



20th
ANNUAL REPORT
2013 - 2014



SIGACHI LABORATORIES LIMITED



SIGACHI LABORATORIES LIMITED

Board of Directors : 1. Sri T. Adinarayana
Chairman & Managing Director
2. Sri Ch. Nageswara Rao
3. Sri B.S.S. Murthy
4. Sri T.R. Sekhar

Registered Office & Works : Unit - I
S.No. 530 & 534,
Bonthapally - 502 313,
Jinnaram Mandal, Medak District,
Telangana.

Unit - II
S.No.42, Ali Nagar,
Jinnaram Mandal, Medak District,
Telangana.

Corporate Office : 402, Raghava Ratna Towers,
Chirag Ali Lane,
Hyderabad - 500 001.

Auditors : Janardhanrao Deshmukh & Co.,
Chartered Accountants,
Flat No.304, Lumbini Apartments,
Dharam Karan Road, Ameerpet,
Hyderabad - 500 016.

Cost Auditors : K.S.V. Subbarao & Associates,
Cost Accountants,
411, Raghava Ratna Towers,
Chirag Ali Lane, Abids,
Hyderabad – 500 001.

Bankers : AXIS Bank Limited
ING Vysya Bank Limited
State Bank of India

Registrars & Share
Transfer Agents : Venture Capital And Corporate
Investments Pvt. Ltd.,
12-10-167, Bharat Nagar,
Hyderabad – 500 018.

NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of SIGACHI LABORATORIES LIMITED will be held at the Registered Office of the Company: S.No:530 & 534, Bonthapally - 502 313, Jinnaram Mandal, Medak District, Telangana, on Friday, the 26th day of September, 2014 at 4.00 P.M., to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss, as on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Sri. Ch. Nageswara Rao, (DIN: 01197067), who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s Janardhanrao Deshmukh & Co., Chartered Accountants (Firm Regn. No. 005979S) be and are hereby appointed as Statutory Auditors of the Company, for a term of three years to hold office from the conclusion of 20th Annual General Meeting of the Company till the conclusion of the 23rd Annual General Meeting, subject to ratification at every Annual General Meeting, on such remuneration, as may be recommended by the Audit Committee and fixed by the Board of Directors of the Company”.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. B. Syama Sundara Murthy, (DIN - 03107226), Director of the Company, who retires by rotation at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence

as provided in Section 149(6) of the said Act and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting and not liable to retire by rotation”.

5. To Consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Miss. K. Suneetha, (DIN – 03291895), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the said Act and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting and not liable to retire by rotation”.

For and on behalf of the Board

Place : Hyderabad

(T.Adinarayana)

Date : 14.08.2014

Chairman & Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such a proxy need not be a member of the Company.
2. The instruments of proxies in order to be effective must be deposited with the Company at its Registered Office not less than 48 hours before the commencement of the meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company an attested copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

4. In case of Joint Shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Shareholders desiring any information regarding the accounts are requested to write to the Company at least 7 days before the date of the meeting so as to enable the Management to keep the information ready.
6. The members attending the meeting are requested to bring the enclosed Attendance Slip and deliver the same at the entrance of the Meeting Hall. Admission at the Annual General Meeting Venue will be allowed only on producing the Attendance Slip duly signed.
7. Duplicate Attendance Slip shall not be issued at the Annual General Meeting venue, however the same shall be issued at the Registered Office of the Company up to two days preceding the day of the Annual General Meeting.
8. Members are requested to bring their respective copies of the Annual reports for reference during the Annual General Meeting.
9. The Register of Members and Share Transfer Books will remain closed from 23rd September, 2014 to 26th September, 2014 (both days inclusive).
10. The Company's Shares have been listed at The Ahmedabad Stock Exchange, Ahmedabad and the listing fee has been paid up to 2014-2015.
11. All the documents referred to in the Notice and explanatory statement will be available to the members at the Registered Office of the Company between 10.30 A.M., to 12.30P.M., on all working days from the date hereof up to the date of the Meeting.
12. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
13. The information pursuant to Clause 49 of the Listing Agreement with respect to the Details of the Directors seeking appointment/ re-appointment in this Annual General Meeting is annexed herewith.

Memorandum of Interest:

Except Mr. Ch. Nageswara Rao, being the appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives, are concerned or interested financially or otherwise, in this Resolution, the Board commends the Ordinary Resolution as set out at item No. 2, for the approval of the Members.

14. E- Voting:

Voting through electronic means;

- a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
- b. The instructions for e-voting are as under:
 The instructions for members for voting electronically are as under:
 In case of members receiving e-mail:
 - (i) Log on to the e-voting website www.evotingindia.com during the voting period.
 - (ii) Click on “Shareholders” tab.
 - (iii) Now, select the “Sigachi Laboratories Limited” from the drop down menu and click on “SUBMIT”
 - (iv) Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID), Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
 - (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
 - (vi) Now, fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form and physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account Bank or in the company records for the said demat account or folio.

*Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of your name and the Folio Number in the PAN field. Eg. If your name is Ramesh Kumar with Folio Number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN Sigachi Laboratories Limited on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

(xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer by an email at dvratnam97@gmail.com with a copy marked to sigachilaboratories@yahoo.co.in

In case of Members receiving physical copy of the Notice of AGM and Attendance Slip:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

(B) The Companies (Management and Administration) Rules, 2014 provides that the electronic voting period shall be completed three days prior to the date of AGM. Accordingly, the voting period shall commence at 9.00 A.M., on Monday, 22nd September, 2014 and will end at 6.00 P.M., on the same day. The e-voting module shall be disabled by CDSL at 6.00 P.M., on the same day.

During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e., 22nd August, 2014, may cast their vote electronically.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 22nd August, 2014.

Mr. D. Venkata Ratnam, Practicing Chartered Accountant (Membership No. 021342) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the

Company's website www.slllab.com in and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Ahmedabad Stock Exchange.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As per the provisions of the Companies Act, 2013, with respect to the appointment and tenure of Independent Directors, Independent Directors cannot serve the Company for more than two terms of Five Years, and the Independent Directors who have already served the Company for ten or more years can serve for a maximum period of one term of Five Years and are not liable to retire by rotation, during this period.

Mr. B. Syama Sundara Murthy, Director on the Board of the Company who was appointed earlier in terms of the erstwhile applicable provisions of the Companies Act, 1956, is proposed to be appointed as an Independent Director, for a term of five consecutive years, in compliance with the new provisions of the Companies Act, 2013.

Miss. K. Suneetha is also proposed to be appointed as an Independent Director for a term of five consecutive years, in compliance of the Companies Act 2013.

The above Independent Directors have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, the above Independent Directors fulfill the conditions specified in the Act and the Rules made there under for appointment as Independent Directors and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of the above Directors as Independent Directors is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office of the Company on all working days except Saturdays, during business hours upto the date of the Meeting.

Except Mr. B. Syama Sundara Murthy and Miss. K. Suneetha, being the appointees, none of the Directors or Key Managerial Personnel of the

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Company and their relatives, are concerned or interested financially or otherwise, in these Resolutions, the Board commends the Ordinary Resolutions as set out at item No. 4 & 5 for the approval of the Members.

Additional Information:

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing agreement):

1.	Name of the Director	Sri. Ch. Nageswara Rao	Sri. B. Syama Sundara Murthy	Miss. K. Suneetha
2.	Date of Birth	12-08-1953	10-04-1951	06-06-1964
3.	Date of appointment	06-09-1999	31-05-2010	Proposed to be appointed as Independent director at the ensuing AGM
4.	Experience in specific functional areas	He had 27 Years of Experience in trading business.	He had 29 Years of rich experience in a State Level Financial Corporation.	She is having about 20 years experience in Finance and Accounts in various companies.
5.	Qualifications	B. Com.,	B.Com., M.B.A.,	M. Com.,
6.	Directorships in other Public Limited Companies.	--	--	Roopa Industries Limited
7.	Shareholding in the Company	--	--	100 Equity Shares

For and on behalf of the Board

Place: Hyderabad
Date : 14.08.2014

(T. Adinarayana)
Chairman & Managing Director

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the Twentieth Annual Report, together with the Audited statements of Accounts of the Company for the year ended 31st March, 2014 along with Auditors' Report thereon:

FINANCIAL RESULTS:

(Rupees in Lakhs)

	2013-2014	2012-2013
Sales/Income from operations	138.55	122.71
Profit before Depreciation and Amortization	84.77	57.06
Depreciation and Amortization	20.79	22.15
Exceptional Items	3.00	1.85
Profit before Tax	60.98	33.05
Provision for Taxation:		
Current Tax	15.30	14.75
Prior period Tax	0.08	0.56
Deferred Tax	3.45	-
Profit after Tax	42.15	17.74

At present the Company is undertaking job works and doing the processing works only in its two factories.

DIRECTORS:

During the year under review Sri. Ch. Nageswara Rao, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment, liable to retire by rotation.

As per the provisions of the Companies Act, 2013, with respect to the appointment and tenure of Independent Directors, Independent Directors cannot serve the Company for more than two terms of Five Years, and the Independent Directors who have already served the Company for ten or more years can serve for a maximum period of one term of Five Years.

In the light of the New provision of the Companies Act, 2013, Mr. B. Syama Sundara Murthy and Miss. K. Suneetha, are proposed to be appointed as Independent Directors on the Board of the Company for Consecutive term of Five Years, commencing from 26th September, 2014.

DIVIDEND :

With a view to conserve resources for long term needs of the Company, your directors do not recommend any dividend for the Financial Year 2013-2014.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed:

- i) that in the preparation of the accounts for the financial year ended 31st March, 2014, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- ii) that the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the Company for the year under review;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the annual accounts for the financial year ended 31st March, 2014 have been prepared on a 'going concern' basis.

AUDITORS:

M/s. Janardhanrao Deshmukh & Co., Chartered Accountants, the Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made, would be in accordance with the provisions of section 139(1) of the Companies Act, 2013 and are proposed to be appointed as Statutory Auditors of the Company, for a period of Three consecutive years, subject to ratification at every Annual General Meeting, as per section 139(2) of the Companies Act, 2013 and the Rules made there under. The Directors recommend their re-appointment as the Auditors of the Company. Notes forming part of accounts which are specifically referred to by the Auditors in their report are self-explanatory and therefore, do not call for any further comments or explanations.

CORPORATE GOVERNANCE:

A separate report on Corporate Governance along with Auditors' certificate

on its compliance and Management discussion and analysis is included as part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement forms part of this Report and is annexed hereto.

RELATED PARTY TRANSACTIONS:

As a matter of policy, your company carries out transactions with related parties on an arms-length basis. Statement of these transactions, if any, is given in the other Notes to Accounts attached in compliance of Accounting Standard No. AS-18.

FIXED DEPOSITS:

Your Company has not accepted any Fixed Deposits from the public during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT:

Particulars required under Section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure-A to this report.

INFORMATION PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956:

There is no employee in respect of whom information u/s 217 (2A) of the companies Act, 1956 is required to be given.

ACKNOWLEDGEMENTS :

Your Directors gratefully acknowledge the continued assistance and co-operation extended by various Government Authorities, and banks to the company. The Board expresses its appreciation of the understanding, dedication and support extended by the employees of the Company. Your Directors also sincerely acknowledge the confidence and faith reposed by the shareholders in the Company.

For and on behalf of the Board

Place : Hyderabad
Date : 29.05.2014

(T. Adinarayana)
Chairman & Managing Director

ANNEXURE TO DIRECTORS REPORT**ANNEXURE - A**

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Companies (Disclosure of Particulars in the Board of Director's Report) Rules, 1988.

Form for disclosure of particulars with respect to Conservation of Energy:

CONSERVATION OF ENERGY:

The Company is conscious of the need to conserve energy and is taking steps to save energy and appropriate measures are being taken for energy conservation. The Company has not made any additional investments.

FORM - A**A) POWER AND FUEL CONSUMPTION:**

Electricity :	Current Year 2013-2014	Previous Year 2012-2013
Purchased Units	--	--
Total Amount (Rs.)	--	--
Rate per Unit (Rs.)	--	--

Since the company is undertaking job works only, the company does not have own production and the entire power charges have been borne by the contractee party, hence the relevant details are not applicable/furnished.

B) CONSUMPTION PER UNIT OF PRODUCTION:

Since the Company has undertaken Conversion / Job works only it is not practicable to give consumption per unit cost of production.

FORM - B**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY, RESEARCH AND DEVELOPMENT :**

RESEARCH AND DEVELOPMENT (R&D) :

- | | | |
|--|---|------|
| 1. Specific areas in which R&D is carried out by the Company | : | ---- |
| 2. Benefits derived as a result of the above R&D | : | ---- |
| 3. Future Plans | : | ---- |
| 4. Expenditure on R&D | : | ---- |

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

There is no technology innovation, absorption and adoption during the year.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2013-2014	2012-2013
a) Activities related to exports	--	--
b) Total Foreign Exchange used & earned		
i) Foreign Exchange used :	Nil	Nil
ii) Foreign Exchange earned :	Nil	Nil

**REPORT ON CORPORATE GOVERNANCE
(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)**

1. Company's Philosophy on code of Governance:

The company's philosophy on Corporate Governance lays its emphasis on transparency, accountability, integrity, fairness and equity in the functioning of company vis a vis its dealings with outsiders and all its stake holders.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under clause 49 of the Listing Agreements with the Stock Exchanges.

2. Board of Directors:

Composition:

The Board of Directors comprises of Four Directors with an Executive Chairman and Managing Director and all others are Non Executive Directors. Composition of the Directors and their attendance for the Board Meetings during the year and at the last Annual General Meeting and also the number of other directorships are as follows:

SIGACHI LABORATORIES LIMITED

Sl. No.	Name of the Director	Category	No. of Board Meetings Attended 2013-14	Attendance at the last AGM	No. of Directorships in other companies	No. of memberships, Chairmanship in other Board committees
1.	Sri. T.Adinarayana	CMD	8	YES	1	2
2.	Sri. Ch.Nageswara Rao	Director - Independent	7	YES	--	--
3.	Sri. B.S.S. Murthy	Director-Independent	8	YES	--	--
4.	Sri. T.R. Sekhar	Director	6	No	--	--

i) Number of Board Meetings held:

During the period under review Eight meetings of the Board of Directors of the Company were held on 27th May, 2013, 29th June, 2013, 14th August, 2013, 26th September, 2013, 13th November, 2013, 1st January, 2014, 14th February, 2014 and 31st March, 2014.

ii) None of the directors hold directorship in more than 10 public companies, membership of board committees in excess of 10, or chairmanship of more than 5 committees across all companies in which he is a director.

3. Committees of the Board

i) Audit Committee:

a) Terms of Reference:

This committee comprises of 3 Non Executive Directors, of which 2 are independent directors. The terms of reference to Audit Committee are as required by SEBI under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

b) Composition :

The members of the Audit Committee are:

S. No.	Name of the Director	Designation	No. of Meetings attended
1.	Sri. Ch. Nageswara Rao	Chairman	4
2.	Sri. B.S.S. Murthy	Member	4
3.	Sri. T.R. Sekhar	Member	2

c) Number of Meetings held :

The Audit Committee of the Board had met 4 times during the period under review on 27th May, 2013, 14th August, 2013, 13th November, 2013, and 14th February, 2014.

ii) Remuneration Committee:

a) Composition:

The Remuneration Committee has been constituted by the Board with the following Directors as its members, and the Committee has not met during the year under review. The following are the members of the remuneration committee:

S. No.	Name of the Director	Designation	No. of meetings attended
1.	Sri B.S.S. Murthy	Chairman	--
2.	Sri Ch. Nageswara Rao	Member	--
3.	Sri. T.R. Sekhar	Member	--

b) Remuneration to Directors:

The details of the remuneration paid to the Executive Directors during the period under review are as follows:

An amount of **Rs.10,53,706/-** (Rs.8,41,372/-) has been paid towards remuneration to Sri. T. Adinarayana, Chairman and Managing Director during the year. The Chairman and Managing Director will not be paid any sitting fee for attending the board / committee meetings.

Non Executive Directors will be paid sitting fee for attending the board/committee meetings. However, during the year the company has not paid sitting fee and incidental expenses to the non-executive directors of the Company.

Statutory auditors were invited as and when required.

Shareholding of Non Executive Directors:

None of the Non Executive Directors of the Company holds any shares in the Company.

iii) Share Transfer/Investors' Grievance Committee:

a) Composition:

The Share transfer/Investor's Grievance Committee consists of three Directors, Sri. T. Adinarayana, Chairman, Sri. Ch. Nageswara Rao & Sri. B.S.S. Murthy. The Committee meets to consider, inter alia, share transfers, shareholder's complaints etc.,

During the year the Company has received 2 complaints and has redressed all complaints, and no complaints are pending as at 31.03.2014. There were no cases pending for share transfer as at 31.03.2014.

b) Code of conduct:

The Board has laid down a Code of conduct applicable to all the Directors and Senior Management of the Company. The said code has been communicated to the Directors and the senior management and they have confirmed compliance with the said code.

c) Registrars and Share Transfer Agents:

The following are the Registrars and Share Transfer Agents:

Venture Capital and Corporate Investments Pvt. Limited
12-10-167, Bharat Nagar, Hyderabad - 500 018.
Ph.No.91-040-23818475 / 23818476 / 23868023
Fax.No.91-040-23868024.

d) Share Transfer System: In compliance with SEBI requirement, share transfers are entertained, both under Demat Form (ISIN No. INE368H01018) and Physical Form. The shares for transfer which are received in Physical Form either by the Company or by the RTA, are verified and processed by the RTA, subject to the documents being valid and complete in all respects. With regard to the shares in Demat (ISIN No.INE368H01018) mode, the procedure adopted is as per the provisions of Depositories Act, 1996.

e) Certificates on half yearly basis have been issued by a Company Secretary in practice for due compliance of share transfer formalities by the Company.

4. General Body Meetings:

The last three Annual General Meetings were held as follows:

Financial Year	Day & Date	Time	Venue
2012-2013	Thursday, 26.09.2013	2.00 P.M.	S.No.530 & 534, Bonthapally - 502 313, Jinnaram Mandal, Medak Dist., Andhra Pradesh.
2011-2012	Wednesday, 26.09.2012	2.00 P.M.	S.No.530 & 534, Bonthapally - 502 313, Jinnaram Mandal, Medak Dist., Andhra Pradesh.
2010-2011	Monday, 26.09.2011	2.00 P.M.	S.No.530 & 534, Bonthapally - 502 313, Jinnaram Mandal, Medak Dist., Andhra Pradesh.

No special resolutions were passed through postal ballot last year. Presently the Company do not have any proposal for postal ballot.

5. Disclosures:

- a) None of the transactions with any of the related parties were in conflict with the interests of the company at large. The details of related party transactions are furnished in Notes to Financial Statements - Balance Sheet and the Statement of Profit and Loss to comply with Accounting Standard 18.
- b) The Company has by and large complied with all the mandatory requirements of Corporate Governance as required by the listing agreement.

As regards non-mandatory requirements, a Remuneration Committee has been formed to evaluate remuneration packages for directors and senior staff members.

- c) The Company has complied with the requirements of Stock Exchanges, SEBI and other Statutory Authorities on all matters related to capital markets. There were no penalties, strictures imposed on the company by Stock Exchanges, SEBI or any Statutory Authorities on any matter related to capital markets.
- d) The company has laid down procedures to inform the Board about the risk assessment and minimization procedures. The Audit Committee and Board periodically reviews the risk assessment and risk mitigation procedures.

6. Means of Communication :

The Quarterly/Half-yearly/Annual Un-Audited/Audited Financial Results of the company are sent to the Stock Exchange immediately after they are approved by the Board of Directors. The results were published in Business Standard (English Edition) and Surya (Telugu Edition) generally.

The Management Discussion and Analysis Report is herewith annexed.

7. MD/CFO certification:

The MD/CFO of the company have certified to the Board on the matters specified under clause 49 (V) of the Listing Agreement.

8. General Shareholders' Information:

a. AGM

20th Annual General Meeting

Day, Date and Time : Friday, the 26th September, 2014
at 4.00 P.M.,

Venue : Regd. Office: S.No.530 & 534,
Bonthapally-502 313,
Jinnaram Mandal,
Medak District, Telangana.

As required under clause 49 IV (G) of the listing agreement, particulars of Directors seeking reappointment are given in the notes to the notice of the Annual General Meeting to be held on 26.09.2014.

- b. Financial Calendar
Calendar for Financial Year : 1st April, 2014
to 31st March, 2015
- Financial Reporting :
- I. Quarter - Un-audited
Financial Results : July/August, 2014
- II. Quarter - Un-audited
Financial Results : October/November, 2014
- III. Quarter - Un-audited
Financial Results : January/February, 2014
- IV. Quarter Un/audited
Financial Results &
Year ending 31st March,
2015 results : April / May, 2015
- c. Dates of Book Closure : 23rd September, 2014 to
26th September, 2014
- d. Dividend payment date : Not applicable
- e. Listing on Stock Exchanges : The company's
shares have been listed at:
- The Stock Exchange
Ahmedabad,
Kamdhenu Complex,
Opp. Sahajanand College,
Panjara Pole, Ambawadi,
Ahmedabad - 380 015.

The Listing fee to the Stock Exchange for the year has been paid by the company.

- f. Stock Market Data : High /Low price
quotations in each Month of
the last financial year 2013-
2014 on Stock Exchanges:
- The shares have not been
traded in the stock exchange
during the year under review.

SIGACHI LABORATORIES LIMITED

g. Distribution of Shareholding as on 31st March, 2014:

No. of Shares	No. of Shareholders	% To the total Shareholders	No. of Shares	% To the total shares
Upto 500	289	11.60	78,920	1.17
501 - 1000	1,022	41.02	10,10,600	14.96
1001 - 2000	401	16.10	6,83,000	10.11
2001 - 3000	643	25.81	16,39,100	24.27
3001 - 4000	28	1.11	1,05,700	1.57
4001 - 5000	63	2.51	3,12,800	4.63
5001 - 10000	21	0.81	1,89,500	2.81
10001 and above	24	1.04	27,33,480	40.48
Total	2,491	100.00	67,53,100	100.00

h. Shareholding pattern as on 31st March, 2014:

Category	No. of Shares held	Percentage of Shareholding
A. Promoter's Holding: Indian Promoters	23,86,100	35.33
B. Non-Promoter's Holding:		
a) Private Corporate Bodies	1,25,500	1.86
b) NRIs/OCBs	16,41,450	24.31
c) Indian Public	26,00,050	38.50
TOTAL	67,53,100	100.00

As on 31st March, 2014 only 10,99,820 Equity shares have been dematerialised by the share holders of the company.

- i) Outstanding ADRs/GDRs/ Warrants or any convertible Instruments, conversion date and likely impact on equity : Not applicable

SIGACHI LABORATORIES LIMITED

- j) Plant Location : The Company's Plants are located at:
Unit - I
Sigachi Laboratories Limited,
S.No.530 & 534,
Bonthapally - 502 313.
Jinnaram Mandal,
Medak District, Telangana.
- Unit - II
Sigachi Laboratories Limited,
S.No.42, Alinagar,
Jinnaram Mandal,
Medak District, Telangana.
- k) Address for Correspondence : 1. Sigachi Laboratories Limited,
Regd. Office:
S.No.530 & 534,
Bonthapally - 502 313.
Jinnaram Mandal,
Medak District, Telangana.
2. Sigachi Laboratories Limited,
Corporate Office:
402 , Raghava Ratna Towers,
Chirag Ali Lane,
Hyderabad - 500 001.
Tel:040-23204273
Email:sigachilaboratories@yahoo.co.in

DECLARATION

In terms of the requirements of clause 49 of the Listing Agreement, the Board Members and the Senior Management personnel have confirmed compliance with the code of conduct for the Financial Year ended 31st March, 2014.

For and on behalf of the Board of Directors

Place : Hyderabad
Date : 29.05.2014

(T. Adinarayana)
Chairman & Managing Director

Auditors Certificate on Corporate Governance

To
The Members,
M/s. Sigachi Laboratories Limited,

We have examined the compliance of conditions of Corporate Governance by Sigachi Laboratories Limited for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s) in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of 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 above mentioned Listing Agreement.

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 JANARDHANRAO DESHMUKH & CO.,
CHARTERED ACCOUNTANTS,
(Firm Regn No.005979S)

(L. JANARDHAN RAO)
Proprietor
Membership No.18474

Place: Hyderabad
Date : 29.05.2014

Management Discussion and Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENTS:

India is a major manufacturer of Bulk Drugs and several reputed companies export Bulk Drugs and Intermediates to different countries regularly.

Outlook on opportunities:

Both the domestic and the global pharmaceutical markets present good opportunities for the Indian industry including immense potential of outsourcing contracted business.

For capitalizing on the opportunity in the domestic market, companies are rapidly realigning product portfolios in line with the changing diseases/ demographic profile of the market.

Outlook on Threats, Risks and concerns:

Indian Companies will be compelled to involve themselves in new drug discovery research as a lifeline for survival and growth some may depend on the conversion/contract manufacturing. The company is focusing its attention on job work contract processing.

Internal Control System and Adequacy:

The company has adequate system on internal controls commensurate with its size and nature of business and Audit Committee meets periodically with the Statutory Auditors to review the same.

Financial Performance:

The Company has generated total income of **Rs.138.55** Lakhs during the Financial year 2013-2014 as against Rs.122.71 Lakhs during 2012-2013 and has earned net profit of **Rs.42.15** Lakhs as against Rs. 17.74 Lakhs respectively.

Human Resources:

Relations with the employees remained positive and very cordial.

Cautionary statement:

The statements in this Management Discussion and Analysis describing

the Company's objects, projections, estimates, expectations may be construed as "forward-looking" statements within the meaning of applicable securities laws and regulations and such forward looking statements involve risks and uncertainties. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand/ supply and price conditions in the domestic and global market in which the company operates, changes in the Government regulations, policies, tax laws and other statutes and other incidental factors. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements.

JANARDHANRAO DESHMUKH & CO.,
CHARTERED ACCOUNTANTS

Flat No.304,
Lumbini Apartments,
Dharam Karan Road,
Ameerpet,
HYDERABAD- 500 016.

Independent Auditors' Report

To
The members of
Sigachi Laboratories Limited,

Report on the Financial Statements

1. We have audited the accompanying financial statements of M/s. Sigachi Laboratories Limited (the "Company") which comprises the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of The Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of The Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013, to the extent applicable; and
- e. On the basis of written representations received from the Directors as on March 31st, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

for JANARDHANRAO DESHMUKH & CO.,
CHARTERED ACCOUNTANTS
(Firm Regn No.005979S)

(L. JANARDHAN RAO)
Proprietor
Membership No.18474

Place : Hyderabad

Date : 29.05.2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 7 of our report of even date to the Members of Sigachi Laboratories Limited ('the company') on the accounts of the Company for the Year Ended 31st March, 2014. We report that;

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion, is reasonable, having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such physical verification.
 - (c) During the year, the company has not disposed off any / substantial part of the Fixed Assets of the company. According to the information and explanations given to us, the going concern status of the company is not affected.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) In our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanations given to us, the Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the clauses 4(iii) b to d of the order are not applicable.
- (iv) In our opinion and according to the information and explanations 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 goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements 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 section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party, if any, during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The company has not accepted any public deposits, during the year under review. Accordingly the Provisions clause 4(vi) of the order are not applicable to the company.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records.
- (ix) (a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, service tax, customs duty, excise duty and cess were in arrears, as at 31.03.2014 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute, except the following:

Name of the Statute	Nature of Demand	Period to which amount relates (A.Y.)	Amount (Rs. in Lakhs)	Forum where dispute pending
Income Tax Act, 1961	Income Tax	1998-1999	6.54	Hon'ble High Court of Andhra Pradesh
Income Tax Act, 1961	Income Tax	1999-2000	7.88	Hon'ble High Court of Andhra Pradesh
Income Tax Act, 1961	Income Tax	2006-2007	25.49	Income Tax Appellate Tribunal

- (x) The company does not have any accumulated losses as at 31st March, 2014 and has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) In our opinion, the company has maintained adequate records where the company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund /society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) The Company has maintained proper records of transactions and contracts in respect of its investments in shares and other securities. The investments are held by the company in its own name.
- (xv) In our opinion, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the company has not raised any term loan during the year under review and hence the question of its application does not arise.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, during the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the company has not issued any debentures during the year which requires the creation of security or charge.
- (xx) The company has not raised any money by way of public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

for JANARDHANRAO DESHMUKH & CO.,
CHARTERED ACCOUNTANTS
(Firm Regn No.005979S)

(L. JANARDHAN RAO)
Proprietor

Membership No.18474

Place : Hyderabad

Date : 29.05.2014

BALANCE SHEET AS AT 31st MARCH, 2014

	Note No.	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	7,31,05,500.00	7,31,05,500.00
(b) Reserves and Surplus	3	1,75,66,216.57	1,33,51,363.00
		9,06,71,716.57	8,64,56,863.00
(2) Non-Current Liabilities			
(a) Long-Term Borrowings		-	-
(b) Other Long Term Liabilities	4	4,50,000.00	4,50,000.00
(c) Long-Term Provisions	5	12,12,000.00	12,12,000.00
		16,62,000.00	16,62,000.00
(3) Current Liabilities			
(a) Short-Term Borrowings	6	-	-
(b) Trade Payables		-	-
(c) Other Current Liabilities	7	35,469.63	84,696.00
(d) Short-Term Provisions	8	1,29,911.61	1,38,653.23
		1,65,381.24	2,23,349.23
Total		9,24,99,097.81	8,83,42,212.23
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible Assets	9	2,24,61,026.40	2,01,46,144.40
(ii) Intangible Assets	9	6,709.00	8,497.00
		2,24,67,735.40	2,01,54,641.40
(b) Non-current Investments	10	2,28,81,581.22	2,26,14,355.67
(c) Deferred Tax Assets (Net)	11	23,87,757.00	27,32,757.00
(d) Long-Term Loans and Advances	12	58,97,176.00	45,66,439.00
		5,36,34,249.62	5,00,68,193.07
(2) Current Assets			
(a) Trade Receivables	13	25,11,980.00	23,14,079.00
(b) Cash and Cash Equivalents	14	3,29,39,395.19	3,03,27,864.97
(c) Short-Term Loans and Advances	15	34,06,973.00	55,93,913.00
(d) Other Current Assets	16	6,500.00	38,162.19
		3,88,64,848.19	3,82,74,019.16
Total		9,24,99,097.81	8,83,42,212.23
Notes forming part of Financial Statements	1 to 35		

Per our report of even date annexed
for JANARDHANRAO DESHMUKH & CO.,
Chartered Accountants
(Firm Regn. No.005979S)

(L.JANARDHAN RAO)
Proprietor
Membership No. 18474

Place : Hyderabad
Date : 29.05.2014

For and on behalf of the Board
(T.Adinarayana)
Chairman & Managing Director

(B.S.S. Murthy)
Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

	Note No	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
I. Revenue from Operations	17	1,10,77,547.02	1,07,38,813.68
II. Other Income	18	27,77,392.47	15,32,077.11
III. Total Revenue (I + II)		1,38,54,939.49	1,22,70,890.79
IV. Expenses:			
Cost of Materials Consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expenses	19	16,25,223.97	13,41,392.90
Finance Costs	20	10,806.74	79,859.61
Depreciation and amortization expenses	21	20,79,020.00	22,15,395.00
Other expenses	22	37,42,249.21	51,43,900.51
Total Expenses (IV)		74,57,299.92	87,80,548.02
V. Profit before exceptional and extraordinary items and tax (III-IV)		63,97,639.57	34,90,342.77
VI. Exceptional Items	23	3,00,000.00	1,85,000.00
VII. Profit before extraordinary Items and tax (V-VI)		60,97,639.57	33,05,342.77
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII-VIII)		60,97,639.57	33,05,342.77
X. Tax Expense:			
a) Current Tax		15,30,000.00	14,75,000.00
b) Prior Period Tax		7,786.00	56,235.50
c) Deferred tax		3,45,000.00	-
Total		18,82,786.00	15,31,235.50
XI. Profit/(Loss) for the period from continuing operations (IX-X)		42,14,853.57	17,74,107.27
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII-XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		42,14,853.57	17,74,107.27
XVI. Earnings per equity share:			
(1) Basic		0.62	0.24
(2) Diluted		0.62	0.24
Notes forming part of Financial Statements	1 to 35		

Per our report of even date annexed for JANARDHANRAO DESHMUKH & CO., Chartered Accountants (Firm Regn. No.005979S) (L.JANARDHAN RAO) Proprietor Membership No. 18474

Place : Hyderabad
Date : 29.05.2014

For and on behalf of the Board
(T.Adinarayana)
Chairman & Managing Director

(B.S.S. Murthy)
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

	2013-14 Rs.	2012-13 Rs.
A. CASH FLOW FROM OPERATING ACTIVITY		
Net Profit/(Loss) before Tax & Extraordinary items	60,97,639.57	33,05,342.77
Adjustments for:		
Add:	-	-
Depreciation	20,79,020.00	22,15,395.00
Interest paid	10,806.74	79,859.61
Provision for diminution in value of Investments	3,00,000.00	1,85,000.00
Provision for Gratuity & Leave Encashment	-	5,00,000.00
	84,87,466.31	62,85,597.38
Less:		
Other Income	(27,77,392.47)	(15,32,077.11)
Interest received	(36,02,547.02)	(38,63,813.68)
	(63,79,939.49)	(53,95,890.79)
Operating Profit/(Loss) before Working Capital changes Adjustments for :	21,07,526.82	8,89,706.59
Trade and other Receivables	10,34,964.19	15,23,371.81
Trade Payables and other Liabilities	(57,967.99)	6,07,397.31
	9,76,996.20	21,30,769.12
Cash generated from operations	30,84,523.02	30,20,475.71
Direct Taxes Paid (Net)	(18,82,786.00)	(15,31,235.50)
Interest Paid	(10,806.74)	(79,859.61)
	11,90,930.28	14,09,380.60
Less: Provision for Gratuity and Leave Encashment	-	5,00,000.00
Net Cash Flow from Operating Activities (A)	11,90,930.28	9,09,380.60

SIGACHI LABORATORIES LIMITED

B. CASH FLOW FROM INVESTING ACTIVITIES:

Sale of Fixed Assets	-	49,235.00
Purchase of Investments		
(Net Aggregate Value taken)	(5,67,225.55)	(17,90,575.45)
Dividend Received	19,45,154.07	11,28,720.97
Bad deposits recovered	40,717.40	-
Bad debts recovered	-	-
Profit/(Loss) on Sale of Investments	1,00,000.00	3,42,305.14
Interest (from Tax Free Bonds)	41,000.00	28,005.00
Purchase of Fixed Assets	(43,92,114.00)	(14,04,260.00)
Other receipts - keyman Insurance	6,50,521.00	-
Net Cash Flow from Investing Activities (B)	(21,81,947.08)	(16,46,569.34)

C. CASH FLOW FROM FINANCING ACTIVITIES:

Borrowing/Repayment of secured Loans	-	(9,07,564.09)
Interest Received	36,02,547.02	38,63,813.68
Net Cash From/(Used in) Financing Activities (C)	36,02,547.02	29,56,249.59

D. NET INCREASE/(DECREASE) IN CASH

And Cash Equivalents (A+B+C)	26,11,530.22	22,19,060.85
Cash and Cash Equivalents		
At the Beginning of the year	3,03,27,864.97	2,81,08,804.12
Cash and Cash Equivalents		
at the End of the year	3,29,39,395.19	3,03,27,864.97

Previous Year figures have been regrouped/rearranged/reclassified wherever necessary.

Per our report of even date annexed
for JANARDHANRAO DESHMUKH & CO.,
Chartered Accountants
(Firm Regn No.005979S)

(L. JANARDHAN RAO)
Proprietor
Membership No. 18474

Place : Hyderabad
Date : 29.05.2014

For and on behalf of the Board

(T. Adinarayana)
Chairman & Managing Director

(B.S.S. Murthy)
Director

Notes forming part of the financial statements:**Note 1:****Summary of significant accounting policies:****A. Corporate information:**

Sigachi Laboratories Limited is mainly engaged in the business of manufacture of bulk drugs and drug intermediates and is undertaking job works at its two factories and its shares have been listed at the stock exchange, Ahmedabad.

B. Significant Accounting Policies:**a) Basis of Accounting:**

The financial statements have been prepared on going concern basis in accordance with generally accepted accounting principles in India (Indian GAAP) and comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with general circular 8/2014 dated 2nd April, 2014, issued by Ministry of Corporate Affairs. The financial statements have been prepared on accrual basis under the historical cost convention, except those with significant uncertainties.

b) Use of Estimates:

Estimates and assumptions used in the preparation of the financial statements are based on management's evolution of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

c) Fixed Assets:

Fixed assets are stated at original cost less depreciation including other expenses relating to acquisition and installation. Expenditure during project implementation period has been allocated and capitalized to the respective fixed assets.

d) Depreciation has been provided on Straight Line Method at the rates prescribed in the Schedule XIV of the Companies Act, 1956.**e) Sales: Sales, if any, includes sale value of goods and excludes Sales tax / VAT and Excise Duty.****f) Dividend is recognized as and when the company's right to receive the payment is established.****g) Investments: Long Term Investments are valued at cost. Provision for diminution in the value of long term Investments is made to recognize the decline, other than temporary.**

- h) Current Investments, if any, are stated at lower of cost or market value, determined on an individual investment basis.
- i) Expenses: All the expenses are accounted on accrual basis.
- j) Retirement benefits to employees:
All employees' benefits due wholly within a year of rendering services are classified as short term benefits. These benefits like salaries, wages, short term compensation absence, expected cost of bonus, ex-gratia are recognized as expenses on accrual basis of undiscounted amounts in the Statement of Profit and Loss. Provision for Gratuity and Leave Encashment has been made. The retirement benefits to employees will be provided as and when the relevant acts are applicable to the company.
- k) Provisions, Contingent Liabilities and Contingent Assets:
Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes to accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.
- l) Accounting for Taxes on income:
 - (i) Current Tax is determined as the amount of tax payable in respect of its taxable income as per the provisions of the Income Tax Act, 1961.
 - (ii) Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax asset, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates.
- m) Earnings per Share:
Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive.
- n) The Profit/Loss on chit account will be considered/accounted at the time of completion of chit period.

Note 2: Share Capital

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Authorised Capital: 1,20,00,000 Equity Shares of Rs.10/- each	12,00,00,000.00	12,00,00,000.00
(b) Issued & Subscribed Capital: 89,82,900 Equity Shares of Rs.10/- each	8,98,29,000.00	8,98,29,000.00
(c) Paid up Capital 67,53,100 (89,82,900) Equity Shares of Rs.10/- each	6,75,31,000.00	8,98,29,000.00
Less: Calls Unpaid	-	1,67,23,500.00
(d) Forfeiture of Shares	55,74,500.00	-
	7,31,05,500.00	7,31,05,500.00

2.(a) Reconciliation of shares Outstanding

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
At the beginning of the year		
No.of shares	89,82,900	89,82,900
Amount in Rs.	7,31,05,500.00	7,31,05,500.00
Issued during the year	-	-
No. Shares forfeited during the year	22,29,800	-
Amount in Rs.	55,74,500.00	-
Shares outstanding at the end of the year		
No.of shares	67,53,100	89,82,900
Amount in Rs.	6,75,31,000.00	7,31,05,500

2.(b) Terms / Rights attached

The Company has issued only one class of shares having face value of Rs.10/- each per share. Each holder of equity shares who has paid total amount of Rs.10/- per share is entitled to one vote per share.

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2.(c) The details of Shareholders holding more than 5% shares (fully paid) in the company

Name of the Shareholder	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	% of Shares Held	No. of Shares	% of Shares Held
Krishnaraj Securities Private Limited	15,18,530	22.49	11,83,030	13.17

Note 3: Reserves and Surplus

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Capital Reserve		
Opening balance	13,22,000.00	13,22,000.00
Add: Current Year Transfer	-	-
Less: Written back in Current year	-	-
Closing balance	13,22,000.00	13,22,000.00
(b) Surplus		
Opening balance	1,20,29,363.00	1,02,55,255.73
Add: Net Profit for the current year	42,14,853.57	17,74,107.27
Closing balance	1,62,44,216.57	1,20,29,363.00
Total (a+b)	1,75,66,216.57	1,33,51,363.00

Note 4: Other Long Term Liabilities

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Others - Deposits from customers	4,50,000.00	4,50,000.00
Total	4,50,000.00	4,50,000.00

Note 5: Long-Term Provisions

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Provision for Employee benefits:		
Gratuity	6,82,000.00	6,82,000.00
Leave Encashment	5,30,000.00	5,30,000.00
	12,12,000.00	12,12,000.00
(b) Others	-	-
Total	12,12,000.00	12,12,000.00

Note 6: Short-Term Borrowings

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Secured		
Loans repayable on demand:		
From Banks	-	-
Total	-	-

Note 7: Other Current Liabilities

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Liability for Expenses	34,937.00	84,696.00
(b) Other Payables	532.63	-
Total	35,469.63	84,696.00

Note 8: Short-Term Provisions

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Provision for Taxation	1,29,911.61	1,38,653.23
Total	1,29,911.61	1,38,653.23

Note 9: Fixed Assets

S. No.	Particulars	Gross Block - At Cost			Depreciation			Net Block		
		As at 1.4.2013 Rs.	Additions Rs.	Deletions/ Adjustments Rs.	Balance As at 31.03.2014 Rs.	Balance As at 1.4.2013 Rs.	Depreciation for the Year Rs.	Deletions/ Adjustments Rs.	Balance As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
A	Tangible Assets:									
	Freehold Land	79,36,453.40	..	..	79,36,453.40	..	..	..	79,36,453.40	79,36,453.40
	Buildings	1,49,35,626.01	..	..	1,49,35,626.01	4,98,850.00	..	..	58,42,810.01	95,91,666.00
	Plant & Machinery	1,54,80,811.50	43,82,814.00	..	1,98,63,625.50	14,02,162.00	..	..	1,55,18,577.50	13,64,396.00
	Furniture & Fixtures	3,53,271.48	..	..	3,53,271.48	..	..	..	3,53,271.48	..
	Office Equipment	1,32,053.50	..	..	1,32,053.50	10,878.00	..	..	83,371.50	59,560.00
	Computers	6,16,900.00	9,300.00	..	6,26,200.00	1,005.00	..	..	6,17,905.00	..
	Vehicles	17,29,873.00	..	..	17,29,873.00	1,64,337.00	..	..	7,00,141.00	11,94,069.00
	Lab Equipment	84,042.00	..	..	84,042.00	..	..	..	84,042.00	..
	Total (A)	4,12,69,030.89	43,92,114.00	..	4,56,61,144.89	20,77,232.00	..	..	2,32,00,118.49	2,01,46,144.40
B	Intangible Assets:									
	Computer Software	11,030.00	..	..	11,030.00	1,788.00	..	..	4,321.00	8,497.00
	Total (B)	11,030.00	..	..	11,030.00	1,788.00	..	..	4,321.00	8,497.00
	Total (A+B)	4,12,80,060.89	43,92,114.00	..	4,56,72,174.89	20,79,020.00	..	..	2,32,04,439.49	2,01,54,641.40

Note 10 : Non-Current Investments

S. No.	INVESTMENTS (LONG TERM) in Equity Instruments Quoted, at cost	No. of Shares/ units as at 31.03.2014	As at 31.03.2014 Rs.	No. of Shares/ units as at 31.03.2013	As at 31.03.2013 Rs.
1	3i Infotech India Limited Equity shares of Rs.10/- each	800	1,04,633.37	800	1,04,633.37
2	Accelya Kale Solutions Limited Equity Shares of Rs.10/- each	1,100	1,32,000.00	1,100	1,32,000.00
3	Adani Ports and Special Economic Zone Limited Equity shares of Rs.2/- each	1,635	1,43,880.00	1,635	1,43,880.00
4	Allahabad Bank Equity Shares of Rs.10/- each	3,000	39,600.00	3,000	39,600.00
5	Andhra Bank Equity shares of Rs.10/- each	7,651	6,73,882.00	6,651	6,13,140.00
6	Bank of Maharashtra Equity shares of Rs.10/- each	6,100	1,68,331.09	6,100	1,68,331.09
7	Ballarpur Industries Limited (BILT) Equity Shares of Rs.2/- each	3,000	28,500.00	3,000	28,500.00
8	Bharat Petroleum Corporation Limited Equity Shares of Rs.10/- each	1,332	1,15,983.52	1,332	1,15,983.52
9	BL Kashyap & Sons Limited Equity Shares of Rs. 1/- each	1,000	40,138.24	1,000	40,138.24
10	Cairn India Limited Equity Shares of Rs.10/- each	3,000	4,24,548.45	3,000	4,24,548.45
11	Century Enka Limited Equity Shares of Rs.10/- each	1,000	1,85,140.74	1,000	1,85,140.74
12	Classic Diamonds Limited Equity Shares of Rs.2/- each	6,980	1,85,605.24	6,980	1,85,605.24
13	Coal India Limited Equity Shares of Rs.10/- each	80	19,600.00	80	19,600.00
14	Dena Bank Equity Shares of Rs.10/- each	3,000	1,10,460.00	3,000	1,10,460.00
15	Development Credit Bank Limited Equity Shares of Rs.10/- each	2,000	61,263.79	2,000	61,263.79
16	Dhunseri Petro chem and Tea Limited Equity Shares of Rs.10/- each	200	19,038.00	-	-

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17	Digjam Limited Equity shares of Rs.10/- each	1,600	94,612.26	1,600	94,612.26
18	Divis Laboratories Limited Equity Shares of Rs.2/- each	1,500	21,000.00	1,500	21,000.00
19	Edelweiss Financial Services Limited Equity Shares of Rs.1/- each	1,730	1,42,725.00	1,730	1,42,725.00
20	Escorts Limited Equity Shares of Rs.10/- each	1,000	53,964.80	1,000	53,964.80
21	First Source Solutions Limited Equity shares of Rs.10/- each	3,000	1,53,128.38	3,000	1,53,128.38
22	Gayatri Sugars Limited Equity shares of Rs.10/- each	1,588	54,247.30	1,588	54,247.30
23	Gennex Laboratories Limited Equity shares of Rs.1/- each	70,000	37,889.00	70,000	37,889.00
24	Gitanjali Gems Limited Equity Shares of Rs.10/- each	100	14,077.83	100	14,077.83
25	Glenmark Pharmaceuticals Limited Equity Shares of Rs.1/- each	4,200	42,000.00	4,200	42,000.00
26	GMR Infrastructure Limited Equity shares of Rs.2/- each	2,200	2,10,627.66	2,200	2,10,627.66
27	G.T.L.Infrastructure Limited Equity shares of Rs.10/- each	619	3,190.00	619	3,190.00
28	Gujrat NRE Coke Limited Equity shares of Rs.10/- each	700	61,211.08	700	61,211.08
29	Gujarat State Petronet Limited Equity Shares of Rs.10/- each	1,218	48,266.00	1,218	48,266.00
30	Gulf Oil Corporation Limited Equity Shares of Rs.2/- each	4,000	2,54,426.53	4,000	2,54,426.53
31	HCL Technologies Limited Equity Shares of Rs.2/- each	898	30,287.80	898	30,287.80
32	HDFC Bank Limited Equity Shares of Rs.2/- each	7,000	80,500.00	7,000	80,500.00
33	Heidelberg Cement Limited Equity Shares of Rs. 10/- each	1,000	51,394.30	1,000	51,394.30
34	Helios & Matheson Information Technologies Limited Equity Shares of Rs.10/- each	3,600	20,000.00	3,600	20,000.00
35	Hindustan Petroleum Corporation Limited. Equity shares of Rs.10/- each	300	80,056.11	300	80,056.11

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36	Indosolar Limited Equity shares of Rs.10/- each	1,000	27,405.15	1,000	27,405.15
37	IDBI Bank Limited Equity shares of Rs.10/- each	2,500	2,34,133.06	2,500	2,34,133.06
38	IDFC Limited Equity Shares of Rs.10/- each	265	9,010.00	265	9,010.00
39	India Cements Limited Equity Shares of Rs.10/- each	500	15,398.50	500	15,398.50
40	Indraprastha Gas Limited Equity Shares of Rs.10/- each	1,200	57,600.00	1,200	57,600.00
41	Infosys Limited Equity Shares of Rs.5/- each	110	2,12,183.63	110	2,12,183.63
42	Integrated Hi-Tech Limited Equity Shares of Rs.10/- each	700	7,000.00	700	7,000.00
43	ITC Limited Equity Shares of Rs.1/- each	6,000	3,47,723.95	6,000	3,47,723.95
44	Indian Overseas Bank Equity Shares of Rs.10/- each	1,700	1,20,083.12	1,500	1,09,425.49
45	Jaiprakash Power Ventures Limited Equity Shares of Rs.10/- each	3,400	1,08,800.00	3,400	1,08,800.00
46	Krishnaraj Securities Private Limited (Unquoted) Equity Shares of Rs.10/- each	--	--	50,000	5,00,000.00
47	The KCP Limited Equity Shares of Rs.1/- each	1,000	32,149.73	1,000	32,149.73
48	Larsen & Toubro Limited Equity shares of Rs.2/- each	375	3,05,243.61	250	3,05,243.61
49	Uttam Value Steel Limited (Lloyds Steel Industries Limited) Equity Shares of Rs.10/- each	2,000	42,950.67	2,000	42,950.67
50	Mahindra & Mahindra Limited Equity Shares of Rs.5/- each	1,200	29,421.86	1,200	29,421.86
51	Madras Fertilizers Limited Equity Shares of Rs.10/- each	1,000	28,245.00	1,000	28,245.00
52	Maruti Suzuki India Limited Equity Shares of Rs.5/- each	300	37,500.00	300	37,500.00
53	Mega Soft Limited Equity Shares of Rs.10/- each	500	1,32,074.05	500	1,32,074.05
54	MOIL Limited Equity Shares of Rs.10/- each	28	10,500.00	28	10,500.00

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55	MPS Limited Equity shares of 10/- each	171	7,328.99	171	7,328.99
56	Mukand Limited Equity Shares of Rs.10/- each	2,100	2,500.00	2,100	2,500.00
57	NHPC Limited Equity Shares of Rs. 10/- each	3,500	1,05,195.63	3,500	1,05,195.63
58	NTPC Limited Equity Shares of Rs.10/- each	9,079	6,41,110.48	9,079	6,41,110.48
59	ONGC Limited Equity Shares of Rs.5/- each	600	61,005.00	600	61,005.00
60	Petronet LNG Limited Equity Shares of Rs.10/- each	30,125	4,54,535.25	30,125	4,54,535.25
61	Power Grid Corporation of India Limited Equity Shares of Rs.10/- each	873	60,064.00	873	60,064.00
62	Power Trading Corporation of India Limited Equity Shares of Rs.10/- each	2,100	85,825.63	2,100	85,825.63
63	Power Trading Corporation of India Financial Services Limited Equity Shares of Rs.10/- each	35,500	9,94,000.00	35,500	9,94,000.00
64	Punjab & Sind Bank Equity Shares of Rs.10/- each	97	11,640.00	97	11,640.00
65	Rallis India Limited Equity Shares of Rs.1/- each	3,000	8,465.67	3,000	8,465.67
66	Rashtriya Chemicals & Fertilizers Limited Equity Shares of Rs.10/- each	3,200	3,76,044.93	3,200	3,76,044.93
67	Reliance Communications Limited Equity Shares of Rs.5/- each	781	1,92,334.34	781	1,92,334.34
68	Reliance Industries Limited Equity shares of Rs.10/- each	960	4,75,423.42	960	4,75,423.42
69	Reliance Power Limited Equity Shares of Rs.10/- each	1,670	2,38,089.31	1,670	2,38,089.31
70	Sadbhav Engineering Limited Equity Shares of Rs.1/- each	2,180	40,330.00	2,180	40,330.00
71	Sahara Housing Finance Limited Equity shares of Rs.10/- each	250	9,612.00	250	9,612.00
72	Steel Authority of India Limited Equity Shares of Rs.10/- each	2,000	84,400.00	2,000	84,400.00

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73	SMS Pharmaceuticals Limited Equity Shares of Rs.10/- each	1,000	2,38,715.07	1,000	2,38,715.07
74	Surya Chakra Power Corporation Limited Equity Shares of Rs.10/- each	1,000	44,886.32	1,000	44,886.32
75	Syndicate Bank Equity Shares of Rs.10/- each	32,000	4,86,542.50	32,000	4,86,542.50
76	Satyam Computer Services Limited Equity Shares of Rs.2/- each	--	--	3,900	2,93,445.63
77	Tata Consultancy Services Limited Equity shares of Rs.1/- each	248	52,700.00	248	52,700.00
78	Tata Steel Limited Equity shares of Rs.10/- each	2,684	7,80,851.77	2,684	7,80,851.77
79	Tata Teleservices Limited Equity Shares of Rs.10/- each	3,966	21,350.00	3,500	21,350.00
80	Tech Mahindra Limited Equity Shares of Rs.10/- each	508	3,41,746.25	50	48,300.62
81	The Karnataka Bank Limited Equity Shares of Rs.10/- each	2,414	1,30,650.00	2,414	1,30,650.00
82	TV 18 Broadcast Limited Equity Shares of Rs.2/- each	380	36,000.00	380	36,000.00
83	UCO Bank Equity Shares of Rs.10/- each	11,900	2,30,045.00	11,900	2,30,045.00
84	Union Bank of India Equity Shares of Rs.10/- each	1,004	19,839.04	1,004	19,839.04
85	Unitech Limited Equity Shares of Rs.2/- each	500	33,138.34	500	33,138.34
86	Vijaya Bank Equity Shares of Rs.10/- each	20,400	5,26,238.57	20,400	5,26,238.57
87	Virgo Global Media Limited Equity Shares of Rs.4/- each	20,000	2,00,000.00	20,000	2,00,000.00
88	Vista Pharmaceuticals Limited Equity Shares of Rs.10/- each	1,500	45,752.82	1,500	45,752.82
89	Voltas Limited Equity Shares of Rs.1/- each	5,000	42,795.00	5,000	42,795.00
90	Zodiac - JRD - MKJ Limited Equity Shares of Rs.10/- each	1,000	43,148.98	1,000	43,148.98
	Total (A)		1,27,85,935.13		1,31,95,497.50

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1	Bonds - At Cost National Highways Authority of India, 8.2%. Tax Free Bonds of Rs.1,000/- each	500	5,00,000.00	500	5,00,000.00
	Total (B)		5,00,000.00		5,00,000.00
1	Mutual Funds - At Cost Franklin Templeton India Growth Fund - Dividend Reinvestment Units of Rs.10/- each	20,334.892	5,91,066.10	18,689.355	5,16,308.68
2	Franklin India Blue Chip Fund - Growth Units of Rs.10/- each	2,238.138	50,000.00	2,238.138	50,000.00
3	B91 Birla Sun Life Frontline Equity Fund - Plan A - Dividend - Reinvestment Units of Rs. 10/- each	6,078.053	1,31,918.65	5,525.288	1,20,587.74
4	L & T Equity Fund - Growth Units of Rs.10/- each	23,949.364	3,00,000.00	23,949.364	3,00,000.00
5	L & T India Special Situations Fund - Growth Units of Rs.10/- each	48,899.756	5,00,000.00	48,899.756	5,00,000.00
6	ING Dividend Yield Fund - Growth Option Units of Rs.10/- each	14,741.278	2,80,231.69	14,741.278	2,80,231.69
7	DSP Black Rock Equity Fund - Regular Plan - Dividend Units of Rs.10/- each	29,868.620	14,09,873.31	24,558.450	11,90,692.79
8	SBI Magnum Sector funds Umbrella Contra - Dividend Units of Rs.10/- each	28,419.748	6,04,479.73	25,826.153	5,65,740.50
9	Reliance Regular savings Fund - Equity Plan - Growth Option Units of Rs.10/- each	15,757.882	4,30,540.00	15,757.882	4,30,540.00
10	ICICI Prudential Discovery Fund - Dividend Units of Rs. 10/- each	35,140.297	7,14,708.04	31,754.424	6,46,753.57
11	ICICI Prudential Focused Blue chip Equity Fund -Reinvestment Units of Rs.10/- each	38,305.460	5,84,377.37	35,233.396	5,33,288.95
12	UTI - Master Share Unit Scheme - Dividend Plan - Reinvestment Units of Rs.10/- each	49,016.765	11,17,859.79	44,981.976	10,16,650.34

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13	UTI Mid Cap Fund Dividend Plan - Reinvestment Units of Rs.10/- each	51,277.436	9,12,991.22	51,277.436	9,12,991.22
14	UTI MNC Fund - Dividend Plan - Payout Units of Rs.10/- each	18,690.220	5,28,887.29	18,690.220	5,28,887.29
15	UTI Banking Sector Fund - Dividend Plan - Payout Units of Rs.10/- each	31,356.368	5,84,058.81	31,356.368	5,84,058.81
16	UTI Treasury Advantage Fund Dividend -Reinvestment Units of Rs.10/- each	1.435	1,500.83	1.435	1,500.83
17	UTI Banking sector Fund Growth plan Units of Rs.10/- each	20,070.570	7,33,980.73	20,070.570	7,33,980.73
18	UTI Dividend yield Fund Growth option Units of Rs.10/- each	23,783.312	7,22,299.21	23,783.312	7,22,299.21
19	UTI Opportunities Fund - Dividend plan - Reinvestment Units of Rs.10/- each	53,037.280	6,88,841.03	49,525.319	6,39,315.71
20	UTI Liquid Cash Plan Units of Rs.10/- each	400.599	4,08,388.93	1,515.559	1545030.11
21	UTI Liquid Cash Plan Institutional Direct Plan Re-investment Units of Rs.10/- each	1,471.038	14,99,643.36	..	..
	Total (C)		1,27,95,646.09		1,18,18,858.17
	Total(A + B + C)		2,60,81,581.22		2,55,14,355.67
	Less: Provision for diminution in value of investments		32,00,000.00		29,00,000.00
	Grand Total		2,28,81,581.22		2,26,14,355.67

(i)	Aggregate amount of Quoted Shares	1,27,85,935.13	1,26,95,497.50
(ii)	Aggregate Value of Quoted Shares	3,94,11,406.00	3,44,97,222.00
(iii)	Aggregate Provision for diminution in value of investments	32,00,000.00	29,00,000.00

Note 11: Deferred Tax Asset (Net)

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Deferred Tax Asset	46,35,757.00	46,35,757.00
(b) Deferred Tax Liability	22,48,000.00	19,03,000.00
Total Deferred Tax Asset - Net	23,87,757.00	27,32,757.00

Note 12: Long-Term Loans & Advances - unsecured

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Capital advances	-	-
(b) Security Deposits	24,96,045.00	20,31,045.00
(c) Other Deposits	6,13,750.00	6,13,750.00
(d) Other Loans & Advances	27,87,381.00	19,21,644.00
Total	58,97,176.00	45,66,439.00

Note 13: Trade Receivables

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Outstanding for a period exceeding Six months	-	-
(b) Outstanding for a period less than Six months unsecured, considered good	25,11,980.00	23,14,079.00
Total	25,11,980.00	23,14,079.00

Note 14: Cash and Cash Equivalents

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Balance with banks		
In current accounts	3,03,899.87	1,87,412.07
In Fixed Deposits with banks		
Less than 12 Months	3,09,11,812.79	76,08,218.00
More than 12 Months	17,08,255.00	2,21,16,528.16
	3,29,23,967.66	2,99,12,158.23
(b) Cash on hand	15,427.53	15,706.74
(c) Cheques/ Drafts on hand	-	4,00,000.00
Total	3,29,39,395.19	3,03,27,864.97

Note 15: Short-Term Loans & Advances

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Loans & Advances to Related parties	-	-
(b) Loans & ICD's, un secured	34,06,973.00	55,93,913.00
Total	34,06,973.00	55,93,913.00

Note 16: Other Current Assets

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Other Advances, un secured	6,500.00	38,162.19
Total	6,500.00	38,162.19

Note 17: Revenue from Operations

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Conversion /Job Work Charges	74,75,000.00	68,75,000.00
Interest Income		
Interest on FD's	30,32,547.02	27,65,278.68
Interest on Loans/ICD's	5,70,000.00	10,98,535.00
	36,02,547.02	38,63,813.68
Total	1,10,77,547.02	1,07,38,813.68

Note 18: Other Income

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Dividend Income	19,45,154.07	11,28,720.97
Net gain/loss from sale of Investments	1,00,000.00	3,42,305.14
Recovery of Bad debts	-	-
Recovery of Bad deposits	40,717.40	-
Profit from Chit	-	-
Profit on Sale of Plant & Machinery	-	33,046.00
Interest (from Tax Free Bonds)	41,000.00	28,005.00
Keyman Insurance	6,50,521.00	-
Total	27,77,392.47	15,32,077.11

Expenditure

Note 19: Employee Benefits Expenses

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Salaries and Wages	15,59,088.00	12,97,452.00
ESI	13,736.00	11,861.00
Staff Welfare	52,399.97	32,079.90
Total	16,25,223.97	13,41,392.90

Note 20: Finance Costs

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Interest to Banks	372.74	70,541.93
Bank Charges	10,434.00	9,317.68
Total	10,806.74	79,859.61

Note 21: Depreciation and Amortization Expenses

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Depreciation	20,79,020.00	22,15,395.00
Total	20,79,020.00	22,15,395.00

Note 22: Other Expenses

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Power and Fuel	4,648.00	4,801.00
Rent	87,150.00	84,000.00
Repairs and Maintenance	6,48,239.00	8,72,993.00
Insurance	1,43,210.00	2,03,277.00
Audit Fee	20,955.00	15,000.00
Audit Expenses	450.00	450.00
Advertisement Expenses	51,360.00	54,245.00
Bad debts	13,06,940.00	15,80,983.00
Bad Advances	-	12,50,000.00
Consultancy Charges	29,045.00	14,045.00
Computer maintenance	3,425.00	2,125.00

SIGACHI LABORATORIES LIMITED

Conveyance Expenses	2,16,302.24	1,84,860.04
Cost Audit Fee	4,000.00	4,000.00
Internet Charges	12,220.00	11,710.00
Listing Fee	11,321.00	11,236.00
Gratuity	-	3,00,000.00
Leave Encashment	-	2,00,000.00
Miscellaneous Expenses	57,721.57	44,647.80
Office Maintenance	80,682.00	73,114.00
Postage & Telegrams	72,166.00	43,225.00
Printing & Stationary	24,252.00	16,331.00
Professional charges/Fee	23,500.00	10,000.00
Sitting Fee & Incidental Expenses	-	-
Share Transfer & Depository Fee	77,231.84	77,804.00
Telephone Charges	30,959.56	30,036.67
Travelling Expenses	62,125.00	18,776.00
Vehicle Maintenance	42,093.00	33,086.00
Saral Tax Office	3,500.00	3,155.00
APCPDCL Charges	7,28,753.00	-
Total	37,42,249.21	51,43,900.51

Note 23: Exceptional Items

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Provision for Diminution in the value of Investments	3,00,000.00	1,85,000.00
Total	3,00,000.00	1,85,000.00

Other Notes to the Financial Statements

24. Managerial remuneration:

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Managing Director's Salary	10,53,706.00	8,41,372.00

25. Auditors' remuneration:

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Audit Fee	15,000.00	12,000.00
Tax Audit Fee	3,000.00	3,000.00
Reimbursement of Expenses	2,955.00	-
	20,955.00	15,000.00

26. Some of the balances standing to the debit/credit of parties are subject to confirmation by them. However, the balances stated in the books of account are final as it is indicated that the company's balances will be deemed to be correct if confirmation is not received by particular date.

27. As per the records and information available with the company, there are no dues to Micro, Small and Medium Enterprises. However, information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is furnished hereunder:

Particulars	2013-14	2012-13
a. Principal amount remaining unpaid as on 31 st March.	NIL	NIL
b. Interest due thereon as on 31 st March.	NIL	NIL

c. Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the year.	NIL	NIL
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	NIL	NIL
e. Interest accrued and remaining unpaid as at 31 st March.	NIL	NIL
f. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small and medium enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Act.	NIL	NIL

28. Balances in Fixed Deposits include deposits of **Rs.17,08,255/-** (Rs.14,47,929/-) in Adarsh Co-operative Urban Bank Limited and the same amounts are the maximum outstanding balances in the respective years. None of the Directors are interested in the above said co-operative bank.

29. No amount is due or payable by any of the directors, firms, private companies in which any director is a partner / director / manager or companies under the same management towards sundry debtors / loans and advances in the Company. Maximum amount outstanding from the above - Nil (Nil).

30. Contingent Liabilities and Commitments:

a. Claims against the company:

SIGACHI LABORATORIES LIMITED

Income Tax department has filed an appeal with the Hon'ble High Court of Andhra Pradesh against the orders of ITAT for the Assessment year 1998-1999 and 1999-2000 and the amount under appeal by the Income Tax Department is Rs.6.54 Lakhs and Rs.7.88 Lakhs respectively. Further Income Tax Department has filed an appeal before Hon'ble ITAT against the orders of CIT (Appeals) for the Assessment Year 2006-2007 and the amount, under appeal filed by the Income Tax Department is Rs.25.49 Lakhs.

b. Bank Guarantees:

Rs.5,00,000/- as at 31-3-2014 and Rs.5,00,000/- as at 31-03-2013. The Bank Guarantee is secured against the lien on the fixed deposit receipt for Rs.5,00,000/-.

31. Earnings per Share: The following reflects the income and share data used in the computation of Basic and diluted Earnings per Share.

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
a) Net Profit	42,14,854	17,74,107
b) Number of Equity shares adjusted Nos	67,53,100	73,10,550
c) Basic and Diluted Earnings per share	0.62	0.24

32. Segment information for the year ended 31st March, 2014:

a) Primary Segment Reporting: Business Segment.

(Rs. in lakhs)

S.No.	PARTICULARS	Year Ended 31st March, 2014 (AUDITED)	Year Ended 31 st March, 2013 (AUDITED)
-------	-------------	---	---

1. Segment Revenue:

Net Sales/Income from each Segment:

a) Bulk Drugs & Intermediates, (Job works/processing charges)	74.75	68.75
b) Interest on ICD's & FD's	36.03	38.64

SIGACHI LABORATORIES LIMITED

c) Others	27.77	15.32
	-----	-----
	138.55	122.71
Less: Inter Segment Revenue	-	-
	-----	-----
Net Sales/Income from Operations	138.55	122.71
	-----	-----

2. Segment Results:

Profit/(Loss) before tax:		
a) Bulk Drugs & Intermediates	39.50	24.69
b) On ICD's & FD's	22.96	22.83
c) Others	24.77	15.32
	-----	-----
	87.23	62.84
Less(i) Finance Costs	0.11	0.80
(ii) Other Un-allocable Expenditure	26.14	28.99
	-----	-----
Total Profit before Tax	60.98	33.05
	-----	-----

3. Capital Employed:

(Segment Assets-Liabilities)		
a) Bulk Drugs & Intermediates	317.63	285.24
b) On ICD's & FD's	360.27	353.19
c) Others	228.82	226.14
	-----	-----
	906.72	864.57
	-----	-----

b) Secondary Segment Reporting: Not Applicable

33. Related Party Transactions:

Related party disclosures as required under Accounting Standard 18 are given below:

Enterprises significantly influenced by Key Management personnel or their relatives - M/s. Ushakiran Finance Limited and M/s. Krishnaraj Securities Private Limited.

The following transactions were carried out during the year with related parties in the ordinary course of business:

SIGACHI LABORATORIES LIMITED

Key Management Personnel: Sri T. Adinarayana, Chairman and Managing Director, amount paid to him by way of salary of **Rs.10,53,706/-** (Rs.8,41,372/-). Sitting fee and reimbursement of expenses paid to the directors:

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Sri. Ch. Nageswara Rao	-	-
Sri. B.S.S. Murthy	-	-
Sri. T. R. Sekhar	-	-

34. Foreign Exchange Transactions:	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
a) Value of Imported Raw Materials Consumed	Nil	Nil
b) Value of Imports on CIF Basis	Nil	Nil
c) Earnings in Foreign Currency (FOB value of Exports)	Nil	Nil
d) Expenditure in Foreign Currency	Nil	Nil

35. Previous year figures have been regrouped/reclassified/rearranged wherever necessary to conform to the current year presentation and also to be in conformity with revised schedule VI.

Per our report of even date annexed.
for JANARDHANRAO DESHMUKH & CO.,
Chartered Accountants
(Firm Regn No.005979S)

(L. JANARDHAN RAO)
Proprietor
Membership No. 18474

For and on behalf of the Board
(T. Adinarayana)
Chairman & Managing Director

(B.S.S. Murthy)
Director

Place : Hyderabad
Date : 29.05.2014

SIGACHI LABORATORIES LIMITED

CIN: L24230AP1994PLC018786

Regd. Office: 530 & 534, Bonthapally – 502 313,
Jinnaram Mandal, Medak District, Telangana.

Tel: 040-2320 4230 / 2320 4273, Fax: 0091-40-23204273,
www.slllab.com Email: sigachilaboratories@yahoo.co.in

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and
rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered Address:

Email ID:

Folio No. /Client ID:

DP ID:

We, being the member(s) of _____ shares of the above named
company, hereby appoint;

1. Name _____

Address: _____

E-mail Id: _____

Signature _____ or failing him

2. Name _____

Address: _____

E-mail Id: _____

Signature _____ or failing him

3. Name _____

Address: _____

E-mail Id: _____

Signature _____

SIGACHI LABORATORIES LIMITED

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Friday, 26th September, 2014 at 4.00 P.M., at the Regd. Office: 530 & 534, Bonthapally – 502 313, Jinnaram Mandal, Medak District, Telangana, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	Type of Resolution	For	Against
1.	Adoption of Balance Sheet, Statement of Profit and Loss and Reports of Board of Directors and Auditors for the year ended 31 st March, 2014	Ordinary Resolution		
2	Re-appointment of Mr. Ch. Nageswara Rao, as a director of the Company, who retires by rotation and is eligible for re-appointment.	Ordinary Resolution		
3	Appointment of Auditors	Ordinary Resolution		
4	Appointment of Mr. B. Syama Sundara Murthy, as an independent director of the Company	Ordinary Resolution		
5	Appointment of Miss. K. Suneetha as an independent director of the Company	Ordinary Resolution		

Signed this Day of 2014.

Signature of shareholder

Signature of Proxy holder(s)

Affix
Re.1/-
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

SIGACHI LABORATORIES LIMITED

CIN: L24230AP1994PLC018786

Regd. Office: 530 & 534, Bonthapally – 502 313,
Jinnaram Mandal, Medak District, Telangana.

Tel: 040-2320 4230 / 2320 4273, Fax: 0091-40-23204273,
www.slllab.com Email: sigachilaboratories@yahoo.co.in

TWENTIETH ANNUAL GENERAL MEETING

Date: 26th September, 2014 Time: 4.00 P.M.,

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Regd. Folio / DP ID & Client ID	
No. of Shares held	
Name and Address of The Shareholder	
Name of the Proxy	
Signature of the Shareholder / Proxy Present	

1. I hereby record my presence at the Twentieth Annual General Meeting of the Company at the Regd. Office: 530 & 534, Bonthapally – 502 313, Jinnaram Mandal, Medak District, Telangana.
2. Shareholder / Proxy holder wishing to attend the meeting must bring this Attendance Slip, duly signed, to the meeting and hand it over at the entrance.
3. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

PRINTED MATTER

BOOK – POST

If undelivered Please return to:

SIGACHI LABORATORIES LIMITED

CIN: L24230AP1994PLC018786

Corporate Office: 402, Raghava Ratna Towers,
Chirag Ali Lane, Hyderabad - 500 001, INDIA