



**sicagen**

Sicagen India Limited

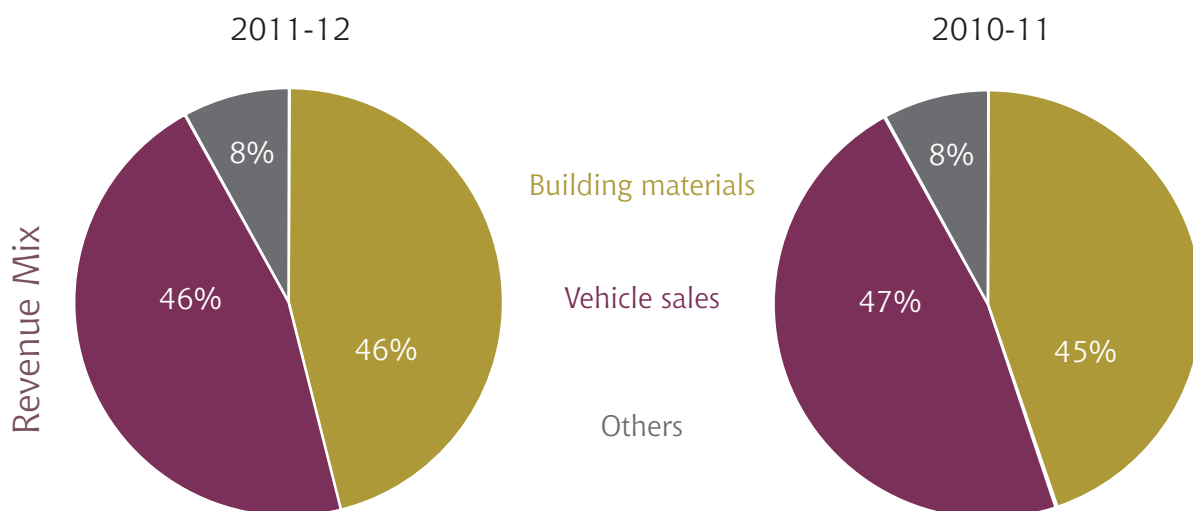
ANNUAL REPORT

2011-12

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(Rs in lakhs)

	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010	Year ended 31 March 2009	Year ended 31 March 2008
Total Income	94312.00	79637.00	51859.00	42844.00	39073.00
Profit before Interest, Depreciation and Tax	3124.00	2476.00	1426.00	1379.00	787.00
Depreciation	205.00	177.00	171.00	176.00	206.00
Profit before Tax	2094.00	1832.00	955.00	1032.00	428.00
Less Provision for Tax	698.00	590.00	245.00	187.00	(27)
Profit after Tax	1396.00	1242.00	710.00	845.00	455.00
Add: Exceptional Items (net of tax)	554.00	1204.00	23.00	(614.00)	0.00
Profit after Tax & Exceptional Items	1950.00	2446.00	733.00	231.00	455.00
Earnings per share in ₹	4.93	6.18	1.85	0.58	1.15
Equity Share Capital	3957.00	3957.00	3957.00	3957.00	3957.00
Reserves & Surplus	36017.00	34527.00	32540.00	32229.00	32229.00
Net Fixed Assets	3019.00	3391.00	3193.00	2599.00	4759.00



Disclaimer: The information and opinions contained in this document do not constitute an offer to buy any of Sicagen's securities, businesses, products, or services. The document might contain forward-looking statements qualified by words such as 'expect', 'plan', 'estimate', 'believe', 'project', 'intends', 'exploit', and 'anticipates', that we believe to be true at the time of the preparation of the document. The actual events may differ from those anticipated in these statements because of risk, and uncertainty of the validity of our assumptions. Sicagen does not take on any obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

# Quick information

Name of company	Sicagen India Limited
Incorporation	2004
Primary business	Trading and distribution of building materials and commercial vehicles
Total revenue	₹ 94312.00 lakh
Net profit	₹ 1950.00 lakh
Shares issued	₹ 3957.17 lakh
Listing	Bombay Stock Exchange National Stock Exchange of India

## Lines of business

### Building materials trading

Sicagen's core business: the trading of building materials such as MS/GI pipes, precision tubes, seamless tubes, rectangular/square hollow sections, construction steel including TMT steel rebars, PVC pipes, electrical cables, steel fittings and cement.

For dealers, contractors, builders and corporate buyers our network of 30 delivery centres across India serves as the single window to India's top building material manufacturers that include TATA Steel, Jindal Pipes, Steel Authority of India, Finolex Cables, Supreme Industries, Maharashtra Seamless, ACC Cements and Dalmia Cements.

### Vehicle sales and service

Dealership of commercial vehicles for TATA Motors—ranging from the 0.75 tonne TATA Ace to the top of the line TATA Novus—with showrooms in Chennai, Tiruchirapalli and Tanjore covering 11 districts of Tamilnadu.

Customers include corporates, retail vendors, and individuals.

### Governor services

Goodwill Governor Services is India's only authorised service centre for Woodward, makers of the World's finest governors and is the Distributor for Norgren power sector products.

### Beta – drum manufacturing

Manufacture of drums that are used for the transport of lubricant oil, hazardous and non-hazardous chemicals and pulp. These drums are capable of withstanding extreme temperatures.

### Speciality chemicals

Provides water treatment and process improvement solutions for the petrochemical, fertilizer, refinery, power, pharmaceuticals, agro, and pesticide industries.

### Boat building

Goodwill Engineering Works builds boats, tugs & barges.

#### Corporate office

Floor 4 East Coast Centre  
534 Anna Salai  
Teynampet Chennai 600018  
Voice +91 44 24343565  
Fax +91 44 24343562  
Email secl@sicagen.com

#### Registered office

Adyar House  
Chennai 600085

#### Bankers

Andhra Bank  
HDFC Bank  
State Bank of India  
Indian Bank  
ICICI Bank  
Bank of Baroda  
Axis Bank

#### Auditors

CNGSN & Associates  
Chartered Accountants  
20 Raja Street T Nagar  
Chennai 600017

# BOARD of DIRECTORS



**R Sivagurunathan**  
Whole Time Director

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**B Narendran**  
Independent Director

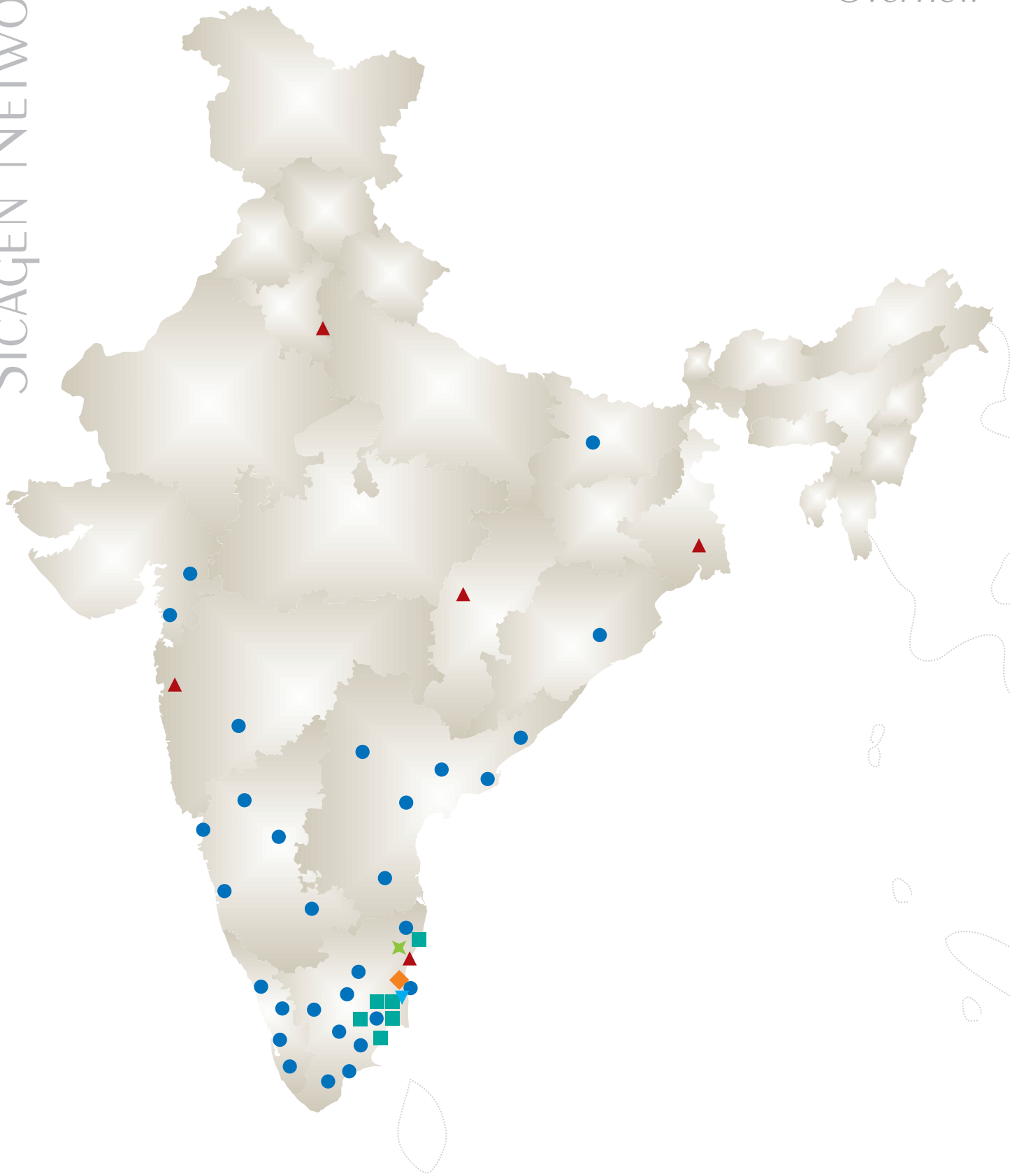
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**RM Krishnan**  
Independent Director



**Sunil Deshmukh**  
Independent Director



## BUILDING MATERIALS



Ankleshwar  
Bengaluru  
Belgaum  
Bhubaneswar  
Calicut  
Chengannur  
Chennai  
Chittoor  
Coimbatore  
Dindigul

Ernakulam  
Erode  
Goa  
Hubli  
Kakinada  
Madurai  
Mangalore  
Palakkad  
Patna  
Puducherry

Pune  
Rajahmundry  
Salem  
Secunderabad  
Tiruchirapalli  
Tirunelveli  
Tuticorin  
Vapi  
Vijayawada  
Visakhapatnam

## VEHICLE SALES



Chennai  
Mayiladuthurai  
Nagapattinam

Thanjavur  
Tiruchirapalli  
Tiruvarur

## GOVERNOR SERVICES



Chennai  
Delhi  
Kolkata

Mumbai  
Raipur

## SPECIALITY CHEMICALS



Puducherry

## BOAT BUILDING



Puducherry

## BETA DRUMS



Chennai

## CABLE MANUFACTURING



Singapore









Tata Motors First Platinum Setup  
Opened At ACT India In  
Ambattur, Chennai.



Annual Report 2011-12  
Directors' report

The logo for Sicaqen features a stylized house icon on the left, composed of a vertical line, a horizontal line, and a diagonal line forming a roof. To the right of the icon, the word "sicaqen" is written in a bold, lowercase, sans-serif font. The letter 'i' has a small square dot above it. The entire logo is rendered in a dark grey color.

sicaqen

## DIRECTORS' REPORT

Your Directors are pleased to present the 8th Annual Report and the Audited Accounts of the Company for the financial year ended 31 March 2012.

### PERFORMANCE OF THE COMPANY

#### FINANCIAL RESULTS

Financial performance of the Company for the year ended March 31, 2012 is summarized below:

(in Rs Lakh)

	Year ended 31 March 2012	Year ended 31 March 2011
Revenue		
Continuing Operations	<b>90911</b>	77565
Discontinuing Operations	<b>3401</b>	2072
Total Revenue	<b>94312</b>	79637
Profit before Finance Cost, Depreciation and Tax	<b>3124</b>	2476
Less: Finance Cost	<b>825</b>	467
Less: Depreciation	<b>205</b>	177
Profit before Tax	<b>2094</b>	1832
Less: Provision for Tax	<b>698</b>	590
Profit after Tax	<b>1396</b>	1242
Add: Exceptional Items (net of tax)	<b>554</b>	1204
Profit after Tax & Exceptional items	<b>1950</b>	2446
Add: Balance in Profit and Loss Account	<b>2127</b>	241
Amount available for Appropriations	<b>4077</b>	2687
<b>Appropriations</b>		
General Reserve	<b>100</b>	100
Dividend on Equity shares	<b>396</b>	396
Tax on Dividend	<b>64</b>	64
Balance carried to the Balance Sheet	<b>3517</b>	2127
Earnings per share (EPS) in Rs	<b>4.93</b>	6.18

#### REVIEW OF OPERATIONS

2011-12 was a challenging year and despite rising inflation, intense competition in the market and increase in interest rates the Company performed reasonably well, the highlights are given below:

Highest ever Turnover and Highest ever Profit after Tax.

Total Revenue increased by 18% to Rs 94312 lakhs.

Revenue Continuing Operations increased by 17% to Rs 90911 lakhs.

Revenue Discontinuing Operation increased by 64% to Rs 3401 lakhs.

Profit before Finance cost, depreciation and tax increased by 26% to Rs 3125 lakhs.

Profit before tax increased by 14% to Rs 2094 lakhs.

Profit after tax increased by 12% to Rs 1396 lakhs.

Profit after tax and exceptional items was Rs 1950 lakhs.

## OPERATIONAL HIGHLIGHTS

- ◆ First State Of Art Platinum setup in the country was opened at Ambattur, Chennai primarily catering to all types of Tata Motors SCV servicing requirements by a full range dealer.
- ◆ Achieved all time high sales of ACE both in Tanjore & Chennai – 5150 Numbers in the TATA Motors small commercial vehicles goods category.
- ◆ Successfully delivered 22 Motor Tug Launches to BEML during this year.
- ◆ Obtained Boiler Tube Distributorship for Tamilnadu & Kerala from M/s Tata Steels.
- ◆ Executed retrofit order for governor received from Reliance Industries Ltd valued at Rs 190 lakhs.
- ◆ Bagged a 3 year contract from ONGC, Uran for Supply of Chemicals and servicing of cooling water treatment plant.
- ◆ Obtained CRISIL BBB+/Stable rating during this year.

## RECLASSIFICATION OF BUSINESS OPERATIONS

During the year 2008, your Directors had decided as a part of the restructuring plan to concentrate only on key areas of interest and the non-core businesses i.e., Goodwill Governor Services, Goodwill Engineering Works, Speciality Chemicals and Goodwill Travels were classified as Discontinuing Operations.

Since then the Company's remaining non-core businesses have grown progressively and the revenue and profits from these business operations have considerably increased. The future operational feasibilities of these businesses are looking good, hence reclassification of these businesses from Discontinuing to Continuing Operations would be more beneficial to the Company.

The Board of Directors have approved reclassification of Goodwill Governor Services, Goodwill Engineering Works and Speciality Chemicals as Continuing Operations from the financial year 2012-13.

## DIVIDEND

Your directors have recommended a dividend of Re 1 per equity share (10% on equity capital of the Company) for the financial year 2011-12. Total dividend is Rs 460 lakhs (inclusive of tax of Rs 64 lakhs). The dividend shall be paid to the eligible shareholders whose names appear in the Register of Members as on the record date fixed by the Board.

## DIRECTORS

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

Mr R Narayanasamy resigned from the Board on 23.08.2011.

Mr K K Rajagopalan was appointed as additional Director into the Board on 23.08.2011 and resigned from the Board on 06.10.2011.

Mr S Arumugam, Managing Director resigned on 23.08.2011 and he was relieved from the services of the Company effective on 06.10.2011.

Dr RM Krishnan, Mr R Sivagurunathan and Mr Sunil Deshmukh were appointed as additional Directors of the

Company with effect from 23.08.2011, 06.10.2011 and 06.02.2012 respectively and they shall hold office up to the date of ensuing Annual General Meeting and are eligible for re-appointment.

Mr R Sivagurunathan was appointed as Whole Time Director of the Company with the designation as CEO for a period of 3 years w.e.f., 06.10.2011 and his terms of appointment shall be subject to the approval of shareholders at the ensuing Annual General Meeting.

## AUDITORS

M/s CNGSN & Associates, Chartered Accountants, statutory auditors of your Company retire at the conclusion of this Annual General Meeting and being eligible offer themselves for re-appointment.

## FIXED DEPOSITS

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

## DEMATERIALIZATION OF EQUITY SHARES

As at 31 March 2012, 3,80,52,935 equity shares representing 96.16% of the paid-up share capital of the Company have been dematerialized. The shareholders holding shares in physical form are advised to dematerialize their shares to avoid the risks associated with holding the share certificates in physical form.

## CORPORATE GOVERNANCE

A Report on Corporate Governance as stipulated under Clause 49 of the Listing agreement forms part of this Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is attached to this Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion & Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement is attached along with this report.

## DIRECTORS RESPONSIBILITY STATEMENT

1 Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors report that:

- a in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
  - b they have selected such accounting policies and applied them consistently and made judgments and estimates which are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31 March 2012 and of the profit & loss account of the Company for year ended on that date.
  - c they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
  - d they have prepared the annual accounts on a going concern basis.
- 2 The particulars required under Section 217(1)(e) of the Companies Act, 1956, read with the Rules framed there under are given in Annexure I, which forms part of this Report.
  - 3 As per the recent amendment made by the Central Govt. in the Companies (Particulars of Employees) Rules 1975, a statement giving particulars under Sec.217(2A) of the Companies Act, 1956 and required to be included in the Directors' Report is not applicable, as no employee of the Company was in the receipt of remuneration exceeding the limits prescribed therein.

### SUBSIDIARIES

Wilson Cables Private Ltd, Singapore has become a wholly owned subsidiary of your Company effective from 01.04.2011 on account of acquisition of its 100% equity capital.

In terms of general permission granted by the Central Government, vide its circular dated 08.02.2011, under Section 212(8) of the Company Act 1956, copies of balance sheet, profit and loss account, report of Directors & Auditors and other related information of the subsidiary companies viz., South India House Estates & Properties Ltd and Wilson Cables Private Ltd, Singapore, have not been attached with this annual report.

However, the Company shall make available the annual accounts of the aforesaid subsidiary Companies to any member of the Company upon request. The annual accounts of the said subsidiary Companies shall also be kept available for inspection by any member at the Registered/Corporate office of the Company and that of the subsidiary companies concerned.

In accordance with Accounting Standard 21 of Institute of Chartered Accountants of India, the audited consolidated financial statement is attached with this annual report.

### ACKNOWLEDGEMENT

Your Directors are thankful to each and every stakeholder for their faith and support in the endeavors of the Company.

The Board places on record their appreciation for the support received from its Customers, Bankers, Suppliers and all other Business Associates.

The continued dedication and commitment shown by the employees deserve special mention.

For and on behalf of the Board

**B Narendran**  
Chairman of the Board

Place Chennai

Date 28 May 2012

**ANNEXURE – I TO DIRECTOR’S REPORT FOR THE YEAR ENDED 31 MARCH 2012**

Information pursuant to Sec.217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988

**A CONSERVATION OF ENERGY**

The operations of the Company are not energy intensive.

**B TECHNOLOGY ABSORPTION**

No technology has been imported or absorbed.

**Form "A"****RESEARCH & DEVELOPMENT (R&D)**

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

**C FOREIGN EXCHANGE, EARNINGS AND OUTGO**

Total Foreign Exchange

Earned       Rs 104.17 lakhs

Used         Rs 26.35 lakhs

# Management Discussion And Analysis Report

## Economic Environment

2011-12 has been a challenging fiscal for the Indian Economy. The year started on a note of optimism through impressive growth in exports and high levels of foreign exchange inflows, only to moderate as the year progressed through continued monetary tightening in response to the untamed inflationary pressures. High interest rates, fragile global economic conditions and the Government's inability to push through key reforms have stunted growth.

However India is still growing at a rapid pace in comparison to other countries and this could be improved through further reforms, creation of infrastructure and generation of economic opportunities.

## Operations

Sicagen achieved record operating and financial results with a turnover of Rs 94312 lakhs and a Profit after tax of Rs 1396 lakhs when compared to Rs 79636 lakhs and Rs 1242 lakhs respectively in 2010-11.

Availability of liquidity, new launches by TATA Motors, increased spending on infrastructure by the Government and sustained efforts at improving efficiency has resulted in increased volumes both in Commercial Vehicles and Building Materials. Resolving of issues with BEML enabled us to successfully deliver 22 motor tug launches during the current fiscal. Additional working capital from Andhra Bank to the tune of Rs 20 crores was also instrumental in Sicagen achieving the highest ever turnover in 2011-12.

## Opportunities & Out look

In 2012-13 higher capital spending by Central and State Governments would boost economic activity.

Infrastructure creation would ease structural bottlenecks and enhance the potential rate of growth of the Indian economy. With Government focus on infrastructure it is natural that demand for products marketed by our Company would grow. Growth in India is driven by rising incomes and a growing economy and this would increase demand for our products.

Your Company is also concentrating on obtaining bulk project orders for construction materials. Your Company

would also substantially benefit from the new launches of Tata Motors which include the Magic Iris, Venture, Ace Zip and Prima Tipper. Goodwill Engineering has obtained additional orders from BEML for motor tug launches and there is scope for further repeat orders.

Your Company will meet the ever increasing challenges in the business through its quality products, easy reach and quick response to customers. We also enjoy customer confidence in pricing and other decisions.

## Risks & Concerns

Risks can occur in a number of areas, including products, transactions, operations, pricing, trade/credit policies, interest rates, taxes and duties, demand variations, market liquidity position etc. Higher inflation and interest rates prevail and inflation continues to be a cause for concern. Increase in inflation can have a negative impact on sale of construction materials and commercial vehicles. Some transactions depend on the approval of the Government and failure to obtain this approval could negatively impact business.

Intense competition in the market and competition from the unorganized sector which produces Building materials of inferior quality at cheap prices could reduce our share of business. Steel industry is subject to cyclical swings arising from factors like regional demand and supply imbalances and volatile swings in market demand and prices and by pricing for iron ore and metallurgical coal and this impacts our margins and profitability.

Management ensures that competition is monitored and continuous efforts are made to attract as well as retain new and existing customers'. The Company is also exploring avenues to expand geographically and is also looking for good alliance partners. The Company keeps an eye on all risk factors and all possible steps are being taken to maintain and enhance the competitive edge.



### Internal Control System & Adequacy

Sicagen's internal control systems are commensurate with the nature of its business. The Company maintains an adequate internal control system. Periodical audit is being conducted and reports prepared thereon are submitted to the Management as well as the Audit Committee of the Board for its review. The Audit Committee reviews internal audit reports, operational, financial and risk management policies etc and takes appropriate action.

### Human Resource Development

The Company considers its employees as valuable assets. Employee development and growth are considered as key focus area and the Company takes every care of its employees and provides ample opportunities to prove their talent and efficiency and grow with the Company. In order to create better accountability and ensure the responsibilities entrusted among the employees, proper performance appraisal is done to all management cadre employees.

Sicagen Management is drawing up plans to make our organisation more competitive and strong so that

we can face the emerging challenges in the coming years. An organisational development study was conducted across Sicagen by a leading HR Consultant.

The Company also takes care of developing the interpersonal and leadership skills of its employees in all positions for which an adequate and effective training & development program is being conducted on regular basis.

### Cautionary Statement

Statements in the Management discussion and analysis Report describing the Company's structure, challenges, outlook, financials and HR policies may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and supply and price situations in the domestic and overseas market in which the company operates, changes in the Government, laws, rules, regulations and other statutes and other incidental factors.

## REPORT ON CORPORATE GOVERNANCE [2011-12]

### 1 Company's Philosophy

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

### 2 Board of Directors

The Board has 4 Directors which consists of one Executive Director and three Non-Executive & Independent Directors. All Directors are with professional expertise in various fields such as administration, marketing, finance, accounts and engineering. The Board of Directors of the Company is headed by Mr B Narendran, Non Executive Director. There is no pecuniary relationship or transaction of the Non-Executive Directors with the Company and vis-versa.

### 3 Number of Board of Directors meetings and the dates on which held during the financial year 2011-12.

Total Number of Board Meetings held: 9

Quarter - I [April '11 – June '11]	Quarter - II [July '11 – September '11]	Quarter - III [October '11 – December '11]	Quarter - IV [January '12 – March '12]
27.05.2011	10.08.2011 23.08.2011 17.09.2011	06.10.2011 07.11.2011 28.12.2011	06.02.2012 28.03.2012

Attendance of Directors at the Board of Directors Meetings held during 2011-12 and the last Annual General Meeting (AGM) held on 30.07.2011 are as follows.

Name and Designation of the Director	Category of Membership	Attendance Particulars		Number of directorships and Committee member / Chairmanships held in other companies*		
		Board Meetings	Last AGM	Directorship	Committee Memberships	Committee Chairmanships
B Narendran <i>Director</i>	Chairman (Non-Executive Independent)	9	Yes	2	3	1
RM Krishnan* <i>Director</i>	Non-executive & Independent Director	6	NA	3	-	-
R Sivagurunathan+ <i>Whole Time Director (Designated as CEO)</i>	Executive & Non-independent Director	5	NA	2	1	-
Sunil Deshmukh <sup>§</sup> <i>Director</i>	Non-executive & Independent	1	NA	-	-	-
S Arumugam ^ <i>Managing Director</i>	Executive & Non-independent	3	Yes	-	-	-
R Narayanasamy# <i>Director</i>	Non-executive & Independent	3	Yes	-	-	-
K K Rajagopalan ~ <i>Director</i>	Non-executive & Non-independent	3	NA	-	-	-

\*Appointed on 23.08.2011

+Appointed on 06.10.2011

§Appointed on 06.02.2012

^Resigned & Managing Director upto 06.10.2011

#Resigned & Director upto 23.08.2011

~Appointed on 23.08.2011 and Director upto 06.10.2011

@ Directorships held in public limited companies are only included. Directorship held in private Companies, foreign companies and companies registered under Sec.25 of the Companies Act, 1956 are excluded. Memberships/Chairmanships held in Audit Committee and Shareholders/Investors Grievance Committee have only been included.

#### 4 Committees of Board of Directors

The Board has constituted various Committees to discuss, deal with the matters in detail and to monitor the activities falling within the terms of reference and discharge the roles and responsibilities as prescribed under Listing Agreement and/or the Companies Act, 1956 from time to time.

##### a Audit Committee

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

1	Sunil Deshmukh	Chairman (w.e.f 06.02.2012)
2	B Narendran	Member
3	RM Krishnan	Member (w.e.f 23.08.2011)
4	R Sivagurunathan	Member (w.e.f 06.10.2011)
5	S Arumugam	Member (upto 06.10.2011)
6	K K Rajagopalan	Member (upto 06.10.2011)
7	R Narayanasamy	Member (upto 23.08.2011)

G R Kannan, Vice President (Finance) & Company Secretary acts as Secretary to the Audit Committee.

##### Attendance details of Audit Committee

Four Audit Committee meetings were held during the financial year 2011-12 i.e. on 27.05.2011, 10.08.2011, 07.11.2011 and 06.02.2012. The attendance record of the audit committee meetings is given hereunder:

Name	No. of meetings attended
Sunil Deshmukh	-
B Narendran	4
RM Krishnan	2
R Sivagurunathan	2
S Arumugam	2
K K Rajagopalan	-
R Narayanasamy	2

The Broad terms of reference of the Audit Committee are:

- 1 Oversee the Company's financial reporting process and review its financial statements.
- 2 Recommend the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and fixation of their fees.
- 3 Review of internal control and internal audit system.
- 4 Review of risk management policies and practices and also includes the following:
  - a To investigate any activity within its terms of reference.
  - b To seek information from any employee, if needed.
  - c To obtain outside legal or other professional advice.
  - d To secure attendance of outsiders with relevant expertise.

##### b Shareholders/Investors Grievance and Share & Debenture Committee

The Company's Shareholders/Investors Grievance and share & Debenture Committee comprises of the following members.

1	B Narendran	Chairman
2	RM Krishnan	Member (w.e.f 23.08.2011)
3	R Sivagurunathan	Member (w.e.f 06.10.2011)
4	S Arumugam	Member (upto 06.10.2011)

5 K K Rajagopalan Member (upto 06.10.2011)

6 R Narayanasamy Member (upto 23.08.2011)

The terms of reference to the Shareholders/Investors Grievance and share & Debenture Committee are to monitor the work related to transfer, transmission, demat, remat, split/consolidation of shares and issue of duplicate share certificates etc and also to oversee the redressal of investors' complaints.

G R Kannan, Vice President (Finance) & Company Secretary acts as Secretary to the Committee and has been authorized to approve share transfers and resolve shareholders grievances.

During the year under report, 9 complaints were received from the shareholders (including complaints received from shareholders thro' SEBI and other statutory bodies). Out of 9 complaints 1 investor complaint was pending as on 31.03.2012 and redressed subsequently. As on 31.03.2012, no documents were pending for transfer.

#### **c Remuneration Committee**

The Remuneration Committee comprises of the following members.

1 B Narendran Chairman

2 Sunil Deshmukh Member (w.e.f 06.02.2012)

3 RM Krishnan Member (w.e.f 23.08.2011)

4 R Sivagurunathan Member (w.e.f 06.10.2011)

5 S Arumugam Member (upto 06.10.2011)

6 K K Rajagopalan Member (upto 06.10.2011)

7 R Narayanasamy Member (upto 23.08.2011)

The scope of the committee inter-alia includes the following:

- to determine remuneration package of all the Directors of the Company.
- to determine the service contracts, notice period etc.

During the year, Remuneration Committee met on 06.10.2011.

#### **d Capital Issues and Allotment Committee**

The Capital Issues and Allotment Committee comprises of the following members.

1 B Narendran Chairman

2 Sunil Deshmukh Member (w.e.f 06.02.2012)

3 RM Krishnan Member (w.e.f 23.08.2011)

4 R Sivagurunathan Member (w.e.f 06.10.2011)

5 S Arumugam Member (upto 06.10.2011)

6 K K Rajagopalan Member (upto 06.10.2011)

7 R Narayanasamy Member (upto 23.08.2011)

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

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

No meeting was held during the financial year 2011-12, as there was no occasion to meet by the members of Capital Issues & Allotment Committee.

## 5 Details of remuneration paid/payable to the Managing Director/Whole Time Director for the financial year 2011-12.

The details of remuneration paid/payable to Managing Director/Whole Time Director of the Company during the financial year 2011-12 are as follows:

Name	Salary & Allowances	Perks & other payments	Ex-gratia	(in Rs lakhs)
				Total payments
Mr S Arumugam Managing Director (upto 06.10.2011)	12.39	8.57	13.65	34.61
Mr R Sivagurunathan Whole Time Director & designated as CEO (w.e.f. 06.10.2011)	14.01	13.39*	-	27.40

\* Includes a sum of Rs 10.67 lakhs to be paid as commission @ 1% calculated on the net profits of the Company for the FY ended 31 March 2012.

The payment of overall remuneration shall be within the limits as prescribed under Section 198 & 309 read with Schedule III of the Companies Act, 1956 and also subject to the approvals of the shareholders of the Company.

For the financial year 2011-12 sitting fee of Rs 5,000 was paid to the non-executive Directors for attending each Board meeting.

## 6 Insider Trading

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992, the Company has prescribed a Code of Conduct for Prevention of Insider Trading and a Code of Corporate Disclosure Practices.

## 7 Code of Conduct

The Company has formulated a Code of Conduct for the Board members and Senior Management Personnel. The same has also been posted on the website of the Company.

## 8 Secretarial Audit

The Company has appointed a qualified Practicing Company Secretary to carry out secretarial audit regarding reconciliation of the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.

## 9 General Body Meetings

Location and time of last three Annual General Meetings (AGM) held

Year	Date & Time	Venue
2009	26 August 2009 at 09.55 a.m.	Raja Annamalai Hall, Esplanade, Chennai-600 108
2010	29 July 2010 at 09.55 a.m.	Raja Annamalai Hall, Esplanade, Chennai-600 108
2011	30 July 2011 at 10.35 a.m.	Raja Annamalai Hall, Esplanade, Chennai-600 108

No Special Resolutions were passed at the Annual General Meetings held on 26 August 2009 and 30 July 2011. A special resolution approving the re-designation of Mr S Arumugam as Managing Director with revised terms of his appointment was passed at the Annual General Meeting held on 29 July 2010.

The Company has not convened any Extra-ordinary General Meeting during the financial year 2011-12.

## 10 Postal Ballot

During the financial year 2011-12, the following special resolutions seeking shareholders' approval were put through Postal Ballot vide Postal Ballot Notice dated 17.09.2011.

<b>Sl.No</b>	<b>Subject matter of the Resolution</b>
Resolution No.1	Special Resolution under Section 17 and other applicable provisions if any of the Companies Act, 1956 to amend Memorandum of Association by incorporating new Objects 17, 18, 19, 20 & 21 in the Main Object Clause III A of the Memorandum of Association as detailed in the Notice dated 17.09.2011.
Resolution No.2	Special Resolution under Section 372A and other applicable provisions if any, of the Companies Act, 1956: <ol style="list-style-type: none"> <li>a to make investment by way of subscription, purchase or otherwise in 11% Non-Convertible Redeemable Cumulative Preference Shares of M/s Greenstar Fertilizers Limited for an amount not exceeding Rs 50 Crores (Rupees Fifty Crores Only) and;</li> <li>b To give guarantee and/or provide security in connection with any loan/financial assistance availed or to be availed by M/s EDAC Automation Limited for an amount not exceeding Rs 2 Crores (Rupees Two Crores Only).</li> </ol> [(a) & (b) above are as per details given in the Notice dated 17.09.2011].

The above Postal Ballot was conducted in accordance with the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolutions by Postal Ballot) Rules, 2001. Mr R Kannan, Practicing Company Secretary was appointed as Scrutinizer to the Postal Ballot and the same was conducted by him. Mr K K Rajagopalan, Director and Mr G R Kannan, Vice President (Finance) & Company Secretary were nominated to act as representatives for conducting the entire process of Postal Ballot.

The result of Postal Ballot was declared on 21 October 2011 and the details of the voting are given hereunder:

	<b>Resolution No.1</b>		<b>Resolution No.2</b>	
	<b>No. of Postal Ballots</b>	<b>No. of equity shares (votes)</b>	<b>No. of Postal Ballots</b>	<b>No. of equity shares (votes)</b>
Total Postal Ballot Forms received	524	2,64,40,296	524	2,64,40,296
Invalid Postal Ballot Forms	116	25,047	134	29,876
Valid Postal Ballot Forms	408	2,64,15,249 (100%)	390	2,64,10,420 (100%)
Postal Ballot Forms with "Assent" for the Resolution	392	2,64,08,083 (99.97%)	367	2,64,00,797 (99.96%)
Postal Ballot Forms with "Dissent" for the Resolution	16	7,166 (0.03%)	23	9,623 (0.04%)

Accordingly, the above resolutions were declared as passed with requisite majority and the same are also proposed to be placed before the shareholders for confirmation at the forthcoming Annual General Meeting.

## 11 Disclosures

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

- a There are no materially significant transactions with the related party viz. Promoters, Directors or the Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large.
- b There are no pecuniary relationships or transactions with the Non-executive Directors of the Company except the payment of sitting fees made for attending the Board Meetings of the Company.
- c The Company has complied with various rules and regulations prescribed by stock exchanges, SEBI or any other statutory authority relating to capital markets and no penalties or strictures have been imposed by them on the Company.

## 12 Minutes of Subsidiary Companies

The Minutes of meeting of Board of Directors of subsidiary companies were placed before the Board of Directors of the Company.

### 13 General Shareholders information

#### a Registered & Corporate Office

The Registered office of the Company is located at "Adyar House", Chennai-600085. The Corporate Office of the Company is located at Floor 4, East Coast Centre, No.534, Anna Salai, Teynampet, Chennai-600018.

#### b Disclosures regarding appointment or re-appointment of Directors

According to the Articles of Association, one-third of the Directors retires by rotation and, if eligible, offers themselves for re-appointment at the Annual General Meeting. Mr B Narendran, Director will retire in the ensuing Annual General Meeting. The Board has recommended the re-appointment of the retiring Director. The detailed resume of the above Director has been provided in the Notice to the Annual General Meeting.

#### c Communication with shareholders

Company's quarterly, half yearly and annual results are regularly submitted to the stock exchanges and also published in the leading news papers in accordance with listing agreements. The above results are simultaneously posted on the Company's website [www.sicagen.com](http://www.sicagen.com) as required under the Listing Agreement. Annual Reports of the Company are also available in the Company's website.

#### d Communication through electronic mode

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

#### e Ensuing AGM

Date	: 02 August 2012
Time	: 10.35 a.m.
Venue	: Rajah Annamalai Hall, Esplanade, Chennai - 600108
Book Closure	: From 24 July 2012 to 2 August 2012 (both days inclusive)
Date of payment of dividend if any declared	: Between 13 August 2012 and 20 August 2012.

#### f Financial Calendar for 2012-13 (Tentative)

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

I Quarter ending 30 June 2012	:	Before 15 August 2012
II Quarter ending 30 September 2012	:	Before 15 November 2012
III Quarter ending 31 December 2012	:	Before 15 February 2013
Last Quarter & year ending 31 March 2013	:	Within 60 days of end of the year
Annual General Meeting	:	Before 30 August 2013

#### g Listing of Equity Shares on Stock Exchanges

The equity shares of the Company are listed on Bombay Stock Exchange Ltd (BSE) and National Stock Exchange of India Ltd (NSE) with effect from 21 August 2008. Annual listing fee for the financial year 2012-13 was paid to BSE and NSE.

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

#### h Stock market data

The Company's equity shares have been listed/traded on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Month wise high and low closing quotation of shares traded on BSE & NSE are given below.

Month & Year	BSE			NSE		
	High Rs. Ps.	Low Rs. Ps.	Average Rs. Ps.	High Rs. Ps.	Low Rs. Ps.	Average Rs. Ps.
April 2011	25.00	19.80	22.40	24.90	19.70	22.30
May 2011	23.80	21.10	22.45	23.85	21.00	22.43
June 2011	27.15	22.70	24.93	27.10	22.55	24.83
July 2011	25.35	22.95	24.15	25.45	23.00	24.23
August 2011	22.50	17.30	19.90	22.45	17.25	19.85
September 2011	20.90	18.25	19.58	20.95	18.25	19.60
October 2011	19.75	18.60	19.18	19.65	18.55	19.10
November 2011	20.00	16.35	18.18	20.00	16.40	18.20
December 2011	17.90	13.85	15.88	17.85	13.90	15.88
January 2012	17.95	14.25	16.10	17.80	14.20	16.00
February 2012	21.45	18.35	19.90	21.45	18.30	19.88
March 2012	19.55	17.95	18.75	19.95	17.95	18.95

#### i Share Transfer & Depository System

The physical share transfers, transmissions, transpositions etc., are processed on number of requests received and the documents duly completed in all respects are registered within the time limit as specified by the listing agreement.

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

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

#### j Registrar and Share Transfer Agents (RTA)

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

M/s Cameo Corporate Services Limited

Unit: Sicagen India Limited

No.:1, Club House Road

"Subramanian Building", 5th Floor, Chennai 600002

Tel: 044-28460390 Fax: 044-28460129

e-mail: cameo@cameoindia.com

A separate email ID secl@sicagen.com has been created by the Company for the purpose of registering the complaints by the investors. G R Kannan, Vice President (Finance) & Company Secretary has been appointed as Compliance Officer of the Company for redressal of investors' grievances. The shareholders may correspond to the following address for redressal of grievances if any.

G R Kannan,

Vice President (Finance) & Company Secretary

Sicagen India Limited

Floor 4, East Coast Centre

534, Anna Salai, Teynampet

Chennai-600018

Tel: 044-24343565 Fax: 044-24343562

e-mail: secl@sicagen.com



**k Distribution of shareholding as on 31.03.2012**

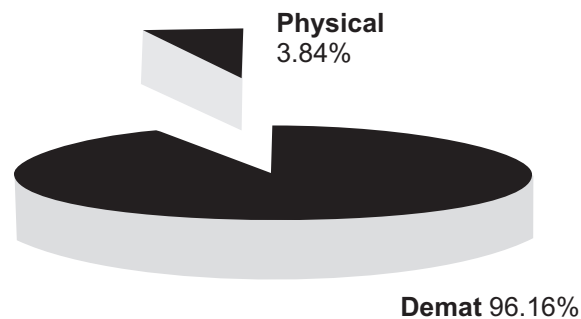
No. of shares Category	No. of shareholders	% of total	No. of shares	% of total
Upto 500	41826	92.13	2809921	7.11
501-1000	1786	3.93	1476365	3.73
1001-2000	856	1.89	1338287	3.38
2001-3000	274	0.60	715987	1.81
3001-4000	130	0.29	467572	1.18
4001-5000	125	0.28	594891	1.50
5001-10000	205	0.45	1508210	3.81
10001 and Above	195	0.43	30660451	77.48
<b>Total</b>	<b>45397</b>	<b>100.00</b>	<b>39571684</b>	<b>100.00</b>

**l Shareholding Pattern as on 31.03.2012**

Category	No. of holders	No. of shares held	% of holding
<b>PROMOTER HOLDING</b>			
Promoters & Associates	18	18638851	47.101
<b>NON-PROMOTER HOLDING</b>			
a Institutional Investors			
Mutual Funds	6	1411	0.004
Financial Institutions/Banks	16	171052	0.432
Central/State Govt.	1	334	0.001
Insurance Companies	2	67770	0.171
Foreign Institutional Investors	5	3375077	8.529
b Others			
Bodies Corporate	576	4856464	12.273
Trusts	3	2351	0.006
NRIs & Foreign Nationals	280	549856	1.390
Clearing Members	24	22750	0.057
Hindu Undivided Families (HUF)	536	404984	1.023
Public	43930	11480784	29.013
<b>Total</b>	<b>45397</b>	<b>39571684</b>	<b>100.000</b>

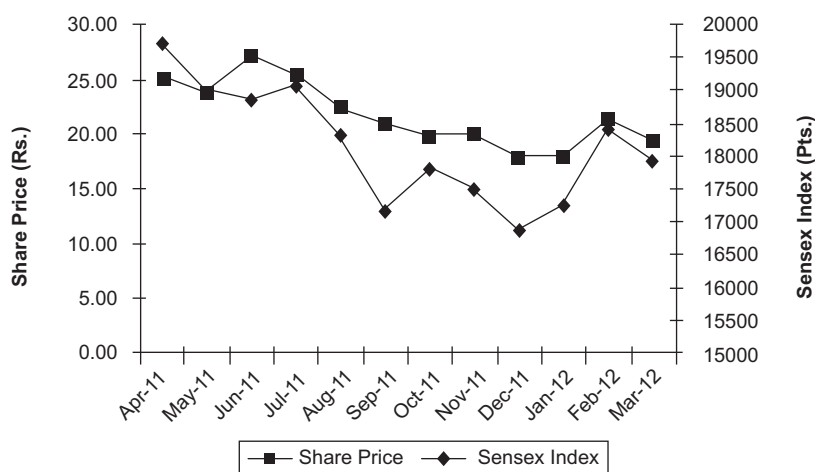
**m Dematerialization of Shares**

3,80,52,935 equity shares representing 96.16% of the paid-up share capital of the Company have been dematerialized upto 31.03.2012. Trading in equity shares of the Company is permitted only in dematerialized form with effect from the date of listing of shares i.e., 21 August 2008.

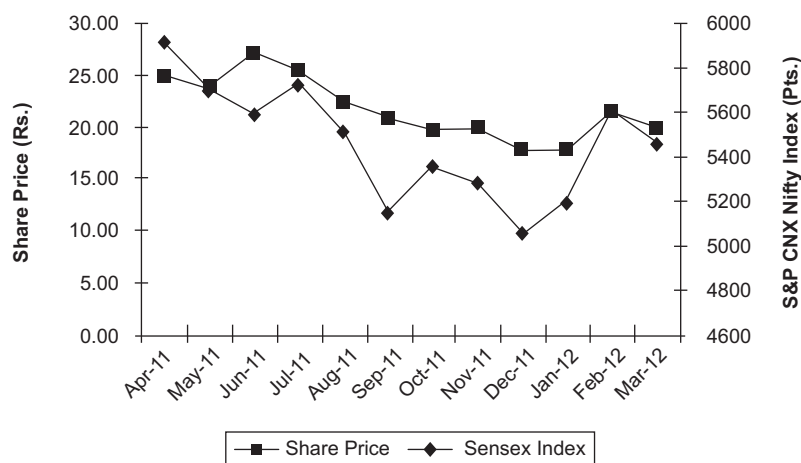

**n Nomination of physical shares**

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

**o Performance of Sicagen's share price in comparison with BSE - Sensex Index**



**p Performance of Sicagen's share price in comparison with NSE – S&P CNX Nifty Index**



**q CEO/CFO Certification**

As required by Clause 49 (V) of the Listing Agreement, certificate from CEO/CFO was submitted to the Board.

**r Auditors' Certificate on Corporate Governance**

The Company has obtained a certificate from the statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement and the same has been annexed at the end of this report.

**s Plant Locations**

Speciality Chemicals	Thirubuvanai, Pondicherry
Beta Industries	Minjur, Ponneri Taluk, Chennai
Plant location of subsidiary Company Wilson Cables Private Limited	
Cables	Jurong Industrial Estate, Singapore

## Compliance Certificate on Corporate Governance Report

### Auditors Certificate

(Under Clause 49 of the Listing Agreement)

To

The shareholders of Sicagen India Limited

We have examined the compliance of the conditions of Corporate Governance by Sicagen India Limited for the year ended 31 March 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India, we have to state that based on the conditions given by the Registrar and Transfer Agent of the Company, as on 31 March 2012, there was no investor grievance, remaining unattended.

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

For **M/s CNGSN & ASSOCIATES**

Chartered Accountants

**C N GANGADARAN**

Partner

Membership number: 11205

F.R.NO.0049155

Place Chennai  
Date 28 May 2012

### Declaration from CEO on Code of Conduct

To

The shareholders of Sicagen India Ltd

As provided under Clause 49 (D) of the Listing Agreement with the Stock Exchanges, the Board of Directors and the Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31 March 2012.

For Sicagen India Limited

**R Sivagurunathan**

CEO

Place Chennai  
Date 28 May 2012

## AUDITORS' REPORT

### Auditor's Report to the Members of M/s Sicagen India Limited.

We have audited the attached Balance Sheet of M/s Sicagen India Limited, as at 31 March 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- i We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii 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.

- iii The Balance Sheet, the Profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
- iv In our opinion, the Balance Sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, to the extent applicable;
- v On the basis of written representations received from the directors, as on 31 March 2012, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31 March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi The company has not provided for the cess payable under Sec. 441 A of the Companies Act, 1956 as the notification regarding rate and mode of payment has not been received.
- vii In our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
  - a In the case of Balance Sheet, of the state of affairs of the company as at 31 March 2012;
  - b In the case of Profit and Loss account, of the PROFIT for the year ended on that date; and
  - c In case of cash flow statement, of the cash flows for the year ended on that date.

For **CNGSN & ASSOCIATES**  
Chartered Accountants  
F.R.NO.004915S

Place Chennai  
Dated 28 May 2012

**C N GANGADARAN**  
Partner  
Membership number: 11205

## Annexure: As Referred to in our report of even date.

- 1
  - a The company has maintained proper records showing full particulars including quantitative details and the situation of fixed assets except in certain divisions which are being updated.
  - b All the assets have not been physically verified by the management during the year but, according to the information and explanations given to us, there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c During the year the company has not disposed off substantial part of the fixed assets and the going concern status of the company is not affected.
- 2
  - a Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b In our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
  - c The company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stock and the book records were not material.
- 3 In our opinion, the company has neither granted nor taken any loans, secured or unsecured from/to the companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956. As such the clauses iii(b), iii(c) and iii(d) of paragraph 4 of the Order, are not applicable.
- 4 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of the inventory. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control.
- 5
  - a In our opinion and according to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
  - b In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Sec. 301 of the Companies Act, 1956 and exceeding the value of Rs 5,00,000 in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 The Company has not accepted deposits from the public, and hence the directives issued by the Reserve Bank of India and the provisions of section 58A & 58AA of the Companies Act., 1956 and the rules framed there under are not applicable.
- 7 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 8 The Central Government has not prescribed maintenance of any cost records under section 209(1) (d) of the Companies Act., 1956.
- 9
  - a The Company is regular in depositing Provident Fund, Employees' State Insurance, Income tax, Sales tax dues and Service tax dues with the appropriate authorities, and according to the information and explanations given to us, there were no undisputed statutory dues payable which have remained outstanding as at 31 March 2012 for a period of more than six months from the date they became payable.
  - b As at 31 March 2012 according to the records of the Company, the following are the particulars of the disputed dues on account of Income tax. There were no disputed amounts payable in Sales tax, custom duty and wealth-tax matters.

Nature of dues	Amount Payable (in Rs.)	Period to which the amount relates (Assessment year)
Income Tax	437 lakhs	2009 - 10

- 10 The company does not have accumulated losses as at 31 March 2012; it has not incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- 11 Based on our audit procedures and on the information and explanations given by management, we are of opinion that the company has not defaulted in repayment of dues to Financial Institutions or bank or debenture holders.
- 12 According to the information and explanation given to us, the company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.

- 13 The provisions of any special statute as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- 14 According to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of Companies (Auditors Report) Order 2003 is not applicable.
- 15 The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16 As per the information and explanation given to us, the company has obtained Term loans during the year and has applied it for the purpose for which it is obtained.
- 17 According to the information and explanation given to us and on overall examination of the balance sheet of the company, short-term funds has not been applied for long term purposes.
- 18 During the year the company has not made any preferential allotment of shares to the parties and the companies covered in the register maintained under Sec. 301 of the Companies Act, 1956. Accordingly, clause 4(xviii) of Companies (Auditors Report) Order 2003 is not applicable.
- 19 The company has not issued debentures during the year and therefore the question of creation of charge or security does not arise.
- 20 The company has not raised any money through public issue of equity shares during the year.
- 21 According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

Place Chennai

Dated 28 May 2012

For **CNGSN & ASSOCIATES**

Chartered Accountants

F.R.NO.0049155

**C N GANGADARAN**

Partner

Membership Number: 11205

## BALANCE SHEET AS AT 31 MARCH 2012

(in Rs lakh)

	Note	On 31 March 2012		On 31 March 2011	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	1	<b>3957</b>		3957	
Reserves & Surplus	2	<b>36017</b>	<b>39974</b>	34527	38484
<b>Non-current liabilities</b>					
Long-Term Borrowings	3	<b>5125</b>		3025	
Deferred Tax Liabilities (Net)	4	<b>355</b>		356	
Other Long Term Liabilities	5	<b>947</b>		834	
Long-Term Provisions	6	<b>238</b>	<b>6665</b>	335	4550
<b>Current liabilities</b>					
Short-Term Borrowings	7	<b>3916</b>		3028	
Trade Payables		<b>3225</b>		3538	
Other Current Liabilities	8	<b>2719</b>		2537	
Short-Term Provisions	9	<b>626</b>	<b>10486</b>	608	9711
<b>Total</b>			<b>57125</b>		<b>52745</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
<b>Fixed Assets</b>					
Tangible Assets	10a	<b>2826</b>		3135	
Capital Work-in-Progress	10b	<b>6</b>		19	
Fixed Assets pertaining to Discontinuing Operations and held for Sale		<b>187</b>		237	
Non-Current Investments	11	<b>13262</b>		4260	
Long-Term Loans and Advances	12	<b>17434</b>		17454	
Other Non-Current Assets	13	<b>1411</b>	<b>35126</b>	3937	29042
<b>Current assets</b>					
Inventories	14	<b>8420</b>		5844	
Trade Receivables	15	<b>8250</b>		7480	
Cash and Cash Equivalents	16	<b>2260</b>		1959	
Short-Term Loans and Advances	17	<b>3064</b>		8344	
Other Current Assets	18	<b>5</b>	<b>21999</b>	76	23703
<b>Total</b>			<b>57125</b>		<b>52745</b>
Significant Accounting Policies Notes on Financial Statements	1-39				

For and on behalf of the Board

This is the Balance Sheet referred  
to in our report of even date

**R SIVAGURUNATHAN**  
Whole Time Director

**B NARENDRAN**  
Director

**SUNIL DESHMUKH**  
Director

**For CNGSN & ASSOCIATES**  
Chartered Accountants

Place Chennai  
Date 28 May 2012

**G R KANNAN**  
VP(Finance) & Company Secretary

**C N GANGADARAN**  
Partner  
M.No.11205 F.R.No.0049155

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

(in Rs lakh)

	Note	Year ended 31 March 2012	Year ended 31 March 2011
<b>INCOME</b>			
Revenue from operations	19	90602	77022
Other income	20	309	543
<b>Total Revenue</b>		<b>90911</b>	<b>77565</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	21	3215	2953
Purchases of Stock-in-Trade	22	84126	71205
(Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	23	(2088)	(1546)
Employee Benefit Expense	24	1575	1294
Finance Costs	25	822	464
Depreciation and Amortization Expense		177	153
Other Expenses	26	1728	1609
<b>Total Expenses</b>		<b>89555</b>	<b>76132</b>
<b>Profit Before Exceptional Items and Tax</b>		<b>1356</b>	1433
<b>Exceptional items (Net)</b>	27	554	1204
<b>Profit Before Tax</b>		<b>1910</b>	2637
<b>Tax Expenses</b>			
Current Tax		462	471
Deferred Tax		(26)	11
<b>Profit (Loss) for the period from Continuing Operations</b>		<b>1474</b>	2155
<b>Profit/(loss) from Discontinuing Operations</b>	28	738	399
<b>Tax expense of Discontinuing Operations</b>	28	262	108
<b>Profit/(Loss) from Discontinuing Operations after tax</b>		<b>476</b>	291
<b>Profit (Loss) for the year</b>		<b>1950</b>	2446
<b>Earnings per equity share</b>	29		
<b>Continuing Operation</b>			
Basic before Exceptional Items (in Rs)		2.33	2.40
Basic after Exceptional Items (in Rs)		3.73	5.45
<b>Total Operation</b>			
Basic before Exceptional Items (in Rs)		3.53	3.14
Basic after Exceptional Items (in Rs)		4.93	6.18
Significant Accounting Policies Notes on Financial Statements	1-39		

For and on behalf of the Board

This is the Profit & Loss Account referred  
to in our report of even date**R SIVAGURUNATHAN**  
Whole Time Director**B NARENDRAN**  
Director**SUNIL DESHMUKH**  
Director**For CNGSN & ASSOCIATES**  
Chartered AccountantsPlace Chennai  
Date 28 May 2012**G R KANNAN**  
VP(Finance) & Company Secretary**C N GANGADARAN**  
Partner

M.No.11205 F.R.No.0049155



## CASH FLOW STATEMENT

(in Rs lakh)

	Year ended 31 March 2012	Year ended 31 March 2011
<b>A Cash Flow from Operating Activities</b>		
Profit before tax	2094	1832
Adjustments for		
Depreciation	206	177
(Profit)/Loss on Disposal of Fixed Assets (net)	(1)	(104)
Provision no longer required	(10)	-
Investment W/off	5	-
Interest Income	(113)	(332)
Dividend Income	(178)	(74)
Interest Expenditure	772	430
Operating Profit before Working Capital changes	<u>2775</u>	<u>1929</u>
Adjustments for		
Trade and Other Receivables	7300	(2689)
Inventories	(2576)	(1511)
Trade Payables and Other Liabilities	659	2866
Cash Generated from Operations	<u>8158</u>	<u>595</u>
Tax Paid	1003	654
Net Cash from Operating Activities	<u>7155</u>	<u>(59)</u>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(472)	(406)
Sale of Fixed Assets (net)	1285	136
Proceeds from sale of Investments net of charges	-	1336
Investments made (Net)	(9003)	-
Interest Income	113	332
Dividend Income	178	74
Net Cash used in Investing Activities	<u>(7899)</u>	<u>1472</u>
<b>C Cash Flow from Financing Activities</b>		
Long term Borrowings (net of repayment)	2319	96
Interest Paid	(772)	(430)
Dividend paid (Including Dividend Tax)	(460)	-
Net Cash used in Financing Activities	<u>1087</u>	<u>(334)</u>
<b>D Net Increase/Decrease in Cash and Cash Equivalents(A + B + C)</b>	<b>343</b>	<b>1079</b>
Cash and Cash Equivalents as at (Opening) 1 April 2011	2028	949
Cash and Cash Equivalents as at (Closing) 31 March 2012	<b>2371</b>	<b>2028</b>

For and on behalf of the Board

As per our Report of even date

**R SIVAGURUNATHAN**  
Whole Time Director

**B NARENDRAN**  
Director

**SUNIL DESHMUKH**  
Director

**For CNGSN & ASSOCIATES**  
Chartered Accountants

Place Chennai  
Date 28 May 2012

**G R KANNAN**  
VP(Finance) & Company Secretary

**C N GANGADARAN**  
Partner  
M.No.11205 F.R.No.0049155

## SIGNIFICANT ACCOUNTING POLICIES

- 1 **Basis of Preparation**  
The financial statements relate to Sicagen India Limited. These financial statements have been prepared under historical cost convention and applicable Mandatory Accounting Standards.
- 2 **Fixed Assets**  
Leasehold Land is capitalized and the amount is not amortized.
- 3 **Borrowing Costs**  
Borrowing Costs are capitalized as a part of qualifying fixed assets wherever it is possible that they will result in future economic benefits. Other borrowing costs are expensed.
- 4 **Depreciation**  
Depreciation is consistently provided at the rates prescribed under Schedule XIV of the Companies Act, 1956 on the following methods.
  - a Assets of Building Materials Division , Governor Services, Engineering Division, Speciality Chemicals at written down value method.
  - b Assets of Vehicle Sales, Beta Drums and Agri Division at straight line method.
  - c Depreciation on certain premises is provided on composite cost where it is not possible to segregate the land cost.
  - d Improvements on leasehold premises are depreciated over the tenure of the lease.
  - e Assets whose cost does not exceed Rs 5000 are fully depreciated.
- 5 **Investments (Long Term)**  
Investments in shares and units are stated at cost, net of permanent diminution in value wherever necessary. Cost includes interest attributable to funds borrowed for acquisition of investments.  
Dividends are accounted for when the right to receive the payment is established.
- 6 **Inventories**
  - a Trading Stock, Stores and Spares, Raw materials, Packing materials are valued at cost, computed on first in first out basis.
  - b Finished goods and work in process are valued at the lower of cost and estimated net realizable value. Cost comprises of materials consumed valued on first in first out basis and direct and indirect overheads.
  - c Work-in-process on ship building contracts reflects proportionate value of inputs and expenses yet to be billed.
  - d Loose tools are valued after writing off a certain percentage on cost.
- 7 **Impairment of Assets**  
The Company recognizes impairment of assets other than the assets which are specifically excluded under Accounting Standard 28 on Impairment of Assets issued by the Institute of Chartered Accountants of India after comparing the assets recoverable value with its carrying amount in the books. In case carrying amounts exceeds recoverable value, impairment losses are provided for.
- 8 **Excise Duty**
  - a Cenvat Credit on materials purchased for production are taken into account at the time of purchase and cenvat credit on purchase of capital items, wherever applicable are taken into account as and when the assets are installed, to the credit of respective purchase and assets account. The Cenvat Credits so taken are utilized for payment of excise duty on goods manufactured. The unutilized Cenvat credit is carried forward in the books.
  - b Excise duty payable on manufactured goods held in the factories is included in the valuation of such stocks.
- 9 **Revenue Recognition**
  - a Revenue is recognized and expenses are accounted on their accrual with necessary provisions for all known liabilities and losses.
  - b Sales are net of discount and sales tax and is recognised at the point of dispatch of goods.
  - c Service Income
    - 1 Income is recognized when billed on completion of services.
    - 2 Income from boat building is recognized as and when it is ready for delivery.

## 10 Foreign Currency Transaction

Foreign currency transactions are recorded in the books at rates prevailing on the date of transaction. Current assets and liabilities wherever receivable or payable in foreign currencies are translated at exchange rates prevailing on the Balance Sheet date and the loss or gain arising out of such transaction is adjusted in the Profit and Loss account.

## 11 Retirement Benefits

- a Retirement benefits in the form of Provident Fund/Superannuation Fund are defined contribution schemes and the contributions are charged to Profit and Loss account in the year in which the contributions to the respective funds are due.
- b Employees Gratuity Fund scheme managed by Life Insurance Corporation of India is a Defined Benefit Plan. The present value of obligation is provided for on the basis of actuarial valuation using the Projected Unit Credit Method at the end of each financial year.
- c Obligation for Leave Encashment is recognized in the same manner as Gratuity.
- d Actuarial gains/losses are charged to Profit and Loss Account.

## 12 Contingent Liabilities & Provisions

All known liabilities of material nature have been provided for in the accounts except liabilities of a contingent nature which have been disclosed at their estimated value in the notes on accounts in accordance with Accounting Standard-29. As regards Provisions, it is only those obligations arising from past events existing independently of an enterprise's future actions that are recognized as provisions.

## 13 Segment Reporting

The accounting policies adopted for Segment reporting are in line with Accounting Standard-17.

## 14 Discontinuing Operations

Discontinuing Operations have been recognized and disclosed in line with Accounting Standard-24.

## 15 Provision for Current Tax and Deferred Tax

Provision for Current Tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act 1961. Deferred taxes are recognized when considered prudent for all timing differences between taxable and accounting income.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>1. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
5,00,00,000 (5,00,00,000) Equity Shares of Rs 10 each	<b>5000</b>	5000
<b>ISSUED</b>		
(3,95,71,684) Equity Shares of Rs 10 each	<b>3957</b>	3957
<b>SUBSCRIBED</b>		
(3,95,71,684) Equity Shares of Rs.10 each	<b>3957</b>	3957
<b>PAID-UP</b>		
(3,95,71,684) Equity Shares of Rs.10 each	<b>3957</b>	3957
	<b>3957</b>	3957

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

Particulars	Equity Shares		Preference Shares	
	Number	Rs in lakh		
Shares outstanding at the beginning of the year	<b>39571684</b>	3957	-	-
Shares outstanding at the end of the year	<b>39571684</b>	3957	-	-

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

Name of Shareholder	As at 31 March 2012		As at 31 March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
M/s Ranford Investments Ltd	<b>7400649</b>	<b>18.70</b>	7400649	18.70
M/s Darnolly Investments Ltd.	<b>7276102</b>	<b>18.39</b>	7276102	18.39
M/s Twinshield Consultants Pvt. Ltd.	<b>3116310</b>	<b>7.88</b>	3116310	7.88

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

Particulars	Aggregate Number of shares	
	2011-12	2010-11
Equity Shares :		
Fully paid up pursuant to contract(s) without payment being received in cash	<b>39571684</b>	39571684

1.4 Of the above 3,95,21,684 equity shares of Rs 10/- each were issued and allotted as fully paid up as per the earlier scheme of Arrangement.

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>2. RESERVES AND SURPLUS</b>		
<b>CAPITAL RESERVE</b>		
As per Last Balance Sheet	<b>2856</b>	2856
<b>SECURITIES PREMIUM ACCOUNT</b>		
As per Last Balance Sheet	<b>29444</b>	29444
<b>GENERAL RESERVE</b>		
As per Last Balance Sheet	<b>100</b>	-
Add: Transferred from surplus balance in P&L	<b>100</b>	100
	<b>200</b>	100
<b>PROFIT &amp; LOSS ACCOUNT</b>		
Surplus from Profit & Loss Account	<b>2127</b>	241
Add : Profit/Loss for the current year	<b>1950</b>	2446
Less : Proposed Dividend	<b>460</b>	460
Less : Transfer to Reserves	<b>100</b>	100
	<b>3517</b>	2127
<b>Total</b>	<b>36017</b>	34527

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>3. LONG TERM BORROWINGS</b>		
<b>SECURED</b>		
<b>TERM LOANS</b>		
From Bank	713	-
<b>WORKING CAPITAL FACILITY</b>		
	<u>3247</u>	<u>1860</u>
	<u>3960</u>	<u>1860</u>
<b>UNSECURED</b>		
<b>OTHER LOANS AND ADVANCES</b>		
	<u>1165</u>	<u>1165</u>
<b>Total</b>	<u>5125</u>	<u>3025</u>

3.1 Term loan facility availed from a Bank during the current FY 2011-12 for the purpose of working capital requirement as well as modernization and expansion of existing showrooms and service stations of commercial vehicles division was secured by way of creation of equitable mortgage by deposit of title deeds of certain immovable assets of the company as collateral security.

3.2 Working capital facilities availed from a Bank were secured by hypothecation of stocks and receivables of all divisions except commercial vehicles division and creation of equitable mortgage by way of deposit of title deeds of certain immovable assets of the Company as collateral security.

#### 4. DEFERRED TAX LIABILITY (NET)

Related to Fixed Asset	358	355
Disallowances under Income Tax Act, 1961	<u>3</u>	<u>1</u>
<b>Total</b>	<u>355</u>	<u>356</u>

#### 5. OTHER LONG TERM LIABILITIES

Trade Payables	113	113
Others	<u>834</u>	<u>721</u>
<b>Total</b>	<u>947</u>	<u>834</u>

5.1 Others include advance from customers and others and interest accrued.

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>6. LONG TERM PROVISIONS</b>		
<b>PROVISION FOR EMPLOYEE BENEFITS</b>		
Gratuity/Leave Encashment	238	228
<b>OTHERS</b>		
Provision for Tax (Net)	-	107
<b>Total</b>	<b>238</b>	<b>335</b>

### 6.1 Employee Benefits

Disclosures required under Accounting Standard 15 on Employee Benefits are given below:

Particulars	Gratuity	Leave
<b>The principal assumptions used in determining gratuity and leave obligations for the Company's plans are shown below:</b>		
Discount Rate	8.70%	8.70%
Salary escalation rate	6.00%	6.00%
Attrition rate	1.00%	1.00%
Expected rate of return on Plan Assets	9.25%	-
<b>Change in the Present Value of Defined Benefit Obligation</b>		
Present value of defined benefit obligation at the beginning of the period	203.48	25.29
Interest Cost	16.67	1.63
Current Service Cost	13.69	2.72
Benefits paid	(23.70)	(9.86)
Actuarial loss/(gain) on obligation (balancing figure)	(2.11)	10.33
<b>Present value of defined obligation at the end of the period</b>	<b>208.03</b>	<b>30.11</b>
<b>Change in the Fair Value of Plan Assets</b>		
Fair value of plan assets as at the beginning of the period	210.79	-
Expected return on plan assets	18.77	-
Contributions	7.89	9.86
Benefits paid	(23.70)	(9.86)
Actuarial loss/(gain) on plan assets (balancing figure)	0.11	-
<b>Fair value of plan assets as at the end of the period</b>	<b>213.86</b>	<b>-</b>
<b>Net Asset/Liability recognised in the Balance Sheet</b>		
Present value of defined obligation	208.03	30.11
Fair value of plan assets	213.86	-
Amount determined under para 55 of AS 15R	(5.83)	-
Present value of future reduction in contribution under para 59(b) of AS 15R	5.83	-
Net Asset recognised under para 59 of AS 15R	5.83	30.11
<b>Expenses recognised in the statement of Profit and Loss</b>		
Current Service Cost	13.69	2.72
Interest Cost	16.67	1.63
Expected Return on Plan Assets	(18.77)	-
Net actuarial (gain)/loss recognised in the year	(2.22)	10.34
Effect of limit as per para 59(b) read with para 61(g) of AS 15R	(0.54)	-
Expenses recognised	8.83	14.69

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
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## 7. SHORT TERM BORROWINGS

### SECURED

#### LOANS REPAYABLE ON DEMAND

From Banks	1950	1859
From Others	825	558
	<u>2775</u>	<u>2417</u>

### UNSECURED

#### LOANS REPAYABLE ON DEMAND

From Others	1141	611
<b>Total</b>	<u>3916</u>	<u>3028</u>

7.1 Credit facilities availed from Banks/NBFCs by way of Channel Financing/Inventory Funding Arrangements for commercial vehicles division were secured by hypothecation of vehicles stocks.

## 8. OTHER CURRENT LIABILITIES

Current maturities of long-term debt	220	-
Unpaid dividends	10	-
Other payables	2489	2537
<b>Total</b>	<u>2719</u>	<u>2537</u>

8.1 Other payable includes statutory dues, security deposits and advance from customers.

## 9. SHORT TERM PROVISIONS

### PROVISION FOR EMPLOYEE BENEFITS

Gratuity/Leave Encashment/Bonus/Performance pay	166	148
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### Others

Proposed Equity Dividend	396	396
Provision for Tax on proposed equity dividend	64	64

<b>Total</b>	<u>626</u>	<u>608</u>
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## 10. FIXED ASSETS

(in Rs lakh)

PARTICULARS	Gross Block			Depreciation			Net Block			
	On 1 April 2011	Additions	Disposals/ Adjustments	On 31 March 2012	On 1 April 2011	For the year	Disposals/ Adjustments	Upto 31 March 2012	On 31 March 2012	On 31 March 2011
<b>Continuing Operations</b>										
<b>a. Tangible Assets</b>										
Land - Free hold	1041	33	509	565	-	-	-	-	565	1041
Buildings	2295	131	6	2420	750	69	4	815	1605	1545
Plant and Machinery	632	78	11	699	331	32	3	360	339	301
Office Equipment	306	37	5	338	241	21	4	258	80	65
Furniture and Fixtures	152	16	2	166	138	8	2	144	22	14
Vehicles	139	32	20	151	74	18	18	74	77	65
Trucks	73	11	-	84	16	15	-	31	53	57
Lease hold Improvements	220	52	-	272	173	14	-	187	85	47
<b>Total</b>	4858	390	553	4695	1723	177	31	1869	2826	3135
Previous Year	4584	361	87	4858	1626	153	56	1723	3135	-
<b>b. Capital Work In Progress</b>	19	14	27	6	-	-	-	-	6	19
Previous Year	-	19	-	19	-	-	-	-	19	-
<b>Grand Total</b>	4877	404	580	4701	1723	177	31	1869	2832	3154
Previous Year	4584	380	87	4877	1626	153	56	1723	3154	-

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>11. NON CURRENT INVESTMENTS</b>		
<b>TRADE INVESTMENTS</b>		
Investment in Equity Instruments	<b>7262</b>	2760
Investment in Preference Shares	<b>6000</b>	1500
<b>Total</b>	<b>13262</b>	4260
Aggregate amount of quoted investments (Market value of Rs 1770 (Previous Year Rs 1973))	<b>1645</b>	1645
Aggregate amount of unquoted investments	<b>11617</b>	2615

## 11.1 DETAILS OF TRADE INVESTMENTS

(in Rs lakh)

Sr.No	Name of the Company	JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount		Whether stated at Cost	If Answer to Column (12) is 'No' - Basis of Valuation
			2012	2011			2012	2011	2012	2011		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	<b>Investment in Equity Instruments</b>											
	Southern Petrochemical Industries Corpn.Ltd	Others	3017349	3019799	Quoted	Fully Paid	2	2	1230	1230	Yes	
	First Leasing Company of India Ltd	Others	2127016	2127079	Quoted	Fully Paid	9	9	412	412	Yes	
	First Leasing Company of India Ltd (Shares Received as Bouns)	Others	26633	26633	Quoted	Fully Paid	0	0	3	3	No	At Face Value
	Cofee Products (India ) Ltd	Others	-	5000	UnQuoted	Fully Paid	-	2	-	5	Yes	
	Mitsuba Sical India Ltd	Others	300000	300000	UnQuoted	Fully Paid	0	0	65	65	Yes	
	EDAC Automation Ltd (Formerly Sical Yamatake Ltd )	Others	449970	449970	UnQuoted	Fully Paid	50	50	45	45	Yes	
	South India House Eataes And Properties Ltd	Subsidiary	1000000	1000000	UnQuoted	Fully Paid	100	100	1000	1000	Yes	
	Wilson Cables Pvt Ltd	Subsidiary	5886216	-	UnQuoted	Fully Paid	100	-	4507	-	Yes	
(b)	<b>Investments in Preference Shares</b>											
	Greenstar Fertilizers Ltd.	Others	5000000	-	UnQuoted	Fully Paid	100	-	5000	-	Yes	
	EDAC Engineering Ltd.	Others	1000000	1500000	UnQuoted	Fully Paid	83	100	1000	1500	Yes	
	<b>Total</b>		<b>18807184</b>	<b>8428481</b>					<b>13262</b>	<b>4260</b>		

- 11.2 During the year, the Company has acquired 50 lakhs 11% Non-convertible Preference Shares of Greenstar Fertilizers Ltd amounting to Rs 5000 lakhs. The above investment was made pursuant to the special resolution dated 21.10.2011 passed by the shareholders thro' postal ballot.
- 11.3 As at 01.04.2011, the Company has acquired 100% equity capital of M/s Wilson Cables Private Ltd, Singapore and thus, Wilson Cables has become a wholly owned subsidiary of the Company with effect from 01.04.2011.
- 11.4 1987454 equity shares of Southern Petrochemical Industries Corpn. Ltd pledged with lenders prior to demerger are yet to be released and out of which, 1602350 shares are under dispute and still pending for adjudication before the Hon'ble High Court of Judicature at Madras.
- 11.5 3823600 equity shares of Southern Petrochemical Industries Corpn. Ltd, pledged with lenders prior to demerger and entitled to be transferred to the books of accounts of the Company under earlier demerger scheme, are not shown in the schedule of investments as they are under dispute and still pending for adjudication before the Hon'ble High Court of Madras. In the event of the above dispute being settled in Company's favour, the aforesaid shares shall be taken into account in the books of the Company from the effective date of settlement.
- 11.6 2450 equity shares of Southern Petrochemical Industries Corpn. Ltd and 63 equity shares of First Leasing Co. of India Ltd which are erroneously lying in the books and not physically available with the Company have been eliminated from the books and rectified during the year.
- 11.7 The investment value of 5000 equity shares of Coffee Products (India) Ltd which are considered not realizable have been written off this year.
- 11.8 10000000 equity shares of South India House Estates & Properties Ltd vested in the books of the Company under the earlier demerger scheme, are yet to be registered in the name of the Company due to some pending litigations. The name transfer will be effected in Company's favour after obtaining necessary judicial clearance from the Hon'ble High Court of Madras as specified in Clause 7.5 of the earlier demerger scheme.
- 11.9 2360205 equity shares of MCC Finance Ltd vested in the Company under the earlier demerger scheme were not accounted in the books of accounts since the value of the investments relating to MCC Finance Ltd, a Company which is in liquidation, was considered not realizable. During the year, the said MCC Finance Ltd has filed an application along with a scheme of arrangement before the Hon'ble High Court of Judicature at Madras for settlement of outstanding dues to its creditors and revival of that Company. In the event of any dues being settled or any steps being taken for revival upon sanction of the above scheme by the Court, the aforesaid equity shares shall be taken into account in the books of accounts of the Company from the effective of date of settlement and revival.
- 11.10 No provision is considered necessary for short fall in market value of certain quoted investments ascertained on individual basis amounting to Rs 697.75 lakhs (Rs 756.20 lakhs) significant portion of which relates to Companies promoted by the Company which is considered temporary in nature.
- 11.11 5,00,000 9% Redeemable Convertible Preference Shares of Rs 100 each held in EDAC Engineering Ltd aggregating Rs 500 lakhs were redeemed on partial redemption basis during the year.

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
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## 12. LONG TERM LOANS AND ADVANCES

Others - Unsecured considered good	<b>17434</b>	17454
<b>Total</b>	<b>17434</b>	17454

## 13. OTHER NON-CURRENT ASSETS

<b>Long term trade receivables</b>		
Unsecured, considered good	<b>912</b>	3480
<b>Other Bank Balances</b>	<b>111</b>	69
<b>Others</b>	-	-
Insurance Claim - Unsecured, considered good	<b>388</b>	388
<b>Total</b>	<b>1411</b>	3937

13.1 Other Bank Balances include Margin Money which is due for realization after 12 months.

13.2 Claim pending with Consumer Appellate Tribunal for adjudication.

## 14. INVENTORIES

Raw Materials and components	<b>435</b>	322
Work-in-progress	<b>745</b>	305
Finished goods	<b>27</b>	25
Stock-in-trade	<b>6331</b>	4424
Stores and spares	<b>874</b>	764
Loose Tools	<b>8</b>	4
<b>Total</b>	<b>8420</b>	5844

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>15. TRADE RECEIVABLES</b>		
<b>Unsecured, considered good</b>		
Over six months	548	299
Others	7702	7181
<b>Total</b>	<b>8250</b>	<b>7480</b>

**16. CASH AND CASH EQUIVALENTS**

<b>Balances with banks</b>			
Current Accounts	1382		1062
Cheques, drafts on hand	-		27
Cash on hand	168		170
Bank Deposits with maturity of less than 3 months	<u>700</u>	2250	<u>700</u> 1959
<b>Others</b>			
Balance with bank (for unpaid dividend)	<u>10</u>		<u>-</u>
<b>Total</b>	<b>2260</b>		<b>1959</b>

**17. SHORT TERM LOANS AND ADVANCES**

<b>Advance Income tax (net of provisions)-unsecured considered good</b>	<b>182</b>		-
<b>Others</b>			
Unsecured, considered good	<u>2882</u>		<u>8344</u>
<b>Total</b>	<b>3064</b>		<b>8344</b>

17.1 Others includes Security Deposits, Balance with Sales Tax authorities, Pre-paid expense and Advance paid to Suppliers.

**18. OTHER CURRENT ASSETS**

<b>Others</b>			
Interest accrued on deposit	<u>5</u>		<u>76</u>
<b>Total</b>	<b>5</b>		<b>76</b>

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>19. REVENUE FROM OPERATION</b>		
<b>SALE OF PRODUCTS</b>		
Traded Goods	86081	72986
Manufactured Goods	4036	3902
<b>SALE OF SERVICES</b>		
	629	293
<b>OTHER OPERATING REVENUES</b>		
Scrap Sales	187	163
Commission Income	70	45
Less: Excise duty	401	367
<b>Total</b>	<b>90602</b>	<b>77022</b>
<b>19.1 DETAILS OF PRODUCTS SOLD</b>		
<b>TRADED GOODS</b>		
Steel Pipes	21913	19616
Steel	13430	10219
PVC Pipes	585	842
Cables	4926	3234
Vehicles	41910	36822
Spares and Others	3317	2253
	<b>86081</b>	<b>72986</b>
<b>MANUFACTURED GOODS</b>		
Drums	4036	3902
	<b>4036</b>	<b>3902</b>
<b>Total</b>	<b>90117</b>	<b>76888</b>
<b>20. OTHER INCOME</b>		
Interest Income	113	332
Profit on sale of Fixed Assets	2	106
Dividend Income	178	74
Other non-operating income	16	31
<b>Total</b>	<b>309</b>	<b>543</b>
<b>21. COST OF RAW MATERIALS CONSUMED</b>		
Inventory at the beginning of the year	313	546
Add : Purchases	3352	2720
Less : Inventory at the end of the year	450	313
Cost of Raw Materials consumed	<b>3215</b>	<b>2953</b>

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>21.1 DETAILS OF RAW MATERIAL CONSUMED</b>		
CRCA Coils	2549	2381
Others	666	573
<b>Cost of Raw Materials consumed</b>	<b>3215</b>	<b>2954</b>
<b>22. PURCHASES OF STOCK-IN-TRADE</b>		
Steel Pipes	20981	19216
Steel	12930	9766
PVC Pipes	495	845
Cables	5082	3029
Vehicles	41347	30493
Spares and Others	3291	7856
	<b>84126</b>	<b>71205</b>
<b>23. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE</b>		
<b>INVENTORY AT THE END OF THE YEAR</b>		
Finished Goods	25	19
WIP	158	161
Stock in Trade	6448	4363
	<b>6631</b>	<b>4543</b>
<b>INVENTORY AT THE BEGINNING OF THE YEAR</b>		
Finished Goods	19	19
WIP	161	172
Stock in Trade	4363	2806
	<b>4543</b>	<b>2997</b>
<b>(Increase)/Decrease</b>	<b>(2088)</b>	<b>(1546)</b>
<b>24. EMPLOYEE BENEFIT EXPENSE</b>		
Salaries, Wages and Bonus	1325	1094
Contribution to Provident Fund and Others	85	62
Staff Welfare Expense	165	138
	<b>1575</b>	<b>1294</b>
<b>25. FINANCE COST</b>		
Interest	772	430
Bank Charges	50	34
<b>Total</b>	<b>822</b>	<b>464</b>



(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>26. OTHER EXPENSES</b>		
Rent	326	231
Rates & Taxes	61	49
Insurance	55	36
Power & Fuel	77	72
Office Maintenance	109	134
Vehicle Operating Expenses	3	1
Repairs & Maintenance		
Building	7	1
Vehicles	36	21
Others	95	63
Travelling & Conveyance	136	117
Printing & Stationery	58	51
Postage, Telegram & Telephone	92	81
Subscription / Donation	6	4
Advertisement, Publicity & Sales Promotion	125	91
Payment to Auditors ( Details given below)	29	24
Legal & Professional Fees	2	4
Freight & Forwarding charges	226	200
Director's Sitting Fee	1	1
Brokerage & Commission	52	36
Other Selling Expenses	2	-
Consumable Stores & Tools	4	1
Security Service Charges	88	81
Loss on Sale of Fixed Asset	-	1
Entertainment Expenses	5	3
Consultancy Fees	114	293
Miscellaneous Expenses	19	13
<b>Total</b>	<b>1728</b>	<b>1609</b>

### 26.1 PAYMENT TO AUDITOR

Statutory Audit Fee	13	11
Taxation matters	3	3
Other services	11	9
Reimbursement of expenses	2	1
<b>Total</b>	<b>29</b>	<b>24</b>

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>27. EXCEPTIONAL ITEMS IN 2011-12 INCLUDES PROFIT FROM SALE OF LAND AND BUILDING NET RESTRUCTURING CHARGES.</b>		
Profit on sale of Land and Building	3430	8466
Less : Impairment of Debtors	-	1484
Loss on Assignment of debts (restructuring)	2786	5649
Tax	90	129
<b>Exceptional items (Net)</b>	<b>554</b>	<b>1204</b>

**28. DISCONTINUING OPERATIONS**

The following statement shows the revenue and expenses of discontinuing operations as per AS-24

Sale of Products	626	506
Sale of Services	2754	1563
Other Operating Revenues	7	1
Other Income	14	2
<b>Total Revenue</b>	<b>3401</b>	<b>2072</b>
Cost of Materials Consumed	1941	1089
Purchases of Stock-in-Trade	238	226
(Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	(24)	(23)
Employee Benefit expense	259	183
Finance costs	3	3
Depreciation and Amortization expense	28	24
Other expenses	218	171
<b>Total Expenses</b>	<b>2663</b>	<b>1673</b>
Profit/Loss before Tax	738	399
Tax Expenses	262	108
<b>Profit/Loss after Tax</b>	<b>476</b>	<b>291</b>

Discontinuing operation in 2011-12 includes Governor Services, Speciality Chemicals, Goodwill Engineering for which the Board of Directors have passed a resolution approving their disposal.

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
--	---------------------	---------------------

## 29. EARNING PER SHARE [EPS]

### CONTINUING OPERATIONS

Profit Before Exceptional Item	920	951
Profit After Exceptional Item	1474	2155
No. of Shares used in computing EPS-Basic	39571684	39571684
EPS before exceptional item - Basic (Rs)	2.33	2.40
EPS after exceptional item - Basic (Rs)	3.73	5.45
Face Value per share (Rs)	10	10

### TOTAL OPERATIONS

Profit Before Exceptional Item	1396	1242
Profit After Exceptional Item	1950	2446
No. of Shares used in computing EPS-Basic	39571684	39571684
EPS before exceptional item - Basic (Rs)	3.53	3.14
EPS after exceptional item - Basic (Rs)	4.93	6.18
Face value per share (Rs)	10	10

## 30. EXPENDITURE IN FOREIGN CURRENCY DURING THE FINANCIAL YEAR

Travelling Expenses	3	6
Professional and Consultation Fees	23	-
<b>Total</b>	26	6

## 31. EARNINGS IN FOREIGN EXCHANGE (RECEIVED DURING THE YEAR)

Export of goods	104	48
<b>Total</b>	104	48

32. As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

- a List of related parties where control exists

Sl.No.	Name of the related parties & relationship
1	South India House Estates & Properties Ltd – Subsidiary Company
2	Wilson Cables Private Ltd, Singapore* – Subsidiary Company

\* Subsidiary w.e.f. 01.04.2011.

- b Other related parties with whom transactions have taken place during the year 2011-12

Sl.No.	Name of the related parties & relationship
1	Mr R Sivagurunathan - Key Managerial Personnel Whole Time Director (CEO) (w.e.f. 06.10.2011)
2	Mr S Arumugam - Key Managerial Personnel Managing Director (upto 06.10.2011)

- c The following transactions were carried out with the related parties during the year 2011-12

Sl.No.	Particulars of transaction	Amount (Rs in Lakhs)
1	Rent paid to South India House Estates & Properties Ltd	1.20
2	Managerial Remuneration paid to – Mr R Sivagurunathan Whole Time Director (CEO) (w.e.f. 06.10.2011)	27.40*
3	Mr S Arumugam Managing Director (upto 06.10.2011)	34.61**

\* Includes a sum of Rs 10.67 lakhs to be paid as commission @ 1% calculated on the net profits of the Company for the FY ended 31 March 12.

\*\* Includes a sum of Rs 13.65 lakhs paid as ex-gratia payment.

### 33. Segment Information for the year ended 31 March 2012

#### Information about Primary Business Segments

(in Rs lakh)

Business Segments	2012					2011				
	Trading	Discontinuing	Manufacturing	Eliminations	Total	Trading	Discontinuing	Manufacturing	Eliminations	Total
<b>REVENUE</b>										
External Sales	86545.07	3386.44	3807.09		<b>93738.60</b>	73339.21	2069.41	3682.98		79091.60
Inter Segment Sales	4.76	0.17	0.11	(5.04)	-	3.17	0.17	-	(3.34)	-
Total Revenue	86549.83	3386.61	3807.20	(5.04)	<b>93738.60</b>	73342.38	2069.58	3682.98	(3.34)	79091.60
<b>RESULT</b>										
Segment Result	2097.25	737.51	374.24		<b>3209.00</b>	1764.17	398.89	542.54		2705.60
Unallocated Corporate Expenses net of Unallocated Income					<b>341.98</b>					443.27
Operating Profit					<b>2867.02</b>					2262.33
Interest Expense					<b>772.41</b>					429.70
Income Taxes (net of deftax)					<b>698.26</b>					589.93
Profit from ordinary activities					<b>1396.35</b>					1242.70
Exceptional items					<b>553.87</b>					1203.66
Net Profit					<b>1950.22</b>					2446.36
<b>OTHER INFORMATION</b>										
Segment Assets	18627.93	2113.11	1631.70		<b>22372.74</b>	16779.18	1492.71	1363.20		19635.09
Unallocated Corporate Assets					<b>37042.87</b>					34504.35
Total Assets	18627.93	2113.11	1631.70		<b>59415.61</b>	16779.18	1492.71	1363.20		54139.44
Segment Liabilities	8250.27	1026.14	554.51		<b>9830.92</b>	8256.74	387.03	461.12		9104.89
Unallocated Corporate Liabilities					<b>9610.92</b>					6551.08
Total Liabilities	8250.27	1026.14	554.51		<b>19441.84</b>	8256.74	387.03	461.12		15655.97
Capital Expenditure	355.11	68.98	34.68		<b>458.77</b>	358.28	26.36	2.39		387.03
Depreciation	164.92	28.27	12.40		<b>205.59</b>	140.66	23.85	12.24		176.75

#### Information about Secondary Business Segment

Revenue by Geographical Market Segment Assets Capital Expenditure	2012		2011	
	India	Outside India	India	Outside India
Revenue	93669.03	69.57	79012.83	78.77
Segment Assets	22372.74		19635.09	
Capital Expenditure	458.77		387.03	
<b>Total</b>	<b>93738.60</b>		<b>7912.83</b>	
			<b>19635.09</b>	
			<b>387.03</b>	
			<b>458.77</b>	

#### Notes:

- The Company has identified Business Segment as the Primary Segment and Geographic Segment as the Secondary Segment disclosure.
- The Business Segments identified are Trading, Discontinuing and Manufacturing.
- The Geographical Segment considered for disclosure are India and Rest of the World. All sales facilities are located in India. Geographical segments are based on the location of the customer who is invoiced or in relation to which the revenue is otherwise recognised.
- Segmental assets include all operating assets used by the respective segment and principally consists of operating cash, debtors, inventories and fixed assets.

### 34. CONTINGENT LIABILITY

The Income Tax Assessment of the Company has been completed up to the Assessment Year 2009-10. The disputed demand outstanding up to the said assessment year is Rs 437 lakhs. Based on the decision of the Appellate Authority & the interpretation of other relevant provisions, the Company has been legally advised that the demand is likely to be either decreased or substantially reduced and accordingly no provision has been made.

- 35 Guarantees given by the bankers for performance of Contracts and others Rs 518.29 lakhs (Rs 436.35 lakhs).
- 36 Letter of credit outstanding for purchase of materials is Rs Nil (Rs 25.04 lakhs)
- 37 Sales Tax demand together with penalties under appeal amounts to Rs Nil (Rs 1.72 lakhs)
- 38 Provision for taxation includes Rs 0.33 lakhs (Rs 0.31 lakhs) towards wealth tax.
- 39 Previous year's figures have been regrouped and rearranged wherever necessary.

# STATEMENT OF PARTICULARS OF SUBSIDIARY COMPANY PURSUANT TO SEC 212(1)(e) OF THE COMPANIES ACT, 1956

Subsidiary Company 1

	<b>South India House Estates &amp; Properties Ltd</b>
1 Name of the Subsidiary Company	31 March 2012
2 The financial year of the subsidiary company ended on	1,00,00,000 equity shares of Rs 10 each representing 100% in the paid up capital
3 Extent of holding company's interest in the subsidiary company at the end of the financial year	
4 i The net aggregate amount of Profit/(Loss) of the subsidiary for the above financial year of the subsidiary, so far as it concerns, the members of holding Company	Nil
a Dealt with in the Company's accounts for the year ended 31 March 2012	Rs 73 lakhs
b Not dealt with in the Company's accounts for the year ended 31 March 2012	
ii The net aggregate amount of Profit/(Loss) of the subsidiary for the previous financial years of the subsidiary since it became a subsidiary, so far as it concerns, the members of holding Company	Nil
a Dealt with in the Company's accounts for the year ended 31 March 2012	Rs 935 lakhs
b Not dealt with in the Company's accounts for the year ended 31 March 2012	

5 The provisions of Section 212(5) of the Companies Act, 1956 are not applicable as the financial year of the subsidiary company coincides with that of holding Company.

**R SIVAGURUNATHAN**  
Whole Time Director

**SUNIL DESHMUKH**  
Director

Place Chennai  
Date 28 May 2012

**B NARENDRAN**  
Director

**G R KANNAN**  
VP(Finance) & Company Secretary

**For CNGSN & ASSOCIATES**  
Chartered Accountants

**C N GANGADARAN**  
Partner  
M.No.11205 F.R.No.0049155

## STATEMENT OF PARTICULARS OF SUBSIDIARY COMPANY PURSUANT TO SEC 212(1)(e) OF THE COMPANIES ACT, 1956

Subsidiary Company 2			
1	Name of the Subsidiary Company	<b>Wilson Cables Private Limited</b>	
2	The financial year of the subsidiary company ended on	31 March 2012	
3	Extent of holding company's interest in the subsidiary company at the end of the financial year	58,86,216 equity shares of \$\\$ 1 each representing 100 % in the paid up capital	
4	i	The net aggregate amount of Profit/(Loss) of the subsidiary for the above financial year of the subsidiary, so far as it concerns, the members of holding Company	
	a	Dealt with in the Company's accounts for the year ended 31 March 2012	Nil
	b	Not dealt with in the Company's accounts for the year ended 31 March 2012	Rs 27 lakhs
	ii	The net aggregate amount of Profit/(Loss) of the subsidiary for the previous financial years of the subsidiary since it became a subsidiary, so far as it concerns, the members of holding Company	
	a	Dealt with in the Company's accounts for the year ended 31 March 2012	Nil
	b	Not dealt with in the Company's accounts for the year ended 31 March 2012	Nil
5	The provisions of Section 212(5) of the Companies Act, 1956 are not applicable as the financial year of the subsidiary company coincides with that of holding Company.		
	<b>R SIVAGURUNATHAN</b> Whole Time Director	<b>SUNIL DESHMUKH</b> Director	<b>For CNGSN &amp; ASSOCIATES</b> Chartered Accountants
	Place Chennai	<b>B NARENDRAN</b> Director	<b>C N GANGADARAN</b> Partner
	Date 28 May 2012	VP(Finance) & Company Secretary	M.No.11205 F.R.No.004915S



INFORMATION FOR SUBSIDIARY AS AT 31 MARCH 2012

(in Rs lakh)

Particulars	South India House	Wilson Cables Private Ltd	
	Estates & Properties Ltd	Amount in SD	Rs in lakhs*
Capital	1000	5886216	2381
Reserves	1007	13002143	5267
Total Assets	7612	20805146	8423
Total Liabilities	7612	20805146	8423
Turnover	79	30612342	11842
Profit / Loss before Taxation	73	390574	151
Provision for Taxation	-	320268	124
Profit / Loss after Taxation	73	70306	27
Proposed Dividend	-	-	-
Investments (except for investment in subsidiaries)	2045	-	-

\* Translated at exchange rate prevailing as on the closing balance sheet date of subsidiary.

1 SD (Singapore Dollar) = Rs 40.4465 for balance sheet items

1 SD (Singapore Dollar) = Rs 38.6823 (average rate) for P & L account items

**R SIVAGURUNATHAN**

Whole Time Director

CHENNAI

28 May 2012

**SUNIL DESHMUKH**

Director

**B NARENDRAN**

Director

**G R KANNAN**

VP(Finance) & Company Secretary

Annual Report 2011-12  
Accounts - consolidated



## AUDITORS' REPORT

### Auditor's Report to the Board of Directors on the Consolidated Financial Statements of Sicagen India Limited.

We have examined the attached consolidated Balance Sheet of Sicagen India Limited and its subsidiaries as at 31 March 2012 and the Consolidated Profit & Loss account for the year ended on that date and the consolidated Cash Flow Statement for the year ended on that date.

The financial statements are the responsibility of the Management of Sicagen India Limited. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiary company Wilson Cables Private Ltd., for the year ended 31 March 2012. The financial statements and other information of Wilson Cables Private Ltd., have been audited by other auditors whose report has been furnished to us and our opinion so far, as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditors.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standards (AS) 21, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Sicagen India Limited, and its subsidiaries included in the consolidated financial statements.

On the basis of the information and explanation given to us, and on the consideration of separate audit reports on individual audited financial statements of Sicagen India Limited and its subsidiaries, we are of the opinion that,

- I. The Consolidated Balance Sheet gives a true and fair view of the Consolidated state of affairs of Sicagen India Limited and its subsidiaries as at 31 March 2012.
- II. The Consolidated Profit and Loss Account gives a true and fair view of the Consolidated result of operations of Sicagen India Limited and its subsidiaries for the year then ended and
- III. The Consolidated Cash Flow Statement gives a true and fair view of the consolidated cash flows for the year ended on that date.

**For CNGSN & ASSOCIATES**

Chartered Accountants

Place Chennai  
Date 28 May 2012

**C N GANGADARAN**

Partner

M.No.11205 F.R.No.004915S

## BALANCE SHEET AS AT 31 MARCH 2012

(in Rs lakh)

	Note	On 31 March 2012	On 31 March 2011	
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share capital	1	3957	3957	
Reserves and surplus	2	40165	35459	
Total		44122	39416	
<b>Non-current Liabilities</b>				
Long-Term Borrowings	3	5125	3025	
Deferred Tax Liabilities (Net)	4	434	356	
Other Long Term Liabilities	5	978	834	
Long-Term Provisions	6	238	335	4550
<b>Current Liabilities</b>				
Short-Term Borrowings	7	3916	3028	
Trade Payables		3641	3538	
Other Current Liabilities	8	2879	2538	
Short-Term Provisions	9	717	608	9712
<b>Total</b>		<b>62050</b>	<b>53678</b>	
<b>ASSETS</b>				
<b>Fixed Assets</b>				
Tangible Assets	10a	5546	3176	
Capital Work-in-Progress	10b	6	19	
Fixed Assets Pertaining to Discontinuing Operations and Held for Sale		187	237	
<b>Non-current Assets</b>				
Non-current Investments	11	9799	5304	
Long-term Loans And Advances	12	15845	15741	
Other Non-current Assets	13	2970	5493	29970
<b>Current Assets</b>				
Inventories	14	10875	5844	
Trade Receivables	15	10282	7480	
Cash and Cash Equivalents	16	3409	1964	
Short-Term Loans and Advances	17	3126	8344	
Other Current Assets	18	5	76	23708
<b>Total</b>		<b>62050.00</b>	<b>53678</b>	
Significant Accounting Policies				
Notes on Financial Statements	1-33			

For and on behalf of the Board

This is the Balance Sheet referred  
to in our report of even date**R SIVAGURUNATHAN**

Whole Time Director

Place Chennai

Date 28 May 2012

**B NARENDRAN**

Director

**G R KANNAN**

VP(Finance) &amp; Company Secretary

**SUNIL DESHMUKH**

Director

**For CNGSN & ASSOCIATES**

Chartered Accountants

**C N GANGADARAN**

Partner

M.No.11205 F.R.No.0049155

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

(in Rs lakh)

	Note	Year ended 31 March 2012	Year ended 31 March 2011
<b>INCOME</b>			
Revenue from operations	19	<b>102444</b>	77022
Other income	20	<b>386</b>	658
<b>Total revenue</b>		<b>102830</b>	77680
<b>EXPENDITURE</b>			
Cost of Materials Consumed	21	<b>12807</b>	2953
Purchases of Stock-in-Trade	22	<b>84126</b>	71205
(Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	23	<b>(1986)</b>	(1546)
Employee Benefit Expense	24	<b>2221</b>	1294
Finance Costs	25	<b>1196</b>	464
Depreciation and Amortization Expense		<b>366</b>	155
Other Expenses	26	<b>2518</b>	1615
Total Expenses		<b>101248</b>	76140
<b>Profit Before Exceptional And Extraordinary Items And Tax</b>		<b>1582</b>	1540
<b>Exceptional Items</b>		<b>554</b>	1287
<b>Profit Before Tax</b>		<b>2136</b>	2827
<b>Tax Expense:</b>			
Current tax		<b>586</b>	474
Deferred tax		<b>(26)</b>	12
<b>Profit (loss) For The Period From Continuing Operations</b>		<b>1576</b>	2341
<b>Profit/(loss) From Discontinuing Operations</b>		<b>738</b>	399
<b>Tax Expense Of Discontinuing Operations</b>		<b>262</b>	108
<b>Profit/(loss) From Discontinuing Operations After Tax</b>		<b>476</b>	291
<b>Profit/(loss) For The Year</b>		<b>2052</b>	2632
<b>Earnings Per Equity Share</b>	27		
<b>Continuing Operation</b>			
Basic Before Exceptional Items (in Rs)		<b>2.58</b>	2.88
Basic After Exceptional Items (in Rs)		<b>3.98</b>	5.92
<b>Total Operation</b>			
Basic Before Exceptional Items (in Rs)		<b>3.78</b>	3.40
Basic After Exceptional Items (in Rs)		<b>5.18</b>	6.66
Significant Accounting Policies Notes on Financial Statements	1-33		

For and on behalf of the Board

This is the Profit & Loss Account referred  
to in our report of even date

**R SIVAGURUNATHAN**  
Whole Time Director

**B NARENDRAN**  
Director

**SUNIL DESHMUKH**  
Director

**For CNGSN & ASSOCIATES**  
Chartered Accountants

Place Chennai  
Date 28 May 2012

**G R KANNAN**  
VP(Finance) & Company Secretary

**C N GANGADARAN**  
Partner  
M.No.11205 F.R.No.0049155

## CASH FLOW STATEMENT

(in Rs lakh)

	Year ended 31 March 2012	Year ended 31 March 2011
<b>A Cash Flow from Operating Activities</b>		
Profit before tax	2320	1939
Adjustments for		
Depreciation	395	179
(Profit)/Loss on Disposal of Fixed Assets(net)	-	(103)
Provision no longer required	(10)	-
Investment W/off	5	-
Transferred from Revaluation Reserve	(1)	-
Effect of Exchange Rate of changes	10	-
Share of Profit/Loss from Partnership Firm	(1)	(47)
Interest Income	(113)	(332)
Dividend Income	(254)	(139)
Interest Expenditure	1147	430
Operating Profit before Working Capital changes	<u>3498</u>	<u>1927</u>
Adjustments for		
Trade and Other Receivables	5091	(2873)
Inventories	(5031)	(1511)
Trade Payables and Other Liabilities	1319	2866
Cash Generated from Operations	<u>4877</u>	<u>409</u>
Tax Paid	1017	717
Net Cash from Operating Activities	<u>3860</u>	<u>(308)</u>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(3343)	(406)
Sale of Fixed Assets (net)	1282	136
Proceeds from sale of investments net of charges	-	1443
Investments made (Net)	(1392)	-
Interest Income	113	332
Dividend Income	254	139
Share of Profit/Loss from Partnership Firm	1	47
Net Cash used in Investing Activities	<u>(3085)</u>	<u>1691</u>
<b>C Cash Flow from Financing Activities</b>		
Long term Borrowings (net of repayment)	2319	96
Interest Paid	(1147)	(430)
Dividend paid (Including Dividend Tax)	(460)	-
Net Cash used in Financing Activities	<u>712</u>	<u>(334)</u>
<b>D Net Increase/Decrease in Cash and Cash Equivalents (A+B+C)</b>	<u>1487</u>	<u>1049</u>
Cash and Cash Equivalents as at (Opening) 1 April 2011	2033	984
Cash and Cash Equivalents as at (Closing) 31 March 2012	<u>3520</u>	<u>2033</u>

\*Investments is net of Capital Reserve amounting to Rs 3103 lakhs arising out of acquisition of Wilson Cables Pvt Ltd as it is non cash in nature.

For and on behalf of the Board

As per our Report of even date

**R SIVAGURUNATHAN**

Whole Time Director

Place Chennai

Date 28 May 2012

**B NARENDRAN**

Director

**G R KANNAN**

VP(Finance) & Company Secretary

**SUNIL DESHMUKH**

Director

**For CNGSN & ASSOCIATES**

Chartered Accountants

**C N GANGADARAN**

Partner

M.No.11205 F.R.No.004915S

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2012

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>1. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
5,00,00,000 (5,00,00,000) Equity Shares of Rs.10/- each	<b>5000</b>	5000
<b>ISSUED</b>		
3,95,71,684 (3,95,71,684) Equity Shares of Rs.10/- each	<b>3957</b>	3957
<b>SUBSCRIBED</b>		
3,95,71,684 (3,95,71,684) Equity Shares of Rs.10/- each	<b>3957</b>	3957
<b>PAID-UP</b>		
3,95,71,684 (3,95,71,684) Equity Shares of Rs.10/- each	<b>3957</b>	3957
	<b>3957</b>	3957

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

Particulars	Equity Shares		Preference Shares	
	Number	Rs in lakh		
Shares outstanding at the beginning of the year	<b>39571684</b>	3957	-	-
Shares outstanding at the end of the year	<b>39571684</b>	3957	-	-

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

Name of Share Holder	As at 31 March 2012		As at 31 March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
M/s Ranford Investments Ltd	<b>7400649</b>	18.70	<b>7400649</b>	18.70
M/s Darnolly Investments Ltd.	<b>7276102</b>	18.39	<b>7276102</b>	18.39
M/s Twinshield Consultants Pvt. Ltd.	<b>3116310</b>	7.88	<b>3116310</b>	7.88

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

Particulars	Aggregate Number of shares	
	2011-12	2010-11
Equity Shares :		
Fully paid up pursuant to contract(s) without payment being received in cash	<b>39571684</b>	39571684

1.4 Of the above 3,95,21,684 equity shares of Rs 10/- each were issued and allotted as fully paid up as per the earlier scheme of Arrangement.

(in Rs lakh)

	On 31 March 2012		On 31 March 2011	
<b>2. RESERVES AND SURPLUS</b>				
<b>CAPITAL RESERVE</b>				
As per Last Balance Sheet		<b>5965</b>		2862
<b>SECURITIES PREMIUM ACCOUNT</b>				
As per Last Balance Sheet		<b>29444</b>		29444
<b>GENERAL RESERVE</b>				
As per Last Balance Sheet	<b>100</b>		-	
Add: Transferred from surplus balance in P&L	<b>100</b>		100	
		<b>200</b>		100
<b>FOREIGN CURRENCY TRANSLATION RESERVE</b>				
Opening Balance	-		-	
Add: Effect of Foreign				
Exchange rate variation during the year	<b>10</b>	<b>10</b>	10	10
<b>PROFIT &amp; LOSS ACCOUNT</b>				
Surplus from Profit & Loss Account	<b>3054</b>		981	
Add : Profit/Loss for the current year	<b>2052</b>		2632	
Add : Transfer from Reserves	-		-	
Less : Proposed Dividend	<b>460</b>		460	
Less : Transfer to Reserves	<b>100</b>		100	
		<b>4546</b>		3053
<b>Total</b>		<b>40165</b>		35459



(in Rs lakh)

	On 31 March 2012	On 31 March 2011
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### 3. LONG TERM BORROWINGS

#### SECURED TERM LOANS

From Banks	713	-
Working Capital Facility	3247	1860
	3960	1860

#### UNSECURED

Other loans and advances	1165	1165
<b>Total</b>	<b>5125</b>	<b>3025</b>

- 3.1 Term loan facility availed from a Bank during the current FY 2011-12 for the purpose of working capital requirement as well as modernization and expansion of existing showrooms and service stations of commercial vehicles division was secured by way of creation of equitable mortgage by deposit of title deeds of certain immovable assets of the company as collateral security.
- 3.2 Working capital facilities availed from a Bank were secured by hypothecation of stocks and receivables of all divisions except commercial vehicles division and creation of equitable mortgage by way of deposit of title deeds of certain immovable assets of the Company as collateral security.

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
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### 4. DEFERRED TAX LIABILITY (NET)

Related to Fixed Asset	436	355
Disallowances under Income Tax Act, 1961	2	1
<b>Total</b>	<b>434</b>	<b>356</b>

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
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### 5. OTHER LONG TERM LIABILITIES

Trade Payables	144	113
Others	834	721
<b>Total</b>	<b>978</b>	<b>834</b>

- 5.1 Others include advance from customers and others and interest accrued.

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>6. LONG TERM PROVISIONS</b>		
<b>PROVISION FOR EMPLOYEE BENEFITS</b>		
Gratuity/Leave Encashment	238	228
<b>OTHERS</b>		
Provision for Tax	-	107
<b>Total</b>	<b>238</b>	<b>335</b>

**7. SHORT TERM BORROWINGS****SECURED****LOANS REPAYABLE ON DEMAND**

From Banks	1950	1859
From Others	825	558
	<u>2775</u>	<u>2417</u>

**UNSECURED****LOANS REPAYABLE ON DEMAND**

From Others	1141	611
<b>Total</b>	<u>3916</u>	<u>3028</u>

7.1 Credit facilities availed from Banks/NBFCs by way of Channel Financing/Inventory Funding Arrangements for commercial vehicles division were secured by hypothecation of vehicles stocks.

**8. OTHER CURRENT LIABILITIES**

Current maturities of long-term debt	220	-
Unpaid Dividends	10	-
Other Payables	2649	2538
<b>Total</b>	<u>2879</u>	<u>2538</u>

8.1 Other payable includes statutory dues, security deposits and advance from customers.

**9. SHORT TERM PROVISION****PROVISION FOR EMPLOYEE BENEFITS**

Gratuity/Leave Encashment/Bonus/Performance pay	166	148
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**OTHERS**

Provision for Tax	91	-
Proposed Equity Dividend	396	396
Provision for Tax on Proposed Equity Dividend	64	64
<b>Total</b>	<u>717</u>	<u>608</u>

## 10. FIXED ASSETS

(in Rs lakh)

Particulars	Gross Block		Depreciation		Net Block	
	On 1 April 2011	On 31 March 2012	For the year	Disposal/Adjustments	On 31 March 2012	On 31 March 2011
<b>a. Tangible Assets</b>						
Land - Free hold	1044	568	-	-	568	1044
Buildings	2358	2483	71	(4)	1641	1583
Under Lease	-	3000	71	1214	1715	-
Plant and Machinery	632	5296	133	3595	1237	301
Office Equipment	306	439	22	89	87	65
Furniture and Fixtures	153	201	9	25	28	14
Vehicles	139	328	31	91	132	65
Trucks	73	84	15	-	53	57
Lease hold Improvements	220	272	14	-	85	47
<b>Total</b>	4925	12671	366	5010	5546	3176
Previous Year	4651	4925	155	(56)	3176	-
<b>b. Capital Work In Progress</b>						
Previous Year	19	6	-	-	6	19
Previous Year	-	19	-	-	-	-
<b>Grand Total</b>	4944	12677	366	5010	5552	3195
Previous Year	4651	4944	155	(56)	3195	-

(in Rs lakh)

	<b>On 31 March 2012</b>	<b>On 31 March 2011</b>
<b>11. NON CURRENT INVESTMENTS</b>		
<b>TRADE INVESTMENTS</b>		
Investment in Equity Instruments	<b>3799</b>	3804
Investment in Preference Shares	<b>6000</b>	1500
<b>Total</b>	<b>9799</b>	5304
Aggregate amount of quoted investments (Market value of Rs 3349 lakhs (Previous Year Rs 3767 lakhs))	<b>3155</b>	3155
Aggregate amount of unquoted investments	<b>6644</b>	2149

## 11.1 DETAILS OF TRADE INVESTMENTS

(in Rs lakh)

Sl. No.	Name of the Companies	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted /	Party Paid / Fully Paid	Extent of Holding (%)		Amount		Whether stated at Cost Yes/No	If Answer to Column (12) is 'No' - Basis of Valuation
			2012	2011			2012	2011	2012	2011		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<b>SUBSIDIARY COMPANY'S INVESTMENTS</b>												
(a)	<b>Investment in Equity Instruments</b>											
	Southern PetroChemical Industries Corpn. Ltd	Others	2099600	2099600	Quoted	fully paid	1.26	1.26	1183	1183	Yes	
	First Leasing Company of India Ltd	Others	2102625	2102625	Quoted	fully paid	9.23	9.23	326	326	Yes	
	Synthetics & Chemicals Ltd	Others	1125	1125	Quoted	fully paid					Yes	
	Birla Power Solutions Ltd	Others	3600	3600	Quoted	fully paid					Yes	
	Heidelberg Cements India Ltd (Formerly Mysore Cements Ltd)	Others	700	700	Quoted	fully paid					Yes	
	Saurashtra Chemicals Ltd	Others	9000	9000	Quoted	fully paid	0.03	0.03	1	1	Yes	
	Lakshmi Finance & Indl. Corporation Ltd.	Others	900	900	Quoted	fully paid					Yes	
	National Trust Housing Finance Ltd.	Others	4559890	4559890	Unquoted	fully paid	45.60	45.60	527	527	Yes	
	Trinity Autopoints Ltd	Others	20000	20000	Unquoted	fully paid	2.55	2.55	2	2	Yes	
	Pondicherry Spinners Ltd.	Others	50000	50000	Unquoted	fully paid	3.28	3.28	3	3	Yes	
	Corn Industries & General Enterprises Ltd	Others	159211	159211	Unquoted	fully paid	34.16	34.16	1	1	Yes	
	Sai Business & Consultancy Systems P Ltd (Formerly Sai Agencies)	Others	70350	70350	Unquoted	fully paid	17.37	17.37	1	1	Yes	
	Sri Balajee Leasing Services Ltd	Others	541	541	Unquoted	fully paid					Yes	
	Sree Karpagambal Mills Ltd	Others	2500	2500	Unquoted	fully paid	1.25	1.25			Yes	
	Armenian Investments Ltd	Others	9300	9300	Unquoted	fully paid					Yes	
	Elliot Investments Ltd	Others	12900	12900	Unquoted	fully paid					Yes	
	Harrington Investments Ltd	Others	3900	3900	Unquoted	fully paid					Yes	
	Everest Investments Ltd	Others	10000	10000	Unquoted	fully paid					Yes	
	Ripon Investments Ltd	Others	3900	3900	Unquoted	fully paid					Yes	
	Navia Markets Ltd	Others	10000	10000	Unquoted	fully paid					Yes	
	MCC Finance Ltd	Others	3800	3800	Unquoted	fully paid					Yes	
	Mac Packaging Ltd	Others	220012	220012	Unquoted	fully paid					Yes	
	India Radiators Ltd	Others	47188	47188	Unquoted	fully paid					Yes	
	Profad Ltd	Others	100150	100150	Unquoted	fully paid					Yes	
(b)	<b>Investments in Government or Trust securities</b>	Others			Unquoted	fully paid					Yes	
(c)	<b>Investments in Partnership Firms</b>	Others			Unquoted	fully paid					Yes	
(d)	<b>Investment in Equity Instruments</b>											
	Southern PetroChemical Industries Corpn. Ltd	Others	3017349	3019799	Quoted	fully paid	1.81	1.82	1230	1230	Yes	
	First Leasing Company of India Ltd	Others	2127016	2127079	Quoted	fully paid	9.33	9.33	412	412	Yes	
	First Leasing Company of India Ltd (Shares received as Bonus)	Others	26633	26633	Quoted	fully paid	0.12	0.12	3	3	Yes	
	Coffee Products (India) Ltd	Others	5000	5000	Unquoted	fully paid	2.14	2.14	5	5	Yes	
	Mitsuba Sical India Ltd	Others	300000	300000	Unquoted	fully paid	0.16	0.16	65	65	Yes	
	EDAC Automation Ltd. (Formerly Sical Yamatake Ltd)	Others	449970	449970	Unquoted	fully paid	49.99	49.99	45	45	Yes	
(e)	<b>Investments in Preference Shares</b>											
	Greenstar Fertilizers Ltd	Others	5000000	15000000	Unquoted	fully paid	100.00	100.00	5000	15000	Yes	
	EDAC Engineering Ltd	Others	10000000		Unquoted	fully paid	83.33		1000	1500	Yes	
	<b>Total</b>								<b>9799</b>	<b>5304</b>		

- 11.2 During the year, the Holding Company has acquired 50 lakhs 11% Non-convertible Preference Shares of Greenstar Fertilizers Ltd amounting to Rs 5000 lakhs. The above investment was made pursuant to the special resolution dated 21.10.2011 passed by the shareholders thro' postal ballot.
- 11.3 As at 01.04.2011, the Holding Company has acquired 100% equity capital of M/s Wilson Cables Private Ltd, Singapore and thus, Wilson Cables has become a wholly owned subsidiary of the Company with effect from 01.04.2011.
- 11.4 462700 Equity Shares of Southern Petrochemical Industries Corpn. Ltd, 1980907 Equity Shares of First Leasing Co. of India Ltd and 4559890 Equity Shares of National Trust Housing Finance Ltd. which have been transferred to the books of accounts during 1999 against partial settlement of ICD amount due to the subsidiary Company from MCC Finance Ltd (Company in Liquidation) are under litigation. The legal entitlement on these shares shall be subject to necessary judicial clearance from the Hon'ble High Court of Judicature at Madras and/or other appropriate authority.

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>12. LONG TERM LOANS AND ADVANCES</b>		
<b>Loans and advances to related parties</b>		
Unsecured, considered good	1037	1037
<b>Advance Income tax (net of provisions)</b>	63	48
<b>-unsecured considered good</b>		
<b>Others - Unsecured considered good</b>		
Other Advance	14745	14656
	<u>15845</u>	<u>15741</u>
12.1 Others unsecured considered good includes amount due from the subsidiary South India House Estates and Properties Limited Rs 5486 lakhs (previous year Rs 5548 lakhs), Rent advance, advance to suppliers and security deposits.		

### 13. OTHER NON-CURRENT ASSETS

<b>Long term trade receivables</b>		
Unsecured, considered good	2471	5036
<b>Other Bank Balances</b>	111	69
<b>Others</b>		
Insurance Claim - Unsecured, considered good	388	388
	<u>2970</u>	<u>5493</u>

- 13.1 Other Bank Balances include Margin Money which is due for realization after 12 months.
- 13.2 Claim pending with Consumer Appellate Tribunal for adjudication.

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>14. INVENTORIES</b>		
Raw Materials and Components	435	322
Work-in-Progress	1358	305
Finished Goods	1738	25
Stock-in-Trade	6343	4424
Stores and Spares	993	764
Loose Tools	8	4
<b>Total</b>	<b>10875</b>	<b>5844</b>

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>15. TRADE RECEIVABLES</b>		
<b>Unsecured, considered good</b>		
Over six months	550	299
Others	9732	7181
<b>Total</b>	<b>10282</b>	<b>7480</b>

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>16. CASH AND CASH EQUIVALENTS</b>		
<b>Balances with banks</b>		
Current Accounts	2524	1067
Cheques, drafts on hand	-	27
Cash on hand	175	170
Bank Deposits with maturity of less than 3 months	700	700
	<b>3399</b>	<b>1964</b>
<b>Others</b>		
Balance with bank (for unpaid dividend)	10	-
<b>Total</b>	<b>3409</b>	<b>1964</b>

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
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## 17. SHORT TERM LOANS AND ADVANCES

<b>Advance Income tax (net of provisions) -unsecured considered good</b>	<b>182</b>	-
<b>Others</b>		
Unsecured, considered good	<u>2944</u>	<u>8344</u>
	<b>3126</b>	<b>8344</b>

17.1 Others includes Security Deposits, Balance with Sales Tax authorities, Pre-paid expense and Advance paid to Suppliers.

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
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## 18. OTHER CURRENT ASSETS

<b>Others</b>		
Interest accrued on deposit	<u>5</u>	<u>76</u>
	<b>5</b>	<b>76</b>



(in Rs lakh)

	On 31 March 2012	On 31 March 2011
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## 19. REVENUE FROM OPERATION

<b>Sale of Products</b>		
Traded Goods	86081	72986
Manufactured Goods	15878	3902
<b>Sale of Services</b>	629	293
<b>Other Operating Revenues</b>		
Scrap Sales	187	163
Commission Income	70	45
Less: Excise duty	401	367
<b>Total</b>	<u>102444</u>	<u>77022</u>

### 19.1 DETAILS OF PRODUCTS SOLD

<b>Traded Goods</b>		
Steel Pipes	21913	19616
Steel	13430	10219
PVC Pipes	585	842
Cables	4926	3234
Vehicles	41910	36822
Spares and Others	3317	2253
	<u>86081</u>	<u>72986</u>
<b>Manufactured Goods</b>		
Drums	4036	3902
Others	11842	-
	<u>15878</u>	<u>3902</u>
<b>Total</b>	<u>101959</u>	<u>76888</u>

## 20. OTHER INCOME

Interest Income	113	332
Profit on sale of Fixed Assets	-	106
Dividend Income	254	139
Other Non-Operating Income	19	81
<b>Total</b>	<u>386</u>	<u>658</u>

## 21. COST OF RAW MATERIALS CONSUMED

Inventory at the beginning of the year	433	546
Add : Purchases	12938	2720
Less : Inventory at the end of the year	564	313
Cost of Raw Materials consumed	<u>12807</u>	<u>2953</u>

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>21.1 DETAILS OF RAW MATERIAL CONSUMED</b>		
CRCA Coils	2549	2381
Others	666	573
Cables	9592	-
Cost of Raw Materials consumed	<u>12807</u>	<u>2954</u>
<b>22. PURCHASES OF STOCK-IN-TRADE</b>		
Steel Pipes	20981	19216
Steel	12930	9766
PVC Pipes	495	845
Cables	5082	3029
Vehicles	41347	30493
Spares and Others	3291	7856
	<u>84126</u>	<u>71205</u>
<b>23. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE</b>		
<b>Inventory at the end of the year</b>		
Finished Goods	1662	19
WIP	744	161
Stock in Trade	6448	4363
	<u>8854</u>	<u>4543</u>
<b>Inventory at the beginning of the year</b>		
Finished Goods	1575	19
WIP	930	172
Stock in Trade	4363	2806
	<u>6868</u>	<u>2997</u>
<b>(Increase)/Decrease</b>	<u>(1986)</u>	<u>(1546)</u>
<b>24. EMPLOYEE BENEFIT EXPENSE</b>		
Salaries, Wages and Bonus	1825	1094
Contribution to Provident Fund and Others	172	62
Staff Welfare Expense	224	138
	<u>2221</u>	<u>1294</u>
<b>25. FINANCE COST</b>		
Interest	1139	430
Bank Charges	58	34
Net Gain/Loss on Foreign Currency Transaction	(1)	-
<b>Total</b>	<u>1,196</u>	<u>464</u>

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>26. OTHER EXPENSES</b>		
Rent	381	231
Rates & Taxes	132	51
Insurance	75	36
Power & Fuel	261	72
Office Maintenance	115	134
Vehicle Operating Expenses	3	1
Repairs & Maintenance		
Building	8	2
Vehicles	50	21
Others	145	63
Travelling & Conveyance	150	117
Printing & Stationery	70	51
Postage, Telegram & Telephone	108	81
Subscription/Donation	9	4
Advertisement, Publicity & Sales Promotion	132	91
Payment to Auditors (Details given below)	33	25
Legal & Professional Fees	3	4
Freight & Forwarding charges	358	200
Director's Sitting Fee	4	1
Brokerage & Commission	52	36
Other Selling Expenses	2	-
Consumable Stores & Tools	4	1
Security Service Charges	88	81
Loss on sale of Fixed Assets	-	1
Entertainment Expenses	27	3
Consultancy Fees	165	293
Miscellaneous Expenses	19	15
Testing Fees	43	-
Foreign Workers Levy	60	-
Factory Miscellaneous Expenses	21	-
<b>Total</b>	<b>2518</b>	<b>1615</b>

### 26.1 PAYMENT TO AUDITOR

Statutory Audit Fee	17	12
Taxation Matters	3	3
Other Services	11	9
Reimbursement of Expenses	2	1
<b>Total</b>	<b>33</b>	<b>25</b>

(in Rs lakh)

	On 31 March 2012	On 31 March 2011
<b>27. EARNING PER SHARE [EPS]</b>		
<b>Continuing Operations</b>		
Profit Before Exceptional Item (Rs in lakhs)	1022	1054
Profit After Exceptional Item (Rs in lakhs)	1576	2341
No.of Shares used in computing EPS-Basic	39571684	39571684
EPS before exceptional item - Basic (Rs)	2.58	2.88
EPS after exceptional item - Basic (Rs)	3.98	5.92
Face value per share (Rs)	10.00	10.00
<b>Total Operations</b>		
Profit Before Exceptional Item (Rs in lakhs)	1498	1345
Profit After Exceptional Item (Rs in lakhs)	2052	2632
No.of Shares used in computing EPS-Basic	39571684	39571684
EPS before exceptional item - Basic (Rs)	3.78	3.40
EPS after exceptional item - Basic (Rs)	5.18	6.66
Face value per share (Rs)	10.00	10.00

## 28. Segment Information for the year ended 31 March 2012

### Information about Primary Business Segments

Business Segments	2012				2011					
	Trading	Discontinuing	Manufacturing	Eliminations	Total	Trading	Discontinuing	Manufacturing	Eliminations	Total
<b>REVENUE</b>										
External Sales	86545.07	3386.44	15648.65		<b>105580.16</b>	73339.21	2069.41	3682.98		79091.60
Inter Segment Sales	4.76	0.17	0.11	(5.04)	<b>0.00</b>	3.17	0.17	0.00	(3.34)	0.00
Total Revenue	86549.83	3386.61	15648.76	(5.04)	<b>105580.16</b>	73342.38	2069.58	3682.98	(3.34)	79091.60
<b>RESULT</b>										
Segment Result	2097.25	737.51	892.60		<b>3727.36</b>	1764.17	398.89	542.54		2705.60
Unallocated Corporate Expenses net of Unallocated Income					<b>268.67</b>					336.44
Operating Profit					<b>3458.69</b>					2369.16
Interest Expense					<b>1139.69</b>					429.70
Income Taxes (net of def.tax)					<b>822.12</b>					593.21
Profit from Ordinary Activities					<b>1496.88</b>					1346.25
Exceptional Items					<b>553.87</b>					1286.24
Net Profit					<b>2050.75</b>					2632.49
<b>OTHER INFORMATION</b>										
Segment Assets	18627.93	2113.11	10055.20		<b>30796.24</b>	16779.18	1492.71	1363.20		19635.09
Unallocated Corporate Assets					<b>39147.87</b>					41104.63
Total Assets	18627.93	2113.11	10055.20		<b>69944.11</b>	16779.18	1492.71	1363.20		60739.72
Segment Liabilities	8250.27	1026.14	1329.79		<b>10606.20</b>	8256.74	387.03	461.12		9104.89
Unallocated Corporate Liabilities					<b>15216.09</b>					12217.89
Total Liabilities	8250.27	1026.14	1329.79		<b>25822.29</b>	8256.74	387.03	461.12		21322.78
Capital Expenditure	402.04	68.98	34.68		<b>505.70</b>	358.28	26.36	2.39		387.03
Depreciation	166.83	28.27	199.78		<b>394.88</b>	142.67	23.85	12.24		178.76

### Information about Secondary Business Segment

	India		Outside India		Total
	India	Outside India	India	Outside India	
Revenue by Geographical Market	93669.03	11911.13	79012.83	78.77	79091.60
Segment Assets	30796.24		19635.09		19635.09
Capital Expenditure	505.70		387.03		387.03

### Notes:

- The Company has identified Business Segment as the Primary Segment and Geographic Segment as the Secondary Segment disclosure.
- The Business Segments identified are Trading, Discontinuing and Manufacturing.
- The Geographical Segment considered for disclosure are India and Rest of the World. All sales facilities are located in India. Geographical segments are based on the location of the customer who is invoiced or in relation to which the revenue is otherwise recognized.
- Segmental assets include all operating assets used by the respective segment and principally consists of operating cash, debtors, inventories and fixed assets.

- 29 The Income Tax assessment of the Company has been completed up to the assessment year 2009-10. The disputed demand outstanding up to the said assessment year is Rs 567 lakhs. Based on the decision of the Appellate authority & the interpretation of other relevant provisions, the Company has been legally advised that the demand is likely to be either decreased or substantially reduced and accordingly no provision has been made.
- 30 Guarantees given by the bankers for performance of Contracts and others Rs 518.29 lakhs (Rs 436.35 lakhs).
- 31 Letter of credit outstanding for purchase of materials is Rs Nil (Rs 25.04 lakhs)
- 32 The difference between the cost of investment in the subsidiary and the net assets at the time of acquisition of subsidiaries in the subsidiary is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- 33 Previous year's figures have been regrouped and rearranged wherever necessary.

## Sicagen India Limited

Registered Office: Adyar House Chennai 600085  
Corporate Office: Floor 4 East Coast Centre 534 Anna Salai Teynampet Chennai 600018

### ATTENDANCE SLIP

Name & Address of the Shareholder \_\_\_\_\_ Folio No.: \_\_\_\_\_

\_\_\_\_\_ DP ID : \_\_\_\_\_

\_\_\_\_\_ Client ID : \_\_\_\_\_

I hereby certify that I am a member/proxy appointed by the member\* of the Company and record my presence at the 8 Annual General Meeting of the Company, at Rajah Annamalai Hall, Esplanade, Chennai-600108, on Thursday, the 2 August 2012 at 10.35 a.m.

Name of the Shareholder / Proxy\* \_\_\_\_\_ Signature of the Shareholder / Proxy\* \_\_\_\_\_

*\*Strike out whichever is not applicable.*

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



## Sicagen India Limited

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Corporate Office: Floor 4 East Coast Centre 534 Anna Salai Teynampet Chennai 600018

### PROXY FORM

I/We ..... of ..... in the District of ..... being a Member/Members of the above-named Company hereby appoint ..... of ..... in the district of ....., or failing him/her ..... of ..... in the district of ..... as my/our Proxy to vote for me/us on my/our behalf at the 8 Annual General Meeting of the Company to be held on Thursday, the 2 August 2012 at 10.35 a.m. at Rajah Annamalai Hall, Esplanade, Chennai-600108 and at any adjournment thereof.

Signed this .....day of ..... 2012.

Folio No. / DP ID / Client ID \_\_\_\_\_

Signature ..... \_\_\_\_\_

Affix Re.1  
Revenue Stamp &  
Sign across the  
Stamp

Note: The Proxy form must be deposited at the Registered Office/Corporate Office of the Company not later than 48 hours before the time for holding the aforesaid meeting; otherwise it will be treated as invalid. The Proxy need not be a member of the Company.



Sicagen India Limited

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