profit				219				642
Other Information								
Segment Assets	20686	2213	-	22899	21779	1959	-	23738
Unallocated Corporate Assets			-	27630			-	27171
Total Assets	20686	2213	-	50529	21779	1959	-	50909
Segment Liabilities	8817	197	-	9014	9319	248	-	9567
Unallocated Corporate Liabilities			-	3441			-	2736
Total Liabilities	8817	197	-	12455	9319	248	-	12303
Capital Expenditure	177	62	-	239	266	96	-	362
Depreciation	126	53	-	179	128	46	-	174
Information about Secondary Business Segments								
	India	Rest of the World		Total	India	Rest of the World		Total
Revenue by Geographical Market	53717	64	64	53781	56632	13	13	56645
Segment Assets	22899	-	-	22899	23738	-	-	23738
Capital Expenditure	239	-	-	239	362	-	-	362

Notes:

- 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.
- The Business Segments identified are Trading and Manufacturing
- The Geographical Segment considered for disclosure are India and Rest of the World. All sales facilities 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.
- Segmental assets include all operating assets used by the respective segment and principally consists of operating cash, debtors, inventories and fixed assets.

Sicagen India Limited

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 their short term maturities of these instruments.

The fair value of financial instruments by category as at 31st March 2019 & 31st March 2018 are as follows :
(` Lakhs)

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	Amortised Cost	FVOCI	Amortised Cost	FVOCI
Financial Assets				
Investments				
- Equity Instruments	45	967	45	1430
- Preference Shares	1000		1000	
Investments in Subsidiaries	12602		12085	
Loans	2347		1929	
Trade Receivables	12442		13152	
Cash and cash equivalents	980		1107	
Bank Balances other Cash Equivalents	4534		358	
Other Financial Assets-Loans	-		3	
Financial Liabilities				
Borrowings	6517		5291	
Trade Payables	5142		5826	
Other Financial Liabilities	220		620	

39.2 Valuation Techniques used for Fair Valuation is as follows:

(` Lakhs)

Particulars	As at 31 st March 2019				As at 31 st March 2018					
	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	
Financial Assets										
Investments										
- Equity Instruments	45	967		1012	45	1430			1475	
- Preference Shares	1000			1000	1000				1000	
Investments in Subsidiaries	12602			12602	12085				12085	
Loans	2347			2347	1929				1929	
Trade Receivables	12442			12442	13152				13152	
Cash and cash equivalents	980			980	1107				1107	
Bank Balances other than Cash Equivalents	4534			4534	358				358	
Other Financial Assets-Loans	-			-	3				3	
Financial Liabilities										
Borrowings	6517			6517	5291				5291	
Trade Payables	5142			5142	5826				5826	
Other Financial Liabilities	220			220	620				620	

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 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's customer profile include public sector enterprises, state owned companies and large private corporates. Accordingly, the Company's customer credit risk is moderate. The Company's average project execution cycle is around 12 months.

General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

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

Loss Allowance is measured using the expected credit loss model on assets where the probability of default is high and the counter party's capacity to meet the obligations is not strong using the expected credit loss model.

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

Assets are written off when there is no reasonable expectation of recovery, such as debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Sicagen India Limited

(i) The company is making provisions on trade receivables based on Expected Credit Loss (ECL) model.

The reconciliation of ECL is as follows: (₹ Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Opening Balance	3598	3598
Change in Loss Allowance (Provision for Doubtful Debts)	-	-
Loss Allowance based on ECL	78	-
Additional Provision	-	-
Write off as Bad Debts	3598	-
Closing Balance (as per Note 7)	78	3598

(ii) Trade receivable written off during the year but still enforceable for recovery amounts to Rs. 35.98 crore (previous year: Rs Nil).

(a) Category-wise classification for applicable financial assets:

I. Measured at amortised cost:

Particulars	As at 31 st March 2019	As at 31 st March 2018
Loans	2347	1929
Trade receivables	12442	13152
Cash and cash equivalents	980	1107
Bank Balance Other than Cash Equivalents	4534	358
Other Financial Assets-Loans	-	3

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

(i) Investment in Equity Instruments (Quoted)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Investment in Equity Instruments	967	1430

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 borrowing facilities at the end of the reporting period:

Particulars	As at 31 st March 2019	As at 31 st March 2018
Working Capital Facility (Andhra Bank)	2991	1919
Channel Financing Facility	3364	3364
Term Loan	160	-
Total	6515	5283

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 wherever necessary.

Annual Report 2018-19

Accounts - Consolidated



Independent Auditor's Report
To the Members of SICAGEN INDIA LIMITED
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **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 2019, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement for the year ended on that date and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Holding Company

Revenue recognition (Ind AS 115)	Audit Procedures
<p>Recognition of revenue is complex due to several types of customer contracts across divisions.</p> <p>The application of the new standard on recognition of revenue involves significant judgment and estimates made by the management which includes:</p> <ul style="list-style-type: none"> • Identification of performance obligations contained in contracts. • Determination of the most appropriate method for recognition of revenue relating to the identified performance obligations. • Assessment of transaction price. • Allocation of the assessed price to the individual performance obligations. 	<p>Audit procedure involved review of the Company's Ind AS 115 implementation process and key judgments made by management, evaluation of customer contracts in light of Ind AS 115 on sample basis and comparison of the same with management's evaluation and assessment of design and operating effectiveness of internal controls relating to revenue recognition.</p> <p>Based on the procedures performed, it is concluded that management's judgments with respect to recognition and measurement of revenue in light of Ind AS 115 is appropriate.</p> <p>Furthermore, the appropriateness of the disclosures made in Note 1.8 to the financial statements was assessed.</p>

<p style="text-align: center;">Existence and Impairment of Trade Receivables</p> <p>Trade Receivables are significant to the Company's financial statements. The Collectability of trade receivables is a key element of the company's working capital management, which is managed on an ongoing basis by its management. Due to the nature of the Business and the requirements of customers, various contract terms are in place which impacts the timing of revenue recognition.</p> <p>Given the magnitude and judgment involved in the impairment assessment of trade receivables, we have identified this as a key audit matter.</p>	<p style="text-align: center;">Audit Procedures</p> <p>We performed audit procedures on existence of trade receivables, which included substantive testing of revenue transactions, obtaining trade receivable external confirmations and testing the subsequent payments received.</p> <p>Assessing the impact of trade receivables requires judgment and we evaluated management's assumptions in determining the provision for impairment of trade receivables, by analyzing the ageing of receivables, assessing significant overdue individual trade receivables and specific local risks, combined with the legal documentations, where applicable.</p> <p>We tested the timing of revenue and trade receivables recognition based on the terms agreed with the customers. We also reviewed, on a sample basis, terms of the contract with the customers, invoices raised, etc., as a part of our audit procedures.</p> <p>Legal cases have been filed in the case of some debtors and we have analyzed the company's chances of succeeding in the litigation.</p> <p>Furthermore, we assessed the appropriateness of the disclosures made in Note 8 to the financial statements.</p> <p>Our procedures did not identify any material exceptions.</p>
<p style="text-align: center;">Disposal of Fixed Assets</p> <p>During the year the company has sold two lands for the value of Rs 4,437 lakhs.</p> <p>The costs of acquisition of these assets were Rs.244 lakhs. These assets were restated on 01.04.2016 as per the Ind AS transition at Rs.4,582 lakhs.</p> <p>This resulted in a loss of Rs 145 lakhs which has been accounted in Profit & Loss A/c under head Other Expenses (Note-32) as Loss on sale of assets.</p>	<p style="text-align: center;">Audit Procedures</p> <p>Audit checks conducted for the Authorization of the sale of land and sale agreements were called for. Tax Opinions were obtained from Experts on the taxation of the sale transaction.</p> <p>The Company as per its computation of Book profits of Rs. 504 lakhs, has given effect to the provision of Sec115JB explanation (2c) and thereby subjected the revaluation amounts under Ind AS transition provisions to MAT upon disposal of the relevant assets.</p> <p>The Company has also given effect to the bad debts written off as described in Note no 32.2 in the expected credit losses.</p> <p>The reversal of provisions for Expected Credit Loss model have not been considered for MAT purpose as they have not been deducted from MAT workings at the time of creation.</p> <p>The company had written off Rs.11,924 lakhs of Loans and advances as a part of Ind AS transition. One fifth of these advances have been claimed for Rs.2,385 lakhs u/s 115JB of MAT computation for the year 2018-19 & 2017-18. The company has taken expert legal opinion to support its position under MAT, regular provisions of Income Tax and for related disclosures.</p> <p>Our Audit Procedures did not identify any material exceptions.</p>

Contingent Liability	Audit Procedures
<p>On assessment of Provisions for taxation, litigations and claims as at 31st March 2019 the Company had a provision in respect of possible or actual taxation disputes, litigation and claims to the tune of Rs.2,301 Lakhs (including subsidiary). These provisions are estimated using a significant degree of management judgment in interpreting the various relevant rules, regulations and practices and in considering precedents in various forums.</p>	<p>The Audit addressed this Key Audit Matter by</p> <ul style="list-style-type: none"> • Assessing the adequacy of tax Provisions by reviewing correspondence with tax Authorities. • Discussing significant litigations and claims with the Company's Internal Legal Counsel. • Reviewing previous judgments made by relevant tax Authorities and opinions given by Company's advisors. • Assessing the reliability of the past estimates of the management. <p>Our Audit Procedures did not identify any material exceptions.</p>

Subsidiary Company (Danish Steel Cluster Private Limited)

Revenue recognition (Ind AS 115)	Audit Procedures
<p>The Company's sales comprise revenue from the sale of products, services adjusted by sales adjustments which primarily comprise product returns and quality issue charges.</p> <p>Company's most significant revenue is generated from sale of fabricated stainless steel & Galvanized steel for various industries based on customer specifications.</p> <p>Revenue from sale of services primarily includes the installation services associated with sale of some of the fabricated products.</p> <p>Revenue from the sale of goods is recognised in the income statement when the company satisfies a performance obligation by transferring a promised goods or services to a customer and the customer obtains control over the goods or services.</p> <p>There are a few indicators to identify whether customer has obtained control such as transfer of physical possession of the asset or customer has assumed the significant risk and rewards of ownership or has accepted the asset.</p> <p>The risk for revenue being recognised in an incorrect period presents a key audit matter due to the financial significance and nature of net sales in the financial statements.</p>	<p>We assessed the Company's process to identify the impact of adoption of the new revenue Accounting Standard. Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Evaluation of internal control design over the revenue recognition and testing of key controls for its operating effectiveness by selecting a sample of continuing and new contracts in respect of identification of the distinct performance obligations and determination of transaction price. • Comparison of these performance obligations in the contract with that identified and recorded by the Company. • Test of the accuracy of cut-off with substantive analytical procedures supplemented with test of details on a transaction level on either side of the Balance Sheet date and by analyzing credit notes issued after the balance sheet date. • Assessment of the compliance of company's revenue recognition accounting policies with new Accounting Standard. • Test of accounts receivable confirmations received from the customers.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Subsidiaries in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its Subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its Subsidiaries are responsible for assessing the ability of the Group and of its Subsidiaries to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its subsidiaries are responsible for overseeing the financial reporting process of the Group and of its subsidiaries.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements of all the subsidiaries, whose financial statements reflect total assets of Rs.36,628 lakhs as at 31st March 2019, total revenues of Rs.29,496 lakhs and net cash flows amounting to Rs.426 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated 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 financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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 financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated 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 2019 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 2019 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 matter to be included in the Auditors' Report under section 197(16) of the Act as amended:

Sicagen India Limited

In our opinion and to the best of our information and according to the explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which are not audited by us, remuneration paid by the Holding Company and its subsidiary companies to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) 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 financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 38 to the consolidated 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, incorporated in India.

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

V. RAJESWARAN

Place: Chennai
Date: 22nd May, 2019

Partner
Memb.No.020881

Annexure 1 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 financial statements of the Company as of and for the year ended 31st March 2019, we have audited the internal financial controls over financial reporting of SICAGEN INDIA LIMITED ("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, 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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, which are companies incorporated in India, 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 2019, 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: 22nd May, 2019

Sicagen India Limited

Consolidated Balance Sheet as at 31st March 2019

(` Lakhs)

Particulars	Note	As at 31 st March 2019	As at 31 st March 2018	
I. ASSETS				
1. Non Current Assets				
(a) Property, Plant and Equipment	2a	14704	20150	
(b) Capital work-in-progress	2b	19	29	
(c) Investment Property	2c	321		
(d) Other Intangible assets	2c	116	109	
(e) Financial Assets				
(i) Investments	3	2614	3412	
(ii) Trade receivables	4	-	-	
(iii) Loans	5	2767	2168	
(e) Other non-current assets	6	279	311	26179
2. Current assets				
(a) Inventories	7	11564	12231	
(b) Financial Assets				
(i) Trade receivables	8	26747	18455	
(ii) Cash and cash equivalents	9	1560	1260	
(iii) Bank Balance other than (ii) above	10	5152	370	
(iv) Loans	11	1	4	
(c) Current Tax Assets (Net)	12	743	482	
(d) Other Current Assets	13	1896	1386	34188
TOTAL		68483	60367	
II. EQUITY AND LIABILITIES				
1. Equity				
(a) Share capital	14	3957	3957	
(b) Other equity	15	34287	35349	39306
Liabilities				
2. Non-current liabilities				
(a) Financial Liabilities				
Borrowings	16	935	1157	
(b) Provisions	17	1848	1845	
(c) Deferred Tax Liabilities (Net)	18	262	274	3276
3. Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	19	10863	8540	
(ii) Trade Payables	20	15029	7565	
(iii) Other financial liabilities	21	602	984	
(b) Other current liabilities	22	530	530	
(c) Provisions	23	170	159	
(d) Current Tax Liabilities (Net)	24	-	7	17785
TOTAL		68483	60367	

Significant Accounting Policies
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: 22nd May 2019

ASHWIN C MUTHIAH

Chairman

B. NARENDRAN

Director

R. CHANDRASEKAR

Whole Time Director

D.BALAGOPAL

Chief Financial Officer

G.ARUNMOZHI

Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March 2019

(` Lakhs)

Particulars	Note	For the year ended 31 st March 2019	For the year ended 31 st March 2018
I. INCOME			
Revenue from operations	25	82034	73988
Other Income	26	1677	1472
Total Revenue		83711	75460
II. EXPENSES			
Cost of materials consumed	27	19154	18442
Purchases of Stock-in-Trade	28	53292	47180
(Increase)/Decrease in inventories of Finished Goods, Work-In-Progress and Stock in Trade	29	618	(445)
Employee Benefit Expense	30	4559	3917
Finance Costs	31	913	899
Depreciation and Amortization Expense		624	510
Other expenses	32	4267	4792
Total expenses		83427	75295
III. Profit before Tax			
Tax expense		284	165
(1) Current tax		299	38
(2) Deferred tax		(28)	12
IV. Profit / (Loss) for the Period			
Other Comprehensive Income	33	13	115
A.(i) Item that will not be reclassified to profit or loss		(812)	133
(ii) Income tax relating to items that will not be reclassified to profit or loss)		-	-
B.(i) Item that will be reclassified to profit or loss		1	(1)
(ii) Income tax relating to items that will be reclassified to profit or loss)		-	-
Total Comprehensive Income for the period (Comprising Profit/(Loss) and other Comprehensive Income for the Period)		(798)	247
V. EARNINGS PER EQUITY SHARE (EPS)			
Basic and diluted EPS (`)	34	0.03	0.29
Significant Accounting Policies			
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: 22nd May 2019

ASHWIN C MUTHIAH

Chairman

B. NARENDRAN

Director

R. CHANDRASEKAR

Whole Time Director

D. BALAGOPAL

Chief Financial Officer

G. ARUNMOZHI

Company Secretary

Sicagen India Limited

Consolidated Statement of Changes in Equity

Share Capital

(` Lakhs)

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of ` 10 each	50000000	5000	50000000	5000
Issued				
Equity Shares of ` 10 each	39571684	3957	39571684	3957
Subscribed & Paid up				
Equity Shares of ` 10 each fully paid	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 at 1st April 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)
Consequent to Business Combination	509	-	-	(60)	-	-	449
Change in Foreign Currency Translation	475	-	-	160	(188)	-	447
Balance as at 31st March 2018	6186	29443	200	(3495)	(324)	3339	35349
Total Comprehensive Income for the year	-	-	-	13	-	(811)	(798)
Dividend and Dividend Tax paid during the year	-	-	-	(285)	-	-	(285)
IFRS 109 Adoption By Subsidiary Company	-	-	-	(138)	-	-	(138)
Investment in Subsidiary Company	-	-	-	(517)	-	-	(517)
Change in Foreign Currency Translation	752	-	-	55	(131)	-	676
Balance as at 31st March 2019	6938	29443	200	(4367)	(455)	2528	34287

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: 22nd May 2019

ASHWIN C MUTHIAH

Chairman

B. NARENDRAN

Director

D.BALAGOPAL

Chief Financial Officer

R. CHANDRASEKAR

Whole Time Director

G.ARUNMOZHI

Company Secretary

Consolidated Statement of Cash Flow for the year ended 31st March 2019

(` Lakhs)

Particulars	Year ended 31 st March 2019	Year ended 31 st March 2018
A Cash Flow from Operating Activities		
Profit before tax	284	165
Adjustments for		
Depreciation	624	510
(Profit)/Loss on Disposal of Fixed Assets(net)	127	(6)
Effect of Exchange Rate Changes	676	259
Receipt of Mercantile Ventures shares -Non Cash Items	-	(412)
Change in Deferred Tax Liability	-	(17)
Interest Income	(218)	(178)
Dividend Income	(184)	(560)
Interest Expenditure	813	834
	1,838	430
Operating Profit before Working Capital Changes	2,122	595
Adjustments for		
Trade and Other Receivables	(8427)	(3766)
Current and Non Current Assets	(1223)	(104)
Inventories	667	(191)
Trade Payables and Other Liabilities	9,315	2,313
	332	(1748)
Cash Generated from Operations	2,454	(1153)
Tax Paid	(493)	(21)
Net Cash from Operating Activities	1,961	(1174)
B Cash Flow from Investing Activities		
Purchase of Property Plant & Equipment	(382)	(1330)
Sale of Property Plant & Equipment	4712	7
Redemption of Investments (Net)	-	1944
Movement in Bank Deposits	(4717)	-
Investment in Foreign Subsidiary	(517)	-
Interest Income Received	117	39
Dividend Income Received	286	428
	(501)	1088
C Cash Flow from Financing Activities		
Long term Borrowings (net of repayment)	(222)	937
Interest Paid	(813)	(834)
Increase/(Decrease) in Minority Interest	-	(206)
Term Loan Availed	160	-
Dividend paid (Including Dividend Tax)	(285)	(285)
	(1160)	(388)
D Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)	300	(474)
Cash and Cash Equivalents as at 1 st April 2018	1260	1734
Cash and Cash Equivalents as at 31 st March 2019	1560	1260

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: 22nd May 2019

ASHWIN C MUTHIAH

Chairman

B. NARENDRAN

Director

D.BALAGOPAL

Chief Financial Officer

R. CHANDRASEKAR

Whole Time Director

G.ARUNMOZHI

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 Basis of preparation

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 sections 133 read with sub-section (1) of Section 210A of the Companies Act, 1956, (1 of 1956). 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, 2019 were authorized and approved for issue by the Board of Directors at their meeting held on 22nd May 2019.

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 constitutes 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 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 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 harmonized 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 amounts of equity accounted investments are tested for impairment in accordance with the policy described in note 1.9.6 below.

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

1.2.1 Subsidiary Companies:

SI No	Name of the Company	Country of Incorporation	Proportion of ownership voting power (%)	Reporting date
1	South India House Estates & Properties Limited	India	100%	31.03.2019
2	Wilson Cables Pte Limited	Singapore	100%	31.03.2019
3	Danish Steel Cluster Pvt Limited (DSC)	India	100%	31.03.2019
4	Wilson Far East Private Ltd (100% Subsidiary of Wilson Cables)	Singapore	100%	31.03.2019

The Company "Wilson far East Private limited was formed in April 2018 with a capital of SGD 10,000 totally subscribed by Wilson Cables Private Limited. Therefore this Company is a 100% subsidiary of Wilson Cables Private Limited, Singapore. The nature of business is to carry out general trading - import & export.

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:

Name of the Company	Country of incorporation	Proportion of ownership voting power (%)	Reporting date
Edac Automation Limited	India	49.99%	31.03.2019

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:

- Defined benefit obligation.
- Estimation of useful life of Property, Plant and Equipment.
- 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 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:

Sicagen India Limited

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 decimal 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. The Indian Accounting Standard (Ind AS) 115, Revenue from Contracts with Customers is applicable from FY 2018-19, the management believes that the adoption of Ind AS 115 does not have any significant impact on the standalone financial statements .

The following is a summary of new and/or revised significant accounting policies related to revenue recognition. The effect of adoption of Ind AS 115 was insignificant. The Standard requires identification of performance obligations for the transfer of goods and services in each contract with customers. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue from contracts for sale of products or services

Revenue from contracts with customers for the sale of products is recognised at a point in time when the control of the asset is transferred to the customer which is usually upon shipment or delivery of goods as per the terms of the each contract and where there is no uncertainty as to measurement or collectability of consideration.

Revenue from contracts with customers for the sale of services is recognised when a customer obtains control of the services, which is upon completion of service.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset (Receivables) based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability (referred as deferred revenue).

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss except for the period upto 30th June 2017 where Revenue includes excise duty.

1.8.1 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 upon satisfaction of performance obligations.

1.8.2 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. (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

ii). Dividend income is accounted in the period in which the right to receive the same is established. (Provided that it is probable that the economic benefits will flow to the

Company and the amount of income can be measured reliably).

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.

1.8.3 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.

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company.

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 Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the group is classified as investment property. Investment Property is measured initially at its cost and including related transaction cost where applicable, borrowing cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item is measured reliably.

The amendment to Ind AS 40, Investment Property is not applicable

1.9.3 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	Usefull 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.

1.9.4 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.

1.9.5 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 reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

1.9.6 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.

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

b. 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.

c. 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.

d. 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

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

Sicagen India Limited

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 are 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

Functional and presentation currency

The financial statements are presented in Indian Rupee ('Rs.') which is also the functional and presentation currency of the Company.

Transactions and balances

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

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction. Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

The management believes that the adoption of amendment to Ind AS 21, Foreign currency transactions and advance consideration does not have any significant impact on the standalone financial statements.

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 along with 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

Sicagen India Limited

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;
- 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.

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 2019

(Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 st April 2018	Additions	Transfer	Disposals / Adjustments 31 st March 2019	Balance as at 1 st April 2018	Depreciation charged for the year	Transfer	Disposals / Adjustments 31 st March 2019	Balance as at 31 st March 2019	Balance as at 31 st March 2018
a) Property, Plant & Equipment										
Land - Free hold	13327	-	-	4459	8868	-	-	-	-	13327
- Lease hold	1	-	-	-	1	-	-	-	-	1
Buildings	1508	59	(249)	127	1191	59	(6)	4	157	1400
Under Lease	2978	-	-	-	2978	175	-	-	370	2783
Plant and Equipment	2219	132	-	341	2010	238	-	101	475	1881
Furniture and Fixtures	299	14	-	47	266	27	-	7	65	254
Vehicles	182	-	-	19	163	17	-	6	48	145
Office Equipment	296	53	-	7	342	45	-	(2)	120	223
Trucks	5	-	-	-	5	-	-	-	4	1
Lease hold improvements	136	15	-	1	150	25	-	-	84	77
Electrical Equipments	63	1	-	(4)	68	6	-	(4)	15	58
Total	21014	274	(249)	4997	16042	592	(6)	112	1338	14704
b) Capital Work In Progress										
Total	29	97	-	107	19	-	-	-	-	29
c) Investment Property										
Total	-	83	249	-	332	5	6	-	11	321
d) Intangible Assets										
Computer software	148	34	-	-	182	27	-	-	66	109
Total	148	34	-	-	182	27	-	-	66	109
Grand Total	21191	488	-	5104	16575	624	-	112	1409	20288

Property, Plant & Equipment as at 31st March 2018 (` Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block		
	Balance as at 1 st April 2017	Additions	Transfer	Disposals / Adjustments	Balance as at 31 st March 2018	Balance as at 1 st April 2017	Depreciation charged for the year	Transfer	Disposals / Adjustments	Balance as at 31 st March 2018	Balance as at 31 st March 2017
a) Property, Plant & Equipment											
Land - Free hold	13322	5	-	-	13327	-	-	-	-	-	13322
- Lease hold	1	-	-	-	1	-	-	-	-	-	1
Buildings	1381	127	-	-	1508	47	61	-	-	108	1334
Under Lease	1508	1470	-	-	2978	89	106	-	-	195	1419
Plant and Equipment	1767	528	(53)	23	2219	160	202	(3)	21	338	1607
Furniture and Fixtures	213	86	-	-	299	19	26	-	-	45	194
Vehicles	176	9	-	3	182	18	18	-	(1)	37	158
Office Equipment	146	131	20	1	296	26	44	3	-	73	120
Trucks	5	-	-	-	5	1	3	-	-	4	4
Lease hold improvements	109	27	-	-	136	38	21	-	-	59	71
Electrical Equipment	-	30	33	-	63	-	5	-	-	5	-
Total	18628	2413	-	27	21014	398	486	-	20	864	18230
b) Capital Work In Progress	1245	112	-	1328	29	-	-	-	-	-	1245
Total	1245	112	-	1328	29	-	-	-	-	-	1245
c) Intangible Assets											
Computer software	99	49	-	-	148	15	24	-	-	39	84
Total	99	49	-	-	148	15	24	-	-	39	84
Grand Total	19972	2574	-	1355	21191	413	510	-	20	903	19559

3 Non Current Investments (` Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Trade Investments		
(a) Investment in Equity Instruments	1614	2412
(b) Investment in Preference Shares	1000	1000
Total	2614	3412
Aggregate amount of quoted investments	1569	2367
Aggregate amount of unquoted investments	1045	1045
Total	2614	3412

3.1 Details of Trade Investments (₹ Lakhs)

Sl. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	2019		2018		Quoted / Unquoted	Partly Paid / Fully paid	2019		2018		Fair Value
			(4)	(5)	(6)	(7)			(8)	(9)	(10)	(11)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)			
(a)	SUBSIDIARY COMPANY'S INVESTMENTS												
	Investment in Equity Instruments												
	Southern Petrochemicals Industries Corporation Ltd	Others	1636900	1636900	Quoted	Fully Paid	0.80	0.80	416	548			
	First Leasing Company of India Ltd	Others	121718	121718	Quoted	Fully Paid	0.53	0.53	-	-			
	Heidelberg Cements India Ltd	Others	700	700	Quoted	Fully Paid	-	-	1	1			
	Mercantile Ventures Ltd	Others	3714800	3714800	Quoted	Fully Paid	3.29	3.29	185	388			
	Lakshmi Finance & Ind. Corporation Ltd	Others	900	900	Quoted	Fully Paid	0.03	0.03	-	-			
	Synthetics & Chemicals Ltd	Others	1125	1125	Quoted	Fully Paid	-	-	-	-			
	Birla Power Solutions Ltd	Others	3600	3600	Quoted	Fully Paid	-	-	-	-			
	Pondicherry Spinners Ltd	Others	-	50000	Unquoted	Fully Paid	-	3.28	-	-			
	Corn Industries & General Enterprises Ltd	Others	79606	79606	Unquoted	Fully Paid	17.08	17.08	-	-			
	Sai Business & Consultancy Systems P Ltd	Others	70350	70350	Unquoted	Fully Paid	17.40	17.40	-	-			
	India Radiators Ltd	Others	47188	47188	Unquoted	Fully Paid	5.24	5.24	-	-			
	Sri Balajee Leasing Services Ltd	Others	541	541	Unquoted	Fully Paid	-	-	-	-			
	Harrington Investments Ltd	Others	3900	3900	Unquoted	Fully Paid	-	-	-	-			
	Everest Investments Ltd	Others	10000	10000	Unquoted	Fully Paid	-	-	-	-			
	Navia Markets Ltd	Others	10000	10000	Unquoted	Fully Paid	-	-	-	-			
	Mac Packaging Ltd	Others	220012	220012	Unquoted	Fully Paid	-	-	-	-			
	Profad Ltd	Others	100150	100150	Unquoted	Fully Paid	-	-	-	-			

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	2018		2018		2018		2018		Fair Value
			(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(Lakhs)
HOLDING COMPANY'S INVESTMENTS											
(a)	Investment in Equity Instruments (Holding Company)										
	Southern Petrochemicals Industries Corporation Ltd	Others	3017349	3017349	Quoted	Fully Paid	2	2	767	1011	
	First Leasing company of India Ltd (includes bonus shares)	Others	2153649	2153649	Quoted	Fully Paid	9	9	-	-	
	Mercantile Ventures Ltd	Others	4008205	4008205	Quoted	Fully Paid	3.58	3.58	200	419	
	Mitsuba Sical India Pvt Ltd	Others	300000	300000	Unquoted	Fully Paid	-	-	-	-	
	Edac Automation Ltd	Associate	449970	449970	Unquoted	Fully Paid	50	50	45	45	
	AM Foundation	Others	1600	1200	Unquoted	Fully Paid	16	12	-	-	
(b)	Investments in Preference Shares										
	Edac Engineering Ltd	Others	10000000	10000000	Unquoted	Fully Paid	83	83	1000	1000	
Total									2614	3412	

3.2 During the year, the Company has invested in 10,00,000 equity shares valuing Rs.517 lakhs in its foreign subsidiary Wilson Cables Pte Ltd.

3.3 During the year, 1,73,550 equity shares of SPIC has been retransferred as per the earlier direction of the Madras High Court.

3.4 During the year, 50,000 shares of M/s Pondicherry Spinners Ltd was sold.

3.5 During the year, Edac Engineering Ltd has filed an application seeking approval of NCLT for reissue of preference shares against the redemption and accrued dividend there on.

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.

4. Trade Receivables

(₹ Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Unsecured, considered good	1541	1541
Less: Provision for Doubtful receivables	1541	1541
Total	-	-

4.1 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 where the probability of default is high and the counter party's capacity to meet the obligations is not strong.

5. Loans
a. Security Deposits

Unsecured, considered good	965	367
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b. Loans and advances to related parties

Unsecured, considered good	1032	1031
Less: Provision for Doubtful Loans & Advances	1029	1029
Net Loans & Advances	3	2

c. Other loans and advances

Unsecured, considered good	1799	1799
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Total	2767	2168
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5.1 The Company has a detailed review mechanism of overdue Loans and Advances at various levels within organisation to ensure proper attention and focus for realisation. The company is making provisions on Loans and Advances where the probability of default is high and the counter party's capacity to meet the obligations is not strong.

6. Other Non-Current Assets

a. Capital Advances	21	3
b. Other Advances	258	308
Total	279	311

7. Inventories

a. Raw Materials and components	2310	2521
b. Work-in-progress	485	618
c. Finished goods	4132	4158
d. Stock-in-trade	4609	4919
e. Stores and spares	28	15
Total	11564	12231

8. Trade Receivables

Unsecured, considered good	26985	22103
Doubtful	-	13
Less: Provision for Doubtful receivables	238	3661
Total	26747	18455

8.1. 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 where the probability of default is high and the counter party's capacity to meet the obligations is not strong.

Sicagen India Limited

9. Cash and Cash Equivalents

(` Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Balances with banks		
Current Accounts	1452	1187
Cheques, drafts on hand	7	61
Cash on hand	11	10
Bank Deposits with maturity of less than 3 months	90	2
Total	1560	1260

10. Bank balance and Others

Margin Money	180	114
Balance with bank (for unpaid dividend)	55	56
Bank Deposits with maturity for more than 3 months but less than 12 months	4917	200
Total	5152	370

11. Loans

a. Security Deposits

Unsecured, considered good	1	1
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Other loans and advances

Loans and advances to Employees	-	3
Total	1	4

12. Current tax Assets (Net)

Advance Income tax	3509	2751
Less:		
Provision for Tax	2766	2269
Total	743	482

13. Other Current Assets

a. Advances other than capital advances

Security Deposit	83	55
Other advances	573	263
b. Prepaid expense-unsecured considered good	129	129
c. Advance Sales Tax	-	29
d. Balance with Govt authorities - unsecured considered good		
GST Credit receivable	173	299
e. Debit Balance with creditors		
Unsecured, considered good	583	234
f. Others	355	377
Total	1896	1386

14. Share Capital

(` Lakhs)

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of ` 10 each	50000000	5000	50000000	5000
Issued				
Equity Shares of ` 10 each	39571684	3957	39571684	3957
Subscribed & Paid up				
Equity Shares of ` 10 each fully paid	39571684	3957	39571684	3957

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

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	Number	Amount	Number	Amount
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

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

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	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

14.3 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
15. Other Equity

Capital Reserve	6938	6186
Securities Premium Reserves	29443	29443
General Reserve	200	200
Retained Earnings	(4367)	(3495)
Foreign Currency Translation Reserve	(455)	(324)
Other Comprehensive Income Reserve	2528	3339
Total	34287	35349

16. Borrowings
Term Loans

From Banks	935	1157
Total	935	1157

16.1 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 the fixed deposits of 2 lakhs Singapore dollars.

Sicagen India Limited

17. Provisions (` Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
(a) Provision for employee benefits		
Leave Encashment	49	43
(b) Others		
Provision for Wealth Tax	-	3
Provision for Loans and Advances	1799	1799
Total	1848	1845

17.1 The Company has a detailed review mechanism of overdue loans and advances at various levels within organisation to ensure proper attention and focus for realisation. The company is making provisions on loans and advances where the probability of default is high and the counter party's capacity to meet the obligations is not strong.

18. Deferred Tax Liability

Deferred Tax Liability	262	274
Closing Balance	262	274

No deferred tax assets are recognised by subsidiary company- Danish Steel on the carry forward losses and unabsorbed depreciation, in the absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

19. Borrowings

Secured

Working Capital Facility	2991	1919
Term Loans from Banks	4346	3248

Unsecured

From Banks	1921	1948
From Other Parties	1603	1417
Trade Deposits	2	8
Total	10863	8540

19.1 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.

19.2 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 and the wholly owned subsidiary as collateral security.

19.3 Unsecured Loans includes Term Loan from NBFC for Rs.240 lakhs repayable in 24 installments commencing from August,2018.

19.4 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.

20. Trade payables

Dues to Micro, Small and Medium Enterprises *	135	-
Dues to enterprises other than Micro, Small and Medium Enterprises	14894	7565
Total	15029	7565

20.1 Dues to micro, small and medium enterprises are determined to the extent such parties have been identified on the basis of information received by the management.

20.2 Dues to Micro, Small and Medium Enterprises * (₹ Lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
I) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	135	-
II) the amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
III) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
IV) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	1	-
V) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	-	-
21. Other Financial Liabilities		
Interest accrued but not due on borrowings	-	49
Interest accrued and due on borrowings	204	76
Unpaid Dividend	55	56
Other payables	26	492
Liability for Expenses	164	180
Statutory remittances	95	120
Advance from customers	3	11
Security Deposit	1	-
Deferred Revenue	54	-
Total	602	984
22. Other Current Liabilities		
Advance from Customers	369	319
Others	161	211
Total	530	530
23. Provisions		
Provision for employee benefits		
Gratuity	11	16
Leave encashment	3	2
Bonus/Performance pay	156	141
Total	170	159
24. Current tax Liabilities (Net)		
Provision for Tax	-	7
Total	-	7

Sicagen India Limited

(` Lakhs)

Particulars	For the year ended 31 st March 2019	For the year ended 31 st March 2018
25 Revenue From Operation		
Sale of products		
Traded Goods	57691	50968
Manufactured Goods	23148	21344
Sub-Total	80839	72312
Sale of services	943	968
Other operating revenues		
Scrap Sales	249	704
Others	3	4
Total	82034	73988
25.1 Details of Products Sold		
Traded Goods		
Steel Pipes	31065	32809
Steel	8673	9372
PVC Pipes	572	1032
Cables	12876	2549
Power & Control Equipment	1780	2051
Spares and Others	2725	3155
Sub-Total (A)	57691	50968
Manufactured Goods		
Drums	3894	3185
Others	2954	3438
Cables	15502	13984
Chemicals	798	737
Sub-Total (B)	23148	21344
Total (A)+(B)	80839	72312
26. Other Income		
Interest Income	218	178
Dividend Income	184	560
Other non-operating income	1275	734
Total	1677	1472
27. Cost of Raw Materials Consumed		
Inventory at the beginning of the year	2620	2633
Add : Purchases	18895	18286
Less : Inventory at the end of the year	2361	2477
Cost of Raw Materials consumed	19154	18442

27.1 Details of Raw Material Consumed

(₹ Lakhs)

Particulars	For the year	For the year
	ended 31 st March 2019	ended 31 st March 2018
CRCA Coils	3096	2224
Others	2259	3193
Cables	13799	13025
Cost of Raw Materials consumed	19154	18442

28. Purchases of Stock-in-Trade

Steel Pipes	31013	30334
Steel	6706	8890
PVC Pipes	393	950
Cables	11404	2471
Power & Control Equipment	1659	1900
Spares and Others	2117	2635
Total	53292	47180

29. (Increase)/Decrease in inventories of Finished goods, Work-In-Progress (WIP) and Stock in Trade

Inventory at the end of the year		
Finished Goods	4140	3977
WIP	486	599
Stock in Trade	4609	4919
Sub-Total (A)	9235	9495
Inventory at the beginning of the year		
Finished Goods	4301	3537
WIP	633	277
Stock in Trade	4919	5236
Sub-Total (B)	9853	9050
(Increase)/Decrease (B-A)	618	(445)

30. Employee benefit expense

Salaries, Wages and Bonus	4006	3345
Contribution to Provident Fund and Others	292	283
Staff Welfare Expense	261	289
Total	4559	3917

31. Finance Cost

Interest	813	834
Bank Charges	100	65
Total	913	899

32. Other Expenses

Rent	490	489
Rates & Taxes	237	115
Insurance	101	95
Power & Fuel	387	329
Office Maintenance	360	354
Vehicle Operating Expenses	1	1
Repairs & maintenance		
Plant & Machinery	84	33
Building	20	20
Vehicles	42	48
Others	194	280

Sicagen India Limited

(` Lakhs)

Particulars	For the year ended	For the year ended
	31 st March 2019	31 st March 2018
Travelling & Conveyance	347	439
Printing & Stationery	37	40
Postage, Telegram & Telephone	85	101
Subscription / Donation/ CSR	28	24
Advertisement, Publicity & Sales Promotion	113	162
Payment to Auditors (Details given below)	40	31
Legal & Professional Fees	153	197
Freight & Forwarding charges	687	1044
Director's Sitting Fee	23	162
Brokerage & Commission	98	8
Foreign Exchange Fluctuation	13	-
Other Selling Expenses	3	2
Consumable Stores & Tools	55	77
Bad Debts written off	78	29
Security Service Charges	111	109
Loss on sale of Fixed Assets	151	-
Entertainment Expenses	6	9
Consultancy Fees	82	122
Miscellaneous Expenses	40	38
Testing Fees	58	47
Foreign Workers Levy	106	103
Factory Miscellaneous Expenses	37	70
Excise Duty on sales	-	193
Provision for Slow and non-moving Inventories	-	21
Total	4267	4792

32.1 Payment to Auditor

Statutory Audit Fee	29	26
Taxation matters	3	3
Other services	8	2
Total	40	31

32.2 In Other expenses- Rs.78 lakhs has been provided towards Expected credit loss of the receivables for the FY 2018-19. The Opening Balances of "Provision for Doubtful Debts" account was Rs.3,598 lakhs. This amount arose at the time of Ind As transition while restating the opening balances for 1st April 2016. This amount has been reversed to other expenses during the year 2018-19 and the corresponding bad debts amounting to Rs. 3598 lakhs has been written off. The write off of bad debts corresponding to this provision was duly approved in the company's board meeting. The effect of this reversal is Nil on a net basis. The amount appearing in the Other Expenses- Sub head -Provision for Doubtful Debts in Note 32 represents merely the provision created during the current financial year.

33. Other Comprehensive Income

(A) Items that will not be reclassified to profit or loss:

Remeasurement of defined benefit plans	(12)	(11)
Equity Instruments through other comprehensive Income	(800)	144
Total	(812)	133

(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	(1)
Total	1	(1)

34. Earning Per Share [EPS]

(` Lakhs)

Particulars	For the year ended 31 st March 2019	For the year ended 31 st March 2018
Profit after Tax	13	115
No.of Shares used in computing EPS-Basic	39571684	39571684
Face value per share (Rs.)	10	10
Weighted Average number of equity shares	39571684	39571684
Basic & diluted earning per share	0.03	0.29

35. Expenditure in Foreign Currency during the Financial year:

Travelling Expenses	10	7
Reimbursement of Expenses	294	-
Others	8	-
Total	312	7

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

Export of goods	512	397
-----------------	-----	-----

37. Related Party Transaction
a.List of related parties where control exists
Name of the Related Party
Wholly Owned Subsidiary

Wilson Cables Pte Limited

South India House Estates & Properties Limited

Danish Steel Cluster Private Limited

Enterprise over which a Director is able to exercise significant influence

Firstgen Distribution Private Limited

SIDD Life Sciences Private Limited

Medihub Sciencetec Private Ltd

Enterprise over which a Director's Relative is a partner and is able to exercise significant influence

South India Investments & Associates

Key Management Personnel

 Devidas Mali, COO & Whole Time Director (Resigned w.e.f 28th November 2018)

 R.Chandrasekar, Whole Time Director (Appointed w.e.f 28th November 2018)

D. Balagopal, Chief Financial Officer

G. Arunmozhi, Company Secretary

 Sunil Deshmukh (Resigned on 3rd August 2018)

 M.Nandakumar (Appointed w.e.f 28th November 2018)

Sicagen India Limited

b. Other related parties with whom transactions have taken place during the year 2018 -19

	(` Lakhs)
Sale of Goods/Income from Services Rendered	
Firstgen Distribution Private Limited	1,740.12
Danish Steel Cluster Private Limited	558.60
Wilson Cables Private Limited	12.92
Purchase of Goods	
Firstgen Distribution Private Limited	12.34
SIDD Life Sciences Private Limited	320.06
Managerial Remuneration	
Devidas Mali	55.40
R Chandrasekar	15.87
D Balagopal	29.30
G Arunmozhi	15.68
IT Support Charges	
Wilson Cables Private Limited	18.00
Medihub Sciencetec Private Ltd	4.72
Rent Received	
South India House Estates & Properties Limited	1.42
Medihub Sciencetec Private Ltd	1.70
Firstgen Distribution Private Limited	0.81
Reimbursement of Expenses-Payable	
Wilson Cables Private Limited	213.02
Reimbursement of Expenses-Receiveable	
Wilson Cables Private Limited	28.52
Danish Steel Cluster Private Limited	54.76
Medihub Sciencetec Private Ltd	0.17
South India House Estates & Properties Limited	59.81
Loan Given (including Interest)	
Danish Steel Cluster Private Limited	171.89

38. Contingent Liability

- a. Appeals pending at High Court for the Assesment 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.39 lakhs for the Assesment year 2015-16.
- b. CST Appeal pending at Appellate Deputy Commissioner for the financial year 2016-17 & 2017-18 for a demand of Rs.14 lakhs & Rs.2 lakhs respectively.
- c. Service Tax appeal pending at CESTAT for the financial year 2012-13 & 2013-14 for Rs.3 lakhs.
Provision has not been made for any of the above demands.
- d. Guarantees given by the bankers for performance of Contracts and others Rs.530.03 lakhs (Rs. 572.45 lakhs).

Subsidiary Company

- e. Appeals pending with High Court for a demand of Rs.25.08 lakhs & Rs.34.10 lakhs (Assessment year 2006-07 & 2009-10 respectively).
- f. Appeals filed with CIT (A) for a demand of Rs.285 lakhs (Assessment year 2013-14).
Provision has not been made for any of the above demands.
- g. Guarantees given by the bankers for performance of Contracts and others Rs.2.84 lakhs (Rs.2.84 lakhs).

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 their short term maturities of these instruments.

The fair value of financial instruments by category as at 31st March 2019 and 31st March 2018 are as follows :

Particulars	As at 31 st March 2019		As at 31 st March 2018	
	Amortised Cost	FVOCI	Amortised Cost	FVOCI
	(` Lakhs)			
Financial Assets				
Investments				
Equity Instruments	45	1569	45	2367
Preference Shares	1000		1000	
Loans	2767		2168	
Trade Receivables	26747		18455	
Cash and cash equivalents	1560		1260	
Bank Balances other than cash equivalents	5152		370	
Other Financial Assets-Loans	1		4	
Financial Liabilities				
Borrowings	935		1157	
Borrowings - Current	10863		8540	
Trade Payables	15029		7503	62
Other Financial Liabilities	602		984	

39.2 Valuation Techniques used for Fair Valuation is as follows: (` Lakhs)

Particulars	As at 31 st March 2019					As at 31 st March 2018				
	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	
Financial Assets										
Investments										
Equity Instruments	45	1569	-	-	1614	45	2367	-	-	2412
Preference Shares	1000	-	-	-	1000	1000	-	-	-	1000
Loans	2767	-	-	-	2767	2168	-	-	-	2168
Trade Receivables	26747	-	-	-	26747	18455	-	-	-	18455
Cash and cash equivalents	1560	-	-	-	1560	1260	-	-	-	1260
Bank Balances other than cash equivalents	5152	-	-	-	5152	370	-	-	-	370
Other Financial Assets-Loans	1	-	-	-	1	4	-	-	-	4
Financial Liabilities										
Borrowings	935	-	-	-	935	1157	-	-	-	1157
Borrowings - Current	10863	-	-	-	10863	8540	-	-	-	8540
Trade Payables	15029	-	-	-	15029	7503	-	62	-	7565
Other Financial Liabilities	602	-	-	-	602	984	-	-	-	984

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. Segment Information for the year ended 31st March 2019 Information about Primary Business Segments

Business Segments	2019				2018			
	Trading	Manufacturing	Eliminations	Total	Trading	Manufacturing	Eliminations	Total
REVENUE								
External Sales	59073	22961	-	82034	51979	22009	-	73988
Inter Segment Sales	3	473	(476)	-	5	3	(8)	-
Total Revenue	59076	23434	(476)	82034	51984	22012	(8)	73988
RESULT								
Segment Result	1196	397	-	1593	1196	397	-	1593
Unallocated Corporate Expenses net of Unallocated Income			(496)	(496)				(130)
Operating Profit			1097	1097				999
Interest Expense			813	813				834
Income Taxes(net of def.tax)			271	271				50
Net Profit			13	13				115
OTHER INFORMATION								
Segment Assets	27591	19333	-	46924	24395	10372	-	34767
Unallocated Corporate Assets				21559				25600
Total Assets	27591	19333	-	68483	24395	10372	-	60367
Segment Liabilities	10661	16137	-	26798	11173	7152	-	18325
Unallocated Corporate Liabilities				3441				2736
Total Liabilities	10661	16137	-	30239	11173	7152	-	21061
Capital Expenditure	177	204		381	267	979		1246
Depreciation	132	492		624	134	376		510
Information about Secondary Segments								
	India	Rest of the World	Total	India	Rest of the World	Total		
Revenue by Geographical Market	55456	26578	82034	59446	14542	73988		
Segment Assets	46924	-	46924	34767	-	34767		
Capital Expenditure	381	-	381	1246	-	1246		

Notes:

- 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.
- The Business Segments identified are Trading, Manufacturing and Discontinuing.
- The Geographical Segment considered for disclosure are India and Rest of the World. All sales facilities 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.
- Segmental assets include all operating assets used by the respective segment and principally consists of operating cash, debtors, inventories and fixed assets.

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's customer profile include public sector enterprises, state owned companies and large private corporates. Accordingly, the Company's customer credit risk is moderate. The Company's average project execution cycle is around 12 months.

General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

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

Loss Allowance is measured using the expected credit loss model on assets where the probability of default is high and the counter party's capacity to meet the obligations is not strong using the expected credit loss model.

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

Assets are written off when there is no reasonable expectation of recovery, such as debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

(a) Category-wise classification for applicable financial assets:

I. Measured at amortised cost:

(` Lakhs)

Particulars	As at	As at
	31 st March 2019	31 st March 2018
Loans	2767	2168
Trade receivables	26747	18455
Cash and cash equivalents	1560	1260
Bank Balance Other than Cash Equivalents	5152	370
Other Financial Assets-Loans	1	4

Sicagen India Limited

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

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

Particulars	As at 31 st March 2019	As at 31 st March 2018
Investment in Equity Instruments	1569	2367

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 borrowing facilities at the end of the reporting period:

Particulars	As at 31 st March 2019	As at 31 st March 2018
Working Capital Facility (Andhra Bank)	2991	1919
Channel Financing Facility	3364	3365
Term Loan	4506	3248
Total	10861	8532

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 optimizing 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 31 st March 2019	Currency	Gross Exposure	Exposure hedged using derivatives	Net Exposure
Assets	DKK	9,95,764	-	9,95,764
Assets	DKK	14,457	-	14,457
Assets	EURO	582	-	582
Liabilities	NA	-	-	-

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
Liabilities	NA	-	-	-

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 2019

(` 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 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			
											2	3	4
Parent													
Sicagen India Limited	100%	38,074	1685%	219	58%	(465)	31%	(246)					
Subsidiaries													
Indian													
South India House Estates and Properties Limited	1%	424	-23%	(3)	41%	(335)	42%	(338)					
Danish Steel Cluster Private Limited	1%	424	-1762%	(229)	1%	(11)	30%	(240)					
Foreign Subsidiary													
Wilson Cables Private Limited	-2%	(678)	200%	26	-	-	-3%	26					
Indian													
Associates (Investments as per the equity method)													
Joint Ventures (as per proportionate consolidation investment as per the equity method)													
TOTAL	100%	38,244	100%	13	100%	(811)	100%	(798)					

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: 22nd May 2019

ASHWIN C MUTHIAH

Chairman

B. NARENDRA

Director

R. CHANDRASEKAR

Whole Time Director

D.BALAGOPAL

Chief Financial Officer

G.ARUNMOZHI

Company Secretary

**Attachment to the Financial Statement
FORM AOC - 1**

**Statement containing salient 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 on which subsidiary was acquired	01.10.2006	28.12.2017	01.04.2011	
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 51.2574/SGD
3	Share Capital	1000	708	6886216	3530
4	Reserves and Surplus	424	574	12969278	6330
5	Total Assets	7905	3741	49625904	25103
6	Total Liabilities	7905	3741	49625904	25103
7	Investments	602	-	-	-
8	Turnover	37	2658	52102396	26066
9	Profit before taxation	(5)	(242)	52301	26
10	Provision for taxation	(2)	(13)	-	-
11	Profit after taxation	(3)	(229)	52301	26
12	Proposed Dividend	-	-	-	-
13	% of Shareholding	100%	100%	100%	

* The figures include the consolidation of its 100% subsidiary Wilson Far East Private Ltd.

- 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 Associate Companies

Sl. No.	Name of the Associate	Edac Automation Limited
1	Latest audited balance sheet date	31 st March 2019
2	Date on which the Associate was acquired	01 st October 2006
Shares of Associate held by the Company on the year end		
3	(i) No. of Shares	449970
	(ii) Amount of Investment in Associate (` 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 (` Lakhs)	56.19
Profit / (Loss) for the year (` Lakhs)		
7	(i) Considered in Consolidation	-
	(ii) Not Considered in Consolidation (` Lakhs)	110.33

- 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: 22nd May 2019

ASHWIN C MUTHIAH

Chairman

B. NARENDRAN

Director

R. CHANDRASEKAR

Whole Time Director

D.BALAGOPAL

Chief Financial Officer

G.ARUNMOZHI

Company Secretary

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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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **15th Annual General Meeting** of the Company, to be held on Wednesday, the **31st July 2019 at 3.30 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 2019, 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 2018-19.
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. Appointment of Mr. R. Chandrasekar as Director of the Company.
5. Appointment of Mr. S.R. Ramakrishnan as Director of the Company.
6. Appointment of Mr. S. Radhakrishnan as Independent Director of the Company for 5 Years w.e.f. 9th August 2018.
7. Appointment of Mr. M. Rajamani as Independent Director of the Company for 5 Years w.e.f. 28th November 2018.
8. Re-appointment of Mr. B. Narendran as Independent Director of the Company for another period of 5 Years w.e.f. 11th August 2019.
9. Re-appointment of Mrs. Sashikala Srikanth as Independent Director of the Company for another period of 5 Years w.e.f. 11th August 2019.
10. Appointment of Mr. R. Chandrasekar as Wholetime Director of the Company for a period of 3 Years w.e.f. 28th November 2018.
11. Ratification for appointment of Cost Auditor and fixing of remuneration for the financial year 2019-20.

Signed: this _____ day of _____, 2019

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 governance and in compliance with the Secretarial Standard, no gift articles would be given to the shareholders for attending the Annual General Meeting.

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Sicagen India Limited

Registered Office: 4th Floor, SPIC House, No.88, Mount Road, Guindy, 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 **15th Annual General Meeting** of the Company, at **Rajah Annamalai Hall, Esplanade, Chennai-600108, on Wednesday, the 31st July 2019 at 3.30 p.m.**

Name of the Member(s) / Proxy*	Signature of the Member(s) / Proxy*

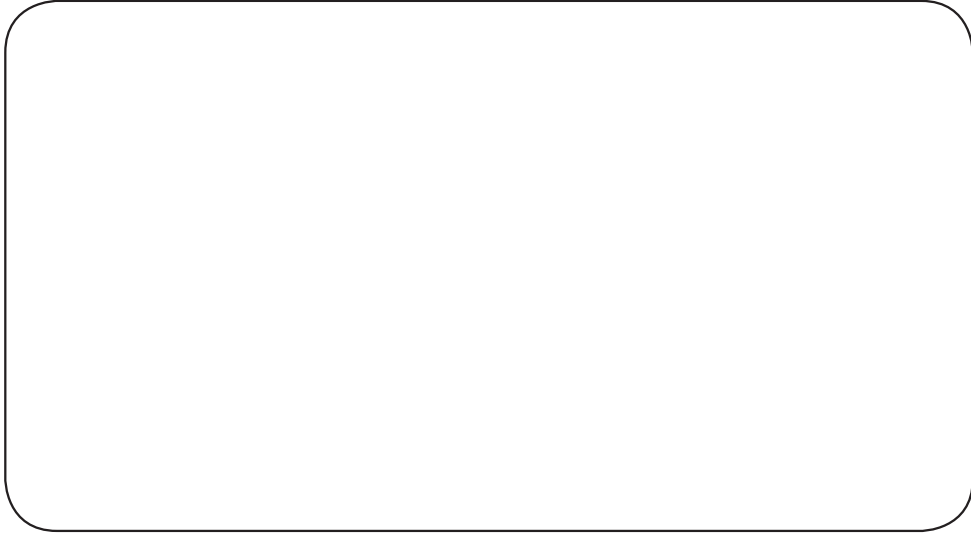
* Strike out whichever is not applicable.

Note: Please fill up this attendance slip and hand over at the entrance of the meeting hall.

Note: In line with good corporate governance 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