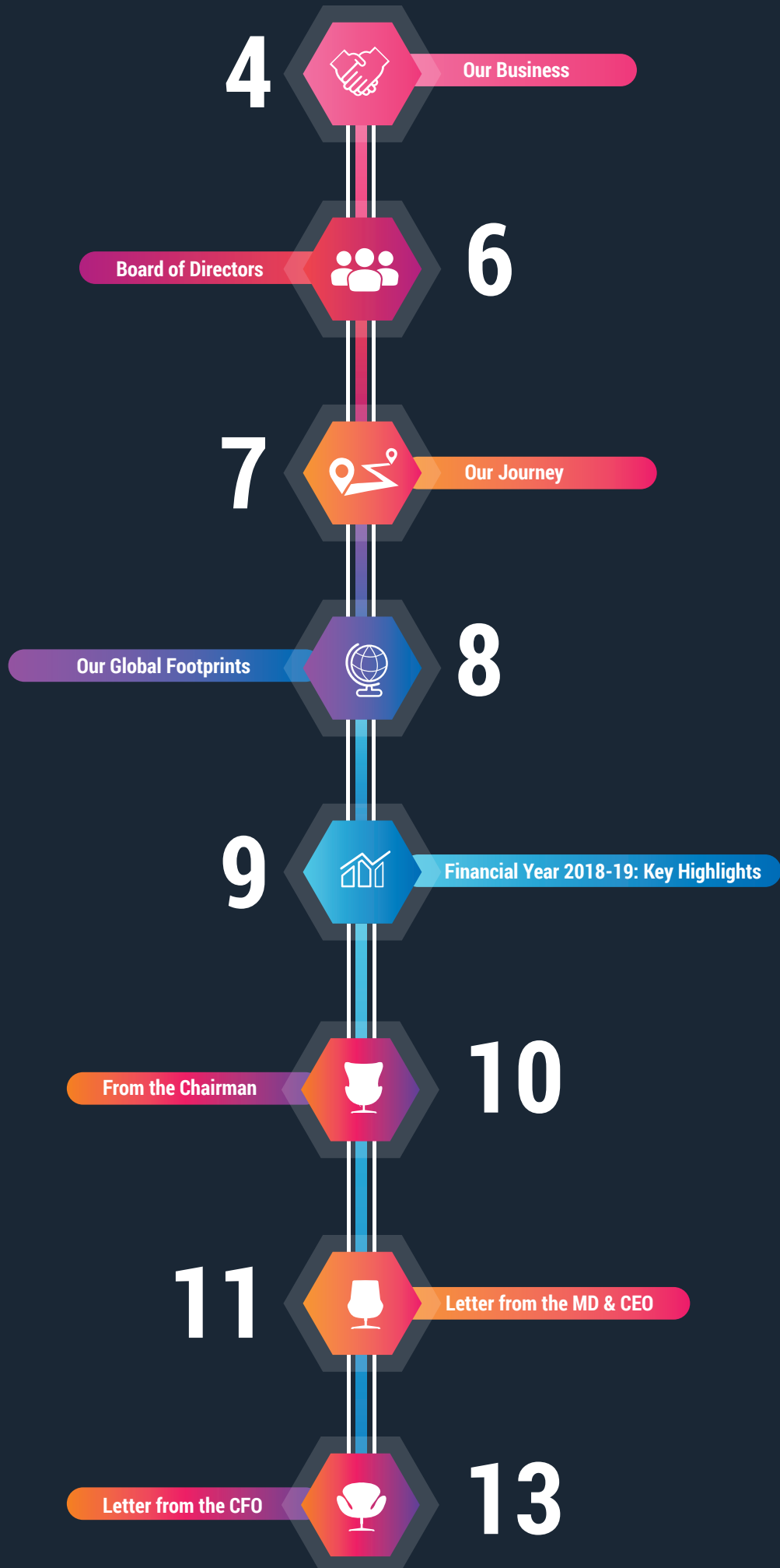




SIGACHI[®]
Experience Excellence..

30th
ANNUAL REPORT
2018-19

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OUR BUSINESS

An Outlook

Sigachi Industries Private Limited (Sigachi), established in 1989, is a leading player in manufacturing of Microcrystalline Cellulose (MCC) in India. The journey of Sigachi initially started with manufacturing of Chlorinated Paraffin (CP) and Hydrochloric Acid. The company in 1995 added MCC to its portfolio and since then reached new heights year-on-year. The company is into manufacturing of Pharma and Food Excipients (binder/filler), Cellulose based filter coatings, and other co-processed excipients.

THE R&D BASE is Augmented by niche research skills along with promoters' extensive experience and technical capabilities. Sigachi has made significant advancement in development of MCC and is strongly positioned amongst top 10 players globally in manufacturing of MCC based excipients. In domestic market, Sigachi is the largest manufacturer of MCC beating its counterparts which include international giants by a huge margin in operating capacities, making Sigachi by far the largest Leader and benefits from its first mover advantage coupled with strong technical capabilities and a strong R&D and production infrastructure.

THE MANAGEMENT BASE is enhanced with a core competent team who boast not only the excellent technical know-how, but also the vision and ability to propel the company to new heights, evident in track record of operations. Sigachi is a professionally managed company with a team of technocrats and richly experienced personnel.

THE PRODUCTION BASE is diversified across India (Telangana & Gujarat) to ensure smooth operations without any bottlenecks related to local disruptions. The total capacity has been tripled over the past 3 years to current levels of 11,000MT. Sigachi's plant in Dahej, Gujarat has been built as per USFDA norms. Quality is of utmost importance and management has ensured that production units across are GMP certified.

THE CUSTOMER BASE is diversified across globe with more than 60% of revenues derived from exports and rest domestically. Majority of the exports are to highly regulated markets of Australia and USA which evidences strong quality of the end products. Sigachi has also developed excellent relationship with its customers over the years ensuring 100% retention and long-term contracts providing revenue visibility.

THE MARKET BASE of Sigachi is well placed in the domestic segment, led by a robust domestic portfolio with focus on regular launch of new products. The year gone by has witnessed significant progress made by our company in broad basing its revenue mix by adding new clients, new geographies and new products. These initiatives are expected to translate into accelerated revenues in the years ahead. The diversification in revenue stream would help us to mitigate any negative climate headwinds.

Given low penetration of MCC in food segment which has strong growth potential, the company is well positioned to tap the larger pie of the market share going forward.

Stepping towards global leadership in Excipients manufacturing:

Sigachi is distinguished domestically and globally as a leading Excipients manufacturing company. Sigachi had leveraged its strengths in innovation, differentiated technologies and scientific talent pool, to create a world-class, agile organization. In doing so, Sigachi has succeeded in being recognized as a credible global excipients manufacturing player. A robust product portfolio, elite customer base, and a diverse revenue mix reflect its strengths. This undeniably was the vision of the founder and Executive Chairman Mr. R P Sinha who had relentlessly strived over the preceding 3 decades along with the Co-Founder Mr. S Chidambaranathan, Executive Vice Chairman to provide the finest quality and value added products to the Pharma and food manufacturing players across India and globe.

We have attained certifications like: EXCiPACT GMP (Pharmaceutical Excipient Good Manufacturing Practices), EDQM-CEP (European Directorate for the Quality of Medicine and health care- Certificate of Suitability to the monographs of the European Pharmacopoeia), WHO-GMP (World Health Organization Good Manufacturing Practice), ISO 9001:2015 (International Standard for Standardization) and FSSC 22000 (Food Safety System Certification). The production is also amenable to Halal, Kosher criterions and the company is certified for the same. The company has also filed for Drug Master File (DMF) with US FDA for its product range.

The Company has established itself as a quality conscious and dependable supplier in India and across Asia, Australia, American Continent, Europe and Middle East. The Company has ensured supply chain reliability for its customers spread across over 36 countries world wise, catering to all types of Pharma and Food industries.

Further, the company has a qualified technocrat team to ensure stringent international standards. The facility is supported by a Research & Development (R & D) Team (approved by Government of India, Ministry of Science & Technology, Department of Scientific and Industrial Research) that aims to develop the quality of existing products and also new molecules in other segments.

Over the years, we have successfully leveraged our capabilities across the Pharma and Food industries value chain by providing integrated and innovative solutions to our customers through an enduring partnership. We are geared up to deliver accelerated performance by matching our well-integrated capabilities with attractive global opportunities.

Manufacturing facilities :

Three manufacturing units located at –

- Unit I - Plot No 20& 21, Phase I, IDA, Pashamailaram, Medak District, Telangana with an annual capacity of around 5000 MT to cater the requirements of both export and domestic customers
- Unit II - Plot No. 763/2, Near Gujarat Gas, GIDC, Jhagadia, Bharuch District, Gujarat with an annual capacity of 2000 MT to cater the requirement of the domestic customers.
- Unit III - Plot No Z-16, SEZ, Dahej, Part 1, Dahej, Bharuch, District, Gujarat with an annual capacity of 4000 MT is to cater the requirements of export customers.

BOARD OF DIRECTORS

Sri Rabindra Prasad Sinha

Chairman

Sri Rabindra Prasad Sinha holds an M.Tech degree in Chemical Engineering from Banaras Hind University and is the Executive Chairman of the Company. He has over 40 years of experience in Cellulose and fine Chem Industry and is considered as a Cellulose Veteran.

Mr. S. Chidambaranathan

Vice- Chairman

Sri S.Chidambaranathan, holds a B.Sc and PGDBA degree. He is the Executive Vice Chairman of the company. He has over 45 Years of experience in heavy chemical and pharma fine Chemical Industry.

Mr. Amit Raj Sinha

Managing Director & CEO

Sri Amit Raj Sinha holds a B. Tech degree from Naval College of Engineering, and Post Graduation Diploma in Marine Engg. He is a Veteran with 10 years of service in Indian Navy. He has 13 years of experience in fine pharma chem and is part of editorial board of two leading pharma International Journals. He is the Managing Director and CEO of the company and has got rich experience in the marketing and other commercial operations of the company.

Mr. Vijay A. Bhavsar

Whole-Time Director

Sri.Vijay Bhavsar holds a B.Tech degree and is the Whole Time Director for the Company. His contribution towards the growth of the Company is most important and he takes care of the functioning of the plant, production and marketing activities of the Company.

Mr. Oruganti Subbarami Reddy

CFO

Mr. O Subbarami Reddy is the Chief Financial Officer of the Company. He is a qualified Chartered Accountant having more than 22 years of experience in the areas of Finance, Accounting, Taxation and in various diversified industries like Pharmaceutical, Chemical, software, etc., and he also holds an MBA degree in Finance. His demonstrated ability to improve operations, impact business growth & maximize profits through achievements in finance management.

Mr. Swami Das Nigam

Non-Executive Director

Sri. Swami Das Nigam is a Non-Executive Director of the Company. He has rich industry exposure of more than 4 decades and his expertise is of great value to the company.

Ms. Kanika Singal

Independent Director

Ms. Kanika Singal has over 15 years of skilled entrepreneurship experience in large and small scale organisations with proven track record of launching businesses across global markets in business services, Infrastructure, consumer, fashion, retail e-Commerce, education sectors etc. She is a Non-Executive Independent Director in in the Company.

Mr. Lijo Stephen Chacko

Independent Director

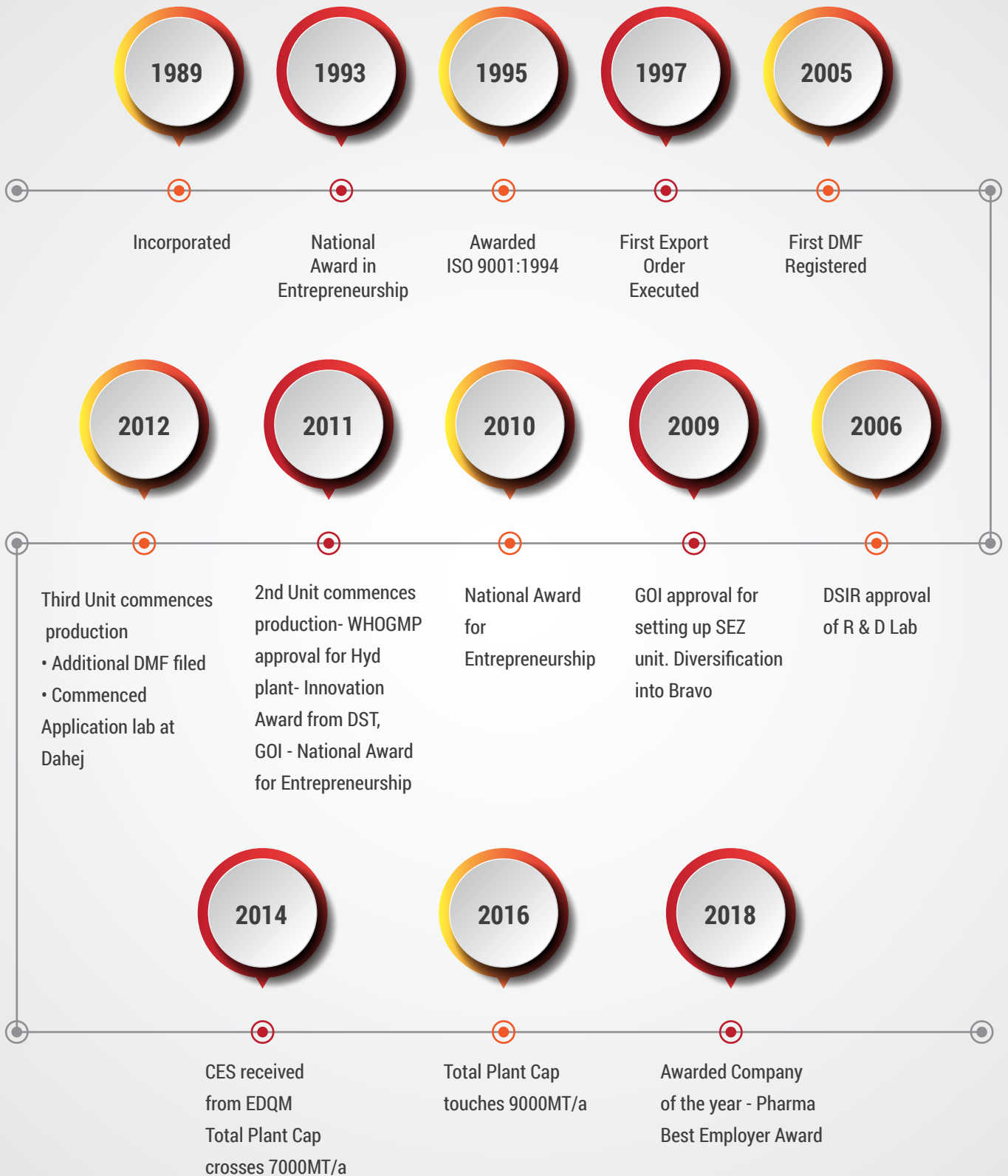
Mr. Lijo Stephen Chacko is a trustee in many charitable Organisation and works for a noble cause. He has served the Indian Navy and retired as a Commander. He has outstanding leadership skills which shall prove to be fruitful for the growth of the Company. He is a Non-Executive Independent Director in in the Company.

Mr. Manoharan Gopalan

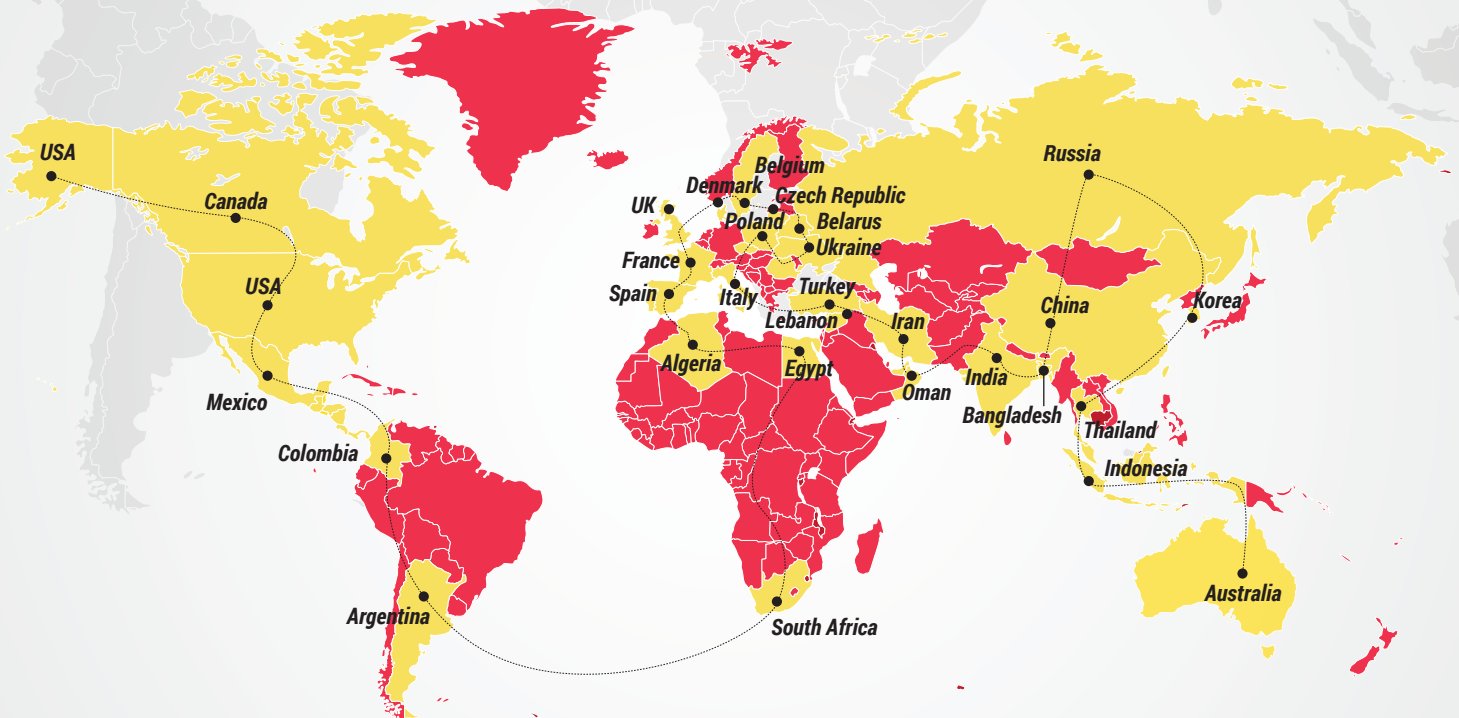
Independent Director

Mr. Manoharan Gopalan is a Non-Executive Independent Director of the Company. He is a Fellow Chartered Accountant and Fellow Company Secretary with over 4 decades of post qualification experience in various corporate sectors such as Textiles, Cement, Engineering, Power, Coal mining, etc. He has played a crucial role in project administration, finance functions and corporate compliance during his tenure of office. He is presently associated with few reputed pharmaceutical industrial units as Independent Director and Corporate Adviser.

OUR JOURNEY SO FAR



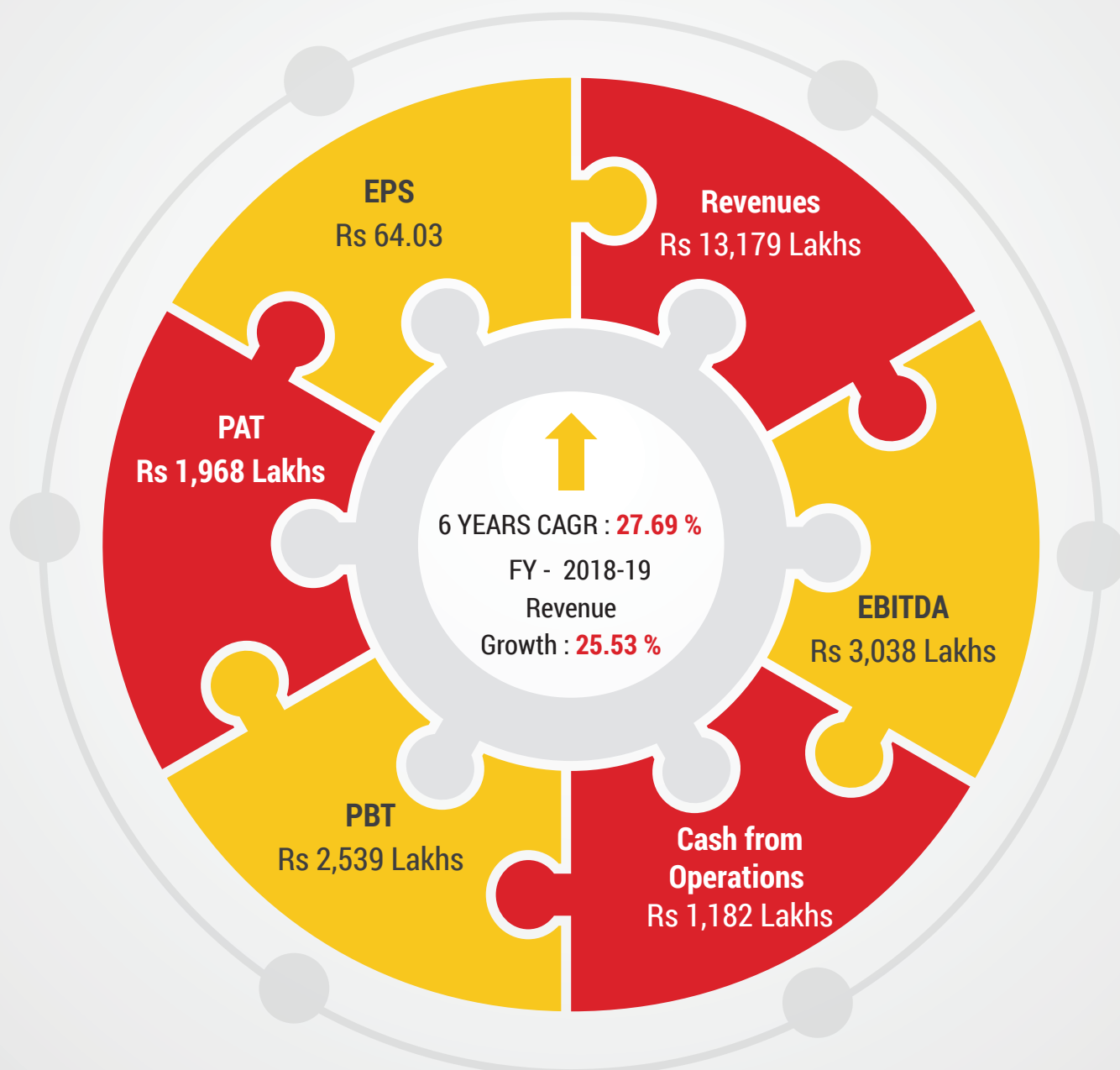
OUR GLOBAL FOOTPRINTS



- Australia
- USA
- South America
- Colombia
- Bangladesh
- China
- Belarus
- Iran
- Indonesia
- Oman
- Korea
- Thailand
- Spain
- Ukraine
- South Africa
- Algeria
- Egypt
- Poland
- UK
- Italy
- Denmark
- Czech Republic
- France
- Belgium
- Russia
- Mexico
- Lebanon
- Canada
- Argentina

FINANCIAL YEAR 2018 -2019

KEY HIGHLIGHTS



Dear **Shareholders**,

In this significant moment, it is with great pleasure and with sense of profound satisfaction I present the 30th Annual Report of your Company.

I begin this letter with a sense of pride about the performance of your Company. As I look back over the past three decades – it is remarkable how well your company has performed. In absolute words, we have accomplished its best performance this year at a remarkable growth rate of OVER 25 CRORES from the previous year.

On the graceful eve of 11th January 2019, your Company celebrated its 30th year of excellence. With a sense of veneration, I recall how we idealistically laid the foundations and nurtured this organization over the past 3 decades. It has stood the test of time and with humility I would say that your Company has begun taking those much-needed big leaps in terms of growth and footprints across countries to remain competitive and relevant. All these were possible because of the trust, faith and support from the stakeholders of your Company.

Your Company looks set for sustainable long-term growth led by its sheer endurance that was displayed in the bygone years. We have stayed the course and believed in our business model. We have successfully managed both failures and risks in a fast-changing world that brings new and disruptive ideas every day.

In FY 2018-19, your Company has successfully ramped up the production and sale of high/special grade products which really helped in improving the top line and profitability by huge margin over the previous year.

Throughout the period of profound changes and upcoming challenges in the global economy your Company has been steadfast and has laid the foundation of people, process and systems in place. I acknowledge the importance of these initiatives as a personal goal. Towards this goal, I am glad to share that your company has embarked upon major organizational development initiatives in the areas of building human resources capabilities, supported by a flexible organizational structure and robust technology platform.

Your company is constantly thriving to improve upon its R&D capabilities and manufacturing processes and thereby remain as a manufacturer of choice for excipients with highest quality standards. Our R&D spends has been optimized and are constantly enhanced to improve and explore new avenues and tap the possible opportunities.

On behalf of the Board, I would like to thank our Customers, Suppliers, Bankers, Business Partners, and Government and other regulatory authorities and agencies for their support to the Company. I also convey my sincere appreciation to the management and workforce of the company for their teamwork and continuous support. Finally, I thank our shareholders for the trust and confidence they reposed in us and look forward to the same in a greater measure in the years ahead.



Mr. RABINDRA PRASAD SINHA
Executive Chairman

Thank You,

Rabindra Prasad Sinha
Executive Chairman

From the CEO & Managing Director's Desk

Dear Shareholders,

We had an exceptional year by clocking the best performance with a stunning 25.53 % YoY growth! Our focus is on the process, not the outcome of the process. We have rationalized our operating efficiency and product quality which has ensured our delightful growth.

WE ARE WORKING TOWARDS UNDERSTANDING THE NEEDS OF THE CUSTOMER BY MAKING EVERYTHING POSSIBLE FOR THEM.

Looking forward towards sustainable long-term growth led by the sheer endurance that was displayed in the bygone years. We have stayed the course and believed in our business model. We have successfully managed both failures and risks in a fast-changing world. We have constantly raised the bar by benchmarking ourselves against the global best. Through a combination of high technology, talent, and a culture rooted in deep science we have proved that as an organization, we have what it takes to make world-class excipients.

It was all possible by sustaining the challenges faced in the preceding year and a sheer perseverance to unlock your company's momentous potential. Scaling up of operations and successful on-boarding of new customers was a catalyst for this distinguished performance. Apart from getting a repeat business and incremental orders from the existing customers, we have also added new clients in the domestic and export markets during the year.

In FY 2018- 19, our gross revenues improved to Rs 131.80 Crs, registering a growth of 25.53 %. Focus on higher margin yielding product mix and effective management of inventory resulted in increase of EBITDA margin to 23.05 % from 14.77 % of the previous year, while the PAT rose to Rs 19.67 Crs from a PAT of Rs 7.73 Crs of the previous year. But for the unstinted participation of the employees of Sigachi at all the levels, these achievements would not have been made possible. I am proud of my Sigachi colleagues for delivering on the commitments they made and the resulting financial magnanimous growth. I am confident that we will continue to do well in FY20.

We are geared up to unlock the next wave of growth and are working in a phased manner on certain key segments. We have added a few overseas customers who operate in Europe and we are hopeful of a lasting and mutually beneficial association with them. Our R&D is working on certain products with encouraging results that have vast potential to propel our business volumes when we expand and commercialize them. Also, we are actively working on registration of certain products in the domestic and international markets. These measures should give us tangible outcomes in the near future.

Sigachi's efforts on improving depth through portfolio expansion, cost leadership, consistent delivery of limited competition products and supply chain excellence should drive its market position and operating efficiencies. We want to be a partner of choice by creating compelling value for customers through leveraging our R&D capabilities and cost leadership



AMIT RAJ SINHA
Managing Director & CEO

COMPANY OF THE YEAR – PHARMACEUTICALS SEGMENT.



Further we have also been conferred the award “Company of the year – Pharmaceutical in Zee Business Dare to Dream award” for excelling in terms of growth and better stakeholders return than the industry average.

“THIS IS JUST THE BEGINNING AND THE BEST IS YET TO COME”

- AMIT RAJ SINHA
Managing Director & CEO

Mr. Jayesh Ranjan, IAS, Principal Secretary of the Industries & Commerce (I&C) and Information Technology (IT) Departments of the Telangana state government gave away the award to Mr. Subbarami Reddy, CFO, Sigachi at a Glittering function held at Hyderabad on 31 Oct, 2018.

We have been awarded the highly coveted National Best Employer Brands 2018 as Best Employer 2018-2019 in the 13th Employer Branding Awards, organized as part of 27th edition of World HRD among the diverse organisations across the country for rewarding excellence in Talent acquisition, Talent retention and Talent training at Mumbai on 16th Feb, 2019. The jury was chaired by Prof. Indira Parikh & had prominent leaders who made the selection.



Our Participation in Domestic & International Stalls



From the CFO

I take great pride in bringing to your notice that FY 2018-19 has been the best year for Sigachi over the past 3 decades in terms of financial milestones.

Our revenues are continuously touching new heights making Rs.131.79 Cr during the FY with YoY growth rate of 25.53 % and a CAGR growth rate of 27.69% over the past 6 years.

Also the profitability of the company reached its peak over the past 3 decades with the company reporting the highest ever EBITDA margin of around 23.05 % during the FY 2018-19

Such monumental growth was possible because of tremendous efforts that went in streamlining our orientation towards operational efficiency and effectiveness. Our overall growth in sales ramped up due to increased operating rate and ideal product mix.

Together, our team delivered strong financial results in FY 2018-19 with a huge upsurge in PAT to Rs. 19.67 Crores from Rs 7.73 Crores in FY 2017-18. We have generated strong cash flows from operations as a result of efficient management of operating expenditures. Strong controls are in place to ensure the effective mechanism. The net profit witnessed a growth of 154% (YoY) during the fiscal.

We believe we are focused on the right priorities to deliver value in a changing business environment. We are investing for growth while maneuvering to operate at reduced costs without compromising on quality.



Mr. O SUBBARAMI REDDY
Chief Financial Officer

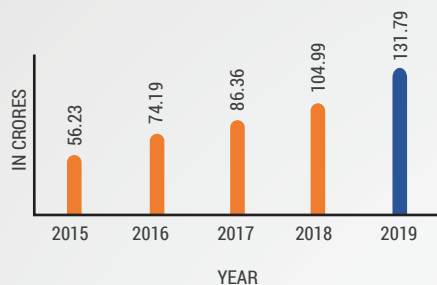
“**YOUR BOARD OF DIRECTORS RECOMMENDED A
DIVIDEND OF 10% TO REWARD THE SHAREHOLDERS FOR THEIR TRUST.**”

Thank you,

O SUBBARAMI REDDY
CFO

FINANCIAL HIGHLIGHTS

GROSS REVENUE



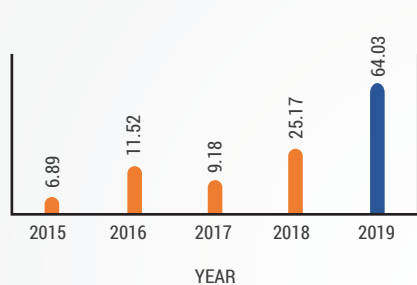
PAT



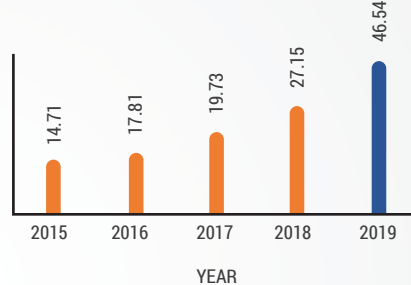
PBT



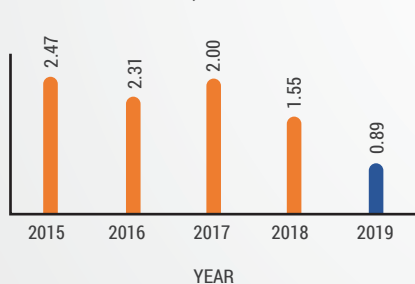
EPS



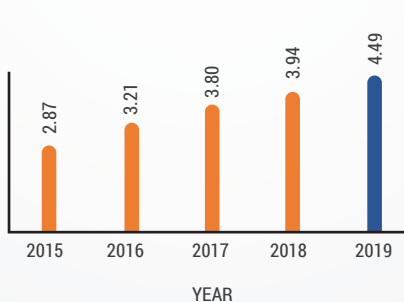
NETWORTH



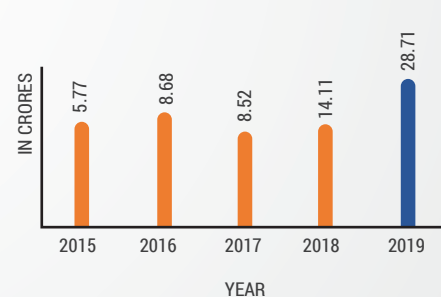
DEBT EQUITY RATIO



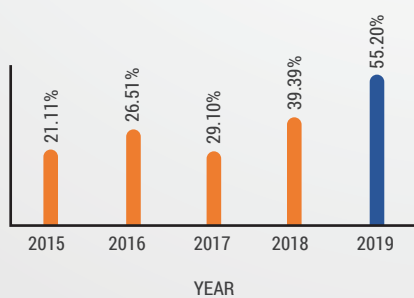
FIXED ASSET T.O.



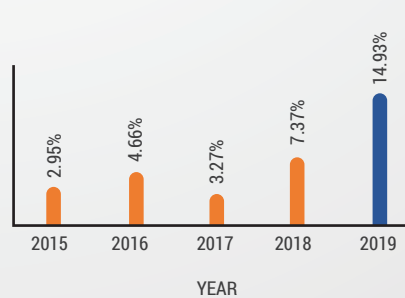
OPERATING PROFIT



ROCE



NET PROFIT RATIO



DIRECTOR'S REPORT

To
The Members,
SIGACHI INDUSTRIES PRIVATE LIMITED

Your Directors are pleased to present the Thirtieth Annual Report together with the audited financial statements for the year ended 31st March 2019. The consolidated performance of the Company and its subsidiary has been referred to wherever required.

1. Financial Summary and Highlights

A summary of the Company's financial results for the Financial Year 2018-19 is as under:

(Rs in Lakhs)

Particulars	2018-19		2017-18	
	Consolidated	Standalone	Consolidated	Standalone
Total Revenue	13,287.77	13,179.83	10,378.49	10,499.32
Total Expenses	10,814.93	10,640.68	9,418.19	9,457.74
Profit before depreciation, amortization and tax	2,640.03	2,706.20	1099.59	1,180.88
Depreciation and amortization	167.19	167.05	139.29	139.29
Profit before tax	2,472.84	2,539.15	960.30	1,041.59
Tax Expense	571.56	571.56	268.06	268.06
Profit after Tax	1,901.27	1,967.58	692.24	773.53
Net Profit for the Year	1,901.27	1,967.58	692.24	773.53
Opening balance of retained earnings	1,571.64	1,652.92	931.66	931.65
Net profit for the year	1,901.27	1,967.58	692.24	773.53
Dividend paid during the year	30.73	30.73	30.00	30.00
Tax on Dividend paid	5.32	5.32	6.10	6.10
Transfer to General Reserve	47.53	49.18	16.15	16.15
Closing balance of Retained earnings	3,389.33	3,535.27	1,571.64	1,652.92

2. Review of Performance and state of company's affairs

During the year under review, members will notice that the total income has increased to Rs. 13,179.83 lakhs from Rs. 10,499.32 lakhs of the previous year 2017-18. Your company reported a Net Profit of Rs.1967.58 lakhs (Previous Year of Rs.773.53 lakhs) after providing for Income Tax and Deferred Tax of Rs.571.56 lakhs (Previous Year of Rs.268.06lakhs).

3. Amounts transferred to reserves

During the year under review, your Company transferred a sum of Rs. 49.18 lakhs being 2.5% of the Profit after Tax of the Financial Year to the general reserve. An amount of Rs.3,535.27 lakhs is proposed to be retained in the profit and loss account.

4. Dividend

Based on Company's performance, your directors are pleased to recommend a dividend of Rs. 1 per share (10%) for the year ended 31st March, 2019, subject to the approval of the members at the ensuing Annual General Meeting. The dividend will be paid to the registered members of the Company as on the date of the ensuing Annual General Meeting.

Transfer of unclaimed dividend to Investor Education and Protection Fund:

The provisions of Section 125(2) of the Companies Act, 2013 (the Act) do not apply as there was no amount in the unclaimed dividend account remaining unpaid under sub-section (5) of section 124 of the Companies Act, 2013.

5. Change in Nature of Business

There is no change in the nature of business affecting the financial position of the Company for the year ended 31st March, 2019.

6. Share Capital

The paid up Equity Share Capital as at March 31, 2019 stood at Rs 307.30 Lakhs. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2019, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

7. Events subsequent to the date of Financial Statements

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

8. Holding, subsidiaries, joint ventures and associate companies

The information on the subsidiary pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 is annexed hereto as Annexure-I in Form AOC-1. However, the Company does not have any holding, associate and joint venture Companies during the year under review.

9. Deposits

The Company has not accepted/renewed any deposits from the public/members under Section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014 during the financial year.

10. Corporate Social Responsibility

Disclosure as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 in prescribed form is enclosed as Annexure III to the Directors Report. During the financial year 2018-19, the Company has spent Rs. 17.39 lakhs. towards various CSR activities in line with the requirements of Section 135 of Companies Act, 2013.

11. Board of Directors

During the period under review there is no change in the constitution of the Board. Mr. O Subbarami Reddy, CFO has been designated as KMP (Key Managerial Personnel) of the company with effect from 30th March, 2019.

12. Meetings of Board & Members

During the period under review Eight Board Meetings were held and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

S. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1	25/05/2018	5	4	80%
2	16/06/2018	5	5	100%
3	18/09/2018	5	5	100%
4	21/11/2018	5	3	60%
5	09/01/2019	5	3	60%
6	14/02/2019	5	3	60%
7	15/03/2019	5	4	80%
8	30/03/2019	5	5	100%

Committees of the Board

The board has formed CSR Committee pursuant to Section 135 of the Companies Act, 2013. The committee met twice during the year. The composition of the committee is as follows:

S. No.	Name of the director	Position
1	Mr. Amit Raj Sinha, Managing Director	Chairman
2	Mr. Rabindra Prasad Sinha, Executive Chairman	Member
3	Mr. SD Nigam, Director	Member

The 29th Annual General Meeting of members was conducted on 29/09/2018. No Extra-ordinary General Meeting of members were conducted during the year.

13. Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under section 178(3) of Companies Act, 2013.

No statement giving particulars as required by the provisions of the Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, annexed hereto since none of the employees of the Company are in receipt of remuneration in excess of the limits specified therein during the year under review.

14. Directors Responsibility Statement

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirm:

- a. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. That we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. That proper and sufficient care has been taken 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 for preventing and detecting fraud and other irregularities;
- d. That the annual accounts have been prepared on a going concern basis;
- e. That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and
- f. That proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

15. Internal financial controls and their adequacy

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation were observed.

16. Audit committee and vigil mechanism

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

17. Auditors

a) Statutory Auditor

M/s. T. Adinarayana & Co, Proprietary Firm (Firm Registration No. 000041S), Chartered Accountants, Hyderabad who are the statutory auditors of the Company, were appointed for a term of 5 years from the conclusion of 27th Annual General Meeting till the conclusion of 32nd Annual General Meeting . The requirement of ratification of appointment of Statutory Auditors has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 07th, 2018.

During the year the statutory auditors have confirmed that they satisfy the independence criteria required under Companies Act, 2013, and the Code of ethics issued by Institute of Chartered Accountants of India.

The auditor report does not contain any qualifications, reservations or adverse remarks.

b) Cost Auditor

As per the requirements of the Section 148 (1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained every year.

In accordance with Section 148(3) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 the Board of Directors had appointed Mr. N V S Kapardi, Cost Accountant, Hyderabad (M. No 9488) as the Cost Auditors for year ending 31st March, 2020. The remuneration payable to the cost auditor is required to be placed before the Members in the ensuing Annual General Meeting seeking ratification. Accordingly, a resolution seeking Members ratification for the remuneration payable to Mr N V S Kapardi is included at Item No 8 of the Notice convening the Annual General Meeting.

c) Secretarial Auditor

The Company being an un-listed and a Private Company”, the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 do not apply.

18. Related Party Transactions

During the period under review, the Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Act. Accordingly, particulars of contracts and arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 along with the justification for entering into such contracts or arrangements in Form AOC-2 does not form part of the Report, as the same is not applicable.

19. Risk Management

Pursuant to Section 134(3)(n) of the Companies Act, 2013 the Company has formulated and implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges.

Major risks identified for the Company by the management are Currency fluctuation, Compliance, Regulatory changes, Manufacturing & Supply. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

20. Particulars of Loans, Guarantees or Investments

Your company has not given any Loans, Investments & Guarantees whatsoever to any other company as envisaged under Section 186 of the Companies Act, 2013.

21. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure-II and is attached to this report.

22. Secretarial Standards

Your Company has complied with the provisions of Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meeting (SS-2).

23. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees permanent, temporary or contractual are covered under the above policy. The Company has also duly constituted an Internal Complaints Committee as required under the Act. During the year under review, no complaints pertaining to sexual harassment of women employees were reported to the Committee.

24. Orders, if any, passed by regulators or courts or tribunals

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

25. Extract of the Annual Return

The details forming part of the extract of the Annual Return in Form MGT 9 as per provisions of Companies Act, 2013 and rules thereto is annexed to this report [Annexure IV].

26. Acknowledgements

Your Directors place on record their sincere thanks to bankers, business associates, consultants, employees and various Government Authorities for their continued support extended to our Company activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on our Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Hyderabad

Date: 03rd September 2019

Sd/-
(Rabindra Prasad Sinha)
Executive Chairman
DIN: 00413448

ANNEXURE -I

Annexure to the Directors' Report

FORM No. AOC-1

[Pursuant to first proviso to sub-section 3 of Section 139 read with Rule 5 of Companies (Accounts) Rules, 2014]

Salient Features of Financial Statements of Subsidiary/Associate Companies/Joint Ventures

as per Companies Act, 2013

Part "A": SUBSIDIARIES

S No	Particulars	
1	Name of the Subsidiary	Sigachi US, Inc
2	Date since when subsidiary was acquired	20.01.2017
3	Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	January to December
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	US\$ @ INR 69.17
5	Share Capital	INR 13,00,800
6	Reserves & Surplus/(Accumulated Loss)	INR(1,14,68,943)
7	Total Assets	INR 2,21,61,928
8	Total Liabilities	INR 3,23,30,071
9	Investments	NIL
10	Turnover	INR 9,34,10,603
11	Loss Before Taxation	INR 40,99,885
12	Provision for Taxation	NIL
13	Loss After Taxation	INR 40,99,885
14	Proposed Dividend	NIL
15	Extent of Shareholding (in percentage)	100%

Additional Information

S No	Particulars	
1	Names of subsidiaries which are yet to commence operations	NIL
2	Names of subsidiaries which have been liquidated or sold during the year	

Part "B": Associates/Joint Ventures-NIL

S No	Particulars	
1	Name of Associates/Joint Ventures	NIL
2	Latest Audited Balance Sheet Date	
3	Date on which the Associate or Joint Venture was associated or acquired	
4	Shares of Associate/Joint Ventures held by the Company on the year end	
	Number of shares	
	Amount of investment in Associates/Joint Ventures	
	Extent of holding (in percentage)	
5	Description of how there is significant influence	
6	Reasons why Associate /joint venture is not consolidated	
7	Net worth attributable to Shareholding as per latest audited balance sheet	
8	Profit or Loss for the year	
	a. Considered in Consolidation	
	i. Not considered in Consolidation	

Additional Information

S No	Particulars	Names
1	Names of associates/joint ventures which are yet to commence operations	NA
2	Names of associates/joint ventures which have been liquidated or sold during the year	NA

Place: Hyderabad

Date: 03rd September 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

(Rabindra Prasad Sinha)

Executive Chairman

DIN: 00413448

ANNEXURE-II**Annexure to the Directors' Report**

[Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

FORM – A**Form for Disclosure of particulars in the respect to conservation of energy**

a. Energy conservation measures taken during the year:

The Company is not a power intensive industry. However regular efforts are made to ensure that power is conserved well, wherever practicable and the equipment are maintained in good condition for superior performance with low power consumption.

b. Proposals being implemented for reduction of consumption of energy: **Not Applicable**

c. Impact of measures at a & b above for reduction of energy consumption and consequent impact on cost of production of goods:
Not Applicable

d. Total energy consumption and energy consumption per unit as per Form B:

Form – B**Technology, Research and Development****Form for disclosure of particulars with respect to technology absorption**

Particulars	For the year ended March 31	
	2019	2018
a. Power and Fuel Consumption		
i. Electricity		
Purchased Units	55,26,437	52,71,403
Total Amount (Rupees)	3,19,98,070	2,78,33,008
Rate/Unit (Rupees)	5.79	5.28
ii. Own Generation (Through Diesel Generator)		
Units generated	47,224	61,224

Total Amount (Rupees)	10,48,373	11,35,093
Units per litre	3.95	3.88
Cost per Unit (Rupees)	22.20	18.54
b. Consumption per unit of Production		
Production (MTs)	8,952	7852
Power cost of consumption in Rupees/MT	3691.5	3690.15

Research & Development	
1. Specific areas in which R&D undertaken Names of associates/joint ventures which have been liquidated or sold during the year	<p>i. Development of BARE Tab, with product registration and Licensing along with various API application study. Patent filed with Indian Patent Office</p> <p>ii. Preliminary study on Self Dispersing MCC and Self Lubricating MCC, as new molecules in excipient</p> <p>iii. Preliminary studies on Orally Disintegrating Tablets Premix is being done CoatCel® developed at par with world leader, in application and properties.</p>
2. Benefits derived as a result of the above R & D	<p>i. Improved and faster tableting, with improved flow and lesser tablet rejections</p> <p>ii. Product superiority established over peer products in the market</p> <p>iii. Application data generated during R&D trials benefits the customers and overall Pharma community for better development</p>
3. Future / further Plan of Action	New Co processed Excipients are being developed for enhancement of end products
4. Expenditure on R & D	Rs.46,53,782/-
5. Technology imported and absorbed	No technology has been imported.

FORM – C

Particulars of Foreign Exchange Earning and Outgo

Particulars	For the year ended March 31, 2019	
	(in Rs.)	
	2019	2018
i. Foreign Exchange Earned		
Export of Goods	68,34,24,489	57,43,24,577
ii. Foreign Exchange Outgo		
a. Import of Raw Material	62,00,63,816	41,90,43,877
b. Travel Expenses	23,19,044	18,16,022
c. Others	NIL	NIL

Place: Hyderabad
Date: 03rd September 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
Sd/-
(Rabindra Prasad Sinha)
Executive Chairman
DIN: 00413448

ANNEXURE-III

Annexure to Directors' Report - annual report on CSR activities to be included in the Board's Report
(pursuant to provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014]

S No	Particulars	Remarks
1	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web- link to the CSR policy and project or programs.	CSR policy includes the following: a) Eradicating poverty, promoting preventive health care and sanitation and making available safe drinking water. b) Promoting Education c) Rural Development Projects.
2	The Composition of the CSR Committee	Mr. Amit Raj Sinha, Chairman Mr. Rabindra Prasad Sinha, Member Mr. SD Nigam, Member
3	Average net profit of the Company for last three financial years.	Rs 810 Lakhs
4	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above).	Rs 16.20 Lakhs
5	Details of CSR spent during the financial year:	
	a) Total amount to be spent for the financial year	Rs 17.39 Lakhs
	b) Amount unspent, if any;	Nil
	c) Manner in which the amount spent during the financial year is detailed below	

(1) Sl. No	(2) CSR project or activity Identified.	(3) Sector	(4) Location	(5) Amount outlay (budget) project or programs wise (Rs)	(6) Amount spent on the projects/ programs Sub-heads:	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent: Direct or through implementing agency *
1	Safe water drinking facility – Initiative	Eradicating hunger, poverty and malnutrition & making available safe drinking water	Hyderabad	15.57 Lakhs	15.57 Lakhs	15.57 Lakhs	Direct
2	Promoting Education	Educating poor students	Hyderabad	1.82 Lakhs	1.82 Lakhs	1.82 Lakhs	Direct
	TOTAL			Rs 17.39 Lakhs	Rs 17.39 Lakhs	Rs 17.39 Lakhs	

6. In case the Company has failed to spend the 2% of the average net profits of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its board report. – Nil, the Company has entirely spent the prescribed CSR expenditure.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company. The implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the Company

Mr. Rabindra Prasad Sinha, Executive Chairman [DIN: 00413448] Member-CSR Committee	Mr Amit Raj Sinha, Managing Director & CEO [DIN 01263292] Chairman-CSR Committee
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Place: Hyderabad

Date: 03rd September 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
(Rabindra Prasad Sinha)

Executive Chairman
DIN: 00413448

ANNEXURE-IV

Annexure to Directors' Report

Form No. MGT 9- EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

1	CIN	U24110TG1989PTC009497
2	Date of Registration	11th January, 1989
3	Name of the Company	SIGACHI INDUSTRIES PRIVATE LIMITED
4	Category/Sub-Category of the Company	Company limited by shares/ Indian Non-Government Company
5	Address of the Registered Office & Contact Details	229/1 & 90, Kalyan's Tulsiram Chambers, Madinaguda, Hyderabad- 500 049, Telangana
6	Whether Listed Company	No
7	Name, Address and contact details of Registrar & Transfer Agent, if any	NIL

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Manufacture of organic chemicals	2011	93.14%
2	Operation & Maintenance of Chemical Plants	7020	6.86%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	Sigachi US, Inc 371, Chamborley, Dr Reisterstown, MD 21136, USA	NA	Subsidiary	100%	2 (87) (i)

The Company does not have any holding, associate and Joint venture Companies.

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	Demant	Physical	Total	% of total shares	Demant	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a. Individual/HUF	-	6,10,746	6,10,746	19.87%	-	6,45,793	6,45,793	21.01%	1.14%
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govts	-	-	-	-	-	-	-	-	-
d. Bodies Corporate		10,04,230	10,04,230	32.68%		10,04,230	10,04,230	32.68%	-
e. Bank/FIs	-	-	-	-	-	-	-	-	-
f.Trust						1,00,825	1,00,825	3.28%	3.28%
Sub-Total A (1)		16,14,976	16,14,976	52.55%		17,50,848	17,50,848	56.97%	4.42%
(2) Foreign									
a.NRIs-Individuals	-	-	-	-	-	-	-	-	-
b.Others-Individuals	-	-	-	-	-	-	-	-	-
c.Bodies Corporate	-	-	-	-	-	-	-	-	-
d.Banks/FIs	-	-	-	-	-	-	-	-	-
e.Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A (2)									
Total Shareholding of Promoter A [A(1)+A(2)]		16,14,976	16,14,976	52.55%		17,50,848	17,50,848	56.97%	4.42%
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b.Banks/FIs	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-

d. State Govts.	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i. Others									
Sub-Total B (1)									
a. %									-
i. Indian	-	22,500	22,500	0.73%	-	22,500	22,500	0.73%	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i. Holding nominal share capital up to Rs.1 Lakh	-	49,445	49,445	1.61%	-	10,650	10,650	0.34%	-1.26%
ii. Holding nominal share capital excess of Rs.1 Lakh	-	12,59,010	12,59,010	40.97%	-	11,80,115	11,80,115	38.40%	-2.57%
c. Others									
NRIs	-	-	-	-	-	-	-	-	-
Directors	-	-	-	-	-	-	-	-	-
HUF	-	1,27,069	1,27,069	4.13%	-	1,08,887	1,08,887	3.54%	-0.59%
Sub-Total B Total Public Shareholding B(1)-B(2)	-	14,58,024	14,58,024	47.28%	-	13,22,152	13,22,152	43.02%	-4.42%
C. Shares held by Custodians for GDRs/ ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)		30,73,000	30,73,000	100%		30,73,000	30,73,000	100%	NIL

* shareholders other than promoters have been shown under Public Shareholding, though they were not “public” since there was no classification of non-promoter shareholders other than public.

(ii) Shareholding of Promoters

S No	Shareholders' Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of Change during the year
		No of Shares	% of total Shares	% of Pledged/encumbered to Total shares	No of Shares	% of total Shares	% of Pledged/encumbered to Total shares	
1	Rabindra Prasad Sinha	1,79,263	5.83	-	2,02,912	6.60	-	0.77
2	S Chidambaranathan	2,58,778	8.42	-	2,58,778	8.42	-	-
3	Amit Raj Sinha	1,72,705	5.62	-	1,72,708	5.62	-	-
4	RPS Projects & Developers Private Ltd	10,04,230	32.68	-	10,04,230	32.68	-	-
5	RPS Family Trust	-	-	-	61,328	2.00	-	2.00
6	Amit raj Sinha Family Trust	-	-	-	39,500	1.29	-	1.29
7	Sudha Sinha	-	-	-	11,392	0.37%	-	-
	Total	16,14,976	52.55%	-	17,50,848	56.97%	-	4.42

(iii) Change in Promoters Shareholding

SI No.	Shareholders' Name	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in Shareholding		Cumulative shareholding during the year	
		No of Shares	% of total shares			No. of shares	% of total shares of company	No. of shares	% of total shares
	At the beginning of the year	16,14,976	52.55					16,14,976	52.55
1	Rabindra Prasad Sinha								
	Opening Balance	1,79,263	5.83		Transfer to RPS family trust			1,79,263	5.83
	Change	23,652	0.77	30.03.2019		3	0.00	23,655	0.77
	Closing Balance	1,79,263	6.60					2,02,912	6.60
2	S Chidambaranathan								
	Opening Balance	2,58,778	8.42					2,58,778	8.42
	Change: NIL	-	-					-	-
	Closing Balance	2,58,778	8.42					2,58,778	8.42
3	Amit Raj Sinha								
	Opening Balance	1,72,705	5.62		Transfer of shares from Sudha Sinha			1,72,705	5.62
	Change	-	-	30.03.2019		3	0.00	3	-
	Closing Balance	1,72,705	5.62					1,72,708	5.62
4	RPS Projects & Developers (P) Limited	-	-					-	-
	Opening Balance	10,04,230	32.68					10,04,230	32.68
	Change: NIL	-	-					-	-
	Closing Balance	10,04,230	32.68					10,04,230	32.68

5	RPS Family Trust	-	-						
	Opening Balance	-	-						
	Purchased during year	61,325	2.00					61,328	2.00
	Closing Balance	61,325	2.00					61,328	2.00
6	Amit Raj Sinha Family Trust	-	-						
	Opening Balance	-	-						
	Purchased during year	39,500	1.29					39,500	1.29
	Closing Balance	39,500	1.29					39,500	1.29
7	Sudha Sinha	-	-						
	Opening Balance	-	-		Purchase	11395			
	Change	-	0.37	30.03.2019 30.03.2019	Transfer of shares to Amit Raj Sinha	3	0.37 0.00	11,395	0.37
	Closing balance	-	0.37					11,392	0.37
	At the end of the year	16,14,976	52.55%					17,50,848	56.97%

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs/ADRs)

	Shareholders' Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of Shares	%of total shares	No of Shares	%of total shares
1	Dharam Prakash Tripathi	3,21,500	10.46	3,21,500	10.46
2	B R Yadav	2,85,600	9.29	2,85,600	9.29
3	Dr. C Dharani Devi	99,150	3.23	99,150	3.23
4	Nitin Raj Sinha	84,990	2.77	84,990	2.77
5	Shobha Nigam	71,400	2.32	71,400	2.32
6	Smita Sinha	40,750	1.33	40,750	1.33
7	Ruchi Simlote	34,000	1.11	34,000	1.11
8	Krishna Sinha	31,600	1.03	31,600	1.03
9	Tribuvan Ravji Thacker	30,000	0.98	30,000	0.98
10	Tripti Tribhuvan Thacker	30,000	0.98	30,000	0.98

(v) Shareholding of Directors and Key Managerial Personnel

	Shareholders' Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of Shares	%of total shares	No of Shares	%of total shares
1	Rabindra Prasad Sinha	1,79,263	5.83	2,02,912	6.60
2	S Chidambaranathan	2,58,778	8.42	2,58,778	8.42
3	Amit Raj Sinha	1,72,705	5.62	1,72,708	5.62
4	Vijay Amrutlal Bhavsar(HUF)*	1,27,069	4.14	1,08,888	3.54
5	Swami Das Nigam	0	0	0	0

* Mr. Vijay Amrutlal Bhavsar, Whole Time director holds equity shares as Karta of his HUF.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year				
i.) Principal Amount	28,88,07,070	0	0	28,88,07,070
ii.) Interest due but not paid	0	0	0	0
iii.) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	28,88,07,070	0	0	28,88,07,070
Change in Indebtedness during the financial year				
-Addition	24,51,962	17,12,04,110	0	1,95,72,373
-Reduction	-6,19,48,465	-1,07,75,169	0	-7,27,23,634
Net Change	-5,94,96,503	63,45,242	0	-5,31,51,261
Indebtedness at the end of the Financial year				
i.) Principal Amount	23,56,55,809		0	23,56,55,809
i.) Interest due but not paid	0	0	0	0
ii.) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	23,56,55,809			23,56,55,809

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in ₹)

S No	Particulars of Remuneration	Name of MD/WTD				Total Amount
		Rabindra Prasad Sinha, Executive Chairman	S Chidambaranathan, Executive Vice-Chairman	Amit Raj Sinha, MD & CEO	Vijay Amrutlal Bhavsar, WTD	
1	Gross Salary	3,840,000	3,840,000	4,800,000	1,200,000	13,680,000
	a. Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	-	-	-	-	-
	b. Value of perquisites U/s 17 (2) of the Income Tax Act, 1961	-	-	-	-	-
	c. Profits in lieu of salary U/s 17 (3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission @	50,78,299	50,78,299	50,78,299	-	1,52,34,898
	% of Profit	2%	2%	2%	-	-
	Other (specify)	-	-	-	-	-
5	Other (Specify) (Contribution to PF)	-	-	-	-	-
	Total (A)	8,918,299	8,918,299	9,878,299	1,200,000	28,914,898
	Ceiling as per the Act: Part II of Schedule V: Minimum Remuneration	N A	N A	N A	NA	NA

Commission of FY 2018-19 will be paid in FY 2019-20

B. Remuneration to other Directors:

S No	Particulars of Remuneration	Swami Das Nigam	Total Amount
1	Independent Directors		-
	a. Fees for attending Board and Committee meetings	-	-
	b. Commission	-	-
	c. Others (Specify)	-	-
	Total of 1	-	-
2	Other Non-Executive Directors		
	a. Fees for attending Board and Committee meetings	18,000	18,000
	b. Commission	-	-
	c. Others (Specify)	-	-
	Total of 2	18,000	18,000
	Total B (1+2)	18000	18000
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act	NA	NA

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD-

(Amount in ₹)

S No	Particulars of Remuneration	Key Managerial Personnel			
		CEO *	CFO #	CS	Total
1	Gross Salary				
	a. Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	NA	27,11,521	NA	27,11,521
	b. Value of perquisites U/s 17 (2) of the Income Tax Act, 1961		-		-
	c. Profits in lieu of salary U/s 17 (3) of the Income Tax Act, 1961		-		-
2	Stock Option		-		-
3	Sweat Equity		-		-
4	Commission @		25,39,150		25,39,150
	% of Profit		1%		-
	Other (specify)		-		-
5	Other (Specify) (Contribution to PF)		1,24,544		1,24,544
	Total (A)		53,75,215		53,75,215

*Mr. Amit Raj Sinha is the Managing Director and CEO (Refer table VI-A)

Mr. O Subbarami Reddy, CFO was designated as CFO(KMP) on 30th March, 2019.

@ Commission of FY 2018-19 will be paid in FY 2019-20

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding Fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any (give details)
Company / Directors / Officers in Default					
Penalty	NIL				
Punishment					
Compounding					

Place: Hyderabad

Date: 03rd September 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

(Rabindra Prasad Sinha)

Executive Chairman

DIN: 00413448

Independent Auditors' Report- Standalone

To

The Members of Sigachi Industries Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sigachi Industries Private Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ('Ind AS') and other 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, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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.

Sl. No	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.</p> <p>Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.</p> <p>The application of the new revenue accounting standard involves certain significant judgements and estimates made by the management including identification of distinct performance obligations, determination of transaction price of the identified performance obligations, determination of transaction price, the appropriateness of the basis used to measure revenue recognized over a period.</p> <p>Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.</p> <p>Accumulated expenses are used to estimate provisions of discounts, rebates.</p>	<p>Principal Audit Procedures</p> <p>We reviewed the Company's implementation of Ind AS 115, including recognition of the effect on opening equity and changes to procedures, accounting guidelines, disclosures and systems to support correct revenue recognition. We reviewed and discussed the accounting policy including the key accounting estimates and judgements made by management.</p> <p>We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognised.</p> <p>We read a sample of contracts to assess whether the method for recognition of revenue was relevant and consistent with Ind AS 115, and had been applied consistently. We focused on contract classification, allocation of income and cost to the individual performance obligations and timing of transfer of control.</p> <p>We evaluated the significant judgements and estimates made by management in applying accounting policy to sample of contracts and we obtained evidence to support them, including contractual agreements, delivery records. We also considered the historical outturns of estimates used in prior periods.</p> <p>We applied Audit Techniques to establish, whether any revenue has been recognized where no corresponding accounts receivable or cash has been recorded in the</p>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 controls.

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.

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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, we give in Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 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-B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial
3. 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, as amended in our opinion and to the best of our information and according to the explanations given to us
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There are no amount to be transferred to Investor Education and Protection Fund by the Company.

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31st March 2019.

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of amendments to section 197(16) of the Act:

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. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For M/S T. Adinarayana & Co.,

Chartered Accountants
Firm Regn. No. 000041S

Place: Hyderabad

Date: 03rd September 2019

Sd/-

Y Pulla Rao, FCA

Proprietor

M.No.025266

UDIN:19025266AAAABS6153

Annexure A to the Independent Auditors' Report

With reference to Annexure A as referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the company on the standalone financial statement for the year ended 31 March 2019, we report the following:

Sl. No	Ref to CARO	Report by Independent Auditors
1.	3(i)	Fixed Assets
	3(i)(a)	The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
	3(i)(b)	The Company has a regular program of physical verification of its fixed assets, by which all fixed assets are verified on annual basis, in our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all fixed assets were physically verified during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
	3(i)(c)	According to the information and explanations given to us and the records examined by us and based on the examination of sale deeds, conveyance deeds, encumbrance certificates verified by us, we report that the title deeds comprising all the immovable properties of lands, buildings which are free hold, are in the name of the company as at the balance sheet date

Sl. No	Ref to CARO	Report by Independent Auditors
2.	3(ii)	<p>Inventories</p> <p>As explained to us, the inventories has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. There were no material discrepancies noticed on verification between the physical stock and the book records.</p>
3.	3(iii)	<p>Loans to parties covered by Sec.189 of the Companies Act,2013 ('the Act')</p> <p>According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to body corporate, firms, Limited Liability Firms or other parties covered in the register required to be maintained under section 189 of the Act. Accordingly the provisions of the clause 3 (iii) of the Order are not applicable to the Company for the year under review.</p>
4.	3(iv)	<p>Loans, guarantees, securities to and investments in other companies</p> <p>In our opinion and according to the information and explanation given to us, the company has no transactions for compliance with the provisions of Sections 185 and 186 and complied with the provisions of Section 186 of the Act in respect of investments made and loans given.</p>
5.	3(v)	<p>Acceptance of deposits</p> <p>In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year as per provisions of Section 73 or 76 of the Act or any other relevant provisions of the Act and the relevant Rules framed thereunder. Accordingly the provisions of the Para 3 (v) of the Order are not applicable to the Company for the year under review.</p>
6.	3(vi)	<p>Maintenance of cost records</p> <p>Pursuant to the Rules made by the Central Government under Section 148 (1) of the Companies Act, 2013, the company has appointed Cost auditor and the audit is under progress. We have broadly reviewed the cost records maintained by the Company and are of the opinion that prima facie the prescribed accounts & records have been made & maintained. We have, however not made detailed examination of records with a view to determining whether they are accurate (or) complete.</p>
7.	3(vii) 3(vii)(a)	<p>Statutory Dues</p> <p>According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee's State insurance, Income Tax, Goods and Service Tax, duty of Customs, Cess and other material statutory dues have been deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Goods and Service Tax, duty of Customs, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.</p>

Sl. No	Ref to CARO	Report by Independent Auditors
	3(vii)(b)	According to the information and explanation given to us, there are no dues of statutory dues of Income tax, sales tax, Service tax, Goods and Service tax, Customs duty, Excise duty, Value added tax, cess and other dues that have not been deposited by the Company on account of any disputes.
8.	3(viii)	Defaults in repayments to Financial Institutions/Banks/Debenture holders In our opinion and according to the information and explanation given to us, the Company has not defaulted in the payment/repayments of loans or borrowings to the banks.
9.	3(ix)	Initial public offer/further offer In our opinion and according to the information and explanation given to us, the company has not made, during the year under review, any initial public offer or further public offer of securities (including debt instruments) or the term loans during the year and hence reporting under Para 3(ix) of the Order is not applicable to the company.
10.	3(x)	Frauds by or on the company In our opinion and according to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11.	3(xi)	Managerial Remuneration In our opinion and according to the information and explanation given to us based on the examination of the records of the Company, the company has paid/provided managerial remuneration in accordance with the requisite approvals and compliances mandated by the provisions of section 197 read with Schedule V to the Act.
12.	3(xii)	Nidhi company In our opinion and according to the information and explanation given to us, the company is not a Nidhi Company as prescribed under Section 406 of the Act and hence paragraph 3(xii) of the Order is not applicable to the company.
13.	3(xiii)	Transactions with Related parties In our opinion and according to the information and explanation given to us and based on our examination of the records of the Company, all transactions with related parties are in compliance with provisions of section 177 and section 188 of the Act where applicable, and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
14.	3(xiv)	Preferential allotment u/s 62 or private placement u/s 42 of the Act In our opinion and according to the information and explanation given to us and based on our examination of the records, the Company has not made any preferential allotment of equity shares during the year. There is no private placement of shares by the company under section 42 of the Act during the year.

Sl. No	Ref to CARO	Report by Independent Auditors
15.	3(xv)	<p>Non-cash transactions with directors u/s 192 of the Act</p> <p>In our opinion and according to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered during the year into any non cash transactions with its Directors or persons connected to its Directors and hence provisions of Sec 192 of the Act and paragraph 3(xv) of the Order are not applicable to the company.</p>
16.	3(xvi)	<p>Registration u/s 45-1A of Reserve Bank of India Act,1934</p> <p>According to the information and explanation given to us,the company is not required to be registered under section 45-1A of the Reserve bank of India Act, 1934 and hence paragraph 3(xvi) of the Order is not applicable to the company.</p>

Place: Hyderabad
Date: 03rd September 2019

For M/S T. Adinarayana & Co.,

Chartered Accountants
Firm Regn. No. 000041S

Sd/-

Y Pulla Rao, FCA

Proprietor

M.No.025266

UDIN:19025266AAAAABS6153

Annexure-B to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sigachi Industries Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Para (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 Sigachi Industries Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

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

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, to the best of our information and according to the explanations given to us, 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.

Place: Hyderabad

Date: 03rd September 2019

For M/S T. Adinarayana & Co.,

Chartered Accountants

Firm Regn. No. 000041S

Sd/-

Y Pulla Rao, FCA

Proprietor

M.No.025266

UDIN:19025266AAAABS6153

STANDALONE BALANCE SHEET

Balance Sheet as at 31st March, 2019

Amount in Rs

Particulars	Note	As at 31st Mar 19	As at 31st Mar 18	As at 31st Mar 17
ASSETS				
Non-current assets				
Property, plant and equipment	3	28,10,67,519	25,88,61,111	22,57,78,805
Capital work-in-progress	4	2,28,60,826	69,25,769	95,43,361
Other Intangible Assets	3	40,33,946	-	-
Financial assets				
Investments	5	12,99,000	19,03,994	10,01,255
Other financial assets	6	1,05,90,573	93,36,703	95,46,392
Other non-current assets	7	32,13,377	27,77,911	80,19,210
Total non-current assets		32,30,65,241	27,98,05,488	25,38,89,023
Current assets				
Inventories	8	21,32,97,814	14,42,87,363	14,45,87,956
Financial assets				
Trade receivables	9	26,18,59,956	21,94,28,668	14,45,01,064
Cash and cash equivalents	10	1,09,96,622	76,69,679	1,90,95,924
Other bank balances	11	91,14,299	1,58,06,722	1,36,73,209
Other financial assets	12	8,24,34,998	4,22,39,742	3,15,68,712
Other current assets	13	71,53,302	47,94,637	65,17,528
Total current assets		58,48,56,991	43,42,26,810	35,99,44,392
TOTAL ASSETS		90,79,22,232	71,40,32,299	61,38,33,415
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14	3,07,30,000	3,07,30,000	3,07,30,000
Other equity		43,47,22,061	24,08,10,139	16,65,72,226
Total Equity		46,54,52,061	27,15,40,139	19,73,02,226
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	15	83,85,291	3,32,34,106	3,88,91,484
Provisions	16	54,19,923	57,70,636	45,84,392
Deferred tax liabilities (net)	17	2,68,83,881	2,06,88,768	2,10,82,987
Total non-current liabilities		4,06,89,095	5,96,93,509	6,45,58,862
Current liabilities				
Financial liabilities				
Borrowings	18	20,40,02,235	23,48,47,383	23,57,05,722
Trade payables	19	8,15,75,052	8,21,90,860	7,90,07,205
Other financial liabilities	20	2,32,68,283	2,07,25,582	1,90,79,911
Other current liabilities	21	4,95,17,439	2,76,10,852	1,81,79,487
Provisions	22	4,34,18,066	1,74,23,974	-
Total current liabilities		40,17,81,076	38,27,98,651	35,19,72,326
TOTAL EQUITY AND LIABILITIES		90,79,22,232	71,40,32,299	61,38,33,415
See accompanying notes to the financial statements	1 to 41			

As per our report of even date attached
For T .Adinarayana & Co,
Chartered Accountants
Firm Regn No. 000041S

Sd/-
Y.P Rao
Proprietor
Membership No. 025266
Place: Hyderabad
Date:03rd September 2019

For and on Behalf of the Board of Directors

Sd/-
Rabindra Prasad sinha
Executive Chairman

Sd/-
S Chidambaranathan
Executive Vice Chairman

Sd/-
Amit Raj Sinha
Managing Director and CEO

Sd/-
O.Subbarami Reddy
Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2019
Amount in Rs

Particulars	Note	Year ended 31st Mar 19	Year ended 31st Mar 18	Year ended 31st Mar 17
Revenue from operations	23	1,27,90,86,499	1,01,93,83,012	85,74,29,696
Other income	24	3,88,96,062	3,05,49,347	62,25,227
Total income		1,31,79,82,561	1,04,99,32,358	86,36,54,923
Expenses				
Cost of materials consumed	25	69,77,87,424	60,11,86,540	51,63,06,853
Changes in inventories of finished goods, work in progress and stock in trade	26	(3,74,75,938)	(30,00,240)	(52,47,814)
Employee benefit expenses	27	12,12,62,731	8,71,36,015	9,11,61,797
Finance costs	28	3,32,19,985	3,69,77,592	4,32,65,382
Depreciation and amortization expense	3	1,67,04,832	1,39,28,782	1,29,91,443
Other expenses	29	23,25,68,567	20,95,44,849	16,32,20,748
Total expenses		1,06,40,67,601	94,57,73,537	82,16,98,409
Profit/(loss) before extraordinary, exceptional items and tax		25,39,14,960	10,41,58,821	4,19,56,514
Extraordinary items		-	-	-
Exceptional items		-	-	-
Profit/(loss) before tax		25,39,14,960	10,41,58,821	4,19,56,514
Tax expense				
(i) Current tax	30	5,09,61,046	2,72,00,000	1,22,04,318
(ii) Deferred tax	30	61,95,113	(3,94,219)	15,28,669
Profit/(loss) for the period from continuing operations		19,67,58,801	7,73,53,040	2,82,23,527
Profit/(loss) for the period from discontinued operations		-	-	-
Tax expense of discontinued operations		-	-	-
Profit/(loss) for the period from Discontinued operations(after tax)		-	-	-
Profit/(loss) for the period		19,67,58,801	7,73,53,040	2,82,23,527
Other comprehensive income				
A.				
i) Items that will not be reclassified to profit and loss	31	7,57,873	4,96,094	3,71,961
ii) Income tax relating to items that will not be reclassified to profit or loss	31	(1,89,240)	(1,38,013)	(1,22,981)
B.				
i) Items that will be reclassified to profit and loss		-	-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
Total other comprehensive income		5,68,633	3,58,081	2,48,980
Total Comprehensive income for the period (Comprising profit(Loss) and other comprehensive Income for the period)		19,73,27,434	7,77,11,120	2,84,72,506
Earnings per equity share(for continuing Operation)				
1) Basic	32	64.03	25.17	9.18
1) Diluted	32	64.03	25.17	9.18
Earnings per equity share(for discontinued Operation)				
1) Basic		-	-	-
1) Diluted		-	-	-
Earnings per equity share(for discontinued Operation and continuing operation)				
1) Basic		64.03	25.17	9.18
1) Diluted		64.03	25.17	9.18
See accompanying notes to the financial statements	1 to 41			

As per our report of even date attached

For T .Adinarayana & Co,
Chartered Accountants
Firm Regn No. 000041S

Sd/-

Y.P Rao
Proprietor

Membership No. 025266

Place: Hyderabad

Date:03rd September 2019

For and on Behalf of the Board of Directors

Sd/-

Rabindra Prasad sinha
Executive Chairman

Sd/-

S Chidambaranathan
Executive Vice Chairman

Sd/-

Amit Raj Sinha
Managing Director and CEO

Sd/-

O.Subbarami Reddy
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY AND OTHER EQUITY

Amounts in Rs

Particulars	Equity share capital	Reserves & Surplus					Other Comprehensive Income	Total Other Equity
		Securities premium	General Reserve	A.P State Subsidy	Amalgamation Reserve	Profit and loss		
Balance as at 1st Apr 16	3,00,00,000	1,28,76,515	1,50,03,142	4,37,053	3,90,56,600	6,70,06,228	-	13,43,79,538
Current year	7,30,000	35,77,000	-	-	-	2,82,23,527	-	3,18,00,527
Transition Adjustments								
Dividend and DDT		-		-	-	36,11,221	-	36,11,221
Investments		-		-	-	1,255	-	1,255
Interest Expense		-		-	-	4,28,911	-	4,28,911
Gratuity		-		-	-	(2,86,984)	2,48,980	(38,004)
Appropriations								
General Reserve		-	22,07,339	-	-	(22,07,339)	-	-
Dividend		-	-	-	-	(30,00,400)	-	(30,00,400)
Dividend Distribution tax		-	-	-	-	(6,10,821)	-	(6,10,821)
Balance as at 1st April 17	3,07,30,000	1,64,53,515	1,72,10,481	4,37,053	3,90,56,600	9,31,65,598	2,48,980	16,65,72,226
Current year	-	-	-	-	-	7,73,53,040	-	7,73,53,040
Appropriations								
General Reserve		-	16,15,063	-	-	(16,15,063)	-	-
Dividend paid		-	-	-	-	(30,00,400)	-	(30,00,400)
Dividend distribution tax paid		-	-	-	-	(6,10,821)	-	(6,10,821)
Other comprehensive Income for the year		-	-	-	-	-	4,96,094	4,96,094
Balance as at 31st Mar 18	3,07,30,000	1,64,53,515	1,88,25,544	4,37,053	3,90,56,600	16,52,92,353	7,45,074	24,08,10,139
Current year	-	-	-	-	-	19,67,58,801	-	19,67,58,801
Appropriations								
General Reserve		-	49,18,970	-	-	(49,18,970)	-	-
Dividend paid		-	-	-	-	(30,73,000)	-	(30,73,000)
Dividend distribution tax paid		-	-	-	-	(5,31,752)	-	(5,31,752)
Other comprehensive Income for the year		-	-	-	-	-	7,57,873	7,57,873
Balance as at 31st Mar 19	3,07,30,000	1,64,53,515	2,37,44,514	4,37,053	3,90,56,600	35,35,27,432	15,02,947	43,47,22,061

As per our report of even date attached

For T .Adinarayana & Co,

Chartered Accountants

Firm Regn No. 000041S

For and on Behalf of the Board of Directors

Sd/-
Y.P.Rao

Proprietor

Membership No. 025266

Place: Hyderabad

Date:03rd September 2019

Sd/-
Rabindra Prasad sinha

Executive Chairman

Sd/-
S Chidambaranathan

Executive Vice Chairman

Sd/-
Amit Raj Sinha

Managing Director and CEO

Sd/-
O.Subbarami Reddy

Chief Financial Officer

Statement of Cash Flows for the year ended 31st March, 2019

Amount in Rs

Particulars	Year ended 31st Mar 19	Year ended 31st Mar 18
Cash flows from operating activities		
Profit/(loss) before tax	25,39,14,960	10,41,58,821
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortisation	1,67,04,832	1,39,28,782
(Profit)/loss on sale of fixed assets	4,33,520	2,38,315
Scrap sales	(6,85,999)	-
Gratuity and compensated absence	7,57,873	4,96,094
Finance costs	3,32,19,985	2,91,90,545
Interest income	(8,75,814)	(8,62,277)
Changes in Current assets and Current liabilities		
Inventories	(6,90,10,451)	3,00,593
Trade receivables	(4,24,31,288)	(7,49,27,604)
Trade payables	(6,15,808)	31,83,656
Other assets	(4,25,53,921)	(89,48,138)
Other liabilities	1,95,98,233	2,76,42,671
Cash generated from operations	16,84,56,123	9,44,01,457
Income taxes paid	(5,09,61,046)	(2,72,00,000)
Cash flow from non operating activities -Scrap sale	6,85,999	-
Net cash flow from operating activities (A)	11,81,81,076	6,72,01,457
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,93,13,762)	(4,46,31,813)
Interest income	8,75,814	8,62,277
Investments	6,04,994	(9,02,739)
Other assets	(16,89,336)	54,50,988
Net cash flow used in investing activities (B)	(5,95,22,290)	(3,92,21,287)
Cash flow from financing activities		
Repayment of long-term borrowings (net)	(2,48,48,815)	(56,57,378)
Finance costs	(3,32,19,985)	(2,91,90,545)
Dividend and DDT	(36,04,752)	(36,11,221)
Other liabilities	(3,50,713)	11,86,244
Net cash flow (used in)/from financing activities (C)	(6,20,24,265)	(3,72,72,900)
Net increase in cash and cash equivalents (A+B+C)	(33,65,480)	(92,92,731)
Cash and cash equivalents at the beginning of the year	2,34,76,401	3,27,69,133
Cash and cash equivalents at the end of the year	2,01,10,921	2,34,76,402

As per our report of even date attached

For T .Adinarayana & Co,
Chartered Accountants
Firm Regn No. 000041S

For and on Behalf of the Board of Directors

Sd/-

Y.P Rao
Proprietor

Membership No. 025266

Place: Hyderabad

Date:03rd September 2019

Sd/-

Rabindra Prasad sinha
Executive Chairman

Sd/-

Amit Raj Sinha
Managing Director and CEO

Sd/-

S Chidambaranathan
Executive Vice-Chairman

Sd/-

O.Subbarami Reddy
Chief Financial Officer

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate Information

Sigachi Industries Private Limited was incorporated on 11th January, 1989 in Hyderabad. The Company has its registered office at 229/1&90, Kalyan's Tulsiram Chambers, Madinaguda, Hyderabad-500049, Telangana. It is incorporated under Companies Act as private limited company and is limited by shares. It has got three production facilities spread across India. The company is engaged in manufacturing of Micro Crystalline cellulose powder (MCCP). The principal accounting policies applied in the preparation of the financial statements are set out below.

2. Basis of Preparation and Presentation of Financial Statements

The financial statements of Sigachi Industries Private Limited ("the Company") for the year ended 31st March, 2019 have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. For all periods up to and including the year ended 31st March 2018, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014. These are the company's first annual financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has adopted all applicable standards and the adoption was carried out in accordance with Ind AS 101 – 'First Time Adoption of Indian Accounting Standards'. An explanation of how the transition to Ind AS has affected the reported financial position of the Company are provided in Note number 2.19 First Time Adoption.

The Financial Statements for the year ended 31st March, 2018 and the opening Balance sheet as at 1st April, 2017 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in notes.

2.1 Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- i) Certain financial assets and liabilities
- ii) Employee defined benefit assets/(liability)

All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization/settlement within twelve months period from the balance sheet date.

2.2 Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their in cash and cash equivalents. The company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

2.3 Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognized in the period in which they are determined.

a. Depreciation and amortization:

Depreciation and amortization is based on Schedule II to the Companies Act, 2013, which describes useful lives of property, plant and equipment and intangible assets.

b. Provisions and contingencies:

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

c. Fair valuation:

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows: Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and Level 3: Inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or reassessed in line with the Company's Accounting Policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.4 Critical Accounting Judgements and Key source of estimation uncertainty operating cycle:

"In the application of the company's accounting policies, the management of the company are required to make judgments, estimates, and assumptions about the carrying amounts of the assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates is revised if the revision effects only that period or in the period of the revision and future periods in the revision effects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the company's accounting policies and that have the most significant effects on the amounts recognized in the financial statements."

2.5 Provisions and contingent liability:

On an ongoing basis, Company reviews pending cases, claims by third parties and other. For contingent losses that are considered probable an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible or not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

2.6 Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2019 management assessed that the useful lives represent the expected utility of the assets to the company. Further, there is no significant change in the useful lives as compared to previous year.

2.7 Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees.

2.8 Property Plant & Equipment

Transition to Ind AS

The Company has elected to continue with the net carrying value of all its property, plant and equipment recognized as of 1st April, 2017 (transition date) as per the previous GAAP and use that carrying value as its deemed cost.

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within in the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the statement of profit and loss on Straight line basis over the estimated useful lives of property, plant and equipment based on Schedule - II to the Companies Act, 2013 ("Schedule"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on pro rata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period with the effect of any changes in estimated useful lives residual values and impairment loss, if any, and are accounted for on a prospective basis.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

i. Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

ii. Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in the following categories:

a. Financial Assets at Amortized Cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognized in the Statement of Profit and Loss.

b. Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss.

Investment in Equity Instruments are designated as Financial Assets measured at fair value through OCI and Investments in Mutual Funds are designated as Financial Assets measured at fair value through statement of Profit & Loss on date of transition.

c. Impairment of Financial Assets

In accordance with Ind AS 109, expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. As Company trade receivables are realized within normal credit period adopted by the company, hence the financial assets are not impaired.

d. De-recognition of Financial Assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

B. Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

ii. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

iii. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generated Units (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.10 Cash and Cash Equivalents

Cash and Bank balances comprise of cash balance in hand, in current accounts with banks and Bank Fixed Deposits with maturity of 3 months or less than 3 months.

2.11 Employee Benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution Plan

Employee State Insurance is a defined contribution scheme of the Government of India under which both the employer and employee contribute on a monthly basis at a pre-determined rate and the Company has no further obligation.

Defined Contribution Benefits

The Company has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for lump sum payment on retirement, death while in employment or on separation.

2.12 Borrowing Cost:

Borrowing costs are charged to the Statement of Profit and Loss except in cases where the borrowings are directly attributable to the acquisition, construction or production of qualifying asset till it is put to use.

2.13 Government Grants:

Ind AS 20 gives an option to present the grants related to assets, including nonmonetary grants at fair value in the balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. Accordingly Sales Tax Deferment amount payable to Department has been considered as Government Grant and considered the interest expenses and amortization benefit is considered in Profit and Loss Account and Balance Sheet.

2.14 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

2.15 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of income can be measured reliably. Revenue is net of returns and is reduced for rebates, trade discounts, refunds and other similar allowances. Revenue includes excise duty but is net of service tax, sales tax, value added tax and other similar taxes and GST from 1st July, 2017.

Sale of goods

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is recognised, when the significant risks and rewards of the ownership have been transferred to the buyers and there is no continuing effective control over the goods or managerial involvement with the goods. Sales include Job work charges received on contract manufacturing operations and lease rentals from the leasing of its factories.

Other Income

Other income includes Dividend, Interest, Profit / (Loss) on sale of Investments, Commission, Professional and Technical Services and other miscellaneous receipts if any. Dividend income from investments is recognized when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time proportionate basis, by reference to the principle outstanding and at the effective interest rate applicable. Commission income is recognised when the economic benefits associated with the transaction will flow to the entity or the amount of revenue can be measured reliably.

When the transaction involving the rendering of services is estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period.

The outcome of the transactions can be estimated reliably when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the entity;
- (c) the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably

Income Tax

Current Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.17 Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.18 Recently issued accounting pronouncements

Ind AS 115, Revenue from contracts with customers

In March 2018, the Ministry of Corporate Affairs has notified Ind AS 115, 'Revenue from Contracts with Customers', which is effective for accounting periods beginning on or after 1st April 2018. This comprehensive new standard will supersede existing revenue recognition guidance, and requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

Ind AS 115 is effective for annual reporting periods beginning on or after 1st April, 2018.

The Company intends to adopt Ind AS 115 effective 1st April, 2018, using the modified retrospective method. The adoption of Ind AS 115 is not expected to have a significant impact on the Company's recognition of revenues.

Other amendments to Indian Accounting Standards

The Ministry of Corporate Affairs (MCA), on 28th March, 2018, issued certain amendments to Ind AS. The amendments relate to the following standards:

Ind AS 21- The Effects of Changes in Foreign Exchange Rates

Ind AS 12- Income Taxes

Ind AS 28-Investments in Associates and Joint Ventures

Ind AS 112- Disclosure of Interests in Other Entities

Ind AS 40- Investment Property

The amendments are effective from 1st April, 2018. The Company believes that the aforementioned amendments will not materially impact the financial position, performance or the cash flows of the Company.

Ind AS 12 'Income Taxes': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Amendment to Ind AS 19 'Employee Benefits: On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

2.19 First-time adoption of Ind AS

These financial statements, for the year ended 31st March, 2019, are the first set of financial statements the Company has prepared in accordance with Indian Accounting Standards (Ind AS). For periods up to and including the year ended 31st March, 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2019, together with the comparative period data as at and for the year ended 31st March, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2017, i.e., the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2017 and the financial statements as at and for the year ended 31st March, 2018.

Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

The Company adopted not to measure any item of property, plant and equipment at its fair value at the Transition Date. Accordingly, on the transition date, the net carrying value of the property, plant and equipment and intangible assets shall be considered as deemed cost for Ind AS purposes.

Estimates

The estimates at 1st April, 2017 and at 31st March, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

• FVTOCI – Equity Instruments

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April, 2017, the date of transition to Ind AS and as of 31st March, 2018.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 3 : PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Particulars	Property, Plant and Equipment							Other Intangible	
	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Lab Equipments	Software	Total
Gross Carrying Value									
Balance as at April 01, 2016	2,34,64,234	8,17,12,064	15,22,93,250	42,10,757	30,60,321	91,17,891	12,81,200	-	-
Additions	21,01,665	9,18,671	65,76,248	3,45,711	4,52,365	30,03,037	93,112	-	-
Deductions /Adjustments	-	-	45,14,465	-	-	21,53,462	-	-	-
Balance as at March 31, 2017	2,55,65,899	8,26,30,735	15,43,55,033	45,56,468	35,12,686	99,67,466	13,74,312	40,33,946	40,33,946
Accumulated Depreciation									
Opening Accumulated depreciation	-	1,05,57,370	2,92,65,480	14,29,234	13,55,312	15,82,199	10,90,044	-	-
Depreciation charged during the year	-	26,04,542	71,75,597	6,34,239	9,06,904	14,65,514	2,04,647	-	-
Disposal/Adjustments	-	-	3,74,935	-	-	17,12,353	-	-	-
Closing Accumulated depreciation	-	1,31,61,912	3,60,66,142	20,63,473	22,62,216	13,35,360	12,94,691	-	-
Net Carrying amount as at 31.03.2017	2,55,65,899	6,94,68,823	11,82,88,891	24,92,995	12,50,470	86,32,106	79,621	-	-
Gross Carrying Value									
Balance as at April 01, 2017	2,55,65,899	8,26,30,735	15,43,55,033	45,56,468	35,12,686	99,67,286	13,74,492	-	-
Additions	-	1,89,97,777	2,43,72,318	69,920	18,68,296	20,31,094	-	-	-
Deductions /Adjustments	-	-	-	-	4,01,393	3,96,554	-	-	-
Balance as at March 31, 2018	2,55,65,899	10,16,28,512	17,87,27,351	46,26,388	49,79,589	1,16,01,826	13,74,492	-	-
Accumulated Depreciation									
Opening Accumulated depreciation	-	1,31,61,912	3,60,66,142	20,63,473	22,62,216	13,35,360	12,94,691	-	-
Depreciation charged during the year	-	28,41,921	81,37,982	6,12,292	7,99,993	15,00,857	35,737	-	-
Disposal/Adjustments	-	-	-	-	4,01,393	68,237	-	-	-
Closing Accumulated depreciation	-	1,60,03,833	4,42,04,124	26,75,765	26,60,816	27,67,980	13,30,428	-	-
Net Carrying amount as at 31.03.2018	2,55,65,899	8,56,24,679	13,45,23,227	19,50,623	23,18,773	88,33,846	44,064	-	-
Gross carrying Value									
Balance as at April 01, 2018	2,55,65,899	10,16,28,512	17,87,27,351	46,26,388	49,79,589	1,16,01,826	13,74,492	-	-
Additions	-	56,98,936	3,12,34,911	7,83,478	13,23,099	27,06,452	12,000	40,33,946	40,33,946
Deductions /Adjustments	21,01,665	-	1,29,970	2,46,364	8,03,921	8,42,096	-	-	-
Balance as at March 31, 2019	2,34,64,234	10,73,27,448	20,98,32,292	51,63,502	54,98,767	1,34,66,182	13,86,492	40,33,946	40,33,946
Accumulated Depreciation									
Opening Accumulated depreciation	-	1,60,03,833	4,42,04,124	26,75,765	26,60,816	27,67,980	13,30,428	-	-
Depreciation charged during the year	-	35,13,882	95,50,614	4,36,869	13,42,709	18,24,004	36,754	-	-
Disposal/Adjustments	-	-	67,799	2,64,564	7,61,921	1,82,096	-	-	-
Closing Accumulated depreciation	-	1,95,17,715	5,36,86,939	28,48,070	32,41,604	44,09,888	13,67,182	-	-
Net Carrying amount as at 31.03.2019	2,34,64,234	8,78,09,733	15,61,45,353	23,15,432	22,57,163	90,56,294	19,310	40,33,946	40,33,946

Amount in Rs

4	Capital Work-in-Progress	
	Particulars	Amount in Rs
	Balance as at April 01,2016	-
	Additions	95,43,361
	Deductions /Adjustments	-
	Balance as at March 31,2017	95,43,361
	Balance as at April 01,2017	95,43,361
	Additions	7,95,155
	Deductions /Adjustments	34,12,747
	Balance as at March 31,2018	69,25,769
	Balance as at April 01,2018	69,25,769
	Additions	2,99,78,309
	Deductions /Adjustments	1,40,43,252
	Balance as at March 31,2019	2,28,60,826

Note	Particulars	As at 31st Mar 19	As at 31st Mar 18	As at 31st Mar 17
5	INVESTMENTS			
	Investments carried at cost			
	Unquoted equity shares (fully paid up)			
	In 100% subsidiary - Sigachi US INC			
	Equity shares of 20,000 @ US \$ 64.95 each	12,99,000	12,99,000	-
	Investments in Mutual Funds(quoted) at fair value	-	6,04,994	10,01,255
		12,99,000	19,03,994	10,01,255
6	OTHER FINANCIAL ASSETS			
	Unsecured and considered good			
	Security deposits	23,100	48,100	21,400
	Electricity Deposits	85,83,094	82,00,928	84,23,882
	Rental deposits	6,75,662	5,01,662	4,95,262
	Other Deposits	13,08,717	5,86,013	6,05,847
		1,05,90,573	93,36,703	95,46,392
7	OTHER NON CURRENT ASSETS			
	Capital Advances	32,13,377	27,77,911	80,19,210
		32,13,377	27,77,911	80,19,210
8	INVENTORIES			
	Raw material	7,45,61,561	4,26,25,300	4,55,20,919
	Packing Material	30,28,094	23,38,330	40,23,015
	Consumables	10,29,618	7,75,170	6,34,155
	Coal and Furnance oil	28,40,453	41,86,413	30,47,957
	Finished Goods	2,90,00,071	1,58,89,410	1,17,21,157
		11,04,59,797	6,58,14,623	6,49,47,203
	Work-in-process	10,28,38,017	7,84,72,740	7,96,40,753
		21,32,97,814	14,42,87,363	14,45,87,956

Valuation:

a.Raw materials and Packing Materials are valued at lower of cost or net realisable value.

b.Finished goods are valued at cost of conversion and other costs incurred in bringing the inventories to their present location and condition or net realisable value which ever is lower.

Note	Particulars	As at 31st Mar 19	As at 31st Mar 18	As at 31st Mar 17
9 TRADE RECEIVABLES				
	Unsecured ,Considered good unless otherwise stated Outstanding for a period exceeding six months from the date they become due for payment			
	Receivable from others:			
	Considered good -secured	-	-	-
	Considered good -Un secured	1,03,17,968	1,29,06,506	2,89,00,213
	Other Debts -debts due for less than six months			
	Considered good	24,53,26,095	20,10,65,872	11,56,00,851
	Less: Provision for Doubtful debts	(27,86,098)	(27,86,098)	-
		25,28,57,965	21,11,86,280	14,45,01,064
	Receivable from Subsidiary:			
	Considered good -secured	-	-	-
	Considered good -Un secured	-	-	-
	Other Debts -debts due for less than six months			
	Considered good	90,01,992	82,42,388	-
	Less: Provision for Doubtful debts	-	-	-
		90,01,992	82,42,388	-
	Total Receivables	26,18,59,956	21,94,28,668	14,45,01,064
10 CASH AND CASH EQUIVALENTS				
	Balances with banks			
	In Current accounts	1,09,38,550	71,40,018	1,89,47,542
	In Deposit account(margin money with banks,the maturity of the period of which is less than 3 months)	-	-	-
	Cash on hand	58,073	5,29,661	1,48,382
		1,09,96,622	76,69,679	1,90,95,924
11 OTHER BANK BALANCES				
	Deposits with original maturity of more than 3 months	91,14,299	1,58,06,722	1,36,73,209
		91,14,299	1,58,06,722	1,36,73,209
12 OTHER FINANCIAL ASSETS				
	Interest accrued but not due-fixed Deposits	7,07,393	3,54,857	-
	Advances to Suppliers	3,86,98,003	1,92,81,044	2,90,09,328
	Advances to staff	8,83,005	5,13,052	5,55,831
	Export Incentive Receivable	4,21,46,597	2,01,60,728	73,492
	Interest Subsidy Receivable	19,30,061	19,30,061	19,30,061
	Less: Provision	(19,30,061)	-	-
		8,24,34,998	4,22,39,742	3,15,68,712
13 OTHER CURRENT ASSETS				
	Unsecured and considered good			
	Balances with statutory/government authorities	46,68,477	21,42,476	57,76,967
	Prepaid expenses	24,84,825	26,24,484	2,97,275
	Income tax (Net of Provision)	-	-	4,43,285
	NBFC	-	27,679	-
		71,53,302	47,94,639	65,17,527

Note 14: SHARE CAPITAL

Particulars	As at 31st Mar 19	As at 31st Mar 18	As at 31st Mar 17
Authorised share capital	7,15,00,000	7,15,00,000	7,15,00,000
71,50,000 Equity shares of Rs.10/- each			
Issued, subscribed and fully paid-up	3,07,30,000	3,07,30,000	3,07,30,000
30,73,000 Equity Shares of Rs.10/- each with voting rights	3,07,30,000	3,07,30,000	3,07,30,000

a. Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31st Mar 19		As at 31st Mar 18		As at 31st Mar 17	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	30,73,000	3,07,30,000	30,73,000	30,73,000	30,00,000	3,00,00,000
Issued during the year	-	-	-	-	73,000	7,30,000
Outstanding at the end of the year	30,73,000	3,07,30,000	30,73,000	30,73,000	30,73,000	3,07,30,000

b. Rights attached to the equity shares

The company has only one class of shares having a face value of Rs. 10/- per share. All equity shareholders rank pari-passu in respect of dividend and voting rights. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of preferential amounts, in proportion to their shareholding.

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

Particulars	As at 31st Mar 19		As at 31st Mar 18		As at 31st Mar 17	
	No of shares	% of holding	No of shares	% of holding	No of shares	% of holding
M/s RPS Projects & Developers Pvt .Ltd	10,04,230	32.68%	10,04,230	32.68%	10,04,230	32.68%
Sri.Dharm Prakash Tripathi	3,21,500	10.46%	3,21,500	10.46%	3,21,500	10.46%
Sri.BR Yadav	2,85,600	9.29%	2,85,600	9.29%	2,85,600	9.29%
Sri. S.Chidambaranathan	2,58,778	8.42%	2,58,778	8.42%	2,58,778	8.42%
Sri.Rabindra Prasad Sinha	2,02,912	6.60%	1,79,263	5.83%	1,73,853	5.66%
Sri. Amit Raj Sinha	1,72,708	5.62%	1,72,705	5.62%	99,705	3.24%

Note	Particulars	As at 31st Mar 19	As at 31st Mar 18	As at 31st Mar 17
15 BORROWINGS				
Secured				
Vehicle loans	31,32,076	26,68,647	23,86,251	
Term Loans	52,53,215	3,05,65,459	3,65,05,233	
	83,85,291	3,32,34,106	3,88,91,484	
<p>Term Loans:</p> <p>All term loans are secured by exclusive first charge on fixed assets created out of the term loans extended by the term lender and the second charge on the remaining fixed assets of the company (both present and future) by way of hypothecation of movable fixed assets and also equitable mortgage of immovable fixed assets of the company and personal guarantee of Rabindra Prasad Sinha, S Chidambaranathan, Amit Raj Sinha, Vijay Amrutlal Bhavasar, Sudha Sinha and Dharani Devi.</p> <p>RPS Projects & Developers has given Corporate Guarantee to the company.</p> <p>Vehicle Loans:</p> <p>All Vehicle loans are secured by mortgage of vehicles</p>				
Note	Particulars	As at 31st Mar 19	As at 31st Mar 18	As at 31st Mar 17
16 PROVISIONS				
Provision for employee benefits				
Leave encashment	9,17,299	16,33,756	12,89,504	
Gratuity	45,02,624	41,36,880	32,94,888	
	54,19,923	57,70,636	45,84,392	
17 DEFERRED TAX LIABILITIES (NET)				
The movement on the deferred tax account is as follows:				
At the start of the year	2,06,88,768	2,10,82,987	1,94,31,336	
Charge/(credit) to statement of profit and loss	61,95,113	(3,94,219)	16,51,650	
At the end of year	2,68,83,881	2,06,88,768	2,10,82,987	
18 BORROWINGS				
Secured:				
From Banks	19,76,56,994	23,48,47,383	23,56,31,216	
UnSecured:				
From NBFC	63,45,242	-	74,506	
	20,40,02,235	23,48,47,383	23,57,05,722	
<p>Working capital facilities:</p> <p>Working capital facilities extended by Kotak Mahindra Bank are secured as mentioned below:</p> <p>i) Primary security:</p> <p>Pari Passu first charge on the current assets of the company to Kotak Mahindra Bank.</p> <p>ii) Collateral security:</p> <p>Pari Passu first charge on movable fixed assets of the company (both present and future) and personal guarantee of Rabindra Prasad Sinha, S Chidambaranathan, Amit Raj Sinha, Vijay Amrutlal Bhavasar, Sudha Sinha and Dharani Devi.</p> <p>RPS Projects & Developers has given Corporate Guarantee to the company.</p>				
19 TRADE PAYABLES-Other Financial Liabilities -Current				
Due to micro, small and medium enterprises	-	-	-	
Others	8,15,75,052	8,21,90,860	7,90,07,205	
	8,15,75,052	8,21,90,860	7,90,07,205	
20 OTHER FINANCIAL LIABILITIES-Current				
Current maturity of loans:				
Term loans(Secured)	2,13,81,580	1,91,08,488	1,73,36,784	
Vehicle loans(Secured)	18,86,703	16,17,094	17,43,127	
	2,32,68,283	2,07,25,582	1,90,79,911	
21 OTHER CURRENT LIABILITIES				
Statutory remittances	1,15,35,842	71,57,426	14,05,048	
Accrued Expense Payable	1,87,81,324	91,15,593	57,73,991	
Employee Benefits Payable	1,43,30,456	1,13,37,833	1,00,07,523	
Advance from Customers	48,69,817	-	9,92,924	
	4,95,17,439	2,76,10,852	1,81,79,487	
22 Provisions				
Provision for Income tax(Net of Advance tax and TDS)	4,34,18,064	1,74,23,974	-	
	4,34,18,064	1,74,23,974	-	

Note	Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18	Year ended 31-Mar-17
23 REVENUE FROM OPERATIONS				
	Sale of products	1,18,86,19,589	95,62,22,083	79,66,30,179
	Sale of services	9,04,66,910	6,31,60,929	6,07,99,517
		1,27,90,86,499	1,01,93,83,012	85,74,29,696
	i. Sale of products			
	Export			
	MCCP	74,45,51,932	56,67,84,655	43,28,70,862
	Others	1,57,86,718	75,39,922	1,28,85,615
	Domestic			
	MCCP	42,82,57,512	36,16,93,403	28,23,49,860
	Others	23,428	1,07,25,450	2,23,22,272
		1,18,86,19,589	94,67,43,430	75,04,28,609
	ii. Sale of services			
	Operational and Maintenance income	9,04,66,910	6,31,60,929	6,07,99,517
		9,04,66,910	6,31,60,929	6,07,99,517
24 OTHER INCOME				
	MEIS Income	3,31,83,727	2,01,60,728	3,72,974
	Duty Drawback Income	11,867	5,32,468	-
	Interest on fixed deposits	6,81,219	6,33,121	12,78,859
	Interest on electricity deposit	1,94,595	1,54,440	-
	Net gain/(loss) on foreign currency transactions	41,38,655	86,43,359	44,06,033
	Income from Mutual Fund	-	2,29,156	-
	Scrap Sale	6,85,999	1,96,074	-
	Profit on sale of asset	-	-	1,67,361
		3,88,96,062	3,05,49,347	62,25,227
25 COST OF MATERIALS CONSUMED				
	Opening stock	4,99,25,213	5,32,26,046	3,36,82,347
	Add:Purchases	72,93,21,936	59,78,85,707	53,58,50,552
	Less: Closing stock	8,14,59,726	4,99,25,213	5,32,26,046
		69,77,87,424	60,11,86,540	51,63,06,853
26 CHANGES IN INVENTORIES OF WORK-IN-PROCESS AND FINISHED GOODS				
	Inventories at the end of the year			
	Finished Goods	2,90,00,071	1,58,89,410	1,17,21,157
	Work-in- process	10,28,38,017	7,84,72,740	7,96,40,753
		14,67,84,543	10,98,11,707	10,98,11,707
	Inventories at the beginning of the year			
	Finished Goods	1,58,89,410	1,17,21,157	2,38,81,959
	Work-in- process	7,84,72,740	7,96,40,753	6,22,32,137
	Net (increase)/decrease	(3,74,75,938)	(30,00,240)	(52,47,814)
27 EMPLOYEE BENEFIT EXPENSE				
	Salaries and wages	8,44,35,519	5,90,17,959	7,11,67,533
	Contribution to provident and other funds	63,65,163	53,86,583	37,79,593
	Directors remuneration	2,18,53,000	1,21,32,000	1,28,98,000
	Staff welfare expenses	86,09,049	1,05,99,473	33,16,671
		12,12,62,731	8,71,36,015	9,11,61,797
28 FINANCE COSTS				
	Interest on borrowings	2,54,79,246	2,63,23,362	3,42,57,259
	Bank Charges	66,47,622	75,82,686	63,48,350
	Interest Expense	2,74,094	2,04,361	-
	Other borrowing costs	8,19,024	28,67,183	26,59,773
		3,32,19,985	3,69,77,592	4,32,65,382

Note	Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18	Year ended 31-Mar-17
29	OTHER EXPENSES			
	Manufacturing Expenses			
	Power and Fuel Expenses	3,22,57,770	3,08,07,056	2,41,54,105
	R&D Expenses	34,11,485	37,91,368	4,39,759
	Stores and Spares	25,39,832	61,74,069	50,15,326
	Repairs and maintenance	1,14,32,237	98,21,110	90,76,468
	Forklift Charges	7,56,238	7,00,000	10,740
	Labour Charges	7,69,33,387	6,57,50,463	4,04,62,636
	Lab Expenses	17,29,478	11,15,825	12,11,578
	Loading and Unloading Charges	28,46,168	7,83,388	6,37,365
	carriage Outward	3,44,55,393	4,01,72,566	3,02,13,252
	Water Charges	82,40,165	59,76,653	52,58,728
		17,46,02,153	16,50,92,498	11,64,79,956
	Administration ,Selling and Other Expenses			
	Rental	32,51,820	28,47,360	24,13,328
	Rates and taxes	49,72,816	24,11,665	15,16,159
	Printing and stationery	10,48,990	8,46,255	6,09,442
	Insurance	25,85,724	22,59,607	25,00,168
	Selling Expenses	2,21,03,062	1,95,57,679	1,92,12,042
	Travelling and conveyance	73,54,245	45,04,191	61,52,536
	Professional & consultancy fees	54,13,719	54,81,353	47,66,656
	Remuneration to auditors			
	Audit fee	2,00,000	1,50,000	1,50,000
	Out of pocket expenses	1,57,961	1,30,088	45,660
	Communication expenses	15,70,820	-	16,62,656
	Postage and Courier Charges	-	2,29,903	-
	Telephone charges	-	5,77,771	-
	Electricity charges	3,06,818	2,90,074	2,70,780
	Membership and Subscription Charges	1,61,914	2,06,956	3,68,564
	Security Charges	14,95,021	10,46,504	-
	Donations	-	1,26,100	-
	Bad debts Written off	12,65,820	25,06,367	14,57,910
	Miscellaneous Expenses	39,04,866	10,42,162	56,14,891
	Profit/(loss) on Sale of Fixed Assets	4,33,519	2,38,317	-
	CSR	17,39,300	-	-
		5,79,66,414	4,44,52,351	4,67,40,792
Total		23,25,68,567	20,95,44,849	16,32,20,748

30 Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP

Particulars	Net Profit	Other Equity	
	Year ended 31 Mar 18	As at 31st Mar 18	As at 1st Apr 2017
Net Profit/Other Equity as per Indian GAAP	6,46,02,513	23,32,03,202	17,29,04,660
Derecognition of liability for proposed dividend for the year ended 31 March 2017		36,04,752	36,11,221
Fair valuation of investments in mutual funds	1,03,739	1,04,994	1,255
Interest Expense	(1,92,721)	2,36,190	4,28,911
Difference in measurement of employee benefits	(9,20,267)	(2,60,995)	1,63,179
Others	1,37,59,776	39,21,996	(1,05,36,999)
Net Profit before OCI /Other equity as per Ind AS	7,73,53,040	24,08,10,139	16,65,72,226

NOTES:**a) Proposed dividend:**

Under indian GAAP, proposed dividends including dividend distribution tax are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid. Therefore the liability of Rs.36,11,221/- for the year ended on 31 March 2017 recorded for dividend has been derecognised against retained earnings on 1 April 2017.

b) Mutual Funds:

Under indian GAAP, investments in mutual funds are accounted for as short term investments and accordingly they are carried at lower of cost and fair value. Under Ind AS, the company has designated such investments to be measured at fair value. At the date of transition to IND AS, the difference between the instruments fair value and the indian GAAP carrying amount has been recognised in the retained earnings.

c) Interest Expense:

Under indian GAAP, loans are carried at their notional amount and the transaction costs paid are expensed off in the P&L when paid. Under IND AS, all such financial liabilities are carried at amortized cost using effective interest method.

d) Defined benefit liabilities:

Under Indian GAAP, the Company recognised costs related to its post-employment defined benefit plan i.e gratuity based on actuarial valuation made by independent qualified actuary the as at the year end and the entire cost, including actuarial gains and losses, are charged to the statement of profit and loss. Under Ind AS, the liability in respect of gratuity benefit is determined based on actuarial valuation, performed by an independent qualified actuary and remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

30.1 Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Revenue from operations	1,00,99,04,359	94,78,653	1,01,93,83,012
Other Income	2,00,47,871	1,05,01,476	3,05,49,347
Total income	1,02,99,52,230	1,99,80,129	1,04,99,32,358
Expenses			
Cost of materials consumed	59,17,07,887	94,78,653	60,11,86,540
Changes in inventories of finished goods, work in progress and stock in trade	(30,00,240)	-	(30,00,240)
Employee benefit expense	8,63,41,761	7,94,254	8,71,36,015
Finance cost	3,67,84,871	1,92,721	3,69,77,592
Depreciation and amortization expense	1,39,28,782	-	1,39,28,782
Other expenses	20,95,56,849	(12,000)	20,95,44,849
Total expenses	93,53,19,910	1,04,53,627	94,57,73,537
Profit/(loss) before extraordinary, exceptional items and tax	9,46,32,319	95,26,501	10,41,58,821
Extraordinary items	-	-	-
Exceptional items	-	-	-
Profit/(loss) before tax	9,46,32,319	95,26,501	10,41,58,821
Tax expense			
(i) Current tax	2,72,00,000	-	2,72,00,000
(ii) Deferred tax	28,29,806	(32,24,025)	(3,94,219)
Net profit/(loss) for the period/year	6,46,02,513	1,27,50,526	7,73,53,040

31 INCOME TAXES**Income tax expense/ (benefit) recognised in the statement of profit and loss**

Particulars	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Current tax expense	5,09,61,046	2,72,00,000
Deferred tax expense	61,95,113	(3,94,219)
Total income tax expense	5,71,56,159	2,68,05,781

Reconciliation of effective tax rate

Particulars	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Profit before Income Tax	25,39,14,960	10,41,58,821
Tax Rate	29.12%	33.06%
Expected Tax expense	7,39,40,036	3,44,38,031
Adjustments:		
Deduction U/S 10AA(SEZ)-50% of Profits	(7,73,57,646)	(2,07,89,131)
Expenses not deductible for tax purpose	3,29,78,517	52,12,460
Expenses deductible for tax purpose	(3,45,32,240)	(63,14,962)
Total	(7,89,11,369)	(2,18,91,633)
Profit after Adjustments	17,50,03,592	8,22,67,188
Income tax expense	5,09,61,046	2,72,00,000
Effective tax rate	20.07%	26.11%

Unrecognised deferred tax Liability

Particulars	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Provision for Gratuity	2,44,448	3,18,406
Provision for Leave encashment	-	1,10,845
Provision for Bonus	8,33,904	8,34,612
Depreciation effect	(40,29,753)	(40,93,669)
Total unrecognised deferred tax	(29,51,401)	(28,29,806)

Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Deferred tax		
Property, plant and equipment	70,84,224	7,31,631
Current liabilities & provisions	(10,78,351)	(12,63,863)
Actruial gain	1,89,240	1,38,013
Net deferred tax Liabilities	61,95,113	(3,94,219)

Movement in deferred tax assets and liabilities during the years ended 31st Mar 2019 and 31st Mar 2018

Particulars	As at 31st Mar 2018	Charge/(credit) to profit or loss	As at 31st Mar 2019
Deferred tax (assets)/liabilities:			
Property, plant and equipment	7,31,631	63,52,594	70,84,224
Current liabilities & provisions	(12,63,863)	1,85,512	(10,78,351)
Actruial gain	1,38,013	51,227	1,89,240
Net Deferred tax Liabilities	(3,94,219)	65,89,332	61,95,113

Movement in deferred tax assets and liabilities during the years ended 31st Mar 2018 and 31st Mar 2017

Particulars	As at 1st Mar 2017	Charge/(credit) to profit or loss	As at 31st Mar 2018
Deferred tax			
Property, plant and equipment	23,56,941	(16,25,310)	7,31,631
Current liabilities & provisions	(8,56,368)	(4,07,495)	(12,63,863)
Actruial gain	1,22,981	15,032	1,38,013
Net Deferred tax Liabilities	16,23,554	(20,17,773)	(3,94,219)

32. EMPLOYEE BENEFITS**a. Defined contribution plan**

The Company operates defined contribution schemes like Employee State Insurance Scheme. For this scheme contributions are made by the company and employees at a predetermined rate based on current salaries.

b. Defined Benefit Plan**i. Gratuity:**

The Company has provided gratuity liability as per the actuarial valuation provided by actuarial valuer. The benefits are determined and carried out at each Balance Sheet date.

ii. Leave Encashment:

The Company has created provision for leave encashment liability for eligible employees. The benefits are determined and carried out at each Balance Sheet date.

The disclosure for defined benefit plan (Gratuity) as per Ind AS 19 are given here under:

The following table sets out the amounts recognised in the financial statements in respect of retiring gratuity plan:

i. Changes in the present value of obligation

Particulars	As at 31st Mar 19	As at 31st Mar 18
Defined benefit obligation as at beginning of the year	41,36,880	32,94,638
Current service cost	6,95,828	9,93,608
Interest cost	3,19,781	2,47,757
Actuarial (gain)/loss	(6,49,864)	(3,99,123)
Benefits paid	-	-
Defined benefit obligation as at the end of the year	45,02,625	41,36,880

ii. Changes in fair value of plan assets

Particulars	As at 31st Mar 19	As at 31st Mar 18
Fair value of plan assets as at the beginning of the year	-	-
OB difference	-	-
Investment income	-	-
Employer contribution	-	-
Expenses	-	-
Benefits Paid	-	-
Return on plan assets	-	-
Fair value of plan assets as at the end of the year	-	-

iii. Fair value of Assets and Obligations

Particulars	As at 31st Mar 19	As at 31st Mar 18
Fair value of plan assets	-	-
Present value of obligation	45,02,625	41,36,880
Amount recognized in balance sheet	(45,02,625)	(41,36,880)

iv. Expenses recognised during the year

Particulars	Year ended 31st Mar 19	Year ended 31st Mar 18
In Income Statement		
Current service cost	6,95,828	9,93,608
Interest cost/(income)	3,19,781	2,47,757
Expenses recognised in the income statement	10,15,609	12,41,365
In Other Comprehensive Income (OCI)		
Actuarial (gain)/loss		
Experience Variance	(6,49,864)	(3,99,123)
Others	-	-
Return on plan assets	-	-
Net (income)/expense recognised in OCI	(6,49,864)	(3,99,123)

v. Actuarial assumptions

Particulars	As at 31st Mar 19	As at 31st Mar 18
Discount rate (per annum)	7.65%	7.73%
Salary growth rate (per annum)	5.00%	5.00%

vi. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	As at 31st Mar 19		As at 31st Mar 18	
	Decrease	Increase	Decrease	Increase
Change in discounting rate	50,56,081	40,38,787	45,54,342	37,78,981
Change in rate of salary increase	37,24,064	54,73,463	34,24,378	50,22,092
Change in rate of attrition	37,99,757	51,25,376	36,93,996	45,32,532
Change in rate of mortality	44,85,294	45,19,887	41,25,773	41,47,955

33 EARNINGS PER SHARE

Particulars	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Profit after tax attributable to equity shareholders	19,67,58,801	7,73,53,040
Weighted average number of equity shares for Basic EPS	30,73,000	30,73,000
Weighted average number of equity shares for Diluted EPS	30,73,000	30,73,000
Basic earnings per Share	64.03	25.17
Diluted earnings per Share	64.03	25.17

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

34 RELATED PARTIES

a. List of the transacted Related Parties and description of relationship

Nature of Relationship	Name of the related party	Relationship
Wholly owned subsidiary	Sigachi US, Inc	
Key Management Personnel	Mr.R.P Sinha Mr.S. Chidambaranathan Mr.Amit Raj Sinha Mr.Vijay Amrutlal Bhavsar	Executive Chairman Executive Vice Chairman MD & CEO Director
Relatives of KMP	Mr.C .Bhavani Shanmugam	Son of Director

b. Transactions with Related parties

Nature of Transaction	Name of the related party	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Managerial Remuneration	Mr.R.P Sinha	56,25,000	41,84,000
	Mr.S.Chidambaranathan	56,25,000	41,84,000
	Mr.Amit Raj Sinha	65,85,000	50,24,000
	Mr.Vijay Amrutlal Bhavsar	12,00,000	12,00,000
	Mr. C. Bhavani Shanmugam	19,32,000	10,23,426
Rent	Mr.Amit Raj Sinha	5,94,000	5,94,000
Sales	Sigachi US, Inc	8,26,16,143	4,12,00,663

c. Balances as at 31st Mar 2019

Nature of Transaction	Name of the related party	As at 31st Mar 2019	As at 31st Mar 2018
Managerial Remuneration	Mr.R.P Sinha	13,401	6,24,000
	Mr.S.Chidambaranathan	7,11,400	12,65,101
	Mr.Amit Raj Sinha	1,28,108	2,24,647
	Mr.Vijay Amrutlal Bhavsar	85,000	85,000
	Mr. C. Bhavani Shanmugam	50,561	65,285
Rent Payable	Mr.Amit Raj Sinha	99,000	49,500
Sales Receipts	Sigachi US, Inc	90,01,991	82,42,388

35 Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services. Based on the 'Management' approach as defined under Ind AS108, the Chief Operating Decision Maker (CODM) evaluates the performance on a periodical basis and allocates resources based on an analysis of the performance of various Businesses. The CODM is the Managing Director. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the Significant Accounting Policies. Since, the Company is mainly pursuing only one activity i.e. manufacturing and selling of MCC, reporting of segment revenue and results does not arise.

36 MSME :

Disclosure in respect of principal and interest pertaining to the Micro, Small and Medium Enterprises Dev. Act 2006 based on available details is as under:

Particulars	Amount in Rs
Principal amount due as on 31.03.2019	-
Interest on above and unpaid interest	-
Interest paid	-
Payment made beyond the appointed date	-
Interest due and payable for the period of delay	-
Interest accrued and remaining unpaid at the year end	-
Amount of further interest due and payable in succeeding Year	-

37 Financial Instruments valuation

All financial instruments are initially measured at cost and subsequently measured at fair value.

The carrying value and fair value of financial instruments by categories as of **31st Mar 19** are as follows

Particulars	Carrying Value	Level of input used in			Fair Value
		Level 1	Level 2	Level 3	
Financial assets					
At Amortised Cost					
Investments*	-	-	-	-	-
Trade receivables	26,18,59,956	-	-	-	26,18,59,956
Cash and cash equivalents	1,09,96,622	-	-	-	1,09,96,622
Other bank balances	91,14,299	-	-	-	91,14,299
Other financial assets	8,24,34,998	-	-	-	8,24,34,998
Financial liabilities					
At Amortised Cost					
Borrowings	21,25,39,035	-	-	21,23,87,526	21,23,87,526
Trade payables	8,15,75,052	-	-	-	8,15,75,052
Other financial liabilities	2,32,68,283	-	-	-	2,32,68,283

The carrying value and fair value of financial instruments by categories as of **31st Mar 18** are as follows

Particulars	Carrying Value	Level of input used in			Fair Value
		Level 1	Level 2	Level 3	
Financial assets					
At Amortised Cost					
Investments*	5,00,000	6,04,994	-	-	6,04,994
Trade receivables	21,94,28,668	-	-	-	21,94,28,668
Cash and cash equivalents	76,69,679	-	-	-	76,69,679
Other bank balances	1,58,06,722	-	-	-	1,58,06,722
Other financial assets	4,22,39,742	-	-	-	4,22,39,742
Financial liabilities					
At Amortised Cost					
Borrowings	27,12,36,215	-	-	26,80,81,488	26,80,81,488
Trade Payables	8,21,90,860	-	-	-	8,21,90,860
Other financial liabilities	2,07,25,582	-	-	-	2,07,25,582

The carrying value and fair value of financial instruments by categories as of **1st Apr 17** are as follows

Particulars	Carrying Value	Level of input used in			Fair Value
		Level 1	Level 2	Level 3	
Financial assets					
At Amortised Cost					
Investments*	10,00,000	10,01,255	-	-	10,01,255
Trade receivables	14,45,01,064	-	-	-	14,45,01,064
Cash and cash equivalents	1,90,95,924	-	-	-	1,90,95,924
Other bank balances	1,36,73,209	-	-	-	1,36,73,209
Other financial assets	3,15,68,712	-	-	-	3,15,68,712
Financial liabilities					
At Amortised Cost					
Borrowings	27,80,52,845	-	-	27,45,97,206	27,45,97,206
Trade Payables	7,90,07,205	-	-	-	7,90,07,205
Other financial liabilities	1,90,79,911	-	-	-	1,90,79,911

* excludes Financial assets measured at cost

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

- Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2:** Inputs are other than quoted prices included within Level 1 that are observable for the Asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3:** Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

38 CONTINGENT LIABILITIES AND COMMITMENTS

Central Excise and service tax

The Company received a demand amounting to Rs. 1,27,161 for the period Jan 2005, to Mar 2008. The Company is representing the case before the Commissioner and is expecting a favourable order.

39 CAPITAL MANAGEMENT

The company manages its capital to ensure that it will be able to continue as going concern while creating value for share holders by facilitating the meeting of long term and short term goals of the Company.

The company determines the amount of capital required on the basis of annual business plan coupled long term and short term strategic investment and expansion plans.

The company monitors the capital by using net debt equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Particulars	March 31,2019	March 31,2018
Non Current Borrowings	83,85,291	3,32,34,106
Current Borrowings	20,40,02,235	23,48,47,383
Total Debts	21,23,87,526	26,80,81,488
Less: Cash and Cash Equivalents	1,09,96,622	76,69,679
Other Bank balances	91,14,299	1,58,06,722
Adjusted net debts	19,22,76,605	24,46,05,087
Equity	3,07,30,000	3,07,30,000
Other Equity	43,47,22,061	24,08,10,139
Total Equity	46,54,52,061	27,15,40,139
Adjusted net debt to equity ratio	0.41	0.90

40 Financial Risk Management

In course of its business, the company is exposed to certain financial risk such as market risk , credit risk and liquidity risk that could have significant influence on the company's business and operational/financial performance. The Board of directors and the Audit Committee reviews and approves risk management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimize potential adverse effects and achieve greater predictability to earnings.

a. Credit risk

Credit Risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has a prudent and conservative process for managing its credit risk raising in the course of its business activities. Credit risk is managed through continuously monitoring the creditworthiness of customers and obtaining sufficient collateral, where appropriate, a means of mitigating the risk of financial loss from defaults.

The company makes an allowance for doubtful debts/advances using expected credit loss model.

b. Liquidity risk

Liquidity Risk refers to the risk that the company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, 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 risk to the Company's reputation.

The company has obtained fund and non fund based working capital loans from bank .The borrowed funds are generally applied for company's own operational activities.

The table below provides details regarding the contractual maturities of significant financial liabilities.

Particulars	Up to 1 Year	1 to 3 years	3 to 5 years
31-Mar-19			
Non Current Borrowings	2,32,47,147	77,83,724	7,31,940
Current Borrowings	20,40,02,235	-	-
Trade payables	8,15,75,052	-	-
Other Payables	2,32,68,283	-	-
	33,20,92,718	77,83,724	7,31,940
31-Mar-18			
Non Current Borrowings	1,78,07,046	3,28,31,185	6,39,111
Current Borrowings	23,48,47,383	-	-
Trade payables	8,21,90,860	-	-
Other Payables	2,07,25,582	-	-
	35,55,70,871	3,28,31,185	6,39,111

c. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices such as commodity prices, foreign currency exchange rates and other market changes.

d. Exchange rate risk

The company foreign exchange arised from its foreign operations, foreign currency revenues and expenses, (Primarily in US Dollars and Egyptian pounds). Consequently, the company is exposed to foreign exchange risk thourgh its sales, services and purchases from overseas suppliers in various foregin currencies.

The foreign currency exposures were as follows:

Particulars	March 31,2019	March 31,2018
	USD	USD
Assets		
Cash and bank balances	32,548	4,737
Trade receivables	10,04,114	12,35,213
Other assets	-	-
Total	10,36,662	12,39,950
Liabilities		
Trade payables	9,31,897	5,65,842
Other liabilities	-	-
Total	9,31,897	5,65,842
Net Exposure	1,04,765	6,74,108

Sensitivity analysis

A reasonably possible Strengthening/Weakening of the Indian Rupee against US dollars at March 31 would have effected the measurement of financial statements denominated in US dollars and Pounds and effected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables ,in particular interest rates,remain constant and ignores any impact of forecast sales and purchases.

31-Mar-19

Effect in INR	Profit or loss		Equity net of tax	
	Strengthening	Weaking	Strengthening	Weaking
1% movement	1,048	(1,048)	-	-
USD	1,048	(1,048)	-	-

31-Mar-18

Effect in INR	Profit or loss		Equity net of tax	
	Strengthening	Weaking	Strengthening	Weaking
1% movement	6,741	(6,741)	-	-
USD	6,741	(6,741)	-	-

e. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The company's exposure to the risk of changes in the market interest rate relates primarily to the company's long term debt obligations with floating interest rates. The company's interest rate exposure is mainly related to variable interest rates debt obligations. The company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers /buyers credit.

The Interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the company is as follows:

Particulars	March 31,2019	March 31,2018
Floating rate instruments		
Financial Liabilities		
Term loans from banks	3,17,62,811	5,12,77,342
Working capital facilities from bank	20,40,02,235	23,48,47,383
Total	23,57,65,046	28,61,24,724

Cash flow sensitivity analysis for variable -rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowing summarised above. This calculation assumes that the change occurs at the balance sheet date and has been calculated on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant. The period end balances are not necessarily representative of the average debt outstanding during the period.

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
31-Mar-19		
Variable rate loan instruments	5,89,413	(5,89,413)
31-Mar-18		
Variable rate loan instruments	7,15,312	(7,15,312)

Note: Figures of the Previous year are regrouped/reclassified wherever considered necessary and rounded off to the nearest rupee.

41 FIRST TIME IND AS ADOPTION RECONCILIATION**Effect of Ind AS adoption on the standalone balance sheet as at 31st March, 2018**

Assets & Liabilities	As at 31st Mar 18		
	" Previous GAAP "	Effect of transition to Ind AS	As per Ind AS balance sheet
ASSETS			
Non-current assets			
Property, plant and equipment	25,88,61,111	-	25,88,61,111
Capital work-in-progress	61,30,614	7,95,155	69,25,769
Intangible assets	-	-	-
Financial assets			
Investments	17,99,000	1,04,994	19,03,994
Other financial assets	93,36,703	-	93,36,703
Other Non-current assets	-	27,77,911	27,77,911
Current assets			
Inventories	14,42,87,363	-	14,42,87,363
Financial assets			
Trade receivables	21,94,28,668	-	21,94,28,668
Cash and cash equivalents	70,36,363	6,33,316	76,69,679
Other bank balances	1,59,86,941	(1,80,219)	1,58,06,722
Other financial assets	3,14,87,148	1,07,52,594	4,22,39,742
Other current assets	1,81,36,468	(1,33,41,831)	47,94,637
Total Assets	71,24,90,377	15,41,922	71,40,32,299
EQUITY & LIABILITIES			
Equity			
Equity Share capital	3,07,30,000	-	3,07,30,000
Other equity	23,32,03,202	76,06,937	24,08,10,139
Non-current liabilities			
Financial liabilities			
Borrowings	3,34,70,296	(2,36,190)	3,32,34,106
Provisions	57,70,636	-	57,70,636
Deferred tax liabilities	1,40,09,899	66,78,869	2,06,88,768
Current liabilities			
Financial liabilities			
Borrowings	23,43,66,607	4,80,776	23,48,47,383
Trade Payables	8,31,91,783	(10,00,923)	8,21,90,860
Other financial liabilities	1,78,07,046	29,18,536	2,07,25,582
Provisions	3,34,11,498	(58,00,646)	2,76,10,852
Other current liabilities	2,65,29,410	(91,05,436)	1,74,23,974
Total liabilities	71,24,90,377	15,41,922	71,40,32,299

Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with the financial statements prepared under Ind AS.

As at 1 st Apr 2017		
" Previous GAAP "	Effect of transition to Ind AS	As per Ind AS balance sheet
22,57,78,805	-	22,57,78,805
95,43,361	-	95,43,361
-		-
10,00,000	1,255	10,01,255
95,46,392	-	95,46,392
-	80,19,210	80,19,210
14,45,87,956	-	14,45,87,956
13,44,47,314	1,00,53,750	14,45,01,064
1,69,63,853	21,32,071	1,90,95,924
1,36,70,569	2,640	1,36,73,209
3,15,68,712	-	3,15,68,712
1,22,69,046	(57,51,516)	65,17,528
59,93,76,006	1,44,57,408	61,38,33,413
3,07,30,000	-	3,07,30,000
17,29,04,660	(63,32,433)	16,65,72,226
3,93,94,901	(5,03,417)	3,88,91,484
48,70,552	(2,86,160)	45,84,392
1,11,80,093	99,02,894	2,10,82,987
23,34,96,505	22,09,217	23,57,05,722
6,45,97,368	1,44,09,837	7,90,07,205
1,61,61,375	29,18,536	1,90,79,911
66,00,128	1,15,79,360	1,81,79,487
1,94,40,424	(1,94,40,424)	-
59,93,76,006	1,44,57,408	61,38,33,413

Place: Hyderabad

Date: 03rd September 2019

As per our report of even date attached

For T .Adinarayana & Co,
Chartered Accountants
Firm Regn No. 000041S

Sd/-

Y.P Rao
Proprietor
Membership No. 025266
Place: Hyderabad
Date:03rd September 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For and on Behalf of the Board of Directors

Sd/-
Rabindra Prasad sinha
Executive Chairman

Sd/-
S Chidambaranathan
Executive Vice Chairman

Sd/-
Amit Raj Sinha
Managing Director and CEO

Sd/-
O.Subbarami Reddy
Chief Financial Officer

Consolidated Auditors' Report

To
The Members of Sigachi Industries Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of Sigachi Industries Private Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as '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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ('Ind AS') and other 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, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.</p> <p>Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.</p> <p>The application of the new revenue accounting standard involves certain significant judgements and estimates made by the management including identification of distinct performance obligations, determination of transaction price of the identified performance obligations, determination of transaction price, the appropriateness of the basis used to measure revenue recognized over a period.</p> <p>Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.</p> <p>Accumulated expenses are used to estimate provisions of discounts, rebates.</p>	<p>Principal Audit Procedures</p> <p>We reviewed the Company's implementation of Ind AS 115, including recognition of the effect on opening equity and changes to procedures, accounting guidelines, disclosures and systems to support correct revenue recognition. We reviewed and discussed the accounting policy including the key accounting estimates and judgements made by management.</p> <p>We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognised.</p> <p>We read a sample of contracts to assess whether the method for recognition of revenue was relevant and consistent with Ind AS 115, and had been applied consistently. We focused on contract classification, allocation of income and cost to the individual performance obligations and timing of transfer of control.</p> <p>We evaluated the significant judgements and estimates made by management in applying accounting policy to sample of contracts and we obtained evidence to support them, including contractual agreements, delivery records. We also considered the historical outturns of estimates used in prior periods.</p> <p>We applied Audit Techniques to establish, whether any revenue has been recognized where no corresponding accounts receivable or cash has been recorded in the general ledger.</p>

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and our auditor's 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 during the course of our 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 CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, respective Board of directors of the companies included in the group 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 group or to cease operations, or has no realistic alternative but to do so.

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

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 controls.

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 the accounting policies used and 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 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 Company 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 Holding company and its Subsidiary of which we are the independent auditors and whose financial information we have audited, 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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 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.

We didn't audit the financial statements / financial information of wholly owned subsidiary(incorporated in USA), whose financial statements / financial information reflects total assets of Rs.2,21,61,928/- as at 31st March , 2019 and total loss of Rs.40,99,885/- for the year ended on that date, as considered in consolidated financial statements. The consolidated financial statements also include the Subsidiary share of net loss of Rs.40,99,885/-for the year ended 31st March, 2019 as considered in the consolidated financial statements. These financial statements / financial information of foresaid subsidiary company has been audited by other auditors upto 31st December, 2018 and financial information relating to last quarter i.e., 1st January , 2019 to 31st March, 2019 are unaudited and certified by Management 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 the subsidiary company, 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 foresaid subsidiary , is based solely on the reports of other auditors and certification by the Management for the last quarter.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, is exempted to furnish in respect of consolidated financial statements. Hence the statements are not given.

2. As required by Section 143(3) of the Act, based on our audit 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 consolidated Balance Sheet, the Statement of consolidated Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of consolidated Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 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-A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial

3. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Holding Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.

ii. The Holding Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There are no amount to be transferred to Investor Education and Protection Fund by the Holding Company.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016 have not been made in these consolidated financial statements since they do not pertain to the financial year ended 31st March 2019.

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of amendments to section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For M/S T. Adinarayana & Co.,

Chartered Accountants

Firm Regn. No. 000041S

Place: Hyderabad

Date: 03rd September, 2019

Sd/-

Y Pulla Rao, FCA

Proprietor

M.No.025266

UDIN:19025266AAAABS6153

Annexure-A to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sigachi Industries Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Para (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 Sigachi Industries Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 consolidated 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 internal financial controls system over financial reporting of the Company.

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 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 consolidated financial statements.

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, to the best of our information and according to the explanations given to us, the Holding 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 Holding 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.

Place: Hyderabad
Date: 03rd September, 2019

For M/S T. Adinarayana & Co.,

Chartered Accountants
Firm Regn. No. 000041S

Sd/-

Y Pulla Rao, FCA

Proprietor

M.No.025266

UDIN:19025266AAAABS6153

CONSOLIDATED BALANCE SHEET

Consolidated Balance Sheet as at 31st March, 2019

Amount in Rs

Particulars	Note	As at 31st Mar 19	As at 31st Mar 18
ASSETS			
Non-current assets			
Property, plant and equipment	3	28,10,67,519	25,88,61,111
Capital work-in-progress	4	2,28,60,826	69,25,769
Other Intangible Assets	3	40,90,609	-
Financial assets			
Investments	5	-	6,04,994
Other financial assets	6	1,05,90,573	93,36,703
Other non-current assets	7	32,13,377	27,77,911
Total non-current assets		32,18,22,905	27,85,06,488
Current assets			
Inventories	8	22,56,17,844	15,97,36,920
Financial assets			
Trade receivables	9	25,59,70,549	21,19,33,900
Cash and cash equivalents	10	1,22,09,316	98,63,737
Other bank balances	11	91,14,299	1,58,06,722
Other financial assets	12	8,27,37,076	4,22,39,742
Other current assets	13	71,53,302	47,94,639
Total current assets		59,28,02,386	44,43,75,660
TOTAL ASSETS		91,46,25,290	72,28,82,148
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	3,07,30,000	3,07,30,000
Other equity		41,80,97,040	23,26,83,184
Total Equity		44,88,27,040	26,34,13,184
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	83,85,291	3,32,34,106
Provisions	16	54,19,923	57,70,636
Deferred tax liabilities (net)	17	2,68,83,881	2,06,88,768
Total non-current liabilities		4,06,89,095	5,96,93,509
Current liabilities			
Financial liabilities			
Borrowings	18	22,02,57,185	25,01,31,783
Trade payables	19	8,84,40,671	8,35,88,701
Other financial liabilities	20	2,32,68,283	2,07,25,582
Other current liabilities	21	4,97,24,949	2,79,05,413
Provisions	22	4,34,18,066	1,74,23,976
Total current liabilities		42,51,09,155	39,97,75,455
TOTAL EQUITY AND LIABILITIES		91,46,25,290	72,28,82,148
See accompanying notes to the financial statements	1 to 41		

As per our report of even date attached

For T .Adinarayana & Co,
Chartered Accountants
Firm Regn No. 000041S

For and on Behalf of the Board of Directors

Sd/-
Y.P Rao
Proprietor
Membership No. 025266
Place: Hyderabad
Date:03rd September 2019

Sd/-
Rabindra Prasad sinha
Executive Chairman

Sd/-
Amit Raj Sinha
Managing Director and CEO

Sd/-
S Chidambaranathan
Executive Vice Chairman

Sd/-
O.Subba Rami Reddy
Chief Financial Officer

Particulars	Note	Year ended 31st Mar 19	Year ended 31st Mar 18
Revenue from operations	23	1,28,98,80,959	1,00,72,99,963
Other income	24	3,88,96,062	3,05,49,347
Total income		1,32,87,77,021	1,03,78,49,310
Expenses			
Cost of materials consumed	25	70,24,75,206	60,65,27,308
Changes in inventories of finished goods, work in progress and stock in trade	26	(3,46,82,668)	(1,84,49,797)
Employee benefit expenses	27	12,36,78,511	8,94,12,415
Finance costs	28	3,45,09,107	3,79,01,459
Depreciation and amortization expense	3	1,67,18,998	1,39,28,782
Other expenses	29	23,87,94,246	21,24,99,077
Total expenses		1,08,14,93,399	94,18,19,243
Profit/(loss) before extraordinary, exceptional items and tax		24,72,83,622	9,60,30,066
Extraordinary items		-	-
Exceptional items		-	-
Profit/(loss) before tax		24,72,83,622	9,60,30,066
Tax expense			
(i) Current tax	31	5,09,61,046	2,72,00,000
(ii) Deferred tax	31	61,95,113	(3,94,219)
Profit/(loss) for the period from continuing operations		19,01,27,463	6,92,24,285
Profit/(loss) for the period from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) for the period from Discontinued operations(after tax)		-	-
Profit/(loss) for the period		19,01,27,463	6,92,24,285
Other comprehensive income			
A.			
i) Items that will not be reclassified to profit and loss	32	7,57,873	4,96,094
ii) Income tax relating to items that will not be reclassified to profit or loss	32	(1,89,240)	(1,38,013)
B.			
i) Items that will be reclassified to profit and loss		(18,66,728)	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income		(12,98,095)	3,58,081
Total Comprehensive income for the period (Comprising profit(Loss) and other comprehensive Income for the period)		18,88,29,367	6,95,82,366
Earnings per equity share(for continuing Operation)			
1) Basic	33	61.87	22.53
1) Diluted	33	61.87	22.53
Earnings per equity share(for discontinued Operation)			
1) Basic		-	-
1) Diluted		-	-
Earnings per equity share(for discontinued Operation and continuing operation)			
1) Basic		61.87	22.53
1) Diluted		61.87	22.53
See accompanying notes to the financial statements	1 to 41		

As per our report of even date attached

For T .Adinarayana & Co,

Chartered Accountants

Firm Regn No. 000041S

Sd/-

Y.P Rao
Proprietor

Membership No. 025266

Place: Hyderabad

Date:03rd September 2019

Sd/-

Rabindra Prasad Sinha
Executive Chairman

Sd/-

Amit Raj Sinha
Managing Director and CEO

Sd/-

S Chidambaranathan
Executive Vice Chairman

Sd/-

O.Subba Rami Reddy
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AND OTHER EQUITY

Amounts in Rs

Particulars	Equity share capital	Reserves & Surplus					Profit and loss	Other Comprehensive Income	Total Other Equity
		Securities premium	General Reserve	A.P State Subsidy	Amalgamation Reserve	Capital Reserve			
Balance as at 1st April 17	3,07,30,000	1,64,53,515	1,72,10,481	4,37,053	3,90,56,600	-	9,31,65,597	2,48,980	16,65,72,226
Current year Appropriations	-	-	-	-	-	1,800	6,92,24,285	-	6,92,26,085
General Reserve		-	16,15,063	-	-	-	(16,15,063)	-	-
Dividend paid		-	-	-	-	-	(30,00,400)	-	(30,00,400)
Dividend distribution tax paid		-	-	-	-	-	(6,10,821)	-	(6,10,821)
Other comprehensive Income for the year		-	-	-	-	-	-	4,96,094	4,96,094
Balance as at 31st Mar 18	3,07,30,000	1,64,53,515	1,88,25,544	4,37,053	3,90,56,600	1,800	15,71,63,599	7,45,074	23,26,83,184
Current year		-	-	-	-	-	19,01,27,463	-	19,01,27,463
Foreign currency translation reserve		-	-	-	-	-	-	(18,66,728)	(18,66,728)
Appropriations		-	-	-	-	-	(47,53,187)	-	-
General Reserve		-	47,53,187	-	-	-	(30,73,000)	-	(30,73,000)
Dividend paid		-	-	-	-	-	(5,31,752)	-	(5,31,752)
Dividend distribution tax paid		-	-	-	-	-	-	7,57,873	7,57,873
Other comprehensive Income for the year		-	-	-	-	-	-	(3,63,781)	-
Balance as at 31st Mar 19	3,07,30,000	1,64,53,515	2,35,78,731	4,37,053	3,90,56,600	1,800	33,89,33,123		41,80,97,040

As per our report of even date attached
For T. Adinarayana & Co,
Chartered Accountants
Firm Regn No. 000041S

For and on Behalf of the Board of Directors

Sd/-
Rabindra Prasad sinha
Executive Chairman

Sd/-
S Chidambaranathan
Executive Vice Chairman

Sd/-
Y.P Rao
Proprietor
Membership No. 025266
Place: Hyderabad
Date:03rd September 2019

Sd/-
Amit Raj Sinha
Managing Director and CEO

Sd/-
O.Subbarami Reddy
Chief Financial Officer

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

Amount in Rs

Particulars	Year ended 31st Mar 19	Year ended 31st Mar 18
Cash flows from operating activities		
Profit/(loss) before tax	24,72,83,622	9,60,30,066
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortisation	1,67,18,998	1,39,28,782
(Profit)/loss on sale of fixed assets	4,33,521	2,38,317
Scrap sales	(6,85,999)	-
Forex difference	(18,66,728)	-
Gratuity and compensated absence	7,57,873	4,96,094
Finance costs	3,45,09,107	3,79,01,459
Interest income	(8,75,814)	(8,62,277)
Changes in Current assets and Current liabilities		
Inventories	(6,58,80,924)	(1,51,48,964)
Trade receivables	(4,40,36,649)	(6,74,32,837)
Trade payables	48,51,970	45,81,497
Other assets	(4,28,55,997)	(89,48,141)
Other liabilities	2,04,81,730	4,32,40,250
Cash generated from operations	16,88,34,711	10,40,24,245
Income taxes paid	(5,09,61,046)	(2,72,00,000)
Cash flow from non operating activities -Scrap sale	6,85,999	-
Net cash flow from operating activities (A)	11,85,59,664	7,68,24,245
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,93,84,593)	(4,46,31,813)
Interest income	8,75,814	8,62,277
Investments	6,04,994	3,98,061
Other assets	(16,89,336)	54,50,988
Net cash flow used in investing activities (B)	(5,95,93,121)	(3,79,20,487)
Cash flow from financing activities		
Repayment of long-term borrowings (net)	(2,48,48,815)	(56,57,378)
Finance costs	(3,45,09,107)	(3,79,01,459)
Dividend and DDT	(36,04,752)	(36,11,221)
Other liabilities	(3,50,714)	11,86,244
Net cash flow (used in)/from financing activities (C)	(6,33,13,388)	(4,59,83,814)
Net increase in cash and cash equivalents (A+B+C)	(43,46,845)	(70,80,058)
Cash and cash equivalents at the beginning of the year	2,56,70,459	3,27,50,517
Cash and cash equivalents at the end of the year	2,13,23,614	2,56,70,459

As per our report of even date attached

For T .Adinarayana & Co,
Chartered Accountants
Firm Regn No. 000041S

For and on Behalf of the Board of Directors

Sd/-
Rabindra Prasad sinha
Executive Chairman

Sd/-
S Chidambaranathan
Executive Vice Chairman

Sd/-
Y.P Rao
Proprietor
Membership No. 025266
Place: Hyderabad
Date:03rd September 2019

Sd/-
Amit Raj Sinha
Managing Director and
CEO

Sd/-
O.Subba Rami Reddy
Chief Financial Officer

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Corporate information

Sigachi Industries Private Limited (The Parent Company) together with its subsidiary is a leading manufacturer of high quality and consistent Microcrystalline Cellulose Powder. The Company headquartered and having its registered office at 229/1&90, Kalyan's Tulsiram Chambers, Madinaguda, Hyderabad-500049, Telangana. It is incorporated under Companies Act as private limited company and is limited by shares. It has got three production facilities spread across India. The principal accounting policies applied in the preparation of the financial statements are set out below.

Basis of Preparation and Presentation of Consolidated Financial Statements

The consolidated financial statements of Sigachi Industries Private Limited ("the Company") for the year ended 31st March, 2019 have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For all periods up to and including the year ended 31st March 2018, the Company prepared its Consolidated financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014. These are the company's first annual consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has adopted all applicable standards and the adoption was carried out in accordance with Ind AS 101 – 'First Time Adoption of Indian Accounting Standards'. An explanation of how the transition to Ind AS has affected the reported financial position of the Company are provided in Note number 29 First Time Adoption.

The consolidated financial Statements for the year ended 31st March, 2018 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in notes.

a. Basis of consolidation:

Subsidiaries:

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling interests ("NCI") in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

The Financial statements of the company and its subsidiary are combined on a line by line basis by adding the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions resulting in unrealized profit or losses, except where cost cannot be recovered.

For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Company.

b. Foreign Currency:

i. Foreign currency transactions:

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the consolidated statement of profit and loss in the period in which they arise.

ii. Foreign Operations:

Foreign exchange gains and losses arising from a monetary item receivable from a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of the net investment in the foreign operation and are recognised in OCI and presented within equity as a part of foreign currency translation reserve ("FCTR").

In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the monthly average exchange rates prevailing during the year. Resulting foreign currency differences are recognised in OCI and presented within equity as part of FCTR. When a foreign operation is disposed of, in part or in full, such that control, significant influence or joint control is lost, the relevant amount in the FCTR is transferred to the consolidated statement of profit and loss.

2.1 Other significant accounting policies:

These are set out under 'Significant Accounting Policies' as given in the Company's standalone financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 3 : PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Amount in Rs

Particulars	Property, Plant and Equipment							Other Intangible	
	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Lab Equipments	Total	Software
Gross Carrying Value									
Balance as at April 01, 2017	2,55,65,899	8,26,30,735	15,43,55,033	45,56,468	35,12,686	99,67,286	13,74,492	28,19,62,599	-
Additions	-	1,89,97,777	2,43,72,318	69,920	18,68,296	20,31,094	-	4,73,39,405	-
Deductions /Adjustments	-	-	-	-	4,01,393	3,96,554	-	7,97,947	-
Balance as at March 31, 2018	2,55,65,899	10,16,28,512	17,87,27,351	46,26,388	49,79,589	1,16,01,826	13,74,492	32,85,04,057	-
Accumulated Depreciation									
Opening Accumulated depreciation	-	1,31,61,912	3,60,66,142	20,63,473	22,62,216	13,35,360	12,94,691	5,61,83,794	-
Depreciation charged during the year	-	28,41,921	81,37,982	6,12,292	7,99,993	15,00,857	35,737	1,39,28,782	-
Disposal/Adjustments	-	-	-	-	4,01,393	68,237	-	4,69,630	-
Closing Accumulated depreciation	-	1,60,03,833	4,42,04,124	26,75,765	26,60,816	27,67,980	13,30,428	6,96,42,946	-
Net Carrying amount as at 31.03.2018	2,55,65,899	8,56,24,679	13,45,23,227	19,50,623	23,18,773	88,33,846	44,064	25,88,61,111	-
Gross carrying Value									
Balance as at April 01, 2018	2,55,65,899	10,16,28,512	17,87,27,351	46,26,388	49,79,589	1,16,01,826	13,74,492	32,85,04,057	-
Additions	-	56,98,936	3,12,34,911	7,83,478	13,23,099	27,06,452	12,000	4,17,58,876	41,04,775
Deductions /Adjustments	21,01,665	-	1,29,970	2,46,364	8,03,921	8,42,096	-	41,24,016	-
Balance as at March 31, 2019	2,34,64,234	10,73,27,448	20,98,32,292	51,63,502	54,98,767	1,34,66,182	13,86,492	36,61,38,917	41,04,775
Accumulated Depreciation									
Opening Accumulated depreciation	-	1,60,03,833	4,42,04,124	26,75,765	26,60,816	27,67,980	13,30,428	6,96,42,946	-
Depreciation charged during the year	-	35,13,882	95,50,614	4,36,869	13,42,709	18,24,004	36,754	1,67,04,832	14,166
Disposal/Adjustments	-	-	67,799	2,64,564	7,61,921	1,82,096	-	12,76,380	-
Closing Accumulated depreciation	-	1,95,17,715	5,36,86,939	28,48,070	32,41,604	44,09,888	13,67,182	8,50,71,398	14,166
Net Carrying amount as at 31.03.2019	2,34,64,234	8,78,09,733	15,61,45,353	23,15,432	22,57,163	90,56,294	19,310	28,10,67,519	40,90,609

4	Capital Work-in-Progress	
	Paticulars	Amount in Rs
	Balance as at April 01,2017	95,43,361
	Additions	7,95,155
	Deductions /Adjustments	34,12,747
	Balance as at March 31,2018	69,25,769
	Balance as at April 01,2018	69,25,769
	Additions	2,99,78,309
	Deductions /Adjustments	1,40,43,252
	Balance as at March 31,2019	2,28,60,826

Note	Particulars	As at 31st Mar 19	As at 31st Mar 18
5 INVESTMENTS			
	Investments in Mutual Funds(quoted)at fair value		6,04,994
			6,04,994
6 OTHER FINANCIAL ASSETS			
	Unsecured and considered good		
	Security deposits	23,100	48,100
	Electricity Deposits	85,83,094	82,00,928
	Rental deposits	6,75,662	5,01,662
	Other Deposits	13,08,717	5,86,013
		1,05,90,573	93,36,703
7 OTHER NON CURRENT ASSETS			
	Capital Advances	32,13,377	27,77,911
		32,13,377	27,77,911
8 INVENTORIES			
	Raw material	7,45,61,561	4,26,25,300
	Pacing Material	30,28,094	23,38,330
	Consumables	10,29,618	7,75,170
	Coal , Furnance oil and Firewood	28,40,453	41,86,413
	Finished Goods	4,13,20,101	3,13,38,967
		12,27,79,826	8,12,64,180
	Work-in-process	10,28,38,017	7,84,72,740
		22,56,17,844	15,97,36,920

Valuation:

- Raw materials and Packing Materials are valued at lower of cost or net realisable value.
- Finished goods are valued at cost of conversion and other costs incurred in bringing the inventories to their present location and condition or net realisable value which ever is lower.

Note	Particulars	As at 31st Mar 19	As at 31st Mar 18
9	TRADE RECEIVABLES		
	Unsecured ,Considered good unless otherwise stated		
	Outstanding for a period exceeding six months from the date they become due for payment		
	Receivable from others:		
	Considered good -secured		
	Considered good -Un secured	1,03,17,968	1,29,06,506
	Other Debts -debts due for less than six months		
	Considered good	24,84,38,680	20,18,13,492
	Less: Provision for Doubtful debts	(27,86,098)	(27,86,098)
	Total Receivables	25,59,70,549	21,19,33,900
10	CASH AND CASH EQUIVALENTS		
	Balances with banks	1,21,51,244	93,34,076
	In Current accounts	-	-
	In Deposit account(margin money with banks ,the maturity of the period of which is less than 3 months)	58,073	5,29,661
	Cash on hand	1,22,09,316	98,63,737
11	OTHER BANK BALANCES		
	Deposits with original maturity of more than 3 months	91,14,299	1,58,06,722
		91,14,299	1,58,06,722
12	OTHER FINANCIAL ASSETS		
	Intrest accrued but not due-fixed Deposits	7,07,393	3,54,857
	Advances to Suppliers	3,90,00,081	1,92,81,044
	Advances to staff	8,83,005	5,13,052
	Export Incentive Receivable	4,21,46,597	2,01,60,728
	Interest Subsidy Receivable	19,30,061	19,30,061
	Less: Provision	(19,30,061)	-
		8,27,37,076	4,22,39,742
13	OTHER CURRENT ASSETS		
	Unsecured and considered good		
	Balances with statutory/government authorities	46,68,477	21,42,476
	Prepaid expenses	24,84,825	26,24,484
	Income tax (Net of Provision)	-	-
	NBFC	-	27,679
		71,53,302	47,94,639

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 14: SHARE CAPITAL

Amounts in Rs

Particulars	As at 31st Mar 19	As at 31st Mar 18
Authorised share capital		
71,50,000 Equity shares of Rs. 10/- each	7,15,00,000	7,15,00,000
Issued, subscribed and fully paid-up		
30,73,000 Equity Shares of Rs. 10/- each with voting rights	3,07,30,000	3,07,30,000
	3,07,30,000	3,07,30,000

a. Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31st Mar 19		As at 31st Mar 18	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	30,73,000	3,07,30,000	30,73,000	3,07,30,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	30,73,000	3,07,30,000	30,73,000	3,07,30,000

b. Rights attached to the equity shares

The company has only one class of shares having a face value of Rs. 10/- per share. All equity shareholders rank pari-passu in respect of dividend and voting rights. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of preferential amounts, in proportion to their shareholding.

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

Particulars	As at 31st Mar 19		As at 31st Mar 18	
	No of shares	% of holding	No of shares	% of holding
M/s RPS Projects & Developers Pvt .Ltd	10,04,230	32.68%	10,04,230	32.68%
Sri.Dharm Prakash Tripathi	3,21,500	10.46%	3,21,500	10.46%
Sri.BR Yadav	2,85,600	9.29%	2,85,600	9.29%
Sri. S.Chidambaranathan	2,58,778	8.42%	2,58,778	8.42%
Sri.Rabindra Prasad Sinha	2,02,912	6.60%	1,79,263	5.83%
Sri. Amit Raj Sinha	1,72,708	5.62%	1,72,705	5.62%

Note	Particulars	As at 31st Mar 19	As at 31st Mar 18
15 BORROWINGS			
Secured			
Vehicle loans	31,32,076	26,68,647	
Term Loans	52,53,215	3,05,65,459	
	83,85,291	3,32,34,106	

Term Loans:

All term loans are secured by exclusive first charge on fixed assets created out of the term loans extended by the term lender and the second charge on the remaining fixed assets of the company (both present and future) by way of hypothecation of movable fixed assets and also equitable mortgage of immovable fixed assets of the company and personal guarantee of Rabindra Prasad Sinha, S Chidambaranathan, Amit Raj Sinha, Vijay Amrutlal Bhavasar, Sudha Sinha and Dharani Devi.

Corporate guarantee has been availed from RPS Projects & Developers Private Limited.

Vehicle Loans:

All Vehicle loans are secured by mortgage of vehicles.

16 PROVISIONS		
Provision for employee benefits		
Leave encashment	9,17,299	16,33,756
Gratuity	45,02,624	41,36,880
	54,19,923	57,70,636
17 DEFERRED TAX LIABILITIES (NET)		
The movement on the deferred tax account is as follows:		
At the start of the year	2,06,88,768	2,10,82,987
Charge/(credit) to statement of profit and loss	61,95,113	(3,94,219)
At the end of year	2,68,83,881	2,06,88,768
18 BORROWINGS		
Secured:		
From Banks	19,76,56,994	23,48,47,383
UnSecured:		
From NBFC	2,26,00,192	1,52,84,400
	22,02,57,185	25,01,31,783
19 TRADE PAYABLES-Other Financial Liabilities -Current		
Due to micro, small and medium enterprises	-	-
Others	8,84,40,671	8,35,88,701
	8,84,40,671	8,35,88,701
20 OTHER FINANCIAL LIABILITIES-Current		
Current maturity of loans:		
Term loans(secured)	2,13,81,580	1,91,08,488
Vehicle loans(Secured)	18,86,703	16,17,094
	2,32,68,283	2,07,25,582
21 OTHER CURRENT LIABILITIES		
Statutory remittances	1,15,35,842	71,57,426
Accrued Expense Payable	1,87,81,324	91,15,593
Employee Benefits Payable	1,45,37,966	1,16,32,394
Advance from Customers	48,69,817	-
	4,97,24,949	2,79,05,413
22 Provisions		
Provision for Income tax(Net of Advance tax and TDS)	4,34,18,064	1,74,23,974
	4,34,18,064	1,74,23,974

Note	Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
23 REVENUE FROM OPERATIONS			
	Sale of products	1,19,94,14,049	94,41,39,034
	Sale of services	9,04,66,910	6,31,60,929
		1,28,98,80,959	1,00,72,99,963
	i. Sale of products		
	Export		
	MCCP	74,45,51,932	56,67,84,655
	Others	1,57,86,718	75,39,922
	Domestic		
	MCCP	42,82,57,512	36,16,93,403
	Others	23,428	1,07,25,450
		1,18,86,19,589	94,67,43,430
	ii. Sale of services		
	Operational and Maintenance income	9,04,66,910	6,31,60,929
		9,04,66,910	6,31,60,929
24 OTHER INCOME			
	MEIS Income	3,31,83,727	2,01,60,728
	Duty Drawback Income	11,867	5,32,468
	Interest on fixed deposits	6,81,219	6,33,121
	Interest on electricity deposit	1,94,595	1,54,440
	Net gain/(loss) on foreign currency transactions	41,38,655	86,43,359
	Income from Mutual Fund	-	2,29,156
	Scrap Sale	6,85,999	1,96,074
	Profit on sale of asset	-	-
		3,88,96,062	3,05,49,347
25 COST OF MATERIALS CONSUMED			
	Opening stock	4,99,25,213	5,32,26,046
	Add:Purchases	73,40,09,718	60,32,26,475
	Less: Closing stock	8,14,59,726	4,99,25,213
		70,24,75,206	60,65,27,308
26 CHANGES IN INVENTORIES OF WORK-IN-PROCESS AND FINISHED GOODS			
	Inventories at the end of the year		
	Finished Goods	4,39,46,526	3,13,38,967
	Work-in- process	10,28,38,017	7,84,72,740
		14,67,84,543	10,98,11,707
	Inventories at the beginning of the year		
	Finished Goods	3,36,29,135	1,17,21,157
	Work-in- process	7,84,72,740	7,96,40,753
	Net (increase)/decrease	(3,46,82,668)	(1,84,49,797)
27 EMPLOYEE BENEFIT EXPENSE			
	Salaries and wages	8,68,51,299	6,12,94,359
	Contribution to provident and other funds	63,65,163	53,86,583
	Directors remuneration	2,18,53,000	1,21,32,000
	Staff welfare expenses	86,09,049	1,05,99,473
		12,36,78,511	8,94,12,415
28 FINANCE COSTS			
	Interest on borrowings	2,66,59,241	2,71,88,256
	Bank Charges	67,56,749	76,41,660
	Interest Expense	2,74,094	2,04,361
	Other borrowing costs	8,19,024	28,67,183
		3,45,09,107	3,79,01,459

Note	Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
29 OTHER EXPENSES			
	Manufacturing Expenses		
	Power and Fuel Expenses	3,22,57,770	3,08,07,056
	R&D Expenses	34,11,485	37,91,368
	Stores and Spares	25,39,832	61,74,069
	Repairs and maintenance	1,14,32,237	98,21,110
	Forklift Charges	7,56,238	7,00,000
	Labour Charges	7,69,33,387	6,57,50,463
	Lab Expenses	17,29,478	11,15,825
	Loading and Unloading Charges	28,46,168	7,83,388
	carriage Outward	3,44,55,393	4,01,72,566
	Water Charges	82,40,165	59,76,653
		17,46,02,153	16,50,92,498
	Administration ,Selling and Other Expenses		
	Rental	35,79,786	31,33,578
	Rates and taxes	52,81,633	25,83,338
	Printing and stationery	10,48,990	8,46,255
	Insurance	25,85,724	22,59,607
	Selling Expenses	2,22,88,029	1,96,56,180
	Travelling and conveyance	84,46,271	49,56,132
	Professional & consultancy fees	84,10,628	70,42,313
	Remuneration to auditors		
	Audit fee	2,00,000	1,50,000
	Out of pocket expenses	1,57,961	1,30,088
	Communication expenses	16,34,213	29,639
	Postage and Courier Charges	34,904	2,43,567
	Telephone charges	-	5,77,771
	Electricity charges	3,06,818	2,90,074
	Membership and Subscription Charges	1,61,914	2,06,956
	Security Charges	14,95,021	10,46,504
	Donations	-	1,26,100
	Bad debts Written off	12,65,820	25,06,367
	Miscellaneous Expenses	51,21,562	13,83,792
	Profit/(loss) on Sale of Fixed Assets	4,33,519	2,38,317
	CSR	17,39,300	-
		6,41,92,093	4,74,06,579
Total		23,87,94,246	21,24,99,077

30 Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP

Particulars	Net Profit	Other Equity
	Year ended 31 Mar 17	Year ended 31 Mar 18
Net Profit/Other Equity as per Indian GAAP	5,80,15,625	22,66,18,115
Derecognition of liability for proposed dividend for the year ended 31 March 2017		36,04,752
Fair valuation of investments in mutual funds	1,03,739	1,04,994
Interest Expense	(1,92,721)	2,36,190
Difference in measurement of employee benefits	(9,20,267)	(2,60,995)
Others	1,22,17,909	23,80,128
Net Profit before OCI /Other equity as per Ind AS	6,92,24,285	23,26,83,184

NOTES:**a) Proposed dividend:**

Under indian GAAP, proposed dividends including dividend distribution tax are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid. Therefore the liability of Rs.36.11,221/- for the year ended on 31 March 2017 recorded for dividend has been derecognised against retained earnings on 1 April 2017.

b) Mutual Funds:

Under indian GAAP, investments in mutual funds are accounted for as short term investments and accordingly they are carried at lower of cost and fair value. Under Ind AS, the company has designated such investments to be measured at fair value. At the date of transition to IND AS, the difference between the instruments fair value and the indian GAAP carrying amount has been recognised in the retained earnings.

c) Interest Expense:

Under indian GAAP, loans are carried at their notional amount and the transaction costs paid are expensed off in the P&L when paid. Under IND AS, all such financial liabilities are carried at amortized cost using effective interest method.

d) Defined benefit liabilities:

Under Indian GAAP, the Company recognised costs related to its post-employment defined benefit plan i.e gratuity based on actuarial valuation made by independent qualified actuary the as at the year end and the entire cost, including actuarial gains and losses, are charged to the statement of profit and loss. Under Ind AS, the liability in respect of gratuity benefit is determined based on actuarial valuation, performed by an independent qualified actuary and remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

30.1 Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Revenue from operations	1,01,26,11,722	(53,11,759)	1,00,72,99,963
Other Income	11,09,052	2,94,40,295	3,05,49,347
Total income	1,01,37,20,774	2,41,28,536	1,03,78,49,310
Expenses			
Cost of materials consumed	57,52,63,807	3,12,63,501	60,65,27,308
Changes in inventories of finished goods, work in progress and stock in trade	(30,00,240)	(1,54,49,557)	(1,84,49,797)
Employee benefit expense	15,84,01,243	(6,89,88,828)	8,94,12,415
Finance cost	3,77,08,738	1,92,721	3,79,01,459
Depreciation and amortization expense	1,39,28,782	-	1,39,28,782
Other expenses	14,33,73,013	6,91,26,064	21,24,99,077
Total expenses	92,56,75,343	1,61,43,900	94,18,19,243
Profit/(loss) before extraordinary, exceptional items and tax	8,80,45,431	79,84,635	9,60,30,066
Extraordinary items	-	-	-
Exceptional items	-	-	-
Profit/(loss) before tax	8,80,45,431	79,84,635	9,60,30,066
Tax expense			
(i) Current tax	2,72,00,000	-	2,72,00,000
(ii) Deferred tax	28,29,806	(32,24,025)	(3,94,219)
Net profit/(loss) for the period/year	5,80,15,625	1,12,08,660	6,92,24,285

31 INCOME TAXES

Income tax expense/ (benefit) recognised in the statement of profit and loss

Particulars	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Current tax expense	5,09,61,046	2,72,00,000
Deferred tax expense	61,95,113	(3,94,219)
Total income tax expense	5,71,56,159	2,68,05,781

Reconciliation of effective tax rate

Particulars	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Profit before Income Tax	25,39,14,960	10,41,58,821
Tax Rate	29.12%	33.06%
Expected Tax expense	7,39,40,036	3,44,38,031
Adjustments:		
Deduction U/S 10AA(SEZ)-50% of Profits	(7,73,57,646)	(2,07,89,131)
Expenses not deductible for tax purpose	3,29,78,517	52,12,460
Expenses deductible for tax purpose	(3,45,32,240)	(63,14,962)
Total	(7,89,11,369)	(2,18,91,633)
Profit after Adjustments	17,50,03,592	8,22,67,188
Income tax expense	5,09,61,046	2,72,00,000
Effective tax rate	20.07%	26.11%

Unrecognised deferred tax Liability

Particulars	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Provision for Gratuity	2,44,448	3,18,406
Provision for Leave encashment	-	1,10,845
Provision for Bonus	8,33,904	8,34,612
Depreciation effect	(40,29,753)	(40,93,669)
Total unrecognised deferred tax	(29,51,401)	(28,29,806)

Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Deferred tax (assets)/liabilities:		
Property, plant and equipment	70,84,224	7,31,631
Current liabilities & provisions	(10,78,351)	(12,63,863)
Actruial gain	1,89,240	1,38,013
Net deferred tax Liabilities	61,95,113	(3,94,219)

Movement in deferred tax assets and liabilities during the years ended 31st Mar 2019 and 31st Mar 2018

Particulars	As at 31st Mar 2018	Charge/(credit) to profit or loss	As at 31st Mar 2019
Deferred tax (assets)/liabilities:			
Property, plant and equipment	7,31,631	63,52,594	70,84,224
Current liabilities & provisions	(12,63,863)	1,85,512	(10,78,351)
Actruial gain	1,38,013	51,227	1,89,240
Net Deferred tax Liabilities	(3,94,219)	65,89,332	61,95,113

32. EMPLOYEE BENEFITS

a. Defined contribution plan

The Company operates defined contribution schemes like Employee State Insurance Scheme. For this scheme contributions are made by the company and employees at a predetermined rate based on current salaries.

b. Defined Benefit Plan

i. Gratuity:

The Company has provided gratuity liability as per the actuarial valuation provided by actuarial valuer. The benefits are determined and carried out at each Balance Sheet date.

ii. Leave Encashment:

The Company has created provision for leave encashment liability for eligible employees. The benefits are determined and carried out at each Balance Sheet date.

The disclosure for defined benefit plan (Gratuity) as per Ind AS 19 are given here under:

The following table sets out the amounts recognised in the financial statements in respect of retiring gratuity plan:

i. Changes in the present value of obligation

Particulars	As at 31st Mar 19	As at 31st Mar 18
Defined benefit obligation as at beginning of the year	41,36,880	32,94,638
Current service cost	6,95,828	9,93,608
Interest cost	3,19,781	2,47,757
Actuarial (gain)/loss	(6,49,864)	(3,99,123)
Benefits paid	-	-
Defined benefit obligation as at the end of the year	45,02,625	41,36,880

ii. Changes in fair value of plan assets

Particulars	As at 31st Mar 19	As at 31st Mar 18
Fair value of plan assets as at the beginning of the year	-	-
OB difference	-	-
Investment income	-	-
Employer contribution	-	-
Expenses	-	-
Benefits Paid	-	-
Return on plan assets	-	-
Fair value of plan assets as at the end of the year	-	-

iii. Fair value of Assets and Obligations

Particulars	As at 31st Mar 19	As at 31st Mar 18
Fair value of plan assets	-	-
Present value of obligation	45,02,625	41,36,880
Amount recognized in balance sheet	(45,02,625)	(41,36,880)

iv. Expenses recognised during the year

Particulars	Year ended 31st Mar 19	Year ended 31st Mar 18
In Income Statement		
Current service cost	6,95,828	9,93,608
Interest cost/(income)	3,19,781	2,47,757
Expenses recognised in the income statement	10,15,609	12,41,365
In Other Comprehensive Income (OCI)		
Actuarial (gain)/loss		
Experience Variance	(6,49,864)	(3,99,123)
Others	-	-
Return on plan assets	-	-
Net (income)/expense recognised in OCI	(6,49,864)	(3,99,123)

v. Actuarial assumptions

Particulars	As at 31st Mar 19	As at 31st Mar 18
Discount rate (per annum)	7.65%	7.73%

vi. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	As at 31st Mar 19		As at 31st Mar 18	
	Decrease	Increase	Decrease	Increase
Change in discounting rate	50,56,081	40,38,787	45,54,342	37,78,981
Change in rate of salary increase	37,24,064	54,73,463	34,24,378	50,22,092
Change in rate of attrition	37,99,757	51,25,376	36,93,996	45,32,532
Change in rate of mortality	44,85,294	45,19,887	41,25,773	41,47,955

33 EARNINGS PER SHARE

Particulars	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Profit after tax attributable to equity shareholders	19,67,58,801	6,92,24,285
Weighted average number of equity shares for Basic EPS	30,73,000	30,73,000
Weighted average number of equity shares for Diluted EPS	30,73,000	30,73,000
Basic earnings per Share	64.03	22.53
Diluted earnings per Share	64.03	22.53

34 RELATED PARTIES**a. List of the transacted Related Parties and description of relationship**

Nature of Relationship	Name of the related party	Relationship
Wholly owned subsidiary	Sigachi US,Inc	
Key Management Personnel	Mr.R.P Sinha Mr.S. Chidambaranathan Mr.Amit Raj Sinha Mr.Vijay Amrutlal Bhavsar	Executive Chairman Executive Vice Chairman MD & CEO Director
Relatives of KMP	Mr.C .Bhavani Shanmugam	Son of Director

b. Transactions with Related parties

Nature of Transaction	Name of the related party	Year ended 31st Mar 2019	Year ended 31st Mar 2018
Managerial Remuneration	Mr.R.P Sinha	56,25,000	41,84,000
	Mr.S.Chidambaranathan	56,25,000	41,84,000
	Mr.Amit Raj Sinha	65,85,000	50,24,000
	Mr.Vijay Amrutlal Bhavsar	12,00,000	12,00,000
	Mr. C. Bhavani Shanmugam	19,32,000	10,23,426
Rent	Mr.Amit Raj Sinha	5,94,000	5,94,000
Sales	Sigachi US,Inc	8,26,16,143	4,12,00,663

c. Balances as at 31st Mar 2019

Nature of Transaction	Name of the related party	As at 31st Mar 2019	As at 31st Mar 2018
Managerial Remuneration	Mr.R.P Sinha	13,401	6,24,000
	Mr.S.Chidambaranathan	7,11,400	12,65,101
	Mr.Amit Raj Sinha	1,28,108	2,24,647
	Mr.Vijay Amrutlal Bhavsar	85,000	85,000
	Mr. C. Bhavani Shanmugam	50,561	65,285
Rent Payable	Mr.Amit Raj Sinha	99,000	49,500
Sales Receipts	Sigachi US,Inc	90,01,991	82,42,388

35 Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services. Based on the 'Management' approach as defined under Ind AS108, the Chief Operating Decision Maker (CODM) evaluates the performance on a periodical basis and allocates resources based on an analysis of the performance of various Businesses. The CODM is the Managing Director. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the Significant Accounting Policies. Since, the Company is mainly pursuing only one activity i.e. manufacturing and selling of MCC, reporting of segment revenue and results does not arise.

36 MSME :

Disclosure in respect of principal and interest pertaining to the Micro,Small and Medium Enterprises Dev. Act 2006 based on available details is as under:

Particulars	Amount in Rs
Principal amount due as on 31.03.2019	-
Interest on above and unpaid interest	-
Interest paid	-
Payment made beyond the appointed date	-
Interest due and payable for the period of delay	-
Interest accrued and remaining unpaid at the year end	-
Amount of further interest due and payable in succeeding Year	-

37 Financial Instruments valuation

All financial instruments are initially measured at cost and subsequently measured at fair value.

The carrying value and fair value of financial instruments by categories as of **31st Mar 19** are as follows

Particulars	Carrying Value	Level of input used in			Fair Value
		Level 1	Level 2	Level 3	
Financial assets					
At Amortised Cost					
Investments*	-	-	-	-	-
Trade receivables	26,18,59,956	-	-	-	26,18,59,956
Cash and cash equivalents	1,09,96,622	-	-	-	1,09,96,622
Other bank balances	91,14,299	-	-	-	91,14,299
Other financial assets	8,24,34,998	-	-	-	8,24,34,998
Financial liabilities					
At Amortised Cost					
Borrowings	21,25,39,035	-	-	21,23,87,526	21,23,87,526
Trade payables	8,15,75,052	-	-	-	8,15,75,052
Other financial liabilities	2,32,68,283	-	-	-	2,32,68,283

The carrying value and fair value of financial instruments by categories as of **31st Mar 18** are as follows

Particulars	Carrying Value	Level of input used in			Fair Value
		Level 1	Level 2	Level 3	
Financial assets					
At Amortised Cost					
Investments*	5,00,000	6,04,994	-	-	6,04,994
Trade receivables	21,94,28,668	-	-	-	21,94,28,668
Cash and cash equivalents	76,69,679	-	-	-	76,69,679
Other bank balances	1,58,06,722	-	-	-	1,58,06,722
Other financial assets	4,22,39,742	-	-	-	4,22,39,742
Financial liabilities					
At Amortised Cost					
Borrowings	27,12,36,215	-	-	26,80,81,488	26,80,81,488
Trade Payables	8,21,90,860	-	-	-	8,21,90,860
Other financial liabilities	2,07,25,582	-	-	-	2,07,25,582

* excludes Financial assets measured at cost

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the Asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

38 CONTINGENT LIABILITIES AND COMMITMENTS

Central Excise and service tax

The Company received a demand amounting to Rs. 1,27,161 for the period Jan 2005, to Mar 2008 .

The Company is representing the case before the Commissioner and is expecting a favourable order.

39 CAPITAL MANAGEMENT

The company manages its capital to ensure that it will be able to continue as going concern while creating value for share holders by facilitating the meeting of long term and short term goals of the Company.

The company determines the amount of capital required on the basis of annual business plan coupled long term and short term strategic investment and expansion plans.

The company monitors the capital by using net debt equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Amounts in Rs

Particulars	March 31,2019	March 31,2018
Non Current Borrowings	83,85,291	3,32,34,106
Current Borrowings	22,02,57,185	25,01,31,783
Total Debts	22,86,42,476	28,33,65,888
Less: Cash and Cash Equivalents	1,22,09,316	98,63,737
Other Bank balances	91,14,299	98,63,737
Adjusted net debts	20,73,18,861	26,36,38,414
Equity	3,07,30,000	3,07,30,000
Other Equity	41,80,97,040	23,26,83,184
Total Equity	44,88,27,040	26,34,13,184
Adjusted net debt to equity ratio	0.46	1.00

40 Financial Risk Management

In course of its business, the company is exposed to certain financial risk such as market risk , credit risk and liquidity risk that could have significant influence on the company's business and operational/financial performance. The Board of directors and the Audit Committee reviews and approves risk management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimize potential adverse effects and achieve greater predictability to earnings.

a. Credit risk

Credit Risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is managed through continuously monitoring the creditworthiness of customers and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

b. Liquidity risk

Liquidity Risk refers to the risk that the company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, 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 risk to the Company's reputation.

The company has obtained fund and non fund based working capital loans from bank .The borrowed funds are generally applied for company's own operational activities.

The table below provides details regarding the contractual maturities of significant financial liabilities.

Amounts in Rs

Particulars	Up to 1 Year	1 to 3 years	3 to 5 years
31-Mar-19			
Non Current Borrowings	2,32,47,147	2,40,38,674	7,31,940
Current Borrowings	20,40,02,235	-	-
Trade payables	8,15,75,052	-	-
Other Payables	2,32,68,283	-	-
	33,20,92,718	2,40,38,674	7,31,940
31-Mar-18			
Non Current Borrowings	1,78,07,046	4,81,15,585	6,39,111
Current Borrowings	23,48,47,383	-	-
Trade payables	8,21,90,860	-	-
Other Payables	2,07,25,582	-	-
	35,55,70,871	4,81,15,585	6,39,111

c. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices such as commodity prices, foreign currency exchange rates and other market changes.

d. Exchange rate risk

The company foreign exchange arised from its foreign operations, foreign currency revenues and expenses, (Primarily in US Dollars and Egyptian pounds). Consequently, the company is exposed to foreign exchange risk though its sales, services and purchases from overseas suppliers in various foregin currencies.

The foreign currency exposures were as follows:

Particulars	March 31,2019	March 31,2018
	USD	USD
Assets		
Cash and bank balances	12,45,242	21,98,795
Trade receivables	44,28,252	19,82,833
Other assets	1,77,89,430	1,80,75,982
Total	2,34,62,923	2,22,57,610
Liabilities		
Trade payables	1,00,27,752	1,02,06,071
Other liabilities	1,64,62,459	1,55,78,961
Total	2,64,90,211	2,57,85,032
Net Exposure	(30,27,288)	(35,27,421)

Sensitivity analysis

A reasonably possible Strenthing(Weaking) of the Indian Rupee against US dollars at March 31 would have effected the measurement of financial statements denominated in US dollars and Pounds and effected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables ,in particular interest rates,remain constant and ignores any impact of forecast sales and purchases.

31-Mar-19

Effect in INR	Profit or loss		Equity net of tax	
	Strengthening	Weaking	Strengthening	Weaking
1% movement	(30,273)	30,273	-	-
USD	(30,273)	30,273	-	-

31-Mar-18

Effect in INR	Profit or loss		Equity net of tax	
	Strengthening	Weaking	Strengthening	Weaking
1% movement	(35,274)	35,274	-	-
USD	(35,274)	35,274	-	-

e. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The company's exposure to the risk of changes in the market interest rate relates primarily to the company's long term debt obligations with floating interest rates. The company's interest rate exposure is mainly related to variable interest rates debt obligations. The company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers /buyers credit.

The Interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the company is as follows:

Particulars	March 31,2019	March 31,2018
Floating rate instruments		
Financial Liabilities		
Term loans from banks	4,80,17,761	6,65,61,742
Working capital facilities from bank	20,40,02,235	23,48,47,383
Total	25,20,19,996	30,14,09,124

Cash flow sensitivity analysis for variable -rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowing summarised above. This calculation assumes that the change occurs at the balance sheet date and has been calculated on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant. The period end balances are not necessarily representative of the average debt outstanding during the period.

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
31-Mar-19		
Variable rate loan instruments	6,30,050	(6,30,050)
31-Mar-19		
Variable rate loan instruments	7,53,523	(7,53,523)

Note: Figures of the Previous year are regrouped/reclassified wherever considered necessary and rounded off to the nearest rupee.

41 FIRST TIME IND AS ADOPTION RECONCILIATION

Effect of Ind AS adoption on the Consolidated balance sheet as at 31st March, 2018

Assets & Liabilities	As at 31st Mar 18		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
ASSETS			
Non-current assets			
Property, plant and equipment	25,88,61,111	-	25,88,61,111
Capital work-in-progress	61,30,614	7,95,155	69,25,769
Intangible assets	-	-	-
Financial assets			
Investments	5,00,000	1,04,994	6,04,994
Other financial assets	93,36,703	0	93,36,703
Other Non-current assets	-	27,77,911	27,77,911
Current assets			
Inventories	16,12,78,786	(15,41,866)	15,97,36,920
Financial assets			
Trade receivables	21,19,34,419	(519)	21,19,33,900
Cash and cash equivalents	70,36,363	28,27,374	98,63,737
Other bank balances	1,81,80,999	(23,74,277)	1,58,06,722
Other financial assets	3,14,87,148	1,07,52,594	4,22,39,742
Other current assets	1,81,36,469	(1,33,41,830)	47,94,639
Total Assets	72,28,82,610	(462)	72,28,82,148
EQUITY & LIABILITIES			
Equity			
Equity Share capital	3,07,30,000	-	3,07,30,000
Other equity	22,66,18,115	60,65,069	23,26,83,184
Non-current liabilities			
Financial liabilities			
Borrowings	4,87,54,696	(1,55,20,590)	3,32,34,106
Provisions	57,70,636	-	57,70,636
Deferred tax liabilities	1,40,09,899	66,78,869	2,06,88,768
Current liabilities			
Financial liabilities			
Borrowings	23,43,66,607	1,57,65,176	25,01,31,783
Trade Payables	8,48,84,703	(12,96,002)	8,35,88,701
Other financial liabilities	1,78,07,046	29,18,536	2,07,25,582
Provisions	3,34,11,498	(1,59,87,522)	1,74,23,976
Other current liabilities	2,65,29,410	13,76,003	2,79,05,413
Total liabilities	72,28,82,610	(462)	72,28,82,148

Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with the financial statements prepared under Ind AS.

As per our report of even date attached
For T .Adinarayana & Co,
Chartered Accountants
Firm Regn No. 000041S

Sd/-
Y.P Rao
Proprietor
Membership No. 025266
Place: Hyderabad
Date:03rd September 2019

For and on Behalf of the Board of Directors

Sd/-
Rabindra Prasad sinha
Executive Chairman
Sd/-
Amit Raj Sinha
Managing Director and CEO

Sd/-
S Chidambaranathan
Executive Vice Chairman
Sd/-
O.Subba Rami Reddy
Chief Financial Officer

SIGACHI INDUSTRIES PRIVATE LIMITED

Regd. Office: 229/1 & 90, 4th Floor,
Kalyan's Tulsiram Chambers, Madinaguda, Hyderabad- 500 049, Telangana State
Email id: cs@sigachi.com
CIN: U24110TG1989PTC009497

NOTICE

Notice is hereby given that 30th Annual General Meeting of the Members of Sigachi Industries Private Limited will be held on Saturday, 28th September 2019 at 10.00 AM at 229/1 & 90, 4th Floor, Kalyan's Tulsiram Chambers, Madinaguda, Hyderabad, 500049 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including consolidated financial statements) for the financial year ended 31st March 2019 together with the Reports of the Board of Directors and the Auditors thereon.

2. To declare a dividend for the financial year 2018-19 on the Equity Shares.

SPECIAL BUSINESS

3. RE-APPOINTMENT OF MR RABINDRA PRASAD SINHA [DIN: 00413448] AS WHOLE-TIME DIRECTOR DESIGNATED AS EXECUTIVE CHAIRMAN OF THE COMPANY FOR A FURTHER PERIOD OF FIVE YEARS

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), subject to such consents and permissions, as may be required, approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Rabindra Prasad Sinha [DIN: 00413448] as Whole-time Director to be designated as the Executive Chairman of the Company, for a further period of 5 (five) years with effect from 01st December 2019, on such terms and conditions as set out in this resolution, as may be determined by the Board or a duly constituted Committee thereof, from time to time within the maximum limits of remuneration for Managing Director approved by the Members of the Company.

"RESOLVED FURTHER THAT the remuneration paid / payable to Mr. Rabindra Prasad Sinha [DIN: 00413448], Executive Chairman shall be as under:

1. Remuneration

₹ 3,60,000/- per month, with effect from 1st April, 2019 along with an annual increment of ₹40,000/- with effect from 01st April of each financial year during his tenure.

2. Performance incentive (or) Commission

Such remuneration by way of Commission in addition to the salary, perquisites payable, as may be decided by the Board of Directors for each financial year calculated with reference to net profits of the Company, payable at such intervals, as may be decided by the Board of Directors, subject to a maximum of 2% for each financial year commencing from 2019-2020.

3. Perquisites

Perquisites shall be restricted to an amount equal to the above salary:

i. Medical Reimbursement: Reimbursement of the expenses incurred for self and family or medical insurance for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

ii. Leave Travel Concession: Leave travel concession for self and family once in a year incurred in accordance with rule of the Company.

Explanation: Family for the i & ii means, the Spouse, the dependant children and dependant parents

iii. Club Fees: Fees of Club subject to maximum of two clubs. No admission and life membership fee shall be paid.

iv. Personal Accident Insurance: Personal accident insurance of an amount, the annual premium of which does not exceed Rs. 25,000 per annum.

v. a. Gratuity as per the rules of the Company

b. Company's contribution towards superannuation fund as per the rules of the Company.

Notice Contd.

The aforesaid perquisites stated in a and b shall not be included in the computation of aforesaid ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

vi. Earned Leave: On full pay and allowance and perquisites as per the rules of the company, but not exceeding one-month salary for eleven months service. Encashment of leave at the end of the tenure shall not be included in the computation of the aforesaid ceiling on perquisites and/or salary.

vii. Provision for car for use on Company's business and telephone at residence shall not be considered as perquisites, personal long-distance call and use of car for private use shall be billed by the Company.

4. Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year, Mr. Rabindra Prasad Sinha shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits as approved by the Board of Directors and the members, as minimum remuneration.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the Members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V of the Act, the Board of Directors be and is hereby authorized to vary or increase the remuneration (including the minimum remuneration), i.e. the salary, perquisites, allowances, etc, within such prescribed limit to give effect to such modification, relaxation or variation, subject to approvals as may be required under law.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and the Board shall have absolute powers to decide break-up of the remuneration within the above said maximum permissible limit and in order to give effect to the foregoing Resolution, or as may be otherwise considered fit by it in the best interest of the Company."

4. RE-APPOINTMENT OF MR S CHIDAMBARANATHAN [DIN: 00485497] AS WHOLE-TIME DIRECTOR DESIGNATED AS EXECUTIVE VICE CHAIRMAN OF THE COMPANY FOR A FURTHER PERIOD OF FIVE YEARS

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), subject to such consents and permissions, as may be required, approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. S Chidambaranathan [DIN:00485497] as Whole-time Director to be designated as the Executive Vice Chairman of the Company, who has attained the age of 76 (Seventy Six) years for a further period of 5 (five) years with effect from 01st December 2019, on such terms and conditions as set out in this resolution, as may be determined by the Board or a duly constituted Committee thereof, from time to time within the maximum limits of remuneration for Managing Director approved by the Members of the Company.

"RESOLVED FURTHER THAT the remuneration paid / payable to Mr. S Chidambaranathan [DIN 00485497], Executive Vice Chairman, shall be as under:

1. Remuneration

₹ 3,60,000/- per month, with effect from 1st April, 2019 along with an annual increment of ₹40,000/- with effect from 01st April of each financial year during his tenure.

2. Performance incentive (or) Commission

Such remuneration by way of Commission in addition to the salary, perquisites payable, as may be decided by the Board of Directors for each financial year calculated with reference to net profits of the Company, payable at such intervals, as may be decided by the Board of Directors, subject to a maximum of 2% for each financial year commencing from 2019-2020.

Notice Contd.

3. Perquisites

Perquisites shall be restricted to an amount equal to the above salary:

i. Medical Reimbursement: Reimbursement of the expenses incurred for self and family or medical insurance for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

ii. Leave Travel Concession: Leave travel concession for self and family once in a year incurred in accordance with rule of the Company.

Explanation: Family for the i & ii means, the Spouse, the dependant children and dependant parents

iii. Club Fees: Fees of Club subject to maximum of two clubs. No admission and life membership fee shall be paid.

iv. Personal Accident Insurance: Personal accident insurance of an amount, the annual premium of which does not exceed Rs. 25,000 per annum.

v. a. Gratuity as per the rules of the Company

b. Company's contribution towards superannuation fund as per the rules of the Company.

The aforesaid perquisites stated in a and b shall not be included in the computation of aforesaid ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

vi. Earned Leave: On full pay and allowance and perquisites as per the rules of the company, but no exceeding one-month salary for eleven months service. Encashment of leave at the end of the tenure shall not be included in the computation of the aforesaid ceiling on perquisites and/or salary.

vii. Provision for car for use on Company's business and telephone at residence shall not be considered as perquisites, personal long-distance call and use of car for private use shall be billed by the Company.

4. Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year, Mr. S Chidambaranathan shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits as approved by the Board of Directors and the members, as minimum remuneration.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the Members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V of the Act, the Board of Directors be and is hereby authorized to vary or increase the remuneration (including the minimum remuneration), i.e. the salary, perquisites, allowances, etc, within such prescribed limit or ceiling to give effect to such modification, relaxation or variation, subject to approvals as may be required under law.

RESOLVED FURTHER THAT the Board be and is here by the authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and in order to give effect to the foregoing Resolution, or as may be otherwise considered fit by it in the best interest of the Company.

5. RE-APPOINTMENT OF MR AMIT RAJ SINHA [DIN: 01263292] AS MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER OF THE COMPANY FOR A FURTHER PERIOD OF FIVE YEARS

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force) and pursuant to the Article 44 and 45 of the Articles of Association of the Company and subject to such consents and permissions, as may be required, approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Amit Raj Sinha [DIN 01263292] as Managing Director and Chief Executive Officer of the Company for a further period of 5 (five) years with effect from 01st December 2019, on such terms and conditions as set out in this resolution, as may be determined by the Board or a duly constituted Committee thereof, from time to time within the maximum limits of remuneration for Managing Director approved by the Members of the Company.

Notice Contd.

“RESOLVED FURTHER THAT the remuneration paid / payable to Mr. Amit Raj Sinha [DIN 01263292], Managing Director & Chief Executive Officer shall be as under:

1. Remuneration

₹ 4,50,000/- per month, with effect from 1st April, 2019 along with an annual increment of ₹50,000/- with effect from 01st April of each financial year during his tenure.

2. Performance incentive (or) Commission

Such remuneration by way of Commission in addition to the salary, perquisites payable, as may be decided by the Board of Directors for each financial year calculated with reference to net profits of the Company, payable at such intervals, as may be decided by the Board of Directors, subject to a maximum of 2% for each financial year commencing from 2019-2020.

3. Perquisites

Perquisites shall be restricted to an amount equal to the above salary:

i. Medical Reimbursement: Reimbursement of the expenses incurred for self and family or medical insurance for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

ii. Leave Travel Concession: Leave travel concession for self and family once in a year incurred in accordance with rule of the Company.

Explanation: Family for the i & ii means, the Spouse, the dependant children and dependant parents

iii. Club Fees: Fees of Club subject to maximum of two clubs. No admission and life membership fee shall be paid.

iv. Personal Accident Insurance: Personal accident insurance of an amount, the annual premium of which does not exceed Rs. 25,000 per annum.

v. a. Gratuity as per the rules of the Company

b. Company's contribution towards superannuation fund as per the rules of the Company.

The aforesaid perquisites stated in a and b shall not be included in the computation of aforesaid ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

vi. Earned Leave: On full pay and allowance and perquisites as per the rules of the company, but no exceeding one-month salary for eleven months service. Encashment of leave at the end of the tenure shall not be included in the computation of the aforesaid ceiling on perquisites and/or salary.

vii. Provision for car for use on Company's business and telephone at residence shall not be considered as perquisites, personal long-distance call and use of car for private use shall be billed by the Company.

4. Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year, Mr. Amit Raj Sinha shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits as approved by the Board of Directors and the members, as minimum remuneration.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the Members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V of the Act, the Board of Directors be and is hereby authorized to vary or increase the remuneration (including the minimum remuneration), i.e. the salary, perquisites, allowances, etc, within such prescribed limit to give effect to such modification, relaxation or variation, subject to approvals as may be required under law.

RESOLVED FURTHER THAT the Board be and is here by the authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and in order to give effect to the foregoing Resolution, or as may be otherwise considered fit by it in the best interest of the Company.”

6. RE-APPOINTMENT OF MR VIJAY AMRUTLAL BHAVSAR [DIN: 01768165] AS WHOLE TIME DIRECTOR FOR A FURTHER PERIOD OF ONE YEAR:

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)

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or re-enactment thereof for time being in force) and pursuant to the Article 44 and 45 of the Articles of Association of the Company and subject to such consents and permissions, as may be required, approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Vijay Amrutlal Bhavsar [DIN 01768165] as Whole-time Director with effect from 28th September 2019 to 27th September 2020 on the remuneration (including dearness and all other allowances) of Rs 1,00,000 per month and also to ratify and approve the remuneration paid to him till 27th September, 2019."

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, Mr. Vijay Amrutlal Bhavsar shall be entitled to receive a total remuneration not exceeding the ceiling limits as approved by the Board of Directors and the members, as minimum remuneration.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V of the Act, the Board of Directors be and is hereby authorized to vary or increase the remuneration (including the minimum remuneration), i.e. the salary, perquisites, allowances, etc, within such prescribed limit or ceiling to give effect to such modification, relaxation or variation, subject to approvals as may be required under law.

RESOLVED FURTHER THAT the Board be and is here by the authorized to do all such acts, deeds , matters and things as in its absolute discretion , it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and the Board shall have absolute powers to decide break-up of the remuneration within the above said maximum permissible limit and in order to give effect to the foregoing Resolution, or as may be otherwise considered fit by it in the best interest of the Company."

7. APPROVAL FOR INCREASE IN MANAGERIAL REMUNERATION

To increase the overall managerial remuneration and in this regard to consider and, thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and Rules made thereunder including any statutory modification(s) or re-enactment thereof for the time being in force read with Schedule V of the Act the Company be and is hereby authorised to pay to its managerial personnel (including Managing Director and Whole-time Director(s)) , such sum by way of remuneration comprising of salary, performance linked bonus, commission perquisites and allowances as may be determined by the Board of Directors of the Company or a duly constituted committee thereof including but not limited to Nomination Remuneration committee, approval of the members of the Company be and is hereby accorded to increase the overall limit of managerial remuneration payable by the Company in respect of any financial year from 11% (Eleven per cent) to 25% (Twenty Five per cent) of the net profits of the Company computed in the manner laid down under Section 198 of the Act."

"RESOLVED FURTHER THAT the Board of Directors or a duly constituted committee thereof be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this Resolution"

8. RATIFICATION OF REMUNERATION TO COST AUDITOR

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions of if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for time being in force), the remuneration payable to Mr. N V S Kapardi, Cost Accountant (Registration No. 9488), appointed by the Board of Directors as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending 31st March 2020, amounting to Rs 20,000 (Twenty Thousand Only) as also the payment of applicable tax and reimbursement of out of pocket expense s incurred in connection with the aforesaid audit, be and is hereby approved."

Notice Contd.

9. APPOINTMENT OF MR. LIJO CHACKO [DIN 07593064] AS INDEPENDENT NON-EXECUTIVE DIRECTOR FOR A TERM OF TWO YEARS:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 149, 150 and 152 and other applicable provisions if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for time being in force) Mr. Lijo Chacko [DIN: 07593064] was appointed as an Additional Director with effect from 10th July 2019 pursuant to Section 161 of the Act and who has submitted the declaration that he meets the criteria for independence as provided under the Act and who holds up-to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of up-to 2 (two) consecutive years with effect from 10th July, 2019 to 09th July, 2021."

10. APPOINTMENT OF MS. KANIKA SINGAL [DIN: 07295273] AS INDEPENDENT NON-EXECUTIVE DIRECTOR FOR A TERM OF TWO YEARS:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 149, 150 and 152 and other applicable provisions if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for time being in force) Ms. Kanika Singal [DIN: 07295273] was appointed as an Additional Director with effect from 10th July 2019 pursuant to Section 161 of the Act and who has submitted the declaration that she meets the criteria for independence as provided under the Act and who holds up-to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of up-to 2 (two) consecutive years with effect from 10th July, 2019 to 09th July, 2021."

11. APPOINTMENT OF MR. MANOHARAN GOPALAN [DIN: 00040217] AS INDEPENDENT NON-EXECUTIVE DIRECTOR FOR A TERM OF TWO YEARS:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 149, 150 and 152 and other applicable provisions if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for time being in force) Mr. Manoharan Gopalan (DIN:00040217) and who has submitted the declaration that he meets the criteria for independence as provided under the Act be and who is eligible for appointment as an Independent Director of the Company, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 2 (Two) consecutive years with effect from 28th September, 2019 to 27th September, 2021."

By order of the Board

Sd/-

Mr. Rabindra Prasad Sinha

Executive Chairman

DIN:00413448

NOTES:

(a) The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act), in respect of the business under Nos. 3 to 11 set out above and the relevant details of directors seeking appointment, required in terms of Secretarial Standard on General Meeting issued by the Institute of Companies Secretaries of India are annexed hereto.

(b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

By order of the Board

Sd/-

Mr. Rabindra Prasad Sinha

Executive Chairman

Notice Contd.

A person can act as a Proxy not on behalf of Members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person a Proxy and such person shall not act as a proxy for any other person or Member. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies must be supported by an appropriate Resolution/authority, as applicable.

(c) The Register of Members and Share Transfer books will remain closed from 21st September 2019 to 28th September 2019.

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013" Item No. 3 & 4

At the Extra Ordinary General Meeting held on 31st December 2014 Mr. Rabindra Prasad Sinha [DIN: 00413448] and Mr. S Chidambaranathan [DIN: 00485497] were re-appointed as Executive Chairman and Executive Vice Chairman with the designation of Whole-time Director for a term of 5 (Five) years with effect from 01st December 2014 to 30th November 2019. The Board of Directors at its 217th Meeting held on 10th July 2019 re-appointed Mr. Rabindra Prasad Sinha [DIN: 00413448] and Mr. S Chidambaranathan [DIN 00485497] as Whole-time Director to be designated as Executive Chairman and Executive Vice Chairman respectively with effect from 01st December 2019 for a period of 5 (five) years up to 30th November 2024 on the basis of recommendation by the Board of Directors and subject to the approval of the shareholders.

Keeping in view that, Mr. Rabindra Prasad Sinha [DIN: 00413448] & Mr. S Chidambaranathan [DIN 00485497] have a rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time; it would be in the interest of the Company to continue the employment of Mr. Rabindra Prasad Sinha [DIN: 00413448] & Mr. S Chidambaranathan [DIN: 00485497] as Executive Chairman and Executive Vice Chairman.

In compliance with SS-2, educational qualifications, past experience, achievements, and the present roles and duties, details of age, date of first appointment on the Board, the number of Meetings of the Board attended during the year and other Directorships, Membership/ Chairmanship of Committees of other Boards of the Directors has been provided in Annexure –A.

The terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid are as follows:

1. Remuneration

₹ 3,60,000/- per month with an annual increment of ₹ 40,000/- with effect from 01st April of each financial year during his tenure.

2. Performance incentive (or) Commission

Such remuneration by way of Commission in addition to the salary, perquisites payable, as may be decided by the Board of Directors for each financial year calculated with reference to net profits of the Company, payable at such intervals, as may be decided by the Board of Directors, subject to a maximum of 2% for each financial year commencing from 2019-2020.

3. Perquisites

Perquisites shall be restricted to an amount equal to the above salary:

i. Medical Reimbursement: Reimbursement of the expenses incurred for self and family or medical insurance for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

ii. Leave Travel Concession: Leave travel concession for self and family once in a year incurred in accordance with rule of the Company.

Explanation: Family for (i) & (ii) means, the Spouse, the dependent children and dependent parents

iii. Club Fees: Fees of Club subject to maximum of two clubs. No admission and life membership fee shall be paid.

iv. Personal Accident Insurance: Personal accident insurance of an amount, the annual premium of which does not exceed Rs. 25,000 per annum.

V. a. Gratuity as per the rules of the Company

b. Company's contribution towards superannuation fund as per the rules of the Company.

Notice Contd.

The aforesaid perquisites stated in (a) and (b) shall not be included in the computation of aforesaid ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

vi. Earned Leave: On full pay and allowance and perquisites as per the rules of the company, but not exceeding one-month salary for eleven months service. Encashment of leave at the end of the tenure shall not be included in the computation of the aforesaid ceiling on perquisites and/or salary.

vii. Provision for car for use on Company's business and telephone at residence shall not be considered as perquisites, personal long-distance call and use of car for private use shall be billed by the Company.

Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year, the directors shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits as approved by the Board of Directors and the members, as minimum remuneration.

Section 196 (3) (a) of the Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the members by passing a special resolution. Part 1 of Schedule V to the Act contains a similar relaxation. Mr. Rabindra Prasad Sinha attains 70 (Seventy) years of age on 31st August 2020 and Mr. S Chidambaranathan has already attained 70 (Seventy) years of age. In view of the compliance of the aforesaid provision of the Companies Act, 2013 the Company seeks the consent of the Members for the Item No. 3 & 4 by way of a Special Resolution. The justification for the appointment of the aforementioned directors has been provided in the foregoing para.

None of the other directors or Key Managerial personnel of the Company or their respective relatives is concerned or interested financially or otherwise, in the Resolutions set out at Item Nos. 3 & 4.

Item No. 5

At the Extra Ordinary General Meeting held on 31st December 2014 Mr. Amit Raj Sinha [DIN 01263292] was appointed as Managing Director & Chief Executive with effect from 01st December 2014 to 30th September 2019.

The Board of Directors at its 217th Meeting held on 10th July 2019 re-appointed Mr. Amit Raj Sinha [DIN 01263292] as Managing Director & Chief Executive Officer of the Company respectively with effect from 01st December 2019 for a period of 5 (five) years up to 30th November 2024 on the basis of recommendation by the Board of Directors and subject to the approval of the shareholders by way of a Special Resolution.

In compliance with SS-2, educational qualifications, past experience, achievements, and the present roles and duties, details of age, date of first appointment on the Board, the number of Meetings of the Board attended during the year and other Directorships, Membership/ Chairmanship of Committees of other Boards of the Directors has been provided in Annexure –A.

The terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid are as follows:

a) Remuneration:

₹ 4,50,000/- per month, with effect from 1st April, 2019 along with an annual increment of ₹50,000/- with effect from 01st April of each financial year during his tenure.

b) Performance incentive (or) Commission :

Such remuneration by way of Commission in addition to the salary, perquisites payable, as may be decided by the Board of Directors for each financial year calculated with reference to net profits of the Company, payable at such intervals, as may be decided by the Board of Directors, subject to a maximum of 2% for each financial year commencing from 2019-2020.

Notice Contd.

c) Perquisites

Perquisites shall be restricted to an amount equal to the above salary:

i. Medical Reimbursement: Reimbursement of the expenses incurred for self and family or medical insurance for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

ii. Leave Travel Concession: Leave travel concession for self and family once in a year incurred in accordance with rule of the Company.

iii. Explanation: Family for (i) & (ii) means, the Spouse, the dependent children and dependent parents

iv. Club Fees: Fees of Club subject to maximum of two clubs. No admission and life membership fee shall be paid.

v. Personal Accident Insurance: Personal accident insurance of an amount, the annual premium of which does not exceed Rs. 25,000 per annum.

vi. a. Gratuity as per the rules of the Company

vii. b. Company's contribution towards superannuation fund as per the rules of the Company.

viii. The aforesaid perquisites stated in (a) and (b) shall not be included in the computation of aforesaid ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

ix. Earned Leave: On full pay and allowance and perquisites as per the rules of the company, but no exceeding one-month salary for eleven months service. Encashment of leave at the end of the tenure shall not be included in the computation of the aforesaid ceiling on perquisites and/or salary.

x. Provision for car for use on Company's business and telephone at residence shall not be considered as perquisites, personal long-distance call and use of car for private use shall be billed by the Company.

d) Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year, Mr. Amit Raj Sinha shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits as approved by the Board of Directors and the members, as minimum remuneration.

Mr. Amit Raj Sinha [DIN 01263292], Mr. Rabindra Prasad Sinha – DIN 00413448 (Father of Mr. Amit Raj Sinha) and their relatives are interested in the Resolution. None of the other directors or Key Managerial personnel of the Company or their respective relatives is concerned or interested financially or otherwise, in the Resolution.

None of the other directors or Key Managerial personnel of the Company or their respective relatives is concerned or interested financially or otherwise, in the Resolutions set out at Item Nos. 5.

Item No. 6

The Board has re-appointed Mr. Vijay Amrutlal Bhavsar [DIN 01768165] for a term of 1 (One) year commencing from 28th September 2019 to 27th September 2020 subject to the approval of the members as sought vide Item No 6. The Board feels that association with him would be of immense benefit to the Company and it is desirable to avail his services.

In compliance with SS-2, educational qualifications, past experience, achievements, and the present roles and duties, details of age, date of first appointment on the Board, the number of Meetings of the Board attended during the year and other Directorships, Membership/ Chairmanship of Committees of other Boards of the Directors has been provided in Annexure –A to the Notice.

Accordingly, the Board recommends the Resolution set out Item No. 6 for approval of members by way of a Special Resolution.

Except Mr. Vijay Amrutlal Bhavsar, the appointee himself none of the Directors are concerned or interested, financially or otherwise, in this Resolution.

Item No. 7

In accordance with Section 197 of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017 which has become effective since September 12, 2018 total managerial remuneration payable by the Company to its directors, including the managing director, whole-time director and its manager in respect of any financial year may exceed 11% of the net profits of the Company calculated under Section 198 of the Companies Act, 2013 provided that the same has been approved by the members of the Company by way of Special Resolution. The requirement of the Central Government has been done away with.

Notice Contd.

The Board of Directors pursuant to its 218th board meeting held on 03rd September 2019 recommends to increase the overall limit of managerial remuneration payable by the Company in respect of any financial year from 11% to 25% of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013.

As Section 197 is applicable for Public companies, the aforesaid Resolution seeking approval of members of the Company shall continue to bind the Company in any future course of action by way of conversion of the company from Private to Public to avoid any lapses in the continuing compliance of the aforesaid relevant rules and provision of the Act.

Accordingly, the Board recommends the Resolution set out Item No. 7 for approval of members.

Mr. Rabindra Prasad Sinha, Mr. S Chidambaranathan, Mr. Amit Raj Sinha, Mr. Vijay Amrutlal Bhavsar and their relatives are interested in the Resolution.

None of the other directors or Key Managerial personnel of the Company or their respective relatives is concerned or interested financially or otherwise, in the Resolutions set out at Item No. 7.

Item No. 8

The Board has approved the appointment of Mr. N V S Kapardi, Cost Accountant (Registration No. 9488) as Cost Auditors to examine and conduct audit of cost records of the Company for the year ending 31st March 2020, at a remuneration of ₹ 20,000 plus tax and out of pocket expenses incurred in connection with the audit. Mr. N V S Kapardi, Cost Accountant (Registration No. 9488), the existing Cost Auditor, have furnished a certificate that he is not disqualified under the provisions of Section 148(5) read with Sections 139 and 141(3) of the Act and his appointment will be within the limits prescribed under Section 141(3)(g) of the Act.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the Members is being sought for passing an Ordinary Resolution at item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the year ending 31st March 2020.

The Board recommends the Resolution at Item No. 8 of the Notice for approval by the Members. None of the directors or Key Managerial personnel of the Company or their respective relatives is concerned or interested financially or otherwise, in the Resolutions set out at Item Nos. 8.

Item No. 9 & 10

As a matter of good corporate governance practice with effect from 10th July 2019 Mr. Lijo Stephen Chacko [DIN: 07593064] and Ms Kanika Singal [DIN:07295273] were appointed as Independent-cum-Additional Director of the Company under section 161 of the Companies Act, 2013 for a period of two from 10th July 2019 based on the recommendation of the Board of Directors.

Mr. Lijo Stephen Chacko is widely recognized social worker and Ms Kanika Singal is a Management Expert. The Company will benefit with the experience of Mr. Chacko and Ms. Kanika and therefore the Board has recommended their appointment as the Independent Directors of the Company. The Company has received declaration to this effect that Mr. Lijo Stephen Chacko and Ms Kanika Singal meets the criteria of Independence Director as provided under Section 149(6) of the Act. Mr. Lijo Stephen Chacko and Ms Kanika Singal fulfils the conditions specified under the Companies Act, 2013 and rules made thereunder for appointment as an Independent Director of the Company.

In compliance with SS-2, details of the educational qualifications, past experience, achievements, and the present roles and duties, details of age, date of first appointment on the Board, the number of Meetings of the Board attended during the year and other Directorships, Membership/ Chairmanship of Committees of other Boards of the Directors has been provided in Annexure –B to the Notice.

Notice Contd.

In compliance with SS-2, details of the educational qualifications, past experience, achievements, and the present roles and duties, details of age, date of first appointment on the Board, the number of Meetings of the Board attended during the year and other Directorships, Membership/ Chairmanship of Committees of other Boards of the Directors has been provided in Annexure –B to the Notice.

In terms of provision of Section 149, 152 or any other applicable provision of the Companies Act, 2013 and Rules made thereunder, the approval of the Shareholders by way of Ordinary Resolution is required for the appointment of Independent Directors. Hence, Board recommends the Ordinary Resolutions set out at the Item Nos. 9 and 10 of the notice for the approval of members.

The terms of appointment of the Independent Directors shall be available for inspection in physical or electronic format the registered office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 1.00 p.m. up to the date of ensuing Annual General Meeting of the Company.

None of the Directors and KMP and their relatives are concerned or interested financially or otherwise in the resolutions set out at item no.9 and 10 of the notice except to the extent of their shareholding in the Company.

Your directors recommend this Ordinary Resolutions for your kind consideration and approval.

Item No 11

The Board recommends the appointment of Mr. Manoharan Gopalan [DIN: 00040217] as Independent Director. Mr. Manoharan Gopalan is an acknowledged expert on finance and corporate compliances. His services will help us and guide us in our growth. Mr. Manoharan Gopalan is a Fellow Chartered Accountant and Fellow Company Secretary with a experience of 40 years in the Industry. During the span he has worked as Chief Financial Officer of many companies and is now acting as Independent Director in the Board of Hetero Health Care Limited, Genx Pharma Limited, Azista Bhutan Health Care Limited.

In compliance with SS-2, details of the educational qualifications, past experience, achievements, and the present roles and duties, details of age, date of first appointment on the Board, the number of Meetings of the Board attended during the year and other Directorships, Membership/ Chairmanship of Committees of other Boards of the Directors has been provided in Annexure –B to the Notice.

In terms of provision of Section 149, 152 or any other applicable provision of the Companies Act, 2013 and Rules made thereunder, the approval of the Shareholders by way of Ordinary Resolution is required for the appointment of Independent Directors. Hence, Board recommends the Ordinary Resolutions set out at the Item No.11 of the notice for the approval of members.

The terms of appointment of the Independent Director shall be available for inspection in physical or electronic format the registered office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 1.00 p.m. up to the date of ensuing Annual General Meeting of the Company.

None of the Directors and KMP and their relatives are concerned or interested financially or otherwise in the resolutions set out at item no. 11 of the notice except to the extent of their shareholding in the Company.

Your directors recommend this Ordinary Resolutions for your kind consideration and approval.

For SIGACHI INDUSTRIES (P) LIMITED

Place: Hyderabad

Date: 03rd September 2019

Sd/-

RABINDRA PRASAD SINHA

CHAIRMAN

DIN: 00413448

Annexure A

DETAILS OF THE DIRECTORS SEEKING REAPPOINTMENT/APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

Name of the Director	Mr. Rabindra Prasad Sinha	Mr. S Chidambaranathan	Mr. Amit Raj Sinha	Mr. Vijay Amrutlal Bhavsar
Date of Birth	01/09/1950	10/05/1943	18/09/1973	18/03/1973
Date of first Appointment	19/01/1990	30/06/1990	29/11/2014	10/07/2014
Expertise in specific functional areas	40 Years of experience in Cellulose and fine Chem Industry considered as a Cellulose Veteran.	45 Years of experience in heavy chemical and pharma fine Chemical Industry	Mr. Amit Raj Sinha is a Veteran with 10 years of service in Indian Navy. He has 13 years of experience in fine pharma chem and is part of editorial board of two leading pharma International Journals.	Mr. Vijay Amrutlal Bhavsar's contribution towards the growth of the Company is most important and he takes care of the functioning of the plant and production.
Qualification	M.Tech (ITBHU), FIE	B.Sc, PGDBA	M.Tech, MBA (ISB), FIE, Ch. Eng(I)	B.Tech
Shareholding in the Company as on 31st March 2019	6.60%	8.42%	5.62%	4.14% (As Karta of HUF)
Directorship of other Boards as on 31st March 2019	RPS PROJECTS & DEVELOPERS PVT LTD	1)CHIAN BIO Pvt Ltd 2)PASHAMYLARAM COMMON INFRA STRUCTURE (P) LTD	RPS PROJECTS & DEVELOPERS PRIVATE LIMITED	Nil
Membership/Chairmanship of Committees of other Boards as on 31st March 2019	¹	Nil	1	NIL
Details of the last remuneration drawn.	Rs.56,25,000 (F.Y.2018-19)	Rs. 56,25,000 (F.Y.2018-19)	Rs.65,85,000 (F.Y. 2018-19)	Rs. 12,00,000 (F.Y. 2018-19)
Relationship with other Directors/ KMP	Father of Mr. Amit Raj Sinha	Not Applicable	Son of Mr. Rabindra Prasad Sinha, Executive Chairman	NIL
Terms and conditions of appointment	Refer Item No. 3 of the Notice	Refer Item No. 4 of the Notice	Refer Item No. 5 of the Notice	Not Applicable

Annexure B

Name of the Director	Mr. Lijo Stephen Chacko	Ms Kanika Singal	Mr. Manoharan Gopalan
Date of Birth	18/03/1973	25/01/1978	27/12/1951
Date of First Appointment	10/07/2014	10/07/2014	Proposed Director
Expertise in specific functional areas	He is trustee in many charitable Organisation and works for a noble cause. He has served Indian Navy and retired as a Commander. He has outstanding leadership skills.	15 years of skilled entrepreneur for large and small scale organisation with proven track record of launching businesses across global markets in business services, Infrastructure, consumer, fashion, retail eCommerce, education sectors	Headed Finance department of various companies as CFO during the long tenure of 40 years industry experience and Corporate legal compliances.
Qualification	GELP (Yale school of Management), PGD in Marine Engineering	GELP (Yale school of Management), MBA (IIT-Delhi), B.Arch	B.Sc, FCA, FCS
Shareholding in the Company as on 31st March 2019	NIL	NIL	NIL
Directorship of other Boards as on 31st March 2019	GO2C CHANGE MAKERS FOUNDATION BLOOMS' DAY RENEWABLES LLP	Obreedo Design Solutions Private Limited, Next Leap Advisory and Search Services Pvt Ltd, Cosmos Strategy consultants LLP	GENX Pharma Limited Hetero Health Care Limited Azista Bhutan Health Care Limited (Bhutan Company)
Membership/Chairmanship of Committees of other Boards as on 31st March 2019	NIL	NIL	NIL
Relationship with other Directors/ KMP	NIL	NIL	NIL
Terms and conditions of appointment	Not Applicable	Not Applicable	Not Applicable

PROXY FORM

FORM NO. MGT-11

SIGACHI INDUSTRIES PRIVATE LIMITED

Regd. Office: 229/1 & 90, 4th Floor,
Kalyan's Tulsiram Chambers, Madinaguda, Hyderabad- 500 049, Telangana State
Email id: cs@sigachi.com
CIN: U24110TG1989PTC009497

CIN	U24110TG1989PTC009497
Name of the Company	SIGACHI INDUSTRIES PRIVATE LIMITED
Registered Office	229/1 & 90, KALYAN'S TULSIRAM CHAMBERS, MADINAGUDA HYDERABAD TG 500049 IN

Name of the member (s):	
Registered address:	
E-mail Id:	
No. of shares held	
Folio No.	

I/We being the member(s) of _____ Nos. of shares of the above named Company hereby appoint:

S.No.	Name	Address	Email ID	Signature	
1.					or failing him
2.					or failing him
3.					

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company to be held on Saturday, 28th day of September, 2019 at 10.00 A.M at its registered office situated at 229/1 & 90, Kalyan's Tulsiram Chambers, Madinaguda Hyderabad, TG 500049 IN and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution Details

Ordinary Business

S.No.	Resolution	For	Against
1.	Adoption of the Audited Financial Statements (including consolidated financial statements) for the financial year ended 31st March 2019 together with the Report of the Board of Directors and the Auditors thereon.		
2.	Declaration of Dividend for the financial year ended 2018-19 on Equity Shares		

Special Business

3.	To Re-Appoint Mr Rabindra Prasad Sinha [DIN 00413448] as Executive Chairman of the Company for a further period of Five years		
4.	To Re-Appoint Mr S Chidambaranathan [DIN 00485497] as Executive Vice Chairman of the Company for a further period of Five years		
5.	To Re-Appoint Mr Amit Raj Sinha [DIN 01263292] as Managing Director and Chief Executive Officer of the Company for a further period of Five years		
6.	To re-appoint Mr. Vijay Amrutlal Bhavsar [DIN:01768165] as Whole-Time Director for a further period of One Year		
7.	To approve increase in Managerial Remuneration		
8.	Ratification of Cost Auditor's Remuneration.		
9.	To appoint Mr. Lijo Stephen Chacko [DIN: 07593064] as an Independent Director of the Company.		
10.	To appoint Ms. Kanika Singal [DIN: 07295273] as an Independent Director of the Company.		
11.	To appoint Mr. Manoharan Gopalan [DIN: 00040217] as an Independent Director of the Company.		

** It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

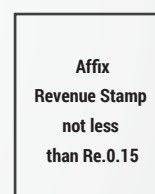
Signed this day of..... 2019

Signature of shareholder.....

Signature of Proxy holder(s) (1).....

Signature of Proxy holder(s) (2).....

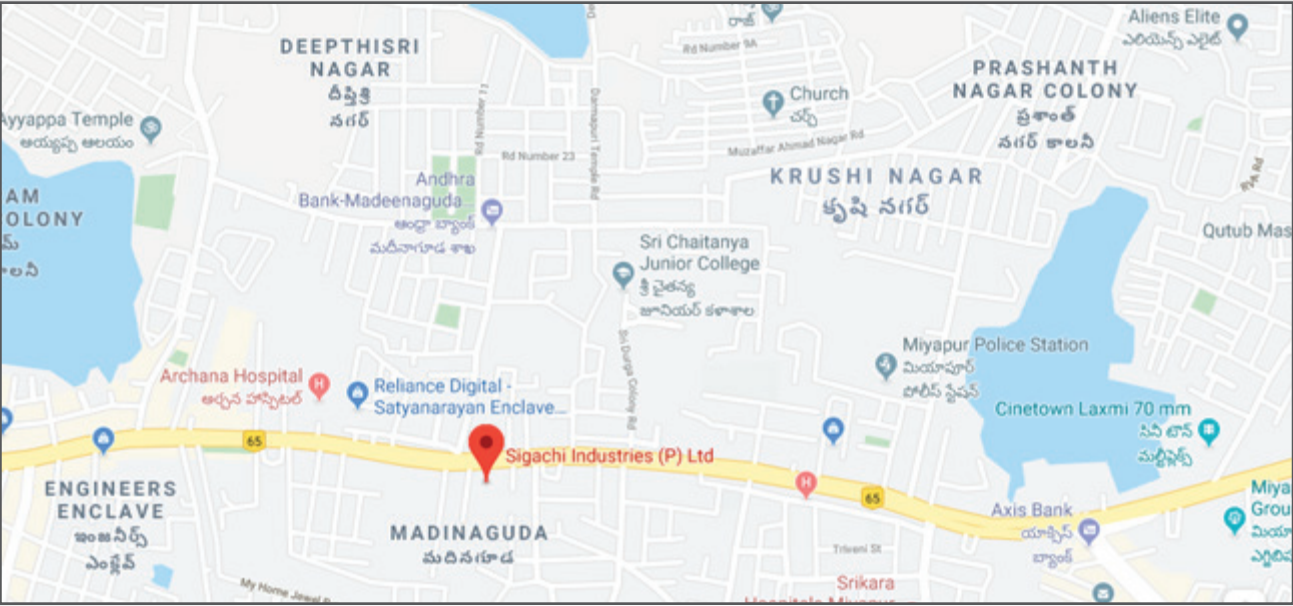
Signature of Proxy holder(s) (3).....



Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
5. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice Extra Ordinary General Meeting.
6. Please complete all details including details of member(s) in above box before submission.

ROUTE MAP TO REACH THE VENUE OF THE ANNUAL GENERAL MEETING



MEMOIRS GALORE!



At Airtel Hyderabad Marathon - 2019



At Hyderabad Marathon



Holi Celebrations @Sigachi Office



Holi Celebrations @Sigachi Office



Christmas Celebrations @Sigachi Office



Dahej Unit Plant Aerial view, Gujarat



Family Day celebrations at Dahej Unit



Independence Day celebrations at Hyd Office



SIGACHI INDUSTRIES PRIVATE LTD

229/1 & 90, 4th Floor, Kalyan's Tulsiram Chambers Madinaguda, Hyderabad, Telangana- 500049

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