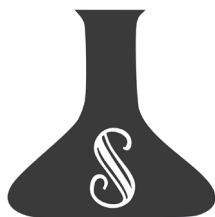




23rd
ANNUAL REPORT
2016 – 2017



SIGACHI LABORATORIES LIMITED



SIGACHI LABORATORIES LIMITED

Board of Directors:

1. Sri. T. Adinarayana - Chairman & Managing Director
2. Sri. B.S.S. Murthy - Independent Director
3. Miss. K. Suneetha - Independent Director
4. Sri. T. Govardhana Rao - Independent Director
5. Sri. P. L.V. Subba Rao - Director
6. Sri. T.R. Sekhar - Director

Key Managerial Personnel:

Mr. Kuradia Ajay Kumar – Company Secretary & Compliance Officer
Mr. B. Kumar – Chief Financial Officer.

Registered Office:

S.No. 530 & 534, Bonthapally - 502 313,
Gummadidala Mandal, (formerly Jinnaram Mandal),
Sangareddy District, (formerly Medak District), Telangana.

Factories:

Unit - I: S.No. 530 & 534, Bonthapally - 502 313, Gummadidala Mandal, (formerly Jinnaram Mandal), Sangareddy District, (formerly Medak District), Telangana.

Unit - II: S.No.42, Ali Nagar, Gummadidala Mandal, (formerly Jinnaram Mandal), Sangareddy District, (formerly Medak District), Telangana.

Corporate Office and Place where books of account are maintained:
402, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500 001.

Auditors:

Janardhan Rao Deshmukh & Co.,
Chartered Accountants, Hyderabad - 500 016.

Secretarial Auditors:

P.S. Rao & Associates
Company Secretaries, Hyderabad - 500 082.

Bankers:

Axis 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.
Phones: 040-23818475, 23818476, Fax:040-23868024,
e-mail: info@vccilindia.com, www.vccilindia.com

NOTICE

NOTICE is hereby given that the Twenty Third 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, Gummadidala Mandal, (formerly Jinnaram Mandal), Sangareddy District, (formerly Medak District), Telangana, on Friday, the 29th day of September, 2017 at 4.00 P.M., to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements as at 31st March, 2017, together with the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Sri. T. Raja Sekhar, (holding DIN: 02943146), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and 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 Sections 139 (1), 142(1) and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactments or modifications thereof, M/s. Niranjan & Narayan (Firm Registration No.005899S), Chartered Accountants, Hyderabad, be and are hereby appointed as the statutory auditors of the company in place of the retiring auditors, M/s. Janardhan Rao Deshmukh & Co., (Firm Registration No.005979S), Chartered Accountants to hold office for a period of five years from the conclusion of the 23rd Annual General Meeting till the conclusion of 28th Annual General Meeting of the company, subject to ratification by the members at every Annual General Meeting, on such remuneration as may be determined by the board of directors of the company in consultation with auditors based on the recommendation of the Audit Committee.”

SPECIAL BUSINESS

4. To Lease the undertaking(s) in the name of company pursuant to section 180 (1) (a) of the Companies Act, 2013:

SIGACHI LABORATORIES LIMITED

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other approvals, consents and permissions being obtained from the appropriate authorities etc., to the extent applicable and necessary, consent of the members be and is hereby accorded to lease the undertaking(s)/ factory/ factories of the company situated at (1) Survey No. 530 & 534, Bonthapally, Gummadidala Mandal, (formerly Jinnaram Mandal), Sangareddy District, (formerly Medak District), Telangana and second factory situated at Survey no. 42, Alinagar, Kazipally, Gummadidala Mandal, (formerly Jinnaram Mandal), Sangareddy District, (formerly Medak District), Telangana State for such period and on such terms and conditions as the Board of Directors of the Company deems fit and appropriate in the interests of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to finalize the manner and method of lease and to execute all necessary agreements, deeds and documents and subsequent modifications thereto, and to do all such acts and things as may be deemed necessary and/or expedient in the interests of the Company including without limitation, to settle any questions, difficulties, doubts that may arise in this regard, as it may in its absolute discretion deem fit, and also to further delegate from time to time, all or any of the powers conferred herein to any Committee of the Board or individuals.”

By Order of the Board of Directors
for Sigachi Laboratories Limited

Place: Hyderabad
Date : 14.08.2017

(Kuradia Ajay Kumar)
Company Secretary
ACS:44310

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and such a proxy need not be a member of the Company.
2. A person shall not act as a proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy provided that such person shall not act as a Proxy for any other member.
3. 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.
4. An Explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of special business as set out in the Notice is annexed hereto.
5. 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.
6. 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.
7. Members 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.
8. The Members/Proxies attending the meeting are requested to bring the enclosed Attendance Slip and deliver the same at the entrance of the Meeting Hall.
9. Members are requested to bring their respective copies of the Annual report for reference during the Annual General Meeting.
10. The Register of Members and Share Transfer Books will remain closed from 22nd September, 2017 to 29th September, 2017 (both days inclusive).
11. The Company's Shares have been listed at Metropolitan Stock Exchange of India Limited and the listing fee has been paid up to 2017-2018.
12. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent (STA)/ Company.

13. Members are advised to register their email address in respect of shares held in physical form to the company or Registrars and Share transfer agent of the company and with concerned depository participant in respect of shares held in demat form to enable the company to serve documents in electronic form.
14. In support of the “Green Initiative” announced by the Government of India, the annual report for the financial year 2016-2017 is being sent through email to those members who have registered their email addresses with the Company/depository participants. The annual report is also available on our website, i.e. www.slilab.com. The physical copy of the annual report has been sent to those members who have either opted for the same or have not registered their email addresses with the Company/depository participant. The members will be entitled to a physical copy of the annual report for the financial year 2016-2017, free of cost, upon sending a request to the Company Secretary, Sigachi Laboratories Limited, 402, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad-500 001.
15. Members who hold shares in physical form can nominate any person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares. Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares.
16. All the documents referred to in the Notice will be available to the members at the Registered Office of the Company between 10.30 A.M., to 12.30 P.M., on all working days from the date hereof up to the date of the Meeting.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / STA.
18. Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 brief profile of the Director proposed to be re-appointed, is furnished here under:

Mr. T. Raja Sekhar is aged about 34 years and has studied B. Tech., MS (USA)., he worked for software companies earlier and presently he is working in a granite factory. He is not a director in any other company. He is not holding any shares in the company.

Except Mr. T. Raja Sekhar, being an appointee, is the son of Mr. T. Adinarayana, Chairman and Managing Director, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No.2.

19. E- Voting:

- a. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members with the facility to exercise their right to vote on resolutions proposed to be considered at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- b. The results of the e-voting and result of the physical voting at the meeting will be declared within 48 hours of conclusion of the meeting and the results along with the scrutinizer's report shall be placed on the website of the Company.
- c. The voting rights of members shall be in proportion to their shareholding in the paid up equity share capital of the company as on 22nd September, 2017, being the cut-off date.
- d. The members of the Company, holding shares either in physical form or in dematerialized form, as on 22nd September, 2017, being the cutoff date, may cast their vote (for or against) electronically.
- e. The facility for voting through poll shall be made available at the meeting and the members attending the meeting who have not already cast their vote electronically through e-voting shall be able to exercise their voting right at the Meeting.
- f. The members who have cast their vote by e-voting prior to the meeting may also, attend the meeting but shall not be entitled to cast their vote again.

- g. The Company has appointed Mr. D. Venkata Ratnam, Chartered Accountant, as scrutinizer for conducting the remote e-voting and also the physical ballot process in the Annual General Meeting in a fair and transparent manner.
- h. Members can opt for only one mode of voting, i.e., either by physical poll or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical poll will be treated as invalid.
- i. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting as mentioned here under:
Members receiving Notice of 23rd Annual General Meeting by e-mail from M/s. Venture Capital and Corporate Investments Private Limited, Registrars and Share Transfer Agents of the company or in case of members receiving the physical copy of Notice of 23rd Annual General Meeting (for members whose e-mail ids are not registered with the company/depositories):
Please follow all the steps from S. No. (i) to S. No. (xx) to cast vote.

The instructions for shareholders voting electronically are as under:

- (i) The e-voting period will commence on Tuesday, the 26th September, 2017 (9:00 am., IST) and will end on 28th September, 2017 (5.00 pm., IST). 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 September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- (a) For CDSL: 16 digits beneficiary ID,
- (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant Company, Sigachi Laboratories Limited on which you choose to vote.

- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print out of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password earlier used then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc..) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any,

should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) 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.

A. General Instructions:

- i. The Chairman of the Meeting shall at AGM venue, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- ii. The Scrutinizer shall after the conclusion of voting at AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman of the Meeting or a person authorized by him in writing.
- iii. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.slllab.com and on the web site of CDSL www.evotingindia.com immediately and will be communicated to the Metropolitan Stock Exchange of India Limited within 48 hours from the conclusion of the AGM.

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

Item No. 4

As the members are aware that the company at present own two factories located at 1) Survey No. 530 & 534, Bonthapally, Gummadidala Mandal, (formerly Jinnaram Mandal), Sangareddy District, (formerly Medak District), Telangana State and another factory situated at 2) Survey no. 42, Alinagar, Kazipally, Gummadidala Mandal, (formerly Jinnaram Mandal), Sangareddy District, (formerly Medak District), Telangana State.

The members may note that most of the resources of the above mentioned factories were not being optimally utilized as the company do not have the required orders. Hence the management of the company intends to lease out both the factories along with the plant & machinery etc., to the suitable parties.

As per explanation to Section 180(1)(a) of the Companies Act, 2013 ("Act"), the said factories may be deemed to be an Undertaking(s) of the Company and hence consent of the members would be required by way of a Special Resolution to lease the factories of the company.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the said Special Resolution.

The Board is of the opinion that the aforesaid Resolutions at Item no.4 is in the best interests of the Company and its members and hence, recommends for your approval.

By Order of the Board of Directors
for Sigachi Laboratories Limited

Place: Hyderabad
Date : 14.08.2017

(Kuradia Ajay Kumar)
Company Secretary
ACS:44310