

28th
ANNUAL REPORT
2021-2022



SIGACHI LABORATORIES LIMITED

SIGACHI LABORATORIES LIMITED

Board of Directors	: 1. Sri. T.R. Sekhar - Executive Director 2. Sri. T. Govardhana Rao - Independent Director 3. Smt. Shilpa Bung - Independent Director 4. Sri. G. Mohan Rao - Independent Director 5. Ms. Sridevi Madati - Independent Director 6. Sri. P. L.V. Subba Rao - Director 7. Sri. T. Adinarayana - Chairman
Key Managerial Personnel	: Ms. Lekha Sai Surapaneni – 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	: Niranjana & Narayan 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. Phone: 040-23818476, Fax:040-23868024 E-mail: investor.relations@vccipl.com www.vccipl.com

NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of SIGACHI LABORATORIES LIMITED will be held on Wednesday, the 28th day of September, 2022 at 4.00 P.M., through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') facility to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements as at 31st March, 2022, together with the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Sri.T. Adinarayana (DIN:00917498), who retires by rotation and being eligible, offers himself for reappointment as Director.
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 Sections 139, 141, 142 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. NSVR & Associates LLP, Chartered Accountants, (ICAI Firm Registration No. 008801S/S200060), Hyderabad, be and are hereby appointed as the statutory auditors of the company in place of the retiring auditors, M/s. Niranjan & Narayan, Chartered Accountants., (Firm Registration No.005899S), Chartered Accountants, to hold office for a period of five consecutive years from the conclusion of the 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting of the company, on such remuneration as may be determined by the board of directors of the company in consultation with statutory auditors based on the recommendation of the Audit Committee."

By Order of the Board of Directors
for Sigachi Laboratories Limited

(Lekha Sai Surapaneni)
Company Secretary
ACS:57228

Place : Hyderabad
Date : 13.08.2022

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 14th December, 2021 and 5th May, 2022 (collectively referred to as 'MCA Circulars') and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 has permitted the holding of the annual general meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being held through VC/OAVM. The company has appointed Central Depository Services (India) Limited (CDSL) to provide Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility for the 28th Annual General Meeting and the attendant enablers for conducting of the AGM. The registered office of the Company shall be deemed to be the venue for the AGM. Hence, members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA circulars and SEBI circular through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional/Corporate Shareholders (i.e., other than individuals/HUF,NRI etc.,) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM, on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer at the email address dvrtnam97@gmail.com and to the Company at the email address viz., sigachilaboratories@yahoo.co.in.
4. Members seeking any information or clarification on the accounts are requested to send in writing queries to the Company, at least one week before the date of the Meeting to enable the Company to keep the information ready at the Meeting.
5. The Register of Members and Share Transfer Books will remain closed from Thursday, 22nd September, 2022 to Wednesday, 28th September, 2022 (both days inclusive).

6. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Share Transfer Agents, M/s. Venture Capital and Corporate Investments Private Limited in this regard.
7. The Company's Shares have been listed at Metropolitan Stock Exchange of India Limited and the listing fee has been paid up to 2022 - 2023.
8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
9. To support "Green Initiative" Members are advised to register their email address in respect of shares held in physical form to the company or Registrars and Share Transfer Agents of the company. Members who have not yet registered their email addresses are requested to register with concerned depository participant in respect of shares held in demat form to enable the company to serve documents in electronic form.
10. 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.
11. Members may also note that the notice of the 28th Annual General Meeting is available on the Company's website: www.slllab.com. All documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection by the Members by writing an e-mail to the Company at sigachilaboratories@yahoo.co.in.
12. 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 and also their Bank Account Numbers to the Company/RTA.

13. Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 (SS-2) on General meetings, brief profile of Sri. T. Adinarayana, the director liable for retirement by rotation and eligible for reappointment, is furnished as Annexure to the notice.

Except Sri.T. Adinarayana, who is proposed to be reappointed as director and who is the Father of Sri. T. R. Sekhar, Executive Director of the company, none of the other directors or Key Managerial Personnel of the Company and their relatives are any way concerned or interested in the resolution. The board recommends for the approval of the members to pass the resolution as set out at item No.2 of the Notice as an Ordinary resolution.

14. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
15. In compliance with the MCA Circulars and SEBI Circular issued from time to time, the Notice of the Annual General Meeting along with the Annual Report for the financial year 2021-2022 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2021-2022 will also be available on the Company's website www.slllab.com; website of the Stock Exchange i.e. Metropolitan Stock Exchange of India Limited at www.msei.in, respectively and the AGM Notice is also available on the website of CDSL <https://www.evotingindia.com>.
16. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
17. 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 the Members with the facility to exercise their right to vote on resolutions proposed to be considered at the 28th Annual General Meeting (AGM) by electronic means, through the e-voting services provided by Central Depository Services (India) Limited (CDSL). The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- b. The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the 28th AGM and announce the start of the casting of vote through the e-voting system of CDSL.
- c. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.
- d. The voting rights of members shall be in proportion to their shareholding in the paid up equity share capital of the company as on 21st September, 2022, being the cut-off date.
- e. The remote e-voting period commences on Sunday, 25th September, 2022 (9:00 a.m. IST) and ends on Tuesday, 27th September, 2022 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Wednesday, 21st September, 2022 i.e., cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e voting system during the AGM.

The members of the Company, holding shares either in physical form or in dematerialized form, as on 21st September, 2022, being the cut-off date, may cast their vote (for or against) electronically. In case a person has become the member of the company after sending of AGM Notice but on or before the cut-off date i.e., 21st September, 2022 may write to M/s. Venture Capital and Corporate Investments Private Limited, (RTA), email: investor.relations@vccipl.com requesting for the user ID and pass word/sequence number. After receipt of the above credentials please follow the instructions for share holders voting electronically.

- f. The Members who have casted their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- g. The Board has appointed Mr. D. Venkata Ratnam, Chartered Accountant, of M/s. Suresh and Babu, Chartered Accountants, as scrutinizer for

conducting the remote e-voting and e-voting during the Annual General Meeting in a fair and transparent manner.

Instructions for e-voting and joining the AGM are as follows:

The instructions for shareholders for e-voting and Joining Virtual Meeting are as under:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- i. The e-voting period will begin on Sunday, 25th September, 2022 (9:00 a.m. IST) and ends on Tuesday, 27th September, 2022 (5:00 p.m. 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., 21st September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL.

SIGACHI LABORATORIES LIMITED

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- v. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
 - i. The shareholders should log on to the e-voting website www.evotingindia.com.
 - ii. Click on “Shareholders” module.
 - iii. 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - iv. Next enter the Image Verification 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 e-voting of any company, then your existing password is to be used.
 - vi. If you are a first time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> ● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	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. <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.

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- viii. For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant Company, Sigachi Laboratories Limited, on which you choose to vote.
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same 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.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. 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.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print out of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload Board Resolution/Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.
- xvii. Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

- * Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.,) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- * 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 will be mapped automatically & can be delinked in case of any wrong mapping.
- * It is mandatory that, 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.
- * Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz., sigachilaboratories@yahoo.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend the meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least one week prior to meeting mentioning their name, demat account Number/folio number, email id, mobile number at sigachilaboratories@yahoo.co.in. The Company reserves the right to restrict the number of speakers and time for each speaker depending on availability of time for the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance atleast one week prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at sigachilaboratories@yahoo.co.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

SIGACHI LABORATORIES LIMITED

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

General Instructions

1. The Scrutiniser, after scrutinising the votes cast at the meeting and through remote e-voting, unblock the votes cast in the presence of atleast two witnesses, not in the employment of the company, not later than two working days of conclusion of the AGM, make a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman or to a person authorized by him in writing.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.sllab.com and on the website of CDSL i.e., www.evotingindia.com. The Company shall simultaneously forward the results to Metropolitan Stock Exchange of India Limited (MSEI), where the shares of the Company are listed, within two working days of conclusion of its AGM.
3. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting i.e., on 28th September, 2022.

By Order of the Board of Directors
for Sigachi Laboratories Limited

Place : Hyderabad
Date : 13.08.2022

(Lekha Sai Surapaneni)
Company Secretary
ACS:57228

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

Item No.3

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company at their 23rd Annual General Meeting ('AGM') held on 29th September, 2017, appointed M/s. Niranjana and Narayan, Chartered Accountants, Hyderabad as the Statutory Auditors of the Company for a term of five (5) years i.e., to hold office upto the 28th Annual General Meeting of the Company, which will be held in the year 2022. Consequently, M/s. Niranjana and Narayan, Chartered Accountants, would be completing their term of five (5) years as the Statutory Auditors of the Company at the ensuing 28th AGM.

Based on the recommendations of the Audit Committee, the Board of Directors recommend the appointment of M/s. NSVR & Associates LLP., Chartered Accountants, (ICAI Firm Registration No. 008801S/S200060) as Statutory Auditors of the Company for a term of five (5) consecutive years, to hold office from the conclusion of 28th AGM till the conclusion of 33rd AGM of the Company subject to the approval of members at the ensuing 28th Annual General meeting of the company.

The Company has received consent letter & eligibility certificate along with Peer review certificate from M/s. NSVR & Associates LLP., Chartered Accountants, (ICAI Firm Registration No. 008801S/S200060), to act as Statutory Auditors of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

None of the Directors / Key Managerial Personnel of the Company/their relatives are in any way concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 3 of the Notice.

By Order of the Board of Directors
for Sigachi Laboratories Limited

Place : Hyderabad
Date : 13.08.2022

(Lekha Sai Surapaneni)
Company Secretary
ACS:57228

SIGACHI LABORATORIES LIMITED

Annexure

Details of Directors/KMP's seeking appointment and/or re-appointment at the ensuing Annual General Meeting (as per Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard – 2 (SS-2).

Particulars	Director
Name	T.Adinarayana
Date of Birth	02/05/1953
Nationality	Indian
Age	69 years
Date of Appointment	20/03/1986
DIN	00917498
Experience	He had about 9 Years of Experience in A.P. State Financial Corp., and about 10 years experience as a Chartered Accountant and about 20 years experience in the company.
No. of equity shares held in the Company (as on 31 st March, 2022)	753530
Qualifications	B.Com., FCA., ACMA., ACS., B.L., DISA(ICA).,
Directorships of other Public Companies (excluding Foreign, Private and Section.8 Companies)	Ushakiran Finance Ltd.,
Membership/Chairmanship of Committees of other Public Companies	Member of Stakeholder relationship committee in Ushakiran Finance Ltd.,
Relationships, if any, between Directors inter-se	Father of Mr.T. R. Sekhar, Executive Director of the company.
Remuneration Sought to be paid per annum	-
Remuneration last drawn per annum	-
Terms and conditions of appointment/reappointment	Liabile to retire by rotation
Number of board meetings attended during the year	5

DIRECTORS' REPORT

**To
The Members,**

Your Directors have pleasure in presenting the Twenty Eighth Annual Report on the business of your company, together with the Audited Financial Statements of the Company for the year ended 31st March, 2022 along with Auditors' Report thereon.

FINANCIAL HIGHLIGHTS

(Rupees in Lakhs)

Particulars	2021-2022	2020-2021
Sales/Income from operations	303.78	385.70
Profit before Depreciation and Amortization and Tax	254.21	330.22
Depreciation and Amortization	16.82	16.58
Profit before Tax	237.39	313.65
Provision for Taxation:		
Current Tax	39.66	39.88
Deferred Tax	(1.91)	(1.64)
Profit after Tax	199.64	275.41

2. OPERATING RESULTS

Your company has generated total Gross Income of Rs.303.78 Lakhs during the financial year 2021-2022 as against Rs.385.70 Lakhs during the financial year 2020-2021 and has earned net profit of Rs. 199.64 Lakhs as against Rs.275.41 Lakhs respectively as per IND AS. The Company has leased its two factories with effect from 01-11-2017 with due approvals. The Company has provided Demand Loans/(ICDs) to various parties the company is regularly receiving the interest and there are no overdue loans/(ICDs).

3. 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 2021-2022.

4. TRANSFER TO RESERVE

The Company did not transfer any amount to the General Reserve for the Financial Year ended 31st March, 2022.

5. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

6. CHANGES IN THE SHARE CAPITAL

The paid up share capital of the company as on 31st March, 2022 is Rs.6,75,31,000/- consisting of 67,53,100 Equity Shares of Rs.10/- each. During the year under review, the company has not issued any fresh shares.

7. DIRECTORS

During the year under review, Sri. T. Adinarayana is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment and the Board Recommends his appointment.

All the Independent Directors of your Company have given declarations under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the Rules made there under and also as per applicable regulations of the SEBI (LODR) Regulations, 2015. Further, they have also confirmed that they are not aware of any circumstances or situations, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge the duties with an independent judgement and without any external influence.

None of the Directors are disqualified from being appointed or holding office as Directors, as stipulated under Section 164 of the Companies Act, 2013.

8. BOARD MEETINGS

During the financial year 2021-2022, Six Board Meetings were properly convened and held on 11th June, 2021, 30th June, 2021, 31st July, 2021, 2nd November, 2021, 25th January, 2022 and 30th March, 2022.

9. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and all other committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of your Company and its minority shareholders etc., The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Independent Director being evaluated.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of your Company was evaluated, taking into account the views of the Executive Director & Non-Executive Directors. The Nomination and Remuneration Committee reviewed

the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.,

10. KEY MANAGERIAL PERSONNEL

The Board designated Sri. T.R. Sekhar, Whole Time Director in the designation and capacity of Executive Director, Sri. B. Kumar, Chief Financial Officer and Miss. Lekha Sai Surapaneni, Company Secretary and Compliance Officer, as Key Managerial personnel of the Company under the provisions of the Companies Act, 2013. During the year under review, there are no changes in the Key Managerial personnel of the Company.

11. NAMES OF THE COMPANIES WHICH HAVE BECOME/CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

The Company did not have any subsidiaries, associates or joint ventures during the year.

12. FIXED DEPOSITS

The Company has not accepted any Fixed Deposits and as such no principal or interest was outstanding as on the date of the balance sheet.

13. SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the regulators or courts which would impact going concern status and its operations in future.

14. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business and size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting, timely feedback, compliance with policies, procedures, applicable laws and regulations. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Audit committee actively reviews the adequacy and effectiveness of the Internal Financial control and suggests the improvements for the same.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134 (3) (c) and read with Section 134 (5) of the Companies Act, 2013, in respect of Directors' responsibility statement, Your Directors state that:

- (i) In the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) Appropriate accounting policies had been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2022 and of the Profit and Loss of the Company for that period;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on a going concern basis;
- (v) Internal financial controls have been laid down to be followed by the company and that such internal financial controls are adequate and were operating effectively, and
- (vi) That proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. AUDITORS

M/s. Niranjan and Narayan, Chartered Accountants, Hyderabad were appointed as statutory auditors of the Company for a period of 5 years at the 23rd Annual General Meeting held on 29th September, 2017 and their tenure comes to end at the ensuing 28th Annual General Meeting.

The Board of Directors of the Company at its meeting held on 13th August, 2022 based on the recommendation of the Audit Committee and subject to approval of the shareholders at the ensuing AGM, recommends to appoint M/s. NSVR & Associates LLP., Chartered Accountants, (ICAI Firm Registration No. 008801S/S200060) as Statutory Auditors of the Company for a term of five (5) consecutive years, to hold office from the conclusion of 28th AGM till the conclusion of 33rd AGM of the Company.

The Auditors have issued their report on the financial statements for the financial year ended March 31, 2022, with an unmodified opinion and do not contain any qualification or adverse remarks or disclaimer that may call for any explanation from the Board of Directors.

The Statutory Auditors were present in the last AGM held on 24th September, 2021.

17. AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s. Niranjan & Narayan, Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31st March, 2022.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company under sub-section (12) of section 143 of the Companies Act, 2013, during the year under review.

18. SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. P.S. Rao & Associates, a firm of Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit report for the financial year 2021-2022 is annexed as Annexure - I to this Report.

19. SECRETARIAL AUDIT REPORT

There are no qualifications, reservations or adverse remarks made by M/s. P.S. Rao & Associates, Practicing Company Secretaries in their report for the financial year ended 31st March, 2022.

20. INTERNAL AUDITORS

The Board on the recommendations of the Audit Committee has appointed M/s. Suresh and Babu, Chartered Accountants as internal auditors of the Company. The Internal Auditors are submitting the reports on quarterly basis.

21. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The following is the composition of Audit Committee as at 31st March, 2022:

1. Sri. T. Govardhana Rao, Chairman
2. Smt. Shilpa Bung
3. Sri. T. Adinarayana
4. Sri. G. Mohan Rao

All the recommendations made by the Audit Committee of the Company have been considered and accepted by the Board of Directors of the Company.

22. NOMINATION AND REMUNERATION COMMITTEE

During the year, the board has reconstituted the composition of the Nomination and Remuneration committee of the company.

The following is the composition of Nomination and Remuneration Committee as at 31st March, 2022:

1. Sri. T. Govardhana Rao, Chairman
2. Smt. Shilpa Bung
3. Sri. P.L.V. Subba Rao
4. Ms. Sridevi Madati

The Nomination and Remuneration Committee has been constituted to recommend a policy of the company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of director and other matters and to frame proper systems for identification, appointment of Directors and KMPs, payment of remuneration to them and evaluation of their performance and to recommend the same to the board from time to time and any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time. The policy is also posted on the company's website www.sillab.com.

23. STAKE HOLDERS RELATIONSHIP COMMITTEE

The following is the composition of Stake Holders Relationship Committee as at 31st March, 2022:

1. Sri. T. Govardhana Rao, Chairman
2. Smt. Shilpa Bung
3. Sri. T. Adinarayana

The Committee focuses on shareholders' grievances and strengthening of investor relations. The committee looks after the services of the Registrars and Share Transfer Agents and recommends measures for providing efficient services to investors. The Committee specifically looks into investor complaints like transfer/transmission/transposition of shares and other related issues. There were no complaints pending for redressal as at 31st March, 2022.

24. CORPORATE SOCIAL RESPONSIBILITY

The Company was not required to constitute Corporate Social Responsibility (CSR) Committee as the company has not met any of the thresholds mentioned in section 135 of the Companies Act, 2013 during the financial year under review. Hence reporting about the policy on Corporate Social Responsibility and initiatives taken are not applicable to the company.

25. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the company have met separately on 30th March, 2022 inter-alia, reviewed the performance of the Chairman, Executive Director,

Non Independent Directors. The Independent Directors in the said meeting also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board to effectively and reasonably perform its duties.

26. RISK MANAGEMENT POLICY

The Company has developed and is implementing a risk management policy which includes the identification therein of elements of risk, which in the opinion of the board may threaten the existence of the Company.

27. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES OF THE COMPANY

Pursuant to the applicable provisions of the Companies Act, 2013 and applicable Regulations of SEBI (LODR) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

The Company has a Whistle Blower Policy to deal with the instances of fraud and mismanagement, if any, in the Company. The Vigil Mechanism/Whistle Blower policy may be accessed on the Company's website at www.slllab.com.

28. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under. The policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

29. EXTRACT OF ANNUAL RETURN

As required pursuant to Section 92(3) read with 134 (3)(a) of the Companies Act, 2013, the Annual Return of the Company as on 31st March, 2022 is available on the Website of the Company at www.slllab.com.

30. RELATED PARTY TRANSACTIONS

As a matter of policy, your company carries out transactions with related parties on an arms-length basis. Disclosures as required under form AOC-2 are annexed as Annexure – II and also contained in Notes to Financial Statements. There are no materially significant related party transactions made by the company with promoters, directors, key managerial personnel which may have a potential conflict with the interests of the company at large, except payment of remuneration to Key Managerial Personnel and sitting fee to the non executive directors. The policy on the related party transactions is also posted at the Company's website www.slllab.com.

31. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

32. LISTING OF EQUITY SHARES

Your company shares are listed with the Metropolitan Stock Exchange of India Limited. The listing fee has been paid for the financial year 2022-2023.

33. INSIDER TRADING REGULATIONS

The Company has adopted a 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Code is applicable to all Directors and such Designated Employees and other connected persons who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSII)' in compliance with the PIT Regulations. This Code is displayed on the Company's website viz., www.slilab.com.

34. DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

The Company has adopted a Code of Business Conduct and Ethics (the Code) which applies to all the employees and Directors of the Company. Under the Code, it is the responsibility of all the employees and directors to familiarize themselves with the code and comply with its standards and that the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year 2021-2022. A Declaration in this regard is annexed as Annexure - III.

35. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report, pursuant to Regulation 34 (2) of SEBI (LODR) Regulations, 2015 a Report on Management Discussion and Analysis is annexed as Annexure - IV.

36. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as Annexure - V to this report.

37. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company is annexed as Annexure - VI.

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of Rs.102 Lakhs or more, or employees who are employed for a part of the year and in receipt of Rs.8.5 Lakhs or more per month.

38. CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance is annexed as Annexure - VII.

39. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the company which occurred during and between the end of the financial year to which the financial statements relate and the date of this report.

40. IMPACT OF COVID-19 PANDEMIC

The Covid-19 infection rates have drastically come down, but the pandemic has not been eradicated officially. Hence, the possibility of disruption of economic activity due to further waves of infections cannot be ruled out. The Company believes that it has taken into account all the possible impact of known events arising out of Covid-19 pandemic in the preparation of financial results resulting out of fair valuation of the investments. The impact of the epidemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes and future economic conditions.

41. MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

42. SECRETARIAL STANDARDS

Your Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

43. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

No application was made or any proceedings pending under the IBC, 2016 during the year ended on 31st March, 2022.

44. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Not Applicable

45. ACKNOWLEDGEMENT AND APPRECIATION

Your Directors gratefully acknowledge the continued assistance and co-operation extended by various Government Authorities, SEBI, Stock Exchange, other regulatory authorities and bankers. 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 : 13.08.2022

(T. Adinarayana)
Chairman
DIN:00917498

Annexure - I

P.S. RAO & ASSOCIATES
Company Secretaries

Flat No.10, 4th Floor,
6-3-347/22/2,
Ishwarya Nilayam,
Opp: Sai Baba Temple,
Dwarakapuri Colony,
Panjagutta, Hyderabad-500082.

SECRETARIAL AUDIT REPORT

For the Financial Year ended on March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

Sigachi Laboratories Limited

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sigachi Laboratories Limited**, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment **(Not applicable to the company during the audit period)**.

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the audit period)**.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period)**.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2018 **(Not applicable to the Company during the audit period)**.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period)**.
 - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi. Other specifically applicable laws to the Company:
- * Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1945 made there under.
 - * The Narcotics, Drugs & Psychotropic Substances Act, 1985
 - * The Water (Prevention and Control of Pollution) Act, 1974.
 - * Air (Prevention and Control of Pollution) Act, 1981.
 - * Petroleum Rules, 2002.
 - * The Micro, Small and Medium Enterprises Development Act, 2006.
 - * Essential Commodities Act, 1955.

We have also examined compliance with the applicable clauses Secretarial Standards issued by the institute of Company Secretaries of India.

SIGACHI LABORATORIES LIMITED

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

We further report that:

- * The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- * Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- * All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that

- * There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- * There were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs except mentioned above.

For **P. S. Rao & Associates**
Company Secretaries

MB Suneel

Company Secretary

C.P.No:14449

PR No. 710/2020

UDIN:A031197D000437295

Date : 30.05.2022

Place : Hyderabad

Note: This report is to be read with our letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.

Annexure A'

To
The Members
Sigachi Laboratories Limited
S.No.530 & 534, Bonthapally – 502 313,
Gummadidala Mandal, (formerly Jinnaram Mandal),
Sangareddy District, (formerly Medak District),
Telangana

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **P. S. Rao & Associates**
Company Secretaries

Date : 30.05.2022
Place : Hyderabad

MB Suneel
Company Secretary
C.P.No:14449

SIGACHI LABORATORIES LIMITED

Annexure – II

FORM NO. AOC – 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of Contracts/Arrangements entered into by the Company with the related parties referred to in sec.188 of the Companies Act, 2013.

- 1 Details of contracts or arrangements or transactions not at arm's length basis: Nil
- 2 Details of material contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ Transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Dates of approval by the Board, if any	Amount in Rs.
T. R. Sekhar, Executive Director	Remuneration & Perquisites	3 years w.e.f. 11-6-2021	N.A.	11-06-2021	15,79,175
Lekha Sai Surapaneni, Company Secretary	Remuneration & Perquisites	Regular Employee	N.A.	11-03-2020	3,00,000
B. Kumar, Chief Financial Officer	Remuneration & Perquisites	Regular Employee	N.A.	02-11-2021	3,12,457

Thus other than payment of remuneration to the Key Managerial Personnel amounting to **Rs.21,91,632/-** (Rs.17,98,215/-) and sitting fee to non executive directors there are no other contracts or arrangements with the related parties.

Annexure - III

DECLARATION OF CODE OF CONDUCT

The Company has adopted a Code of Business Conduct and Ethics (the Code) which applies to all the employees and Directors of the Company. Under the Code, it is the responsibility of all the employees and directors to familiarize themselves with the code and comply with its standards.

I hereby confirm that the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year 2021-2022.

For Sigachi Laboratories Limited

Place: Hyderabad
Date : 13.08.2022

(T. R. Sekhar)
Executive Director
DIN: 02943146

ANNEXURE - IV

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The global medicine market is expected to grow at 3–6% CAGR through 2026, including spending on COVID-19 vaccines. Developed countries will continue to hold the highest market share but the usual growth leaders are Pharmerging countries, due to their increased access to medicines and healthcare. India is highest contributing market for export, first being North America, followed by African Countries & third comes Europe. The Indian active ingredients industry has progressed from being perceived as an industry manufacturing simple molecules to becoming the preferred destination for high value and complex APIs. The Indian Pharma industry right from APIs to finished dosage formulation are well poised to grow.

OPPORTUNITIES AND THREATS:

Opportunities:

Both the domestic and the global pharmaceutical markets present good opportunities for the Indian industry including immense potential of outsourcing contracted business. The Asia Pacific market is estimated to grow at the highest compound annual growth rate (CAGR) during the forecast period, primarily due to the presence of a large patient population (especially in China and India), increasing investments in R&D, and growth in the outsourcing of drug discovery services to Asian CROs. Regions such as India and China still remain popular locations for pharmaceutical outsourcing, offering capable services at a lower cost. The financial year 2021-22 witnessed the impact of the third wave caused by the Omicron variant followed by geopolitical conflicts between Russia and Ukraine. In 2022 rising international commodity prices remain the biggest risk emanating from the conflict, as Russia and Ukraine are global suppliers of key commodities. Policy initiatives undertaken by the government and the Reserve Bank of India, including an aggressive policy on interest rates, loan moratorium and measures to boost liquidity among other initiatives help set the pace. Therefore, there is a prospect for Pharma Businesses to grow.

Threats:

Potential fresh outbreaks of the pandemic across the world and subsequent disruption in economic activities may impact economic growth across countries and could indirectly impact pharmaceutical consumption. The current geopolitical issues give rise to uncertainties related to supply chains, inflation and overall economic growth. Given the additional spending on battling the pandemic, governments across the world may try to control pricing of certain products, which may lead to government mandated price controls on pharmaceutical products.

Segment-wise or product-wise performance:

The company has furnished segment wise performance in the notes to the financial statements for the year ended 31st March, 2022.

Outlook:

The Company has leased out its two factories from 1-11-2017. Thus the company is dependent on lease rentals from only one entity.

Risks and concerns:

During the last two years, nations and economies across the world suffered unprecedented losses and challenges due to the Covid-19 pandemic putting huge pressure on healthcare infrastructure. People have endured two years of missed opportunities, education, connections with family and loved ones. As the pandemic mutated with several transmissible variants through waves, Governments, hospitals and pharma industry braced up and put humongous efforts to contain the spread, approve emergency use for multiple treatment regimens and vaccination of people. We have gone through a severe 2nd wave and the delta/omicron variant dominated 3rd wave this financial year. Currently with geopolitical tensions and lockdown in China due to Covid-19 has posed challenges across businesses. With supply chain and operational hurdles, there is inflation on rise.

Internal Control Systems and Adequacy:

A strong internal control framework is among the important pillars of corporate governance and the Company strives to enhance it consistently. It helps to ensure accuracy, completeness and reliability in financial statements. Your company has in place adequate internal financial control system. The Company's internal control systems, including internal financial controls, are commensurate with the nature of its business and the size and complexity of its operations and same are adequate and operating effectively. The Audit Committee reviews adequacy and effectiveness of the Company's internal control system including internal financial control. The Company has put in place enhanced risk-based supervision systems and ensures continuous monitoring. Your company has taken proper care for the maintenance of adequate accounting records as required by various statutes.

Financial Performance:

The Company has generated total Gross Income of Rs.303.78 Lakhs during the financial year 2021-2022 as against Rs.385.70 Lakhs during the financial year 2020-2021 and has earned net profit of Rs.199.64 Lakhs as against Rs.275.41 Lakhs respectively as per Ind AS.

Human Resources:

We consider employees as an integral part of our operations and we put in place appropriate feedback process and upgradation of skills in their functional areas. Employee relations are affable and harmonious with safe and healthy working environment and all-round contribution and participation in the growth. The current activities of the company may not require significant human resource, however to the extent possible requisite personnel have been engaged to take care of organization need of human resources. Accordingly, your company attributes importance to human resource development activities.

SIGACHI LABORATORIES LIMITED

Details of Key Financial Ratios: (Rs. in Lakhs)

Sl. No.	Particulars	As at 31.3.2022	As at 31.3.2021	% Change
1	Debtors Turnover(Lease rents/Debtors)	7.71	-	(100)
2	Inventory Turnover	NA	NA	NA
3	Interest Coverage Ratio	NA	NA	NA
4	Current Ratio(Current Assets/Current Liabilities)	53.56	30.80	73.90
5	Debt Equity Ratio	NA	NA	NA
6	Operating Profit Margin (%)(PBIT/Total Revenue)	78.15	81.32	(3.90)
7	Net Profit Margin (%)(Net Profit/Total Revenue)	65.72	71.41	(7.97)
8	Return on Net Worth (%)(Net Profit/Net Worth)	6.71	10.29	(34.79)

The 100% change in debtors ratio indicates total recovery of debtors during the year 2020-2021 itself and whereas in the current year 2021-2022 debtors amount has been recovered within the due dates, but after the closure of the financial year.

The change in Current Ratio of 73.90% indicate improvement in the current assets and decrease current liabilities.

The decrease of 34.79% in Net worth is mainly due to change in Fair Value Gains.

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 may differ from those expressed or implied. 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.

Annexure – V

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

Information as per Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the financial year ended 31st March, 2022:

A) CONSERVATION OF ENERGY:

- i) Steps taken or impact on 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.
- ii) Steps taken by the Company for utilizing alternate sources of energy:
Your company is having multi fuel Boiler at one of its factories and is capable of utilizing alternative sources of energy.
- iii) Capital invested on energy conservation equipment: NIL

B) TECHNOLOGY ABSORPTION:

There is no new technology absorption during the year.

	2021-2022	2020-2021
Expenditure incurred on Research and Development:	Nil	Nil

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2021-2022	2020-2021
i) Foreign Exchange earnings :	Nil	Nil
ii) Foreign Exchange out go :	Nil	Nil

SIGACHI LABORATORIES LIMITED

Annexure - VI

Disclosure as per Section 197 of The Companies Act, 2013 and Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Age (years)	Qualifications	Designation	Date of Commencement of employment	Experience (years)	Gross Remuneration(CTC) (Rs.)	Previous Employment	Previous Designation
T.R. Sekhar	39	B.E., MS (USA),	Executive Director	11-6-2021	11	15,79,175/-	Krishnasai Granites (India) Private Limited	Business Development Manager
B. Kumar	41	B. Com.,	CFO	01-10-2014	14	3,12,457/-	Kids Fun Pvt Ltd.,	Accountant
Lekha Sai Surapaneni	28	B.Com., ACS.,	Company Secretary and Compliance Officer	11-03-2020	3	3,00,000/-	NA	NA

i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name of Director	Ratio
T.R. Sekhar	8.20
Sridevi Madati	0.06
T. Govardhana Rao	0.06
P.L.V. Subba Rao	0.06
G. Mohan Rao	0.06
Shilpa Bung	0.06

ii) The percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of Director/KMP	Designation	% of increase
T.R. Sekhar	Executive Director	29.33%
T. Govardhana Rao	Non Executive & Independent Director	NIL
Sridevi Madati	Non Executive & Independent Director	NIL
G. Mohan Rao	Non Executive & Independent Director	NIL
Shilpa Bung	Non Executive & Independent Director	NIL
P.L.V. Subba Rao	Non Executive & Non Independent Director	NIL
Lekha Sai Surapaneni	Company Secretary	NIL
B. Kumar	Chief Financial Officer	12.74%

Sri. T.R. Sekhar had been reappointed by the members of the company at the 27th AGM held on 24.9.2021.

iii) There is an increase of 4.05% (excluding Executive Director) in the median remuneration of the employees in the financial year 2021-2022.

iv) The number of permanent employees on the rolls of the company are 8 as on 31st March, 2022.

v) Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase in salaries of employees, other than managerial personnel during the Financial Year 2021-2022 is around 22.44% and there is an increase of 21.88% in the managerial remuneration (KMPs) for the said Financial Year. The increase in the remuneration of employees other than managerial personnel was due to annual increments of the employees and prevailing market trend and taking into account the absolute salaries paid, the increase in the remuneration is reasonable. The remuneration of managerial personnel is as per the provisions of the Companies Act, 2013 and the increase in the remuneration of managerial personnel was due to annual increments and revised salaries of the managerial personnel and taking into account the absolute salaries paid, the increase in remuneration of KMPs is reasonable.

vi) Affirmation that the remuneration is as per the remuneration policy of the company:
Yes - the remuneration is as per the Remuneration Policy of the Company.

A) Top 10 Employees in terms of remuneration:

Name	Age (years)	Qualifications and experience of employee	Designation	Date of commencement of employment	Nature of employment	Remuneration (Rs. in Lakhs) Per Annum	Previous Employment	Relative of Director, if any	% of Shareholding
T. R. Sekhar	39	B.E., MS (USA). & 11 years	Executive Director	11-6-2018	Regular Employee	15.79	Krishna Sai Granites (India) Private Ltd.,	Son of Sri. T. Adinarayana, Director	0.41
Ch. V. Uma maheswara Rao	65	ITI & 38 years	Maintenance Manager	1-6-2020	Regular Employee	5.46	Sigachi Laboratories Ltd.,	—	—
Lekha Sai Surapaneni	28	B. Com., ACS., & 2 years	Company Secretary & Compliance officer	11-3-2020	Regular Employee	3.00	NA	—	—
B. Kumar	41	B. Com., & 14 years,	Chief Financial Officer	1-10-2014	Regular Employee	3.12	Kids fun Pvt Ltd.,	—	100 shares
K. Narayana Rao	24	SSC & 2 year	Driver	4-12-2019	Regular Employee	1.93	NA	—	—
T. Soundarya	27	B. Com., & 2 year	Office Assistant	2-3-2020	Regular Employee	1.11	NA	—	—
Y. Naresh	34	— & 2 year	Office Attender	1-08-2020	Regular Employee	1.12	NA	—	—
K. Rashmitha	27	B. Com., & 2	Office Assistant	1-08-2020	Regular Employee	1.20	Ushakiran Finance Ltd.	—	—

There is no employee who is drawing annual salary of Rs.102 lakhs and more and monthly salary of Rs.8.5 lakhs and more.

Annexure – VII

REPORT ON CORPORATE GOVERNANCE**COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Sigachi Laboratories Limited's ("the Company") Corporate Governance philosophy stems from the belief that Corporate Governance is a key element in improving efficiency and growth as well as enhancing investor confidence. Company also believes that Corporate Governance goes beyond regulatory requirement, and has laid strong emphasis on transparency, accountability, responsibility, fairness, integrity, consistent value systems and delegation across all of its operations.

Corporate Governance is based on the Principles of equity, fairness, integrity, transparency, accountability and commitment to values. The Company adopts a business process which is aimed at enhancing an organization's wealth while being committed to high ethical values and conduct.

GOVERNANCE STRUCTURE

The Corporate Governance structure of the Company is as follows:

BOARD OF DIRECTORS

The composition of Board of directors of the company is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As at March 31, 2022, the Company's Board of Directors consists of Seven directors, out of which Four are Independent Directors. The directors of the Company do not serve as Independent Director in more than seven Listed Companies or in case he/she is serving as a whole-time director in any listed Company, does not hold such position in more than three listed Companies, in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

COMPOSITION AND CATEGORY OF DIRECTORS

Name of Director	Category	Designation	No. of shares held in the Company (%)	Names of the Listed companies holding directorship & category of such directorship held
T. Adinarayana	Promoter-Non Executive	Non Executive Director	7,53,530 (11.16%)	Ushakiran Finance Limited (Non Executive Director)
T. R. Sekhar	Promoter-Executive	Executive Director	27,500 (0.41%)	Ushakiran Finance Limited (Non Executive Director)
P.L.V. Subba Rao	Non Executive	Non Executive Director	NIL	NIL
T.Govardhana Rao	Non Executive	Independent Director	NIL	NIL
G. Mohan Rao	Non Executive	Independent Director	NIL	NIL
Shilpa Bung	Non Executive	Independent Director	NIL	NIL
Sridevi Madati	Non Executive	Independent Director	NIL	Danlaw Technologies India Limited (Non Executive Director) TGV SRAAC LIMITED (Independent Director)

In terms of Regulation 25(8) of SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Details of Directors proposed for Re-Appointment at the Annual General Meeting

Sri. T. Adinarayana shall retire by rotation and being eligible, offers himself for re-appointment.

Selection criteria of Board Members

The Nomination and Remuneration Committee in accordance with the Company's Policy for determining the qualifications, positive attributes and independence of director and the requirements of the skill-sets on the Board considers persons having an independent standing in their respective field and who can effectively contribute to the Company's business, for appointment of new Directors on the Board. The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual member.

Core Skill/ Expertise/Competencies, identified by the Board of Directors

The Company requires skills, expertise and competencies in the areas of strategy, finance, accounting, legal and regulatory matters, the environment, sustainability and operations of the Company's businesses to efficiently carry on its core businesses.

The Board comprises of qualified members who bring in the required skills, expertise and competence as mentioned above which allow them to make effective contributions to the Board and its committees. The members of the Board are committed to ensure that the Company is in compliance with the standards of corporate governance.

List of skills/competencies required in Relation to business operations	Names of Directors having such skills/competencies
Finance, Law, Management, Administration	Sri. T. Adinarayana, Sri. G. Mohan Rao, Ms. Sridevi Madati
Technical knowledge on operations	Sri. T. Raja Sekhar
Corporate Governance, Strategic Management	Smt. Shilpa Bung, Sri. T. Govardhana Rao, Sri. P.L.V. Subba Rao, Ms. Sridevi Madati

The current composition of your Company's Board includes directors with industry experience and has the requisite skills and experience mentioned above.

Relationship among Directors

Sri. T. Adinarayana, Director is the father of Sri. T.R. Sekhar, Executive Director and are related to each other. Further, none of the other directors are related to each other.

Details of attendance of Directors at the AGM, Board Meetings with particulars of their Directorship and Chairmanship /Membership of Board /Committees in other Public/Listed Companies are as under

Name	Attendance in the Board meetings		Attendance at AGM held on 24 th September 2021	Other		
	Held	Present		Directorships	Committee	
					Membership	Chairman
T. Adinarayana	6	5	Yes	1	1	0
T. Raja Sekhar	6	6	Yes	1	2	0
T. Govardhana Rao	6	6	Yes	0	0	0
P.L.V. Subba Rao	6	6	Yes	0	0	0
G. Mohan Rao	6	5	Yes	0	0	0
Shilpa Bung	6	6	Yes	0	0	0
Sridevi Madati (Appointed w.e.f. 24-9-2021)	3	3	No	2	5	0

The Directorships held by Directors in other Companies, as mentioned above do not include Directorships in Foreign Companies, Companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the companies in which they are directors.

None of the Independent Directors are Promoters or related to Promoters. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

In the opinion of the Board, all the Independent directors fulfill the conditions specified in the Companies Act, 2013, including amendments there under and SEBI Listing Regulations, 2015, as amended from time to time, and are independent of the management.

DATES OF BOARD MEETINGS

The Board met 6 times in the financial year 2021-22 on the following dates:

Date	Board Strength	No. of Directors Present
11.06.2021	6	6
30.06.2021	6	5
31.07.2021	6	6
02.11.2021	7	7
25.01.2022	7	6
30.03.2022	7	7

COMMITTEES OF THE BOARD

Currently, there are 3 Board Committees – The Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board, Committee are convened by the Chairman of the respective Committees. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

Audit Committee

The Company has a Audit Committee comprising of three Independent Directors and one Non- Executive Director, constituted in accordance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee is empowered with the powers as prescribed under the said Regulation 18 and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions if any, as given by the Board from time to time.

Details on composition of the Audit Committee and the attendance by each Member of the Audit Committee are as under

Name of the Member	Category	No. of Meetings held during the Year	No. of meetings Attended
T. Govardhana Rao	Independent Director	4	4
G. Mohan Rao	Independent Director	4	3
Shilpa Bung	Independent Director	4	4
T. Adinarayana	Promoter- Non Executive	4	3

All the members of the Audit Committee are financially literate and have expertise in accounting/financial management. The Company Secretary of the Company acts as the Secretary of the said Committee.

Terms of Reference

The terms of reference of the Audit Committee is as per the guidelines set out in the Regulation 18 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee is mainly responsible for:

1. Monitoring of the Company's financial reporting process, disclosure of its financial information and to ensure the correctness & credibility of the financial statements;
2. Recommending the appointment, remuneration and terms of appointment of statutory, internal auditors of the Company;
3. Reviewing with the Management, the quarterly and annual financial statements/results and auditor's report thereon before submission to the board for its approval;
4. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
5. Reviewing and providing its recommendations to the board w.r.t., transactions of the Company with related parties;

6. Evaluation of internal financial controls and risk management systems;
7. Reviewing with the Management, performance of statutory and internal auditors and the adequacy of the internal control systems;
8. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
9. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern; and,
10. Reviewing the functioning of the Whistle Blower mechanism.

Meetings of Audit Committee

The Audit Committee met four times during the year 2021-2022. The said committee met at the following dates.

Date	Committee Strength	No. of Directors Present
30.06.2021	4	3
31.07.2021	4	4
02.11.2021	4	4
25.01.2022	4	3

Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of Three Independent Directors and one Non-Executive Director. Ms. Sridevi Madati, Independent Director has been appointed as Member of Nomination and Remuneration Committee and after her appointment she has attended the Nomination and Remuneration Committee meeting held on 30-3-2022.

Details on composition of the Nomination and Remuneration Committee and the attendance by each Member of the Committee are as under

Name of the Director	Category	No. of Meetings held during the Year	No. of meetings Attended
T. Govardhana Rao	Independent Director	4	4
P.L.V. Subba Rao	Non Executive Director	4	4
Shilpa Bung	Independent Director	4	4
Sridevi Madati (appointed at the 27 th AGM held on 24-9-2021)	Independent Director	4	1

Meetings of Nomination and Remuneration Committee

The members of the Committee met four times during the previous year. The said committee met at the following dates.

Date	Committee Strength	No. of Directors Present
11.06.2021	3	3
31.07.2021	3	3
02.11.2021	3	3
30.03.2022	4	4

The main object of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of Senior Management. The Nominations and Remuneration Committee has reviewed and evaluated the performance evaluation criteria for Board and Directors. The Committee reviews the remuneration package payable to Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time.

Terms of reference

The terms of reference of the Nomination and Remuneration Committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
6. To decide on the elements of remuneration package of all the Key Managerial Personnel i.e., salary, benefits etc.,
7. Recommendation of fee/compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
8. Payment / revision of remuneration payable to Managerial Personnel.
9. While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
10. The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
11. Any other functions /powers /duties as may be entrusted by the Board from time to time.

The Company has adopted a policy relating to the remuneration for Directors, Key Managerial Personnel and senior management of the Company which is disclosed on the website of the Company www.sllab.com.

REMUNERATION OF DIRECTORS

The details of remuneration to the Directors for the financial year ended March 31, 2022.

(Rs. in Lakhs)

Name of Director	Salary	Perquisites and other benefits	Commission	Sitting fee	Total
T. Rajasekhar, Whole Time Director in the designation and capacity of Executive Director	15.39	0.40	-	-	15.79

All pecuniary relationship or transactions of the Non-Executive Directors

The Company has not entered into any pecuniary transactions with the Non-Executive Directors. During the year, the Company has paid sitting fee to the Non-Executive Directors and the same has been disclosed under notes to financial statements.

Non-Executive Directors' compensation and disclosures

All fees/compensation paid to the Non-Executive Directors (including Independent Directors) are recommended by the Nomination and Remuneration Committee.

Shareholding of Non-Executive Directors

Particulars	No. of Shares
T. Govardhana Rao	NIL
P.L.V. Subba Rao	NIL
G. Mohan Rao	NIL
Shilpa Bung	NIL
Sridevi Madati	NIL

Stakeholders Relationship Committee

The Committee met three times during the year 2021-2022. The said committee met at the following dates.

Date	Committee Strength	No. of Directors Present
30.06.2021	3	2
31.07.2021	3	3
25.01.2022	3	3

The Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of two Independent Directors and one Non-Executive Director.

The composition of the Stakeholders Relationship Committee and the attendance of each Member of the said Committee are as under:

SIGACHI LABORATORIES LIMITED

Name of the Director	Category	No. of Meetings held during the Year	No. of meetings Attended
T. Govardhana Rao	Independent Director	3	3
Shilpa Bung	Independent Director	3	3
T. Adinarayana	Non Executive Director	3	2

The Committee reviews the security transfers/transmissions, process of dematerialization and the Investor's grievances and the systems dealing with these issues. Ms. Lekha Sai Surapaneni, Company Secretary is appointed as the Compliance Officer of the Company. All investor complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement. During the year under review, Company has received 2 complaints from investors. All were replied/resolved to the satisfaction of the investors and no complaints were pending.

Terms of reference

The terms of reference of the Stakeholders Relationship Committee are as under:

1. Redressal of grievances of shareholders and other security holders.
2. Transfer and transmission of securities.
3. Dealing with complaints related to transfer of shares, non-receipt of declared dividend, non-receipt of Annual Report etc.,
4. Issuance of duplicate shares certificates.
5. Review of dematerialization of shares and related matters.
6. Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 with the Stock Exchanges and regulations/guidelines issued by the SEBI or any other regulatory authority.

The Committee reviews the complaints and the company secretary along with the Registrars and Share Transfer Agents of the Company follows the policy of attending to the complaints. There are no complaints which are pending for redressal as at 31-3-2022.

As mandated by SEBI, the Quarterly Reconciliation of Share Capital Audit, highlighting the reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-a-vis the total issued and listed capital is being carried out by a Practicing Company Secretary. This Audit confirms that the total issued and paid up capital is in agreement with the total number of shares held in physical and dematerialized form with NSDL and CDSL.

RISK MANAGEMENT

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

COMPLIANCE OFFICER

Ms. Lekha Sai Surapaneni, Company Secretary, is the Compliance Officer for complying with the requirements of the Securities Laws, Listing Agreements with the Stock Exchanges and SEBI Listing Regulations, 2015. She acts as the Secretary to all the mandatory sub-committees of the Board.

CODE OF CONDUCT

All the Directors and senior management confirmed the compliance of code of conduct. The Company has posted the Code of Conduct for Directors and Senior Management on the website www.slllab.com.

MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 30th March, 2022, inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non- Executive Directors. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting.

The details of such familiarization programs for Independent Directors are posted on the website of the Company www.slllab.com.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

SIGACHI LABORATORIES LIMITED**GENERAL BODY MEETINGS**

Details of Last 3 Annual General Meetings (AGMs) were as under:

Financial Year ended	Date, Day and Time of AGM	Venue	Special Resolutions passed at the AGM by the Shareholders
31 st March, 2021	Friday, 24 th September, 2021 at 3.00 PM	Video Conference	1. Reappointment of Sri. T.R. Sekhar (DIN:02943146) as Whole-Time Director in the capacity and designation of Executive Director of the company
31 st March, 2020	Saturday, 26 th September, 2020 at 4.00 PM	Video Conference	1. To Reappoint Sri. T. Govardhana Rao, (DIN: 07162634) as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years.
31 st March, 2019	Friday, 27 th September, 2019 at 4.00 PM	S.No: 530 & 534, Bonthapally - 502 313, Gummadidala Mandal, (formerly Jinnaram Mandal), Sangareddy District, (formerly Medak District), Telangana	1. Re-appointment of Ms. K. Suneetha (DIN:03291895) as an Independent director for a second term of 5 years.

Whether any special resolution passed last year through postal ballot – No

Details of Voting Pattern – Not applicable

Person who conducted Postal Ballot – Not applicable

Whether any special resolution is proposed to be conducted through postal ballot – No

Procedure for Postal Ballot: As per Rule 22 of Companies (Management and Administration) Rules, 2014.

DISCLOSURES

- a. The particulars of transactions between the Company and its related parties are set out at Notes to financial statements. However, these transactions are not likely to have any conflict with the Company's interest.

The Policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company www.sllab.com.

- b. There was no non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.

- c. The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.

The Policy covers malpractices and events which have taken place/suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. The Whistle Blower Policy of the Company is also posted on the website of the Company www.sllab.com.

- d. There was no non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.

- e. The Company does not have any Material Subsidiary.

- f. The Executive Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2) (a) of SEBI Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended 31st March, 2022.

- g. The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has complied with the Discretionary Requirements as specified by Regulation 27(1) of SEBI Listing Regulations which are as under:

- * Reporting of the Internal Auditor: The internal auditor of the company reports directly to the Audit Committee.

The Company is in the process of implementing the non-mandatory requirements.

- h. There are no Shares lying in Demat Suspense Account.

- i. Company's practices and procedures meet the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

- j. Total fees for all services paid/provided by the listed entity to the statutory auditor financial year 2021-2022 is set out in the Notes to the Financial Statements, forming part of the Annual Report.

- k. disclosures in relation to the Sexual Harassment of Women at Workplace

(Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year: Nil
 - b. number of complaints disposed of during the financial year: Nil
 - c. number of complaints pending as on end of the financial year: Nil
- I. The Company also complies with the following non-mandatory requirements of Regulation 27 of the SEBI Listing Regulations, 2015:
- There are no audit qualifications during the year under review.
 - The Internal auditors report to the Audit Committee every quarter.

MEANS OF COMMUNICATION

The Quarterly/Half-yearly/Annual Financial results of the Company are published in the newspapers within 48 hours from the conclusion of the Board meeting.

The Results are generally published in Business Standard, Nava Telangana and Such other News Papers from time to time within 48 Hours from the conclusion of Board Meeting.

Financial results and other information are displayed in the Investors section on the company's website www.slllab.com

GENERAL SHAREHOLDER INFORMATION

The 28th Annual General Meeting of the company will be held on Wednesday, 28th day of September, 2022 at 4.00 P.M through Video Conferencing/Other Audio Visual Means.

Financial Calendar: The Company follows April to March as its financial year.

Results for the quarter ending:

30 th June, 2022	:	On or before 14 th August, 2022.
30 th September, 2022	:	On or before 14 th November, 2022.
31 st December, 2022	:	On or before 14 th February, 2023.
31 st March, 2023	:	On or before 30 th May, 2023.

Dates of Book closure: Thursday, 22nd September, 2022 to Wednesday 28th September, 2022 (both days inclusive).

Dividend Payment Date: Not Applicable

Listing on Stock Exchanges: Metropolitan Stock Exchange of India Limited, 205(A), 2nd floor, Piramal Agastya Corporate Park, Kamani Junction, LBS Road, Kurla (West), Mumbai – 400070.

Stock Code (MSEI Ltd) :SIGACHI

ISIN : INE368H01018

The Annual Listing fees for the year 2022-2023 has been paid to the Stock Exchange.

MARKET PRICE DATA – HIGH LOW DURING EACH MONTH IN LAST FINANCIAL YEAR

As per the available information, No trades were executed at Metropolitan Stock Exchange of India Limited in the shares of the company during the period April 01, 2021 to March 31, 2022.

The securities of the Company are not suspended from trading during the financial year ended March 31, 2022.

DISTRIBUTION OF SHAREHOLDING

Sl. No.	Category	Holders		Amount	
		Number	% To Total	Rs.	% To Total
1.	1 - 5000	349	14.02	9,70,300	1.44
2.	5001 - 10000	1019	40.94	1,00,44,200	14.87
3.	10001- 20000	395	15.87	66,78,810	9.89
4.	20001- 30000	594	23.87	1,51,43,570	22.42
5.	30001- 40000	27	1.08	10,05,220	1.49
6.	40001- 50000	62	2.49	30,80,000	4.56
7.	50001- 100000	20	0.80	17,97,000	2.66
8.	100001& Above	23	0.92	2,88,11,900	42.66
	Total	2489	100	6,75,31,000	100

CATEGORIES OF SHAREHOLDERS AS ON 31st MARCH, 2022

Sl. No	Category of Shareholders	No. of Shares	Percentage (%)
1.	Promoter & Promoter Group	24,85,180	36.80
2.	Mutual Funds	-	-
3.	Alternate Investment Funds	-	-
4.	Foreign Portfolio Investors	-	-
5.	Financial Institutions & Banks	-	-
6.	Other Bodies Corporate	1,38,222	2.05
7.	Resident Individuals	26,84,248	39.75
8.	Non-Resident Individuals	14,45,450	21.40
9.	Clearing Members	-	-
10.	IEPF	-	-
	Total	67,53,100	100.00

Dematerialization of shares and liquidity

The shares of the Company are under compulsory demat trading. The Company has made necessary arrangements with NSDL and CDSL for demat facility. As on 31st March, 2022, 42.74% of the Company's Shares are dematerialized.

Dematerialization mandatory for effecting share transfers

SEBI has vide proviso to Regulation 40 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandated that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, the Company shall not process any requests for transfer of shares in physical mode. Shareholders who desire to demat their shares can get in touch with any Depository Participant having registration with SEBI to open a demat account and follow the procedure for share transfers.

Permanent Account Number (PAN)

Shareholders holding shares in the physical form are mandatorily required to furnish copy of PAN Card in the following transactions:

SIGACHI LABORATORIES LIMITED

- i) Transfer of shares – Transferee and Transferor
- ii) Transmission of shares - Legal heirs' or Nominees'
- iii) Transposition of shares - Joint holders' and
- iv) In case of decease of shareholder - Surviving joint holders'

Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion and likely impact on equity : Nil

Commodity price risk or foreign risk and hedging activities

The Company does not have commodity price risk nor does the Company engage in hedging activities.

Plant Location

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.

Address for Correspondence & Any query on Annual Report:	Lekha Sai Surapaneni, Company Secretary & Compliance Officer, Corporate office: 402, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500001, India. Email: sigachilaboratories@yahoo.co.in Phone: 040 23204230
Registrar and Share Transfer Agents:	Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad - 500 018. Tel: 040-23818476. Email: investor.relations@vccipl.com
Contact Person:	Mr. E.S.K. Prasad, Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad - 500 018. Tel: 040-23818476. Email: investor.relations@vccipl.com
Share Transfer System:	The Share transfers are affected within one month from the date of lodgment for transfer, transmission, Sub-division, consolidation, renewal etc., Such modified share certificates are delivered to the shareholders immediately.
Compliance Certificate:	Certificate from P.S.Rao & Associates, Company Secretaries, confirming compliance with the Conditions of Corporate Governance as stipulated Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the Directors' Report and forms part of this 28 th Annual Report.

Credit Ratings: NIL

Secretarial Audit

1. M/s. P.S. Rao & Associates, Practicing Company Secretaries have conducted Secretarial Audit of the Company for the year 2021-22. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, SEBI Listing Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Director's Report.

2. Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued on a half-yearly basis, by M/s. P.S. Rao & Associates, Practicing Company Secretaries, certifying due compliance of share transfer formalities by the Company.

3. M/s. Sunil Kacham & Associates, Company Secretaries, Practicing Company Secretaries carry out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd., (NSDL) and Central Depository Services (India) Ltd., (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

4. Compliance under SEBI Listing Regulations pertaining to mandatory requirements and Practicing Company Secretaries Certificate on Corporate Governance is attached herewith.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

In terms of SEBI (LODR) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Code of Conduct, as applicable to them for the year ended 31st March, 2022.

For Sigachi Laboratories Limited

Place : Hyderabad
Date : 13.08.2022

(T. Adinarayana)
Chairman
DIN: 00917498

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)
CERTIFICATION**

- a. We have reviewed the financial statements and cash flow statement for the financial year ended 31st March, 2022 and to the best of our knowledge and belief:
 - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
 - i. Significant changes in the internal control over financial reporting during the year;
 - ii. Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Sigachi Laboratories Limited

Place : Hyderabad
Date : 13.08.2022

(T.R.Sekhar)	(B.Kumar)
Executive Director	Chief Financial Officer
DIN:02943146	PAN:BBVPB6289B

SIGACHI LABORATORIES LIMITED

P.S. RAO & ASSOCIATES
Company Secretaries

Flat No.10, 4th Floor,
6-3-347/22/2, Ishwarya Nilayam,
Opp: Sai Baba Temple, Dwarakapuri Colony,
Panjagutta, Hyderabad-500082.

CERTIFICATE

(Pursuant to Schedule V(C)(10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members

Sigachi Laboratories Limited

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Sigachi Laboratories Limited having CIN: L24230TG1994PLC018786 and having registered office situated at S.No. 530 & 534, Bonthapally - 502 313, Gummadidala Mandal, (formerly Jinnaram Mandal), Sangareddy District, (formerly Medak District), Telangana, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No	Name of the Director	Designation	DIN
1	Mr. Adinarayana Tunuguntla	Chairman & Director	00917498
2	Mr. Rajasekhar Tunuguntla	Whole-Time Director	02943146
3	Mr. Tadepalli Govardhana Rao	Non-Executive Director (Independent Director)	07162634
4	Mr. Lakshmana Venkata Subba Rao Patchipulusu	Non-Executive Director	07268648
5	Mrs. Shilpa Bung	Non-Executive Director (Independent Director)	08257931
6	Mr. Mohan Rao Gurram	Non-Executive Director (Independent Director)	08535558
7	Ms. Sridevi Madati	Non-Executive Director (Independent Director)	02446610

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P S Rao & Associates
Company Secretaries

MB Suneel
Company Secretary
C.P.No. 14449

Place : Hyderabad
Date : 30.05.2022

PR No. 710/2020
UDIN:A031197D000781782

SIGACHI LABORATORIES LIMITED

P.S. RAO & ASSOCIATES
Company Secretaries

Flat No.10, 4th Floor,
6-3-347/22/2,
IshwaryaNilayam,
Opp: Sai Baba Temple,
Dwarakapuri Colony,
Panjagutta, Hyderabad-500082.

CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Schedule V(E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Sigachi Laboratories Limited
S.No. 530 & 534, Bonthapally - 502 313,
Gummadidala Mandal,
(formerly Jinnaram Mandal),
Sangareddy District,
(formerly Medak District), Telangana.

We have examined the compliance of conditions of Corporate Governance by M/s. Sigachi Laboratories Limited ('the Company') for the year ended 31st March, 2022 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations. The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the 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 Regulations.

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 P S Rao & Associates
Company Secretaries

MB Suneel
Company Secretary
C.P.No. 14449
PR No. 710/2020
UDIN:A031197D000781751

Place : Hyderabad
Date : 30.05.2022

SIGACHI LABORATORIES LIMITED

NIRANJAN & NARAYAN,
CHARTERED ACCOUNTANTS

First Floor, H.No.7-1-28/1/A/21,
Shyamkaran Road,
Ameerpet, Hyderabad - 500 016.

Independent Auditors' Report

To
The Members of
Sigachi Laboratories Limited,

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sigachi Laboratories Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, (including other comprehensive income) the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters	How our audit addressed the key audit matter
<p>The Company has invested into various financial instruments such as quoted shares, mutual funds, Bonds and Debentures etc., as at 31st March 2022, financial instruments carried at fair value through OCI and fair value through profit and loss as per Ind AS Financial Statements. These financial instruments are recorded at fair value as required by the relevant accounting standard. We have focused on this area due to the complexities associated with the valuation and accounting for these financial instruments.</p>	<p>Our procedures included but were not limited to</p> <ul style="list-style-type: none"> * Obtaining an understanding of the internal risk management procedures and the systems and controls associated with the origination and maintenance of complete and accurate information relating to financial instruments; * We also tested on a sample basis the existence and valuation of such financial instruments as at 31st March 2022. Our audit procedures focused on the integrity of the valuation models; and * Obtaining an understanding of key financial instrument contract terms to assess the appropriateness of accounting reflected in the financial report.

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

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Directors’ report, Management Discussion and Analysis and Corporate Governance Report but does not include the Ind AS financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We also:

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A", to this Report, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the information and explanations given to us:
 - i. The Company do not have pending litigations which would impact its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no funds, required to be transferred, to the Investor Education and Protection Fund by the Company.

- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

for Niranjan and Narayan
Chartered Accountants
Firm Registration Number: 005899S

(M. Niranjan)
Partner
Membership No. 029552
UDIN: 22029552AJWCGZ7362

Place : Hyderabad
Date : 30th May, 2022.

ANNEXURE – A TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date to the members of Sigachi Laboratories Limited on the Financial Statements for the year ended 31st March, 2022.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment and its intangible assets.
- (b) The Property, Plant and Equipment have been physically verified by the Management at reasonable intervals, and according to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets .
- (c) According to the information and explanations given to us and on the basis of our examination of the Records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the Records, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the Records of the Company, no proceedings have been initiated against the Company during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has not been sanctioned any working capital limits from banks or financial institutions at any point of time during the year under audit.
- (iii) (a) The Company has made investments in, provided/ stood guarantee and granted unsecured loans during the year and details of which are given below:

SIGACHI LABORATORIES LIMITED

	Investments	Loans/ICDs	Guarantees
A. Aggregate amount granted/provided during the year:			
Subsidiaries	-	-	-
Associates	-	-	-
Others	1,24,26,955.87	1,50,00,000.00	-
B. Balance outstanding as at balance sheet date in respect of above cases:			
Subsidiaries	-	-	-
Associates	-	-	-
Others	19,42,40,164.28	2,21,75,000.00	-

- (b) The investments made, guarantees provided and the terms and conditions of the grant of all the above mentioned loans during the year are in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans (all are demand loans), the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular during the year.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) In our opinion and according to the information and explanations given to us, the Company has granted loans which are either repayable on demand or without specifying any terms or period of repayment as given below.

	All parties	Related
Aggregate of loans repayable on demand	Rs.2,21,75,000/-	-
Percentage of loans to total loans	100%	-

- (iv) The Company has not advanced loans or made investments in or provided guarantee and security to parties covered by section 185 and section 186 is not applicable to the Company. Hence reporting under paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Thus Paragraph 3(v) of the order is not applicable to the Company. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

SIGACHI LABORATORIES LIMITED

- (vi) In our opinion and according to the explanation given to us the maintenance of Cost records under section 148 (1) of the Companies Act, 2013, as prescribed by the Central Government are not applicable to the Company. Thus paragraph 3(vi) is not applicable to the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees state insurance, income tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at 31st March, 2022, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the following are the particulars of disputed dues on account of Income Tax as at 31st March, 2022:

Nature of Statute	Nature of Demand	Period for which Relates (Assessment Year)	Amount (Rs. In Lakhs)	Forum Where dispute is Pending
Income Tax Act, 1961	Income Tax	1998-1999	6.54	Hon'ble High Court of Telangana at Hyderabad

- (viii) According to the information and explanations given to us, the Company does not have any transactions not recorded in books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961. Accordingly, paragraph 3(viii) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, no funds were raised on short term basis by the Company. Hence, reporting on clause 3(ix)(d) is not applicable.

- (e) According to information and explanation given to us, the Company has not taken any fund from any entity or from any person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence paragraph 3(ix)(e) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
- (f) According to information and explanation given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence paragraph 3(ix)(f) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 (b) The Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year under review and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 (b) To the best of our knowledge, No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act wherever applicable and details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with its size and the nature of its business.
 (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

- (d) The Group does not have any core investment company as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans, the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of Corporate Social Responsibility (CSR) is not applicable to the Company. Accordingly, paragraph 3(xx)(a) of the Order is not applicable for the year.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company the provisions of Corporate Social Responsibility (CSR) is not applicable to the Company. Accordingly, paragraph 3(xx)(b) of the Order is not applicable.

for Niranjan & Narayan
Chartered Accountants
Firm Registration Number: 005899S

(M. Niranjan)
Partner
Membership No. 029552

Place: Hyderabad
Date : 30th May, 2022.

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) of the Independent Auditors’ Report of even date to the members of Sigachi Laboratories Limited on the Financial Statements for the year ended 31st March, 2022.)

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls over financial reporting of Sigachi Laboratories Limited (“the Company”) as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Niranjan & Narayan
Chartered Accountants
Firm Registration Number: 005899S

(M. Niranjan)
Partner
Membership No. 029552

Place : Hyderabad
Date : 30th May, 2022.

SIGACHI LABORATORIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Note No.	As at 31 st March, 2022 Rs.	As at 31 st March, 2021 Rs.
A. ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	2	2,28,58,332.96	2,45,78,531.74
(b) Financial Assets			
(i) Investments	3	21,11,71,583.62	18,87,12,816.20
(ii) Other Financial Assets	4	43,73,899.00	43,52,899.00
(c) Other non current assets	5	2,86,01,413.25	-
Total Non - Current Assets		26,70,05,228.83	21,76,44,246.94
2. Current Assets			
(a) Financial Assets			
(i) Investments	6	39,72,740.66	38,38,850.22
(ii) Trade Receivables	7	15,88,680.15	-
(iii) Cash and Cash Equivalents	8	80,66,036.11	2,42,97,351.14
(iv) Other Financial Assets	9	2,21,75,000.00	1,69,16,250.00
(b) Other Current Assets	10	104.00	1,11,18,744.39
Total Current Assets		3,58,02,560.92	5,61,71,195.75
Total Assets		30,28,07,789.75	27,38,15,442.69
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	11	7,31,05,500.00	7,31,05,500.00
(b) Other Equity	12	22,43,73,789.17	19,46,18,703.78
Total Equity		29,74,79,289.17	26,77,24,203.78
2. Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities		-	-
(b) Provisions	13	5,87,614.00	-
(c) Deferred Tax Liabilities (net)	14	15,72,455.00	17,67,751.00
(d) Other Non - Current Liabilities	15	25,00,000.00	25,00,000.00
Total Non - Current Liabilities		46,60,069.00	42,67,751.00
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables	16	-	-
(a) total outstanding dues of micro and small enterprises		-	-
(b) total outstanding dues of creditors other than micro and small enterprises		-	-
(iii) Other Financial Liabilities	17	6,68,431.58	13,94,768.91
(b) Other Current Liabilities		-	-
(c) Provisions	18	-	4,28,719.00
Total Current Liabilities		6,68,431.58	18,23,487.91
Total Equity and Liabilities		30,28,07,789.75	27,38,15,442.69

The accompanying notes are an integral part of the financial statements

Per our report of even date annexed
for Niranjan and Narayan
Chartered Accountants
(Firm Regn. No.005899S)

(M. Niranjan)
Partner
Membership No.029552

Place: Hyderabad
Date : 30.05.2022

For and on behalf of the Board

(T.R.Sekhar)
Executive Director
DIN:02943146

(T.Govardhana Rao)
Director
DIN:07162634

(S.Lekha Sai)
Company Secretary
ACS:57228

(B.Kumar)
Chief Financial Officer

SIGACHI LABORATORIES LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2022

Particulars	Note No.	For the Year ended 31 st March, 2022 Rs.	For the Year ended 31 st March, 2021 Rs.
Income			
I. Revenue from operations	19	2,59,68,182.38	3,47,60,519.57
II. Other income	20	44,09,733.40	38,09,180.26
III. Total Income (I+II)		3,03,77,915.78	3,85,69,699.83
IV. Expenses			
Cost of materials consumed		-	-
Changes in inventories		-	-
Employee benefits expense	21	34,15,880.41	28,97,067.00
Finance costs	22	-	-
Depreciation and amortization expense	23	16,81,800.32	16,57,631.84
Other expenses	24	15,40,938.63	26,50,340.76
Total Expenses (IV)		66,38,619.36	72,05,039.60
V. Profit before tax (III-IV)		2,37,39,296.42	3,13,64,660.23
VI. Tax expense			
(1) Current tax	25	39,66,540.00	39,88,170.00
(2) Deferred tax		(1,91,293.00)	(1,64,363.00)
Total Tax Expense		37,75,247.00	38,23,807.00
VII. Profit for the year (V-VI)		1,99,64,049.42	2,75,40,853.23
VIII. Other comprehensive income (OCI)			
Equity Instruments through other comprehensive income that will not be reclassified to profit or (loss)		98,02,936.97	4,14,42,040.75
Remeasurement of gains/(losses) on defined benefit plans		(15,904.00)	3,000.00
Tax on items that will not be reclassified to profit or (loss)		4,003.00	(755.00)
		97,91,035.97	4,14,44,285.75
Items that will be reclassified to profit or (loss):			
Tax on items that may be reclassified to profit or (loss)		-	-
Items that may be reclassified subsequently to profit or (loss)		-	-
Total other comprehensive income/(loss) for the year, net of tax		97,91,035.97	4,14,44,285.75
IX. Total comprehensive income/(loss) for the year (VII+VIII)		2,97,55,085.39	6,89,85,138.98
Earnings per equity share: (par value of Rs.10/- each)			
Basic		2.96	4.08
Diluted		2.96	4.08

The accompanying notes are an integral part of the financial statements

Per our report of even date annexed
for Niranjana and Narayan
Chartered Accountants
(Firm Regn. No.005899S)
(M. Niranjana)
Partner
Membership No.029552
Place: Hyderabad
Date : 30.05.2022

For and on behalf of the Board

(T.R.Sekhar)
Executive Director
DIN:02943146

(S.Lekha Sai)
Company Secretary
ACS:57228

(T.Govardhana Rao)
Director
DIN:07162634

(B. Kumar)
Chief Financial Officer

Statement of Changes in Equity for the year ended 31st March, 2022

a) Equity share capital (Rs.)

Particulars	As at 31 st March, 2020		Changes in equity Share Capital during the year		As at 31 st March, 2021		Changes in equity Share Capital during the year		As at 31 st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
a) Paid up Share Capital	67,53,100	6,75,31,000.00	-	-	67,53,100	6,75,31,000.00	-	-	67,53,100	6,75,31,000.00
b) Forfeited Shares	-	55,74,500.00	-	-	-	55,74,500.00	-	-	-	55,74,500.00
	67,53,100	7,31,05,500.00	-	-	67,53,100	7,31,05,500.00	-	-	67,53,100	7,31,05,500.00

b) Other Equity (Rs.)

Particulars	Reserves and surplus		Other Comprehensive Income	Total
	Retained Earnings	Capital Reserve		
Balance as at 1/4/2020	8,00,03,326.06	13,22,000.00	4,43,08,238.74	12,56,33,564.80
Profit/(Loss) for the year	2,75,40,853.23	-	-	2,75,40,853.23
Additions during the year	-	-	4,14,44,285.75	4,14,44,285.75
Balance as at 31/03/2021	10,75,44,179.29	13,22,000.00	8,57,52,524.49	19,46,18,703.78
Profit/(Loss) for the year	1,99,64,049.42	-	-	1,99,64,049.42
Additions during the year	-	-	97,91,035.97	97,91,035.97
Balance as at 31/03/2022	12,75,08,228.71	13,22,000.00	9,55,43,560.46	22,43,73,789.17

SIGACHI LABORATORIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	For the Year ended 31.03.2022 Rs.	For the Year ended 31.03.2021 Rs.
Cash Flows from Operating Activities		
Net profit before tax	2,37,39,296.42	3,13,64,660.23
Adjustments for:		
Depreciation and amortization expense	16,81,800.32	16,57,631.84
(Profit)/Loss on sale of Property, Plant and Equipment	(45,600.00)	-
Dividend Received	(33,24,819.32)	(28,12,900.26)
Provision for Gratuity & Leave Encashment	1,42,991.00	2,35,219.00
Bad Deposits Recovery	(16,227.00)	-
Bad Debts Recovery	(88,407.08)	-
Loss due to floods to Compound wall	1,908.00	-
Interest	(63,85,155.62)	(69,68,504.56)
Fair Value (Gains)/Losses	(82,67,706.76)	(1,71,38,295.01)
Operating profit before working capital changes	74,38,079.96	63,37,811.24
Movements in Working Capital		
(Increase)/Decrease in Trade Receivables	(15,88,680.15)	20,85,132.04
(Increase)/Decrease in Other Financial Assets	(52,58,750.00)	3,13,000.00
(Increase)/Decrease in Other Current Assets	1,11,18,640.39	(35,13,240.72)
(Increase)/Decrease in Other Non Current Assets	(2,86,01,413.25)	-
Increase/(Decrease) in Other Financial Liabilities	(9,20,692.33)	97,884.83
Increase/(Decrease) in Other Non Current Financial Assets	(21,000.00)	-
Changes in Working Capital	(2,52,71,895.34)	(10,17,223.85)
Cash generated from operations	(1,78,33,815.38)	53,20,587.39
Direct Taxes Paid	37,72,185.00	38,09,583.25
Net Cash from operating activities (A)	(2,16,06,000.38)	15,11,004.14
Cash flows from Investing Activities		
(Purchase) of Property, Plant and Equipment	(1,62,501.54)	(71,168.00)
Insurance Claim Received	1,96,592.00	-
(Purchase)/Sale of Investments (Net Aggregate)	(1,24,26,955.87)	(60,48,250.95)
Dividend Received	33,24,819.32	28,12,900.26
Bad Deposits Recovery	16,227.00	-
Bad Debts Recovery	88,407.08	-
Proceeds From sale of Property, Plant and Equipment	48,000.00	-
Interest	63,85,155.62	69,68,504.56
(Increase)/Decrease in other term deposits	79,04,941.74	(18,92,256.91)
Net Cash used in Investing Activities (B)	53,74,685.35	17,69,728.96
Cash flows from/(used in) Financing Activities		
Proceeds from Long term borrowings	-	-
Repayment/(Proceeds) of/from Short-term borrowings	-	-
Dividend paid	-	-
Net Cash used in Financing Activities (C)	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(1,62,31,315.03)	32,80,733.10
Cash and Cash Equivalents at the beginning of the year	2,42,97,351.14	2,10,16,618.04
Cash and Cash Equivalents at the ending of the year	80,66,036.11	2,42,97,351.14

Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements" (Ind AS-7).
- The accompanying notes are an integral part of the financial statements.

Per our report of even date annexed

For Niranjana and Narayan
Chartered Accountants
(Firm Regn. No.005899S)

(M. Niranjana)
Partner
Membership No.029552

Place: Hyderabad
Date : 30.05.2022

For and on behalf of the Board

(T.R.Sekhar)
Executive Director
DIN:02943146

(T.Govardhana Rao)
Director
DIN:07162634

(S.Lekha Sai)
Company Secretary
ACS:57228

(B.Kumar)
Chief Financial Officer

1. Notes forming part of Financial Statements

1.1 Corporate Information

Sigachi Laboratories Limited ("the Company") having its registered office at Bonthapally, Telangana State, India. The Company is engaged in manufacturing of Bulk drugs or drug intermediates and the Company has leased its two factories. The shares of the Company are listed on the Metropolitan Stock Exchange of India Limited.

1.2 Basis of Preparation and Presentation of Financial Statements

The financial statements of the Company for the year ended 31st March, 2022 have been prepared in accordance with Indian Accounting Standards ('Ind AS'), under the historical cost basis except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in the accounting policies below, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

1.3 Basis of measurement

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

Assets: An asset is classified as current when it satisfies any of the following criteria:

- a. Expected to be realised or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realised within twelve months after the reporting period, or
- d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least

All other assets are classified as non-current.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in normal operating cycle
- b. It is held primarily for the purpose of trading
- c. It is due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.4 Accounting Estimates

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

Fair valuation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

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

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or reassessed in line with the Company's Accounting Policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.5 Functional and presentation currency

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

1.6 Property, Plant & Equipment

Recognition and measurement

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

An item is recognised as property, plant and equipment if and only if it is probable that future economic benefits associated with the item will flow to the company and its costs can be measured reliably. Subsequent expenditure is added to the carrying amount or recognized as separate asset, when the Company expects future economic benefits from that item.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continuous use of the asset.

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

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

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up. Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital Work-in-Progress". Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

An item of the property, plant equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of the item of property plant equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognised in profit and loss.

Depreciation

Depreciation is recognized in the statement of profit and loss on Straight line basis over the estimated useful lives of property, plant and equipment based on Schedule - II to the Companies Act, 2013 ("Schedule"), which prescribes the useful lives for various classes of tangible assets and useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate. For assets acquired or disposed off during the year, depreciation is provided on prorata basis. Land is not depreciated.

1.7 Financial Instruments

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

A. Financial Assets

1. Initial Recognition

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

2. Subsequent measurement

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

a. Financial Assets at Amortised Cost

Classification and subsequent measurement

The Company classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A financial asset is measured at amortised cost only if both of the following conditions are met:

The asset is held within a business model whose objective is to hold them to collect contractual cash flows and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

b. Financial Assets measured at Fair Value

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

All equity investments are designated at Fair Value Through Other Comprehensive Income (FVTOCI). The fair value changes on the instrument, excluding dividends, are recognised under Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to the statement of profit and loss on sale of Equity investment(s).

Any financial instrument, which does not meet the criteria for categorisation as amortized cost or as Fair Value Through Other Comprehensive Income (FVTOCI), is classified as at Fair Value Through Profit & Loss (FVTPL). In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss. Investments in Mutual Funds, Bonds, Debentures etc., are designated as Financial Assets measured at fair value through statement of Profit & Loss.

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method except for financial liabilities at FVTPL. A financial liability is classified as FVTPL if it is a derivative instrument(s) or it is designated as FVTPL on initial recognition. Interest expense, foreign exchange gains (losses) and any gains and losses on de-recognition are recognised in the profit or loss.

c. Impairment of Financial Assets

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

d. De-recognition of Financial Assets

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

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

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

On de-recognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognised in profit or loss.

e. Off-setting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

B. Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. The Company has not issued any debt or compound instruments.

1. Initial Recognition

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

2. Subsequent measurement

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

Financial liabilities at FVTPL

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

3. De-recognition of Financial Liabilities

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

1.8 Impairment of non-financial assets

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

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

1.9 Cash andCash Equivalents

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

1.10 Employee Benefits**Short term employee benefits**

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

Defined Contribution Plan

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

Defined Contribution Benefits

The Company has an obligation towards gratuity and leave encashment, a defined benefit plan covering eligible employees. The plan provides for lump sum payment on retirement, death while in employment or on separation. The company is making provisions for Gratuity and leave encashment for eligible employees but the estimated provision may differ with the actual amount payable and the difference is adjusted to the statement of profit and loss in the year of actual payment.

1.11 Provisions, Contingent Liabilities and Contingent Assets

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

Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no such disclosure is made.

Contingent Assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

1.12 Revenue recognition**Sale of goods and Services**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue from goods and services is recognized, when the company satisfies a performance obligation by transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains control of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Goods & services Tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

The Company has leased its two factories and is recognising the lease amount on a monthly basis and is impaired if there is any uncertainty in receipt of lease rents. Interest income from a financial asset (loans), is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time proportionate basis, by reference to the principle outstanding and at the effective interest rate applicable.

Other Income

Other income includes Dividend, Interest, Profit/(Loss) on sale of Investments and other miscellaneous receipts if any. Dividend income from investments is recognized when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Net gain/loss on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by the Company on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain/loss in the statement of Profit and Loss.

However, net gain/loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

1.13 Income Tax

Tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current Tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if the Company:

a) Has a legally enforceable right to set off current tax assets against current tax liabilities;

and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current and Deferred tax for the Year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) is not applicable to the Company, as it has chosen an option to pay corporate tax under section 115BAA at the rate of 22% plus applicable surcharge and cess subject to compliance with certain conditions.

Cash flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Company.

1.14 Earnings Per Share

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

1.15 Borrowing Cost

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed to Profit & Loss statement in the period in which they occur.

1.16 Trade Receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

1.17 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

1.18 Recent Accounting Pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Note 2: Property, Plant and Equipment

Sl. No.	Particulars	Gross carrying value			Accumulated depreciation/impairment				Net carrying value		
		As at 31 st March, 2021	Additions	Disposals	As at 31 st March, 2022	As at 31 st March, 2021	For the year	Impairment for the year	Disposals	As at 31 st March, 2022	As at 31 st March, 2021
1	Freehold Land	76,03,169.40	-	-	76,03,169.40	-	-	-	-	76,03,169.40	76,03,169.40
2	Buildings	81,50,300.00	-	2,34,237.00	79,16,063.00	23,07,819.64	3,94,254.72	35,737.00	26,66,337.36	52,49,725.64	58,42,480.36
3	Plant and Equipment	1,15,44,017.99	-	48,000.00	1,14,96,017.99	34,73,572.99	7,48,048.00	45,600.00	41,76,020.99	73,19,997.00	80,70,445.00
4	Vehicles	43,31,164.00	-	-	43,31,164.00	12,97,977.00	5,06,264.00	-	18,04,241.00	25,26,923.00	30,33,187.00
5	Office Equipment	68,082.04	1,62,501.54	-	2,30,583.58	38,832.06	33,233.60	-	72,065.66	1,58,517.92	29,249.98
	Total	3,16,96,733.43	1,62,501.54	2,82,237.00	3,15,76,997.97	71,18,201.69	16,81,800.32	81,337.00	87,18,665.01	2,28,58,332.96	2,45,78,531.74

Sl. No.	Particulars	Gross carrying value			Accumulated depreciation/impairment				Net carrying value		
		As at 31 st March, 2020	Additions	Disposals	As at 31 st March, 2021	As at 31 st March, 2020	For the year	Impairment for the year	Disposals	As at 31 st March, 2021	As at 31 st March, 2020
1	Freehold Land	75,32,001.40	71,168.00	-	76,03,169.40	-	-	-	-	76,03,169.40	75,32,001.40
2	Buildings	81,50,300.00	-	-	81,50,300.00	19,14,907.00	3,92,912.64	-	23,07,819.64	58,42,480.36	62,35,393.00
3	Plant and Equipment	1,15,44,017.99	-	-	1,15,44,017.99	27,25,520.99	7,48,052.00	-	34,73,572.99	80,70,445.00	88,18,497.00
4	Vehicles	43,31,164.00	-	-	43,31,164.00	7,91,713.00	5,06,264.00	-	12,97,977.00	30,33,187.00	35,39,451.00
5	Office Equipment	68,082.04	-	-	68,082.04	28,428.86	10,403.20	-	38,832.06	29,249.98	39,653.18
	Total	3,16,25,565.43	71,168.00	-	3,16,96,733.43	54,60,569.85	16,57,631.84	-	71,18,201.69	2,45,78,531.74	2,61,64,995.58

SIGACHI LABORATORIES LIMITED

Note 3: Investments (Non Current)

(Rs.)

Particulars	As at 31st March, 2022	As at 31 st March, 2021
Investments Outside India	-	-
Investments in India		
A. Investments Carried at fair value through OCI		
Investments in Quoted Equity Instruments	11,67,34,473.80	10,30,00,139.55
Investments in Un Quoted Equity Instruments	25,00,050.00	50.00
B. Investments designated as at fair value through Profit & Loss		
Investments other than Equity	7,10,32,899.82	5,69,03,524.91
Aggregate amount of Investments	19,02,67,423.62	15,99,03,714.46
C. Fixed Deposits with Banks	2,09,04,160.00	2,88,09,101.74
Total Non Current Investments (A+B+C)	21,11,71,583.62	18,87,12,816.20

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Note 3(i): Investments

Sl. No.	INVESTMENTS (LONG TERM) in Equity Instruments Quoted, at Fair Value	No. of Shares as at 31.03.2022	As at 31 st March, 2022 Rs.	No. of Shares as at 31.03.2021	As at 31 st March, 2021 Rs.
1	Accelya Solutions India Limited Equity Shares of Rs.10/- each	1,100	10,20,800.00	1,100	9,52,435.00
2	Adani Ports and Special Economic Zone Limited Equity shares of Rs.2/- each	1,635	12,65,653.50	1,635	11,60,523.00
3	Aurobindo Pharma Limited Equity shares of Rs.1/- each	830	5,55,228.50	600	5,22,090.00
4	Axis Bank Limited Equity shares of Rs.2/- each	500	3,80,325.00	500	3,47,550.00
5	Bank of Baroda Equity Shares of Rs.2/- each	8,200	9,15,120.00	8,200	5,92,860.00
6	Bharat Petroleum Corporation Limited Equity Shares of Rs.10/- each	3,996	14,35,363.20	3,996	17,20,078.20
7	Canara Bank Equity Shares of Rs.10/- each	5,214	11,86,706.40	5,214	7,65,675.90
8	Cigniti Technologies Limited Equity Shares of Rs.10/- each	300	1,28,415.00	300	95,670.00
9	Classic Diamonds (India) Limited Equity Shares of Rs.2/- each	6,980	3,210.80	6,980	3,210.80
10	Dewan Housing Finance Corporation Limited Equity Shares of Rs.10/- each	-	-	500	8,025.00
11	DCB Bank Limited Equity Shares of Rs.10/- each	2,000	1,38,800.00	2,000	2,11,700.00
12	Divis Laboratories Limited Equity Shares of Rs.2/- each	3,000	1,32,11,550.00	3,000	1,07,48,100.00
13	Edelweiss Financial Services Limited Equity Shares of Rs.1/- each	1,730	1,01,551.00	1,730	1,15,564.00
14	Escorts Limited Equity Shares of Rs.10/- each	1,000	16,91,400.00	1,000	12,73,250.00
15	Finolex Cables Limited Equity shares of Rs.2/- each	500	1,88,875.00	500	1,94,725.00
16	First Source Solutions Limited Equity shares of Rs.10/- each	3,000	3,75,000.00	3,000	3,32,400.00
17	Glenmark Pharmaceuticals Limited Equity Shares of Rs.1/- each	4,200	18,57,240.00	4,200	19,39,980.00
18	GOCL Corporation Limited Equity Shares of Rs.2/- each	2,000	5,46,900.00	2,000	4,44,500.00
19	Gujarat State Petronet Limited Equity Shares of Rs.10/- each	1,218	3,16,436.40	1,218	3,24,901.50
20	Gulf Oil Lubricants India Limited Equity Shares of Rs.2/- each	2,000	8,43,100.00	2,000	14,69,400.00
21	HCL Technologies Limited Equity Shares of Rs.2/- each	3,592	41,78,753.20	3,592	35,78,889.20
22	HDFC Bank Limited Equity Shares of Rs.1/- each	14,000	2,05,79,300.00	14,000	2,17,49,700.00
23	Heidelberg Cement India Limited Equity Shares of Rs.10/- each	1,000	1,89,450.00	1,000	2,30,600.00
24	Hindustan Petroleum Corporation Limited Equity shares of Rs.10/- each	1,350	3,63,622.50	1,350	3,10,500.00

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25	ICICI Bank Limited Equity shares of Rs.2/- each	700	5,11,175.00	700	4,13,945.00
26	IDBI Bank Limited Equity shares of Rs.10/- each	2,500	1,07,000.00	2,500	96,625.00
27	IDFC First Bank Limited Equity Shares of Rs.10/- each	14,765	5,85,432.25	14,765	8,60,799.50
28	Indraprastha Gas Limited Equity Shares of Rs.2/- each	6,000	22,36,500.00	6,000	30,64,200.00
29	Infosys Limited Equity Shares of Rs.5/- each	1,380	26,31,936.00	1,380	19,12,059.00
30	Integrated Hi-Tech Limited Equity Shares of Rs.10/- each	700	3,199.00	700	3,199.00
31	ITC Limited Equity Shares of Rs.1/- each	9,000	22,57,200.00	9,000	19,31,400.00
32	Kotak Mahindra Bank Limited Equity Shares of Rs.5/- each	600	10,52,820.00	600	10,68,480.00
33	Larsen & Toubro Limited Equity shares of Rs.2/- each	562	9,93,306.90	562	7,99,810.30
34	Laurus Labs Limited Equity Shares of Rs.2/- each	8,725	51,48,186.25	4,600	16,57,150.00
35	Mahindra & Mahindra Financial Services Limited Equity shares of Rs.2/- each	2,038	3,24,347.70	2,038	4,07,803.80
36	Mahindra & Mahindra Limited Equity Shares of Rs.5/- each	2,400	19,33,920.00	2,400	19,08,000.00
37	Manappuram Finance Limited Equity Shares of Rs.2/- each	1,000	1,13,600.00	1,000	1,49,950.00
38	Maruti Suzuki India Limited Equity Shares of Rs.5/- each	300	22,67,970.00	300	20,55,780.00
39	NCC Limited Equity Shares of Rs.2/- each	2,000	1,17,100.00	2,000	1,60,400.00
40	NHPC Limited Equity Shares of Rs.10/- each	3,500	97,300.00	3,500	88,025.00
41	NTPC Limited Equity Shares of Rs.10/- each	10,894	14,70,145.30	10,894	11,73,283.80
42	Oil and Natural Gas Corporation Limited Equity Shares of Rs.5/- each	900	1,47,510.00	900	93,420.00
43	Petronet LNG Limited Equity Shares of Rs.10/- each	60,250	1,16,67,412.50	60,250	1,36,73,737.50
44	Power Grid Corporation of India Limited Equity Shares of Rs.10/- each	1,164	2,52,413.40	873	1,93,500.45
45	PTC India Financial Services Limited Equity Shares of Rs.10/- each	35,500	5,53,800.00	35,500	6,37,225.00
46	PTC India Limited Equity Shares of Rs.10/- each	2,100	1,72,935.00	2,100	1,67,265.00
47	Rallis India Limited Equity Shares of Rs.1/- each	3,000	7,13,850.00	3,000	7,83,600.00
48	Raymond Limited Equity shares of Rs.10/- each	500	4,27,375.00	500	1,79,375.00
49	REC Limited Equity Shares of Rs.10/- each	2,000	2,46,000.00	2,000	2,56,900.00
50	Reliance Industries Limited Equity shares of Rs.10/- each	2,062	54,31,204.90	1,920	38,94,912.00

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51	Reliance Industries Limited Equity shares of Rs.10/- each (Partly Paid up shares)	-	-	142	1,58,308.70
52	SMS Lifesciences India Limited Equity Shares of Rs.10/- each	357	2,48,115.00	357	1,74,537.30
53	SMS Pharmaceuticals Limited Equity Shares of Rs.1/- each	10,000	9,38,000.00	10,000	12,23,500.00
54	Snowman Logistics Limited Equity Shares of Rs.10/- each	-	-	500	22,200.00
55	Sun Pharmaceutical Industries Limited Equity Shares of Rs.1/- each	500	4,57,400.00	500	2,98,775.00
56	Tata Coffee Limited Equity shares of Rs.1/- each	2,500	5,41,625.00	2,500	3,04,750.00
57	Tata Consultancy Services Limited Equity shares of Rs.1/- each	496	18,54,444.80	496	15,67,335.20
58	Tata Steel Limited Equity shares of Rs.10/- each (Partly paid up shares)	-	-	250	58,325.00
59	Tata Steel Limited Equity shares of Rs.10/- each	3,434	44,88,409.70	3,184	25,46,404.00
60	Tech Mahindra Limited Equity Shares of Rs.5/- each	2,532	37,96,227.60	2,532	25,74,284.40
61	The Indian Hume Pipe Company Limited Equity Shares of Rs.2/- each	1,000	1,78,150.00	1,000	1,70,000.00
62	The Federal Bank Limited Equity Shares of Rs.2/- each	1,000	97,350.00	-	-
63	The Karnataka Bank Limited Equity Shares of Rs.10/- each	4,305	2,38,497.00	4,305	2,60,022.00
64	Tilaknagar Industries Limited Equity Shares of Rs.10/- each	35,000	23,25,750.00	35,000	10,46,500.00
65	UCO Bank Equity Shares of Rs.10/- each	11,900	1,41,253.00	11,900	1,30,305.00
66	Vedanta Limited Equity Shares of Rs.1/- each	3,000	12,10,350.00	3,000	6,90,150.00
67	Virgo Global Media Limited Equity Shares of Rs.4/- each	20,000	8,600.00	20,000	8,600.00
68	Vishnu Chemicals Limited Equity Shares of Rs.10/- each	600	9,55,500.00	-	-
69	Voltas Limited Equity Shares of Rs.1/- each	5,000	62,22,500.00	5,000	49,64,250.00
70	Yes Bank Limited Equity Shares of Rs.2/- each	7,800	95,862.00	4,800	78,720.00
	Total (A)		11,67,34,473.80		10,30,00,139.55

Equity Instruments Un - Quoted, at Fair Value

Sl. No.	INVESTMENTS (LONG TERM) in Equity Instruments Un-Quoted, at Fair Value	No. of Shares as at 31.03.2022	As at 31 st March, 2022 Rs.	No. of Shares as at 31.03.2021	As at 31 st March, 2021 Rs.
1	The Adarsh Co- Operative Urban Bank Limited 'A' Class Ordinary Shares of Rs.50/- each	50,000	25,00,000.00	-	-
2	Chennai Super Kings Cricket Limited Equity Shares of Rs.0.10 each	500	50.00	500	50.00
	Total (B)		25,00,050.00		50.00
	Total (A+B)		11,92,34,523.80		10,30,00,189.55

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Preference Shares at Fair Value:

Sl. No.	INVESTMENTS (LONG TERM) in Preference Shares Quoted, at Fair Value	No. of Shares as at 31.03.2022	As at 31 st March, 2022 Rs.	No. of Shares as at 31.03.2021	As at 31 st March, 2021 Rs.
1	Mukand Limited 0.01% Preference Shares of Rs.10/- each	-	-	400	2,360.00
	Total (C)		-		2,360.00

Debentures at Fair Value

Sl. No.	INVESTMENTS (LONG TERM) in Debentures Quoted, at Fair Value	No. of Debentures as at 31.03.2022	As at 31 st March, 2022 Rs.	No. of Debentures as at 31.03.2021	As at 31 st March, 2021 Rs.
1	NTPC Limited 8.49% Non Convertible Debentures of Rs.12.50 each	9,079	1,19,116.48	9,079	1,24,019.14
	Total (D)		1,19,116.48		1,24,019.14

Bonds - at Fair Value

Sl. No.	INVESTMENTS (LONG TERM) in Bonds Quoted, at Fair Value	No. of Bonds as at 31.03.2022	As at 31 st March, 2022 Rs.	No. of Bonds as at 31.03.2021	As at 31 st March, 2021 Rs.
1	National Highways Authority of India 8.20% Tax Free Bonds of Rs.1,000/- each	-	-	500	5,36,500.00
2	REC Limited 5.75% Capital gain Bonds of Rs.10,000/- each	170	17,00,000.00	170	17,00,000.00
3	State Bank of India 9.45% Perpetual Bonds of Rs.10,00,000/- each	1	10,57,348.00	1	10,50,000.00
4	State Bank of India 9.56% Perpetual Bonds of Rs.10,00,000/- each	1	10,66,229.96	1	10,61,747.00
5	Canara Bank (Syndicate Bank) 11.25% Tier II Bonds of Rs.10,00,000/- each	-	-	1	10,00,000.00
	Total (E)		38,23,577.96		53,48,247.00

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Mutual Funds - At Fair Value

Sl. No.	INVESTMENTS (LONG TERM) in Mutual Funds Quoted, at Fair Value	No. of Units as at 31.03.2022	As at 31 st March, 2022 Rs.	No. of Units as at 31.03.2021	As at 31 st March, 2021 Rs.
1	Aditya Birla Sun Life Dividend Yield Fund - Growth - Regular Plan Units of Rs.10/- each	4,045.221	10,28,618.80	4,045.221	7,88,009.05
2	Aditya Birla Sun Life Frontline Equity Fund - Reinvestment - IDCW Units of Rs.10/- each	12,310.588	4,05,264.56	11,688.965	3,38,979.99
3	Axis Mid Cap Fund - Regular Growth Units of Rs.10/- each	13,376.137	9,01,417.87	13,376.137	7,30,604.60
4	DSP Flexi Cap Fund - Regular Plan - IDCW Units of Rs.10/- each	83,947.993	42,02,184.69	76,357.206	36,99,812.06
5	Franklin India Blue Chip Fund - Growth Units of Rs.10/- each	2,238.138	15,30,315.22	2,238.138	13,35,061.18
6	Templeton India Value Fund - IDCW Units of Rs.10/- each	39,320.713	28,89,234.87	36,446.711	23,04,882.71
7	ICICI Prudential Blue Chip Fund - IDCW Units of Rs.10/- each	80,402.629	20,12,477.80	74,193.792	16,58,231.25
8	ICICI Prudential Value Discovery Fund - IDCW Units of Rs.10/- each	88,364.812	26,36,805.99	79,224.034	20,23,381.83
9	IRB Invit Fund Units of Rs.102/- each	10,000.000	5,24,300.00	10,000.000	5,32,600.00
10	L&T Flexi Cap Fund - Growth Units of Rs.10/- each	23,949.364	28,27,006.88	23,949.364	23,96,301.51
11	L & T Large and Midcap Fund - Growth Units of Rs.10/- each	48,899.756	34,34,229.86	48,899.756	28,19,511.03
12	Nippon India Value Fund - Growth Plan Units of Rs.10/- each	15,757.882	19,39,935.52	15,757.882	15,19,923.36
13	SBI Contra Fund - Regular Plan - IDCW Units of Rs.10/- each	43,545.477	15,09,338.49	43,545.477	11,57,804.56
14	Tata Digital India Fund Regular Plan Growth Units of Rs.10/- each	12,983.989	4,98,346.27	-	-
15	UTI - Corporate Bond Fund - Direct Growth Plan Units of Rs.10/- each	1,27,380.728	17,07,271.16	1,27,380.728	16,31,263.08
16	UTI - Master Share Unit Scheme - Regular Plan Reinvestment - IDCW Units of Rs.10/- each	7,613.333	3,23,345.87	7,216.816	2,71,605.59
17	UTI - Master Share Unit Scheme - Regular Growth Plan Units of Rs.10/- each	18,759.762	36,33,255.63	18,759.762	30,34,607.24
18	UTI Banking & Financial Services Fund - Regular Plan Reinvestment - IDCW Units of Rs.10/- each	2,961.261	1,29,323.01	2,961.261	1,18,954.45

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Mutual Funds - At Fair Value

19	UTI Banking & Financial Services Fund - Regular Growth Plan Units of Rs.10/- each	13,287.561	14,91,003.86	13,287.561	1,371,457.01
20	UTI Banking & Financial Services Fund - Regular Growth Plan Units of Rs.10/- each	20,070.570	22,52,128.69	20,070.570	20,71,555.78
21	UTI Dividend Yield Fund - Direct Growth Plan Units of Rs.10/- each	5,773.639	6,46,608.88	5,773.639	5,11,940.49
22	UTI Dividend Yield Fund - Regular Growth Plan Units of Rs.10/- each	23,783.312	25,17,672.87	23,783.312	20,05,213.84
23	UTI Mid Cap Fund - Regular Plan Reinvestment Units of Rs.10/- each	6,822.258	5,84,263.63	6,822.258	4,76,450.81
24	UTI Mid Cap Fund - Direct Growth Plan Units of Rs.10/- each	33,483.126	65,48,030.44	33,483.126	52,87,511.28
25	UTI MNC Fund - Regular Growth Plan Units of Rs.10/- each	11,058.991	28,54,244.85	11,058.991	26,02,250.25
26	UTI Money Market Fund - Direct Growth Plan Units of Rs.1,000/- each	3,465.386	86,31,492.31	3,465.386	83,00,197.25
27	UTI Treasury Advantage Fund - Direct Growth Plan Units of Rs.1,000/- each	2,260.312	65,37,367.72	-	-
28	UTI Transportation & Logistics Fund - Direct Growth Plan Units of Rs.10/- each	2,793.837	3,92,035.12	2,793.837	3,50,852.29
29	UTI Transportation & Logistics Fund - Direct Growth Plan Units of Rs.10/- each	649.674	91,163.17	649.674	81,586.58
30	UTI Value Opportunities Fund - Direct Growth Plan Units of Rs.10/- each	22,822.415	24,11,521.35	22,822.415	20,08,349.70
	Total (F)		6,70,90,205.38		5,14,28,898.77
	Total (C+D+E+F)		7,10,32,899.82		5,69,03,524.91
	Grand Total (A+B+C+D+E+F)		19,02,67,423.62		15,99,03,714.46

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Note 4: Other Financial Assets (Non Current) (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Sales Tax Deposit	5,000.00	5,000.00
Security Deposit - TSSPDCL	42,84,149.00	42,84,149.00
Rental Deposit	21,000.00	21,000.00
Other - Deposits	63,750.00	42,750.00
Total	43,73,899.00	43,52,899.00

Note 5: Other Non Current Assets (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Advances	82,50,000.00	-
Advance for Flats	2,03,00,000.00	-
Income Tax Refund Due F.Y 2020-21	51,413.25	-
Total	2,86,01,413.25	-

Note 6: Investments (Current) (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
A. Investments designated at fair value through Profit & Loss		
UTI Liquid Cash Plan - Direct Growth Plan	39,72,740.66	38,38,850.22
1,138.960 Units of Rs. 1,000/- each	39,72,740.66	38,38,850.22
B. Fixed Deposits with Banks	-	-
Total Current Investments (A+B)	39,72,740.66	38,38,850.22

Note 7: Trade Receivables (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	15,88,680.15	-
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	-	-
Total	15,88,680.15	-

Trade Receivables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment							Total
	Not Due	Less than 6 Months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years		
(i) Undisputed Trade receivables - considered good	15,88,680.15	-	-	-	-	-	15,88,680.15	
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	

Trade Receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment							Total
	Not Due	Less than 6 Months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years		
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-	-	
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-	

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Note 8: Cash and Cash Equivalents

(Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a) Cash and Cash Equivalents		
i) Cash on hand	21,164.05	30,475.93
ii) Balances with banks		
- Current Accounts	9,98,306.06	46,26,830.57
- Cheques in hand	26,57,999.00	-
iii) Fixed Deposits with original maturity of 3 months or less than 3 months.	43,88,567.00	1,96,40,044.64
Total	80,66,036.11	2,42,97,351.14

Note 9: Other Financial Assets

(Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Loans/ICDs Receivables considered good - Secured	-	-
Loans/ICDs Receivables considered good - Unsecured	2,21,75,000.00	1,69,16,250.00
Loans/ICDs Receivables which have significant increase in Credit Risk	-	-
Loans Receivables - credit impaired	-	-
Total (A)	2,21,75,000.00	1,69,16,250.00
Less: Provision for Impairment on Loans/ICDs	-	-
Total (B)	-	-
Total Loans (A-B) - Net	2,21,75,000.00	1,69,16,250.00

Note 10: Other Current Assets

(Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Other Advances, Unsecured	104.00	1,11,18,744.39
Total	104.00	1,11,18,744.39

Note 11: Share Capital

(Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Authorized Share Capital 1,20,00,000 Equity Shares of Rs.10/- each	12,00,00,000.00	12,00,00,000.00
Issued, Subscribed & Called Up Capital: 89,82,900 Equity Shares of Rs.10/- each	8,98,29,000.00	8,98,29,000.00
Paid up Capital: 67,53,100 Equity Shares of Rs.10/- each	6,75,31,000.00	6,75,31,000.00
Forfeiture of Shares	55,74,500.00	55,74,500.00
Total	7,31,05,500.00	7,31,05,500.00

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a) Reconciliation of Number of Shares:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Number of Shares at the beginning of the year	67,53,100	67,53,100
Add : Shares issued during the year	-	-
Number of Shares at the end of the year	67,53,100	67,53,100

b) Terms/Rights attached

The Company has issued only one class of shares having par value of Rs.10/- per share. Each holder of equity shares who has paid total amount of Rs.10/- per share is entitled to one vote per share. In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Aggregate number of equity shares issued for consideration other than cash/Bonus shares during the period of five years immediately preceding the reporting date: Nil

c) The Details of shareholders holding more than 5% shares:

Name of the Shareholder	As at 31 st March, 2022		As at 31 st March, 2021	
	No. of shares	% Holding	No. of shares	% Holding
1. Krishnaraj Securities Private Limited	15,18,530	22.49%	15,18,530	22.49%
2. T. Adinarayana	7,53,530	11.16%	7,53,530	11.16%

d) Shares held by promoters at the end of the year

Date	Promoter Name	No. of Shares	% of total shares	% Change during the year
31.03.2021	As per table below	24,84,180	36.80	0.02
31.03.2022		24,85,180	36.82	

Annexure: Shareholding of Promoters

Sl No.	Promoter Name	As at 31 st March, 2021		As at 31 st March, 2022		% Change
		No. of shares	% of shares	No. of shares	% of shares	
1	T. Adinarayana	7,53,530	11.16	7,53,530	11.16	-
2	T.H.P.S. Kumar	54,010	0.80	54,010	0.80	-
3	T. Bhagya Lakshmi	51,110	0.76	51,110	0.76	-
4	T. L. Pravallika	37,000	0.55	37,000	0.55	-
5	T. Nanda Krishna	29,500	0.44	29,500	0.44	-
6	T. Raja Sekhar	26,500	0.39	27,500	0.41	0.02
7	T. Archana	14,000	0.21	14,000	0.21	-
8	Krishnaraj Securities Private Limited	15,18,530	22.49	15,18,530	22.49	-
	Total	24,84,180	36.80	24,85,180	36.82	0.02

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Note 12: Other Equity

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Retained earnings	12,75,08,228.71	10,75,44,179.29
Capital Reserve	13,22,000.00	13,22,000.00
Other Comprehensive Income	9,55,43,560.46	8,57,52,524.49
Total	22,43,73,789.17	19,46,18,703.78

Note 13: Long Term Provisions

(Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Leave Encashment	3,73,210.00	-
Gratuity	2,14,404.00	-
Total	5,87,614.00	-

Note 14: Deferred Tax Liabilities (net)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Opening Balance	17,67,751.00	19,31,359.00
Add : On account of Ind AS Adjustment	-	-
Add : On account of Depreciation	(47,315.00)	(1,63,608.00)
Add : On account of Gratuity & Leave Encashment	(1,47,981.00)	-
Total	15,72,455.00	17,67,751.00

Note 15: Other Non Current Liabilities

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Others - Deposits from Customers	25,00,000.00	25,00,000.00
Total	25,00,000.00	25,00,000.00

Note 16: Trade Payables

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(i) total outstanding dues of micro and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises	-	-
Total	-	-

Trade Payables ageing schedule as at 31st March, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	-	-	-	-	-	
(ii) Others	-	-	-	-	-	
(iii) Disputed dues - MSME	-	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	-	

Trade Payables ageing schedule as at 31st March, 2021

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	-	-	-	-	-	
(ii) Others	-	-	-	-	-	
(iii) Disputed dues - MSME	-	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	-	

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Note 17: Other Financial Liabilities (Current) (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Liability for expenses	97,946.00	3,50,596.16
Other Payables - GST	3,49,861.58	7,27,252.00
TDS Payable	6,852.00	1,18,917.00
Income Tax Payable - F.Y. 2019-2020	19,417.00	19,417.00
Income Tax Payable - F.Y. 2020-2021	-	1,78,586.75
Income Tax Payable - F.Y. 2021-2022	1,94,355.00	-
Total	6,68,431.58	13,94,768.91

Note 18: Short Term Provisions (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Leave Encashment	-	2,80,219.00
Gratuity	-	1,48,500.00
Total	-	4,28,719.00

Note 19: Revenue from Operations (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
A. Bulk Drugs and Intermediates - Lease Rents	1,22,50,000.00	1,16,50,000.00
B. Income from Other Operations		
(a) Interest on Fixed Deposits	22,40,400.62	30,02,224.56
(b) Interest on ICD's/Loans	32,10,075.00	29,70,000.00
	54,50,475.62	59,72,224.56
C. Revenue from Operations (Fair Value Gains)	82,67,706.76	1,71,38,295.01
Total	2,59,68,182.38	3,47,60,519.57

Note 20: Other Income (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Dividend Income:		
Equities	21,64,858.73	17,08,023.06
Mutual Funds	11,59,960.59	11,04,877.20
	33,24,819.32	28,12,900.26
Interest (from Tax Free Bonds)	54,030.00	41,000.00
Interest on Deposit with TSSPDCL	4,27,300.00	4,94,070.00
Bad Debts/Deposits Recovery	1,04,634.08	-
Interest from Bonds	4,53,350.00	4,61,210.00
Profit on Sale of PPE	45,600.00	-
Total	44,09,733.40	38,09,180.26

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Note 21: Employee Benefits Expense (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Salaries and Wages	31,89,971.00	25,98,748.00
Leave Encashment	92,991.00	1,85,719.00
ESI	32,929.00	28,423.00
Staff Welfare	49,989.41	34,677.00
Gratuity	50,000.00	49,500.00
Total	34,15,880.41	28,97,067.00

Note 22: Finance Costs (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Interest Paid to Bank	-	-
Total	-	-

Note 23: Depreciation and Amortization Expense (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Depreciation	16,81,800.32	16,57,631.84
Total	16,81,800.32	16,57,631.84

Note 24: Other Expenses (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Power and Fuel	7,193.23	7,073.00
Rent	1,46,000.00	1,32,000.00
Advertisement Expenses	43,992.00	46,249.00
Audit Fee	24,100.00	24,100.00
Bank Charges	4,747.54	5,932.62
Communication Expenses	28,023.58	29,244.66
Conveyance Expenses	1,90,529.69	69,024.30
Custody Fee	45,000.00	-
Insurance	2,04,892.12	1,30,689.00
Listing Fee	55,000.00	55,000.00
Miscellaneous Expenses	1,18,065.76	1,60,781.03
Office Maintenance	34,361.50	35,046.00
Postage & Telegrams	375.00	459.00
Printing & Stationary	38,122.96	35,422.02
Professional charges	1,26,000.00	2,47,600.00
Repairs and Maintenance	68,000.00	66,000.00
Secretarial Audit Fee	25,000.00	25,000.00
Share Transfer & Depository Fee	47,790.25	45,082.13
Sitting Fee & Incidental Expenses	60,000.00	48,000.00
Vehicles Maintenance	2,73,745.00	87,638.00
Bad Bonds	-	14,00,000.00
Total	15,40,938.63	26,50,340.76

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Note 25: Current Tax

(Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Current Tax	39,66,540.00	39,88,170.00
Prior period Tax	-	-
Total	39,66,540.00	39,88,170.00

Note 26: Auditors Remuneration

(Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Audit fee	23,600.00	23,600.00
Reimbursement of out of pocket expenses	500.00	500.00
Total	24,100.00	24,100.00

Note 27: Earnings per Share

(Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Earnings		
Profit attributable to equity holders	1,99,64,049.42	2,75,40,853.23
Shares		
Number of shares at the beginning of the year	67,53,100	67,53,100
Add: Equity Shares issued	-	-
Less: Buy back of Equity shares	-	-
Total number of equity shares outstanding at the end of the year	67,53,100	67,53,100
Weighted average number of equity shares outstanding during the year – Basic	67,53,100	67,53,100
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	67,53,100	67,53,100
Earnings per share of par value of Rs.10/- Basic	2.96	4.08
Earnings per share of par value of Rs.10/- Diluted	2.96	4.08

Note 28: Related Parties

In accordance with the provisions of Ind AS 24 "Related Party Disclosures" and the Companies Act, 2013, Company's Directors, members of the Company's Management and Key Managerial Personnel are as below:

SI. No.	Name of the Related Party	Nature of Relationship
1	Sri. T. Adinarayana	Chairman
2	Sri. T. Govardhana Rao	Independent Director
3	Ms. M. Sri Devi	Independent Director
4	Sri. G. Mohan Rao	Independent Director
5	Smt. Shilpa Bung	Independent Director
6	Sri. P.L.V. Subba Rao	Director
7	Sri. T. R. Sekhar	Executive Director
8	Sri. B. Kumar	Chief Financial Officer
9	Ms. Lekha Sai Surapaneni	Company Secretary

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Related Party Transactions (Rs.)					
Sl. No.	Nature of Transaction	As at 31 st March, 2022	Total	As at 31 st March, 2021	Total
1	Directors Remuneration/Salary and Perquisites (Executive Director)	15,79,175.00	15,79,175.00	12,21,059.00	12,21,059.00
2	Fee for attending Board/ Committee meetings				
	T. Govardhana Rao	12,000.00	12,000.00	12,000.00	12,000.00
	M. Sri Devi	12,000.00	12,000.00	-	-
	P. L.V. Subba Rao	12,000.00	12,000.00	12,000.00	12,000.00
	K. Suneetha	-	-	12,000.00	12,000.00
	Shilpa Bung	12,000.00	12,000.00	-	-
	G. Mohan Rao	12,000.00	12,000.00	12,000.00	12,000.00
3	Salary (CFO)	3,12,457.00	3,12,457.00	2,77,156.00	2,77,156.00
4	Salary (Company Secretary)	3,00,000.00	3,00,000.00	3,00,000.00	3,00,000.00

Enterprises related to promoters/directors or their relatives:
M/s.Ushakiran Finance Limited and M/s.Krishnaraj Securities Private Limited.

Note 29: Segment Reporting

Segments have been identified in line with the Indian Accounting Standard on Segment Reporting (Ind AS 108) considering the organization structure and the differential risks and returns of these segments. Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the Significant Accounting Policies.

Segment wise Revenue, Results and Capital Employed for the year ended 31st March, 2022 (Rs.)

Particulars	For the year ended	
	31 st March, 2022	31 st March, 2021
Segment Revenue		
a) Bulk Drugs and Intermediates (lease rents)	1,22,50,000.00	1,16,50,000.00
b) Investments	1,81,27,915.78	2,69,19,699.83
Total	3,03,77,915.78	3,85,69,699.83
Less: Inter Segment Revenue	-	-
Net sales/Income from Operations	3,03,77,915.78	3,85,69,699.83
Segment Results Profit/(Loss) before tax and finance cost from each segment		
a) Bulk Drugs and Intermediates (lease rents)	1,04,25,053.68	98,55,874.16
b) Investments	1,81,27,915.78	2,69,19,699.83
Total	2,85,52,969.46	3,67,75,573.99
Less: (i) Finance Costs	-	-
(ii) Other Un-allocable Expenditure net off	48,13,673.04	54,10,913.76
(iii) Un-allocable income	-	-
Total Profit Before Tax	2,37,39,296.42	3,13,64,660.23
Capital Employed		
(Segment Assets – Segment Liabilities)		
a) Bulk Drugs and Intermediates	6,41,32,705.55	6,20,95,137.58
b) Investments	23,33,46,583.62	20,56,29,066.20
Total	29,74,79,289.17	26,77,24,203.78

Note 30: Employee benefits

a. Defined Benefit Plans:

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

b. Defined Benefit Plans:

i. Gratuity:

The company has covered its gratuity liability for eligible employees. The benefits are determined and carried out at each Balance Sheet date.

ii. Leave Encashment:

The Company has created provision for leave encashment liability for eligible employees. The benefits are determined and carried out at each Balance Sheet date. Components of Defined Benefit Cost:

Gratuity (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Employee benefit expense		
Opening Service cost	1,48,500.00	1,02,000.00
Current Service Cost	50,000.00	49,500.00
Actuarial (gain)/loss on obligation	15,904.00	(3,000.00)
Total	2,14,404.00	1,48,500.00

Leave Encashment (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Employee benefit expense		
Opening Service cost	2,80,219.00	94,500.00
Current Service Cost	1,00,000.00	99,000.00
Actuarial (gain)/loss on obligation	(7,009.00)	86,719.00
Total	3,73,210.00	2,80,219.00

Amount recognised in the Balance Sheet (Rs.)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Provision for Gratuity	2,14,404.00	1,48,500.00
Provision for Leave Encashment	3,73,210.00	2,80,219.00
Total	5,87,614.00	4,28,719.00

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Note 31: Income Taxes

a. Income tax expense/(benefit) recognized in the statement of profit and loss:

Income tax expense/(benefit) recognized in the statement of profit and loss consists of the following:

(Rs.)

Particulars	For the Year Ended 31 st March	
	2022	2021
Current tax expense		
Domestic	39,66,540.00	39,88,170.00
Deferred tax expense/(benefit)		
Domestic	(1,91,293.00)	(1,64,363.00)
Total income tax expense/(benefit) recognized in the statement of profit and loss	37,75,247.00	38,23,807.00

b. Reconciliation of Effective tax rate

(Rs.)

Particulars	For the Year Ended 31 st March	
	2022	2021
Profit before income taxes	2,37,39,296.42	3,13,64,660.23
Enacted tax rate in India	25.168%	25.168%
Computed expected tax benefit/(expense)	59,74,706.00	78,93,858.00
Effect of:		
Expenses not deductible for Tax purposes	4,60,660.00	8,29,089.00
Expenses deductible for Tax purposes	3,64,875.00	4,20,973.00
Items not subjected to Tax purposes	21,05,891.00	43,23,685.00
Taxable at Special Rates	-	-
Income tax benefit/(expense)	39,64,600.00	39,78,288.00
Effective tax rate	16.71%	12.68%

The Company's average effective tax rate for the years ended 31st March, 2022 and 31st March, 2021 were 16.71% and 12.68%, respectively.

c. Deferred tax Assets & Liabilities

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

(Rs.)

Particulars	For the Year Ended 31 st March	
	2022	2021
Deferred tax assets/(liabilities):		
Property, plant and equipment	(17,20,436.00)	(17,67,751.00)
Other Employee Benefits	1,47,981.00	-
Net deferred tax assets/(liabilities)	(15,72,455.00)	(17,67,751.00)

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d. Movement in deferred tax assets and liabilities during the year ended 31st March, 2022 & 31st March, 2021 (Rs.)

Particulars	As at 31 st March, 2021	Recognized in statement of profit and loss	Recognized in equity	As at 31 st March, 2022
Deferred tax assets/(liabilities)	(17,67,751.00)	-	-	(17,67,751.00)
Property, plant and equipment	-	47,315.00	-	47,315.00
Others – Employee Benefits	-	1,47,981.00	-	1,47,981.00
Net deferred tax assets/(liabilities)	(17,67,751.00)	1,95,296.00	-	(15,72,455.00)

(Rs.)

Particulars	As at 31 st March, 2020	Recognized in statement of profit and loss	Recognized in equity	As at 31 st March, 2021
Deferred tax assets/(liabilities)	(19,31,359.00)	-	-	(19,31,359.00)
Property, plant and equipment	-	1,63,608.00	-	1,63,608.00
Others – MAT Credit	-	-	-	-
Net deferred tax assets/(liabilities)	(19,31,359.00)	1,63,608.00	-	(17,67,751.00)

Note 32: Investments

Investments consist of investments in Mutual funds, Bonds, Preference Shares and Debentures measured at Fair value through Profit & Loss Account and investment in equity instruments measured at Fair Value through Other Comprehensive Income. The election made at the time of transition to Ind AS is irrevocable.

The details of such Investments in Mutual Funds, Debentures, Bonds, Preference Shares and Equity as of 31st March, 2022 and 31st March, 2021 are as follows:

Financial Investments Measured at Fair Value (Rs.)

As at 31 st March, 2022	Cost	Fair Value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at FVTPL						
Investments in Mutual Funds	3,90,19,884.62	6,70,90,205.38	6,70,90,205.38	-	-	6,70,90,205.38
Investments in Bonds	38,18,944.45	38,23,577.96	38,23,577.96	-	-	38,23,577.96
Investments in Debentures	-	1,19,116.48	1,19,116.48	-	-	1,19,116.48
Investments in Preference Shares	-	-	-	-	-	-
UTI Liquid Cash Plan	39,72,740.66	39,72,740.66	39,72,740.66	-	-	39,72,740.66
Total	4,68,11,569.73	7,50,05,640.48	7,50,05,640.48	-	-	7,50,05,640.48

(Rs.)

As at 31 st March, 2021	Cost	Fair Value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at FVTPL						
Investments in Mutual Funds	3,23,09,270.52	5,14,28,898.77	5,14,28,898.77	-	-	5,14,28,898.77
Investments in Bonds	53,54,700.90	53,48,247.00	53,48,247.00	-	-	53,48,247.00
Investments in Debentures	-	1,24,019.14	1,24,019.14	-	-	1,24,019.14
Investments in Preference Shares	400.00	2,360.00	2,360.00	-	-	2,360.00
UTI Liquid Cash Plan	38,38,850.22	38,38,850.22	38,38,850.22	-	-	38,38,850.22
Total	4,15,03,221.64	6,07,42,375.13	6,07,42,375.13	-	-	6,07,42,375.13

SIGACHI LABORATORIES LIMITED

(Rs.)

As at 31 st March, 2022	Cost	Fair Value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at FVTOCI						
Investments in Equity Instruments	2,07,76,605.70	11,67,34,473.80	11,67,34,473.80	-	-	11,67,34,473.80
Total	2,07,76,605.70	11,67,34,473.80	11,67,34,473.80	-	-	11,67,34,473.80

(Rs.)

As at 31 st March, 2021	Cost	Fair Value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at FVTOCI						
Investments in Equity Instruments	1,69,45,626.95	10,30,00,139.55	10,30,00,139.55	-	-	10,30,00,139.55
Total	1,69,45,626.95	10,30,00,139.55	10,30,00,139.55	-	-	10,30,00,139.55

(Rs.)

As at 31 st March, 2022	Cost	Fair Value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at FVTOCI						
Investments in Equity - Unlisted	25,00,000.00	25,00,050.00	-	-	25,00,050.00	25,00,050.00
Total	25,00,000.00	25,00,050.00	-	-	25,00,050.00	25,00,050.00

(Rs.)

As at 31 st March, 2021	Cost	Fair Value	Level 1	Level 2	Level 3	Total
Financial Assets Measured at FVTOCI						
Investments in Equity - Unlisted	-	50.00	-	-	50.00	50.00
Total	-	50.00	-	-	50.00	50.00

Level 1: Fair Value measurements are based on quoted prices. This includes listed equity instruments, Bonds, Debentures, Preference Shares and mutual funds that have quoted price. The fair values of equity are traded in the stock exchanges are valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV. Unlisted shares have been classified as Level 3.

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

(Rs.)

Particulars	Carrying value		Fair value	
	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021
Financial assets				
Cash and cash equivalents	80,66,036.11	2,42,97,351.14	80,66,036.11	2,42,97,351.14
Trade receivables	15,88,680.15	-	15,88,680.15	-
Other financial assets	2,21,75,000.00	1,69,16,250.00	2,21,75,000.00	1,69,16,250.00
Total	3,18,29,716.26	4,12,13,601.14	3,18,29,716.26	4,12,13,601.14
Financial liabilities				
Borrowings	-	-	-	-
Trade payables	-	-	-	-
Other financial liabilities	6,68,431.58	13,94,768.91	6,68,431.58	13,94,768.91
Total	6,68,431.58	13,94,768.91	6,68,431.58	13,94,768.91

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The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1— Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

Fair value hierarchy of financial assets and financial liabilities measured at amortised cost (Rs.)

As at 31 st March, 2022	Level 1	Level 2	Level 3	Total	Valuation Technique for Level 3 items
Financial assets					
Non Current Assets					
Investments:					
Listed	18,77,67,373.62	-	-	18,77,67,373.62	Carrying value approximately equal to fair value
Unlisted	-	-	25,00,050.00	25,00,050.00	
Fixed Deposits with Banks	2,09,04,160.00	-	-	2,09,04,160.00	
Other Financial Assets	-	-	43,73,899.00	43,73,899.00	
Current Assets					
Investments	39,72,740.66	-	-	39,72,740.66	
Trade Receivables	-	-	15,88,680.15	15,88,680.15	
Cash and Cash Equivalents	80,66,036.11	-	-	80,66,036.11	
Other Financial Assets	-	-	2,21,75,000.00	2,21,75,000.00	
Total financial assets	22,07,10,310.39	-	3,06,37,629.15	25,13,47,939.54	
Financial liabilities					
Other Financial Liabilities	-	-	6,68,431.58	6,68,431.58	
Total financial liabilities	-	-	6,68,431.58	6,68,431.58	

(Rs.)

As at 31 st March, 2021	Level 1	Level 2	Level 3	Total	Valuation Technique for Level 3 items
Financial assets					
Non Current Assets					
Investments					
Listed	15,99,03,664.46	-	-	15,99,03,664.46	Carrying value approximately equal to fair value
Unlisted	-	-	50.00	50.00	
Fixed Deposits with Banks	2,88,09,101.74	-	-	2,88,09,101.74	
Other Financial Assets	-	-	43,52,899.00	43,52,899.00	
Current Assets					
Investments	38,38,850.22	-	-	38,38,850.22	
Trade Receivables	-	-	-	-	
Cash and Cash Equivalents	2,42,97,351.14	-	-	2,42,97,351.14	
Other Financial Assets	-	-	1,69,16,250.00	1,69,16,250.00	
Other Current Assets	-	-	1,11,18,744.39	1,11,18,744.39	
Total Financial Assets	21,68,48,967.56	-	3,23,87,943.39	24,92,36,910.95	
Financial liabilities					
Other Financial Liabilities	-	-	13,94,768.91	13,94,768.91	
Total Financial Liabilities	-	-	13,94,768.91	13,94,768.91	

Note 33: Financial Risk Management

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

a) Credit Risk

Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Risk principally consists of investments classified as loans and receivables, trade receivables, loans and advances and other financial assets.

Trade Receivables - The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. The Company has leased out its two factories to one entity and thus there is significant concentration risk. As Company trade receivables are realised within normal credit period adopted by the company, hence the financial assets are not impaired.

Financial assets that are neither past due nor impaired - None of the Company's cash and cash equivalents, including deposits with banks, were past due or impaired as at 31st March, 2022.

b) Liquidity Risks

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure.

As of 31st March, 2022 and 31st March, 2021, the Company had unutilized credit limits from banks of NIL and NIL respectively.

As of 31st March, 2022, the Company had working capital (current assets less current liabilities) of Rs.3,51,34,129.34 including cash and cash equivalents of Rs.80,66,036.11, as of 31st March, 2021, the Company had working capital (current assets less current liabilities) of Rs.5,47,76,426.84 including cash and cash equivalents of Rs. 2,42,97,351.14.

The following table shows the maturity analysis of the Companies Financial Liabilities based on contractually agreed, undiscounted cash flows as at the balance sheet date.

For the year ended 31st March, 2022 (Rs.)

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two years	More than three years
Trade Payables	-	-	-	-	-
Other Current Financial Liabilities	6,68,431.58	6,68,431.58	-	-	-
Other Non-Current Liabilities-Deposits	25,00,000.00	-	-	-	25,00,000.00

SIGACHI LABORATORIES LIMITED

For the year ended 31st March, 2021

(Rs.)

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two years	More than three years
Trade Payables	-	-	-	-	-
Other Current Financial Liabilities	13,94,768.91	13,94,768.91	-	-	-
Other Non-Current Liabilities-Deposits	25,00,000.00	-	-	-	25,00,000.00

The following are analytical ratios for the year ended 31st March, 2022 and 31st March, 2021.

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change
Current Ratio	Current Assets	Current Liabilities	53.56	30.80	73.90
Debt Equity Ratio	Total Debt	Shareholder Equity	-	-	-
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-	-	-
Return on Equity (ROE)	Net profit after taxes	Average Shareholder Equity	29.56%	40.78%	(27.51)
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	-	-	-
Trade Receivables Turnover Ratio	Revenue from Operations	Average Receivables	7.71	-	100
Trade Payables Turnover Ratio	Purchases	Average Trade Payables	-	-	-
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	73.91	63.96	15.56
Net Profit Ratio	Net Profit	Revenue from Operations	65.72	71.41	(7.97)
Return on Capital Employed (ROCE)	Earnings Before Interest and Taxes (EBIT)	Capital Employed	7.98%	11.72%	(31.91)
Return on Investment	Income generated from investments	Investments	4.49%	4.61%	(2.60)

Reasons for changes in more than 25%:

1. The Change in current ratio of 73.90% indicate improvement in the current assets and decrease in current liabilities.
2. The decrease of 27.51% in Return on Equity (ROE) is due to change in the fair value gains.
3. The decrease of 31.91% in Return on Capital Employed (ROCE) is due to change in the fair value gains.

c) Market Risks

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments. Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market Risk comprises three types of risk: Interest Rate Risk, Foreign Currency Risk and Commodity Risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in Market Interest Rates. The Company is not having any debt obligations with floating interest rates.

Foreign Currency Risk

Foreign Currency Risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not having any foreign exchange exposure.

Commodity Price Risk

The Commodity Price Risk is affected by the price volatility of certain commodities. The Company is not having any exposure for any commodity.

Note 34: Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The funding requirements are met through equity and operating cash flows. The Company's capital comprises Equity Share Capital, Retained Earnings and other equity attributable to equity holders.

Note 35: Contingent Liabilities and Commitments

a. Claims against the company:

Income Tax department has filed an appeal with the Hon'ble High Court of Telangana at Hyderabad against the orders of Hon'ble ITAT for the Assessment year 1998-1999 and the amount under appeal by the Income Tax Department is Rs.6.54 Lakhs.

b. Partly paid up shares:

As at 31.03.2022 - Nil

As at 31.03.2021 - An amount of Rs.1,15,250/- is payable towards 250 partly paid equity shares as and when called by Tata Steel Limited. An amount of Rs.1,33,870.50 is payable towards 142 partly paid equity shares as and when called by Reliance Industries Limited.

Note 36: 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).

Note 37: The company has no amount due to suppliers under the Micro, Small and medium Enterprises Development Act, 2006 as at 31st March, 2022.

Note 38: Previous year's figures have been regrouped/reclassified/recasted wherever necessary to conform to the current year's presentation.

Note 39: The Financial Statements were approved for issue by the Board of Directors on 30th May, 2022.

Per our report of even date annexed
for Niranjana and Narayan
Chartered Accountants
(Firm Regn. No.005899S)

(M. Niranjana)
Partner
Membership No.029552

Place: Hyderabad
Date : 30.05.2022

For and on behalf of the Board

(T.R.Sekhar)
Executive Director
DIN:02943146

(T.Govardhana Rao)
Director
DIN:07162634

(S.Lekha Sai)
Company Secretary
ACS:57228

(B.Kumar)
Chief Financial Officer

NOTES

No printed matter

PRINTED MATTER

SIGACHI LABORATORIES LIMITED

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