

**S.I. CAPITAL & FINANCIAL SERVICES LTD.**



**Twenty First Annual Report 2014 - 2015**

## Board of Directors

### Executive Directors

Mrs. Mary Rodrigues - Managing Director

### Non-Executive Directors

Mr. Vettath Abraham Kurian

Mr. Sanjay Arjundas Wadhwa

Mr. Ranjith Matthan - Independent

Mr. Krishnapillai Sethuraman - Independent

### Board Committees

#### Audit Committee

Mr. Ranjith Matthan - Chairman

Mr. Vettath Abraham Kurian - Member

Mr. Krishnapillai Sethuraman - Member

#### Nomination & Remuneration Committee

Mr. Krishnapillai Sethuraman - Chairman

Mr. Ranjith Matthan - Member

Mr. Sanjay Arjundass Wadhwa - Member

#### Stakeholders Relationship Committee

Mr. Krishnapillai Sethuraman - Chairman

Mr. Vettath Abraham Kurian - Member

Ms. Sanjay Arjundas Wadhwa - Member

#### Independent Directors Committee

Mr. Krishnapillai Sethuraman - Chairman

Mr. Ranjith Matthan - Member

#### Chief Financial Officer

Ms. M. Danalakshmi

#### Statutory Auditors

M/s. Sudhindran & Co.,-(Firm Reg. No.006019S)

Chartered Accountants,

Chennai

#### Registered Office

64, Montieth Court, Montieth Road,

Egmore, Chennai – 600008.

Ph: 044-28415438 / 39, E-mail: [info@sicapital.co.in](mailto:info@sicapital.co.in)

Website: [www.sicapital.co.in](http://www.sicapital.co.in)

CIN : L67190TN1994PLC029151

#### Company Secretary

Ms. Sai Girija Srikanth

#### Share Transfer Agents

GNSA Infotech Ltd

Nelson Chambers, Block F, 4<sup>th</sup> Floor,

115, Nelson Manickam Road, Aminthakarai,

Chennai – 600029. Ph: 044-4296 2025

#### Shares Listed with

Bombay Stock Exchange (BSE)

Madras Stock Exchange (MSE)

## NOTICE OF 21<sup>ST</sup> ANNUAL GENERAL MEETING AND BOOK CLOSURE

NOTICE is hereby given that the 21<sup>st</sup> Annual General Meeting of the members of M/s. S.I. Capital & Financial Services Limited will be held on **Monday, 28<sup>th</sup> September, 2015** at Green Meadows – Conference Hall No: 4/364-A, Anna Salai, Palavakkam, Chennai 600 041 at **09.00 A.M.** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance sheet and statement of Profit and Loss for the year ended 31st March, 2015 and the Reports of the Directors, Secretarial auditors and Statutory Auditors thereon.
2. To appoint a Director in the place of, Mr. V. A. Kurien (DIN:01778831), Director who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 & rules made there under, M/s. Sudhindran & Co., Chartered Accountants, Chennai, (bearing Firm Reg. No.006019S) being the retiring auditors, not being eligible due to expiry of term for re-appointment, Mr. A.M.Thomas, Chartered Accountant (Membership No. 022119) be and is hereby appointed in his place as Statutory auditors to hold office from the conclusion of this Annual General Meeting for a period of five years (i.e., till the Annual General Meeting to be conducted in the year 2020 ) at a remuneration fixed by the audit committee of the Board in consultation with the auditor .

### SPECIAL BUSINESS

#### 4. Appointment of Independent Director

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the said Act and Companies (Appointment and Qualification of Directors) Rules, 2014, and Clause 49 of the Listing Agreement as may be amended from time to time, Mr.Krishnapillai Sethuraman, DIN-06990255), who was holding position of the Independent Director and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director of the Company and who has also submitted a declaration confirming that he meets the criteria for independence as provided under section 149(6) of the Companies Act, 2013 and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years from 18<sup>th</sup> September, 2014 and he will not be liable to retire by rotation.”

**5. Re-appoint Mr. Ranjith Kurian Mathan as an Independent director**

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the said Act and Companies (Appointment and Qualification of Directors) Rules, 2014, and Clause 49 of the Listing Agreement as may be amended from time to time, Mr.Ranjith Kurian Matthan-00968445), who was holding position of the Independent Director and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director of the Company and who has also submitted a declaration confirming that he meets the criteria for independence as provided under section 149(6) of the Companies Act, 2013 and is eligible for re-appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years effective 30<sup>th</sup> September, 2014 and he will not be liable to retire by rotation.”

**6. Appointment of Managing Director**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 read with Schedule V to the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), the consent of the Company be and is hereby accorded to the appointment of Ms. Mary Rodrigues (DIN: 01778843), as Managing Director of the Company for a period of five years commencing from 10.03.2015 on the remuneration, terms and conditions as recommended and fixed by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Ms. Mary Rodrigues, Managing Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by the Companies Act, 2013.

RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

**By order of the Board**

Place : Chennai  
Date : 20.08.2015

Sd/-  
Mary Rodrigues  
Managing Director

**Notes:**

A member entitled to attend and vote is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member.

Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.

Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, members are requested to please bring their folio number/demat account number/DP ID-Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.

In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

Bodies corporate can be represented at the meeting by such person(s) as are authorized Copies of resolution under section 113 of the Companies Act, 2013, authorising such person(s) to attend the meeting should be forwarded to the Company prior to the meeting.

Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration Rules, 2014, and Clause 35B of the Listing Agreement, the Company is providing to its members the facility to cast their **votes by electronic means on all the resolutions**. The procedure for e-voting as set forth in the Notice and the same is also available on the websites of the Company at [www.sicapital.co.in](http://www.sicapital.co.in) and on the website of NSDL at [www.evoting@nsdl.co.in](http://www.evoting@nsdl.co.in)

E-voting facility shall be from Friday, 25th September, 2015 @ 9.00 am and shall end on **Sunday, 27<sup>th</sup> September, 2015 @ 5.00 pm** and that no voting shall be allowed prior to or after the prescribed time as aforesaid. The Cutoff date is **18<sup>th</sup> September, 2015** and a person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on this date only shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting through ballot paper.

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date** of 18<sup>th</sup> September, 2015. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 18<sup>th</sup> September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or by contacting Mr. Krishna Kumar, GNSA, Ph: 044-4296 2025, E-mail: [sta@gnsaindia.co.in](mailto:sta@gnsaindia.co.in)

Existing members can use their existing user ID & Password for e-voting.

All the members may participate in the general meeting even after exercising their right to vote through remote e-voting but shall not be allowed to vote again in the AGM. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.

For any query/grievance connected with the voting by electronic means members may kindly refer the FAQ portion in NSDL website and e-voting user manual for members is available at the downloads section of <https://www.evoting.nsdl.com> or may contact NSDL at the toll free number 1800-222-990 or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and members may also contact CS Sai GirijaSrikanth, Compliance officer, e-mail: [info@sicapital.com](mailto:info@sicapital.com) or Mr. Krishnakumar, GNSA, Share Transfer Agent, Ph: 044-4296 2025, E-mail: [sta@gnsaindia.com](mailto:sta@gnsaindia.com)

The Company has appointed Mr. Phillip T Paul, Advocate as the Scrutinizers for the e-voting to conduct it in a fair and transparent manner. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. The results of e-voting as well as of the Poll at the AGM shall be declared within 2 working days from the date of the AGM and which shall also be posted in the website of the Company and the NSDL.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The procedure to login to e-Voting website is given below:

1. Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting
2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on "Shareholder - Login".
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.

7. Select "EVEN" of S.I. CAPITAL & FINANCIAL SERVICES LTD. Members can cast their vote online from Friday, 25<sup>th</sup> September, 2015 (9:00 am) and ends on Sunday, 27<sup>th</sup> September, 2015 (5:00 pm).

Note: e-Voting shall not be allowed beyond said time.

8. Now you are ready for "e-Voting" as "Cast Vote" page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: [philiptpaul@gmail.com](mailto:philiptpaul@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

Other information:

- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-Voting website of NSDL through their website viz.; [www.icicidirect.com](http://www.icicidirect.com) for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website [www.icicidirect.com](http://www.icicidirect.com). Please note that in case you are not able to login through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the evoting system of NSDL.

Pursuant to section 91 of the Companies Act, 2013, read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and Clause 15/16 of the listing agreement, the Register of Members and Share Transfer Books of the Company will remain closed from **15<sup>th</sup> September, 2015 to 28<sup>th</sup> September, 2015 (both days inclusive)** for the purpose of holding the aforesaid Annual General Meeting of the Company for the period ended on 31<sup>st</sup> March, 2015.

Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on 28<sup>th</sup> September, 2015 are provided in Annexure 5 of this notice.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the registered office of the Company during business hours except on holidays, up to and including the date of the Annual General Meeting of the Company.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

**Item No.4:**

The Board of directors of the Company comprises of Five directors out of which, two are Non-Executive Independent Directors of the Company. Shri Krishnapillai Sethuraman, DIN-06990255 joined the Board on 18<sup>th</sup> September, 2014 as an Additional (Independent) director (one among the two Non-Executive Independent Directors currently in the Board). His profile is given in annexure-5 to this notice. He is not holding any Shares in the Company.

As per the provisions of section 149 of the Companies Act, 2013 which has come into force w.e.f. 1st April 2014, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company and shall not be liable to retire by rotation. Therefore, it is proposed to appoint him as an Independent Director at the ensuing annual general meeting for a period of 5 years, effective 18<sup>th</sup> September, 2014.

This Independent Director have given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board the above said director fulfills the conditions specified in the Act and the Rules made there under as the Clause 49 of the Listing Agreement for his appointment as an Independent Directors of the Company. The Company has received a notice in writing as required under section 160 of the Companies Act, 2013 from a member for proposing the appointment of the above said directors.

The 'Independent Director' have expertise in specific functional areas and is an eminent personality in his respective fields. The Board considers that the continued association would be of immense benefit to the Company and is desirable to continue to avail services of this director as Independent Director. Accordingly, the Board recommends passing of the resolution as set out in the Item No. 4 as an Ordinary Resolution.

Shri V.A. Kurian, who has proposed appointee may be considered as concerned or interested financially in the Resolutions to the extent of the sitting fee as may be paid by the Company from time to time. Except that none of the other Directors nor Key Managerial Personnel or relatives thereof are, in any way, concerned or interested in this Resolution.

**Item No.5:**

The Board of directors of the Company comprises of Five directors out of which, two are Non-Executive Independent Directors of the Company. Shri Ranjith Kurian Matthan, DIN-00968445, joined the Board on 30<sup>th</sup> September, 2006 as an Additional director (one among the two Non-Executive Independent Directors currently in the Board). His profile is given in **Annexure-5** to this notice. He is not holding any Shares in the Company.

As per the provisions of section 149 of the Companies Act, 2013 which has come into force w.e.f. 1st April 2014, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company and shall not be liable to retire by rotation. Therefore, it is proposed to appoint him as an Independent Director at the ensuing annual general meeting for a period of 5 years, effective 30<sup>th</sup> September, 2014.

This Independent Director have given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board the above said director fulfills the conditions specified in the Act and the Rules made there under as the Clause 49 of the Listing Agreement for his appointment as an Independent Directors of the Company. The Company has received a notice in writing as required under section 160 of the Companies Act, 2013 from a member for proposing the appointment of the above said directors.

The 'Independent Director' have expertise in specific functional areas and is an eminent personality in his respective fields. The Board considers that the continued association would be of immense benefit to the Company and is desirable to continue to avail services of this director as Independent Director. Accordingly, the Board recommends passing of the resolution as set out in the Item No. 5 as an Ordinary Resolution.

Shri V.A. Kurien, who has proposed appointee may be considered as concerned or interested in the Resolutions to the extent of his nomination made by him. Except him none of the other Directors nor Key Managerial Personnel or relatives thereof are, in any way, concerned or interested in this Resolution.

**Item No.6:**

Ms. Mary Rodrigues was first inducted into the board on 31<sup>st</sup> January, 2007. Her profile is given in Annexure-5 attached to this notice.

The Board has appointed Ms. Mary Rodrigues as Managing Director of the Company in the Board meeting held on 10.03.2015 for a period of 5 years. Now the Board is seeking the approval of members at the meeting of the shareholders to be held on 28.09.2015.

The remuneration package for Ms. Mary Rodrigues as determined by the Nomination & Remuneration Committee of the Board and as confirmed by the Board of Directors is Rs.10000/- Per Month (Rupees Ten Thousand Only) and her remuneration does not exceed the limits set under Section II (A) of Schedule V of the Companies Act, 2013 and there is no necessity for the Company to go for an approval from Central Government for paying the aforesaid remuneration. Accordingly, the Board recommends passing of the resolution as set out in the Item No. 6 as an Ordinary Resolution.

Shri V.A. Kurien, the relative (Father) of Ms. Mary Rodrigues and is considered as concerned or interested in the Resolutions to that extent.. Except him none of the other Directors nor Key Managerial Personnel or relatives thereof are, in any way, concerned or interested in this Resolution.

Information as required in terms of Schedule V of the Companies Act, 2013

**(I) GENERAL INFORMATION**

S.I. No		
1.	Nature of Industry	Foreign Exchange, Leasing and Hire purchase
2.	Date or expected date of commencement of commercial production	Not applicable - the Company is an existing Company
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4.	Financial performance of the Company	Financial Performance of the Company for the year ended 31st March, 2015 ( Rupees in Lakhs) Total Income- 29.76 Total Expenditure-30.50 Net Profit Before Tax- (-)0.74 Profit after Tax- (-)0.81
5.	Export performance and net foreign exchanges collaborations, if any	Not Applicable.
6.	Foreign Investments or collaborators, if Any	Not Applicable

**(II) INFORMATION ABOUT APOINTEE**

**Ms. Mary Rodrigues**

1.	Background details	MRS. MARY RODRIGUES, aged 56 has a Bachelor Degree in Management and has been involved in the food industry for a very long time. At present Mrs. Rodrigues looks after the logistics and hospitality divisions of Southern Warehousing. As a Managing Director she provides strategic direction to the Company. She has vast knowledge in international business as well as domestic marketing.
2.	Past Remuneration	She was paid only sitting fees of Rs.1000/- for the board meeting attended by her
3.	Recognition or awards	NIL
4.	Job profile and her suitability	As above, She is the key asset for the company and her contributions and directions are compulsorily required for the growth and success of the Company.

5.	Remuneration Proposed	Rs.120000/- p.a
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration payable is as per general industry norms and commensurate with the operation of the Company and job responsibilities
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial person. If any	She is one among the Promoter Directors and she is related to Mr. V. A. Kurien, Non Executive Director. (Daughter)
<b>(III) OTHER INFORMATION</b>		
1.	Reasons for loss or inadequate profits	Foreign Exchange Market is having high fluctuations and heavy competition exists. So the margin of profit became very low leading to a loss.
2.	Steps taken for improvement	Providing additional working capital for larger turnover
3.	Expected increase in productivity and profits in measurable terms	25%
<b>(IV) DISCLOSURES</b>		
1.	The Shareholders of the Company shall be informed of the remuneration package of the managerial person.	The remuneration paid to Ms. Mary Rodrigues is as stated above.

Place : Chennai  
Date : 20.08.2015

**By order of the Board**  
Sd/-  
Mary Rodrigues  
Managing Director

**DIRECTORS REPORT & MANAGEMENT DISCUSSION AND ANALYSIS**

To the Members,

Your Directors have pleasure in submitting their 21<sup>st</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March 2015.

**1. FINANCIAL RESULTS:**

The Company's financial performance for the year under review along with previous years figures are given hereunder :

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2015 (Amount in Lakhs)</b>	<b>For the year ended 31<sup>st</sup> March 2014 (Amount in Lakhs)</b>
Net Sales /Income from		
Business Operations	6.38	8.89
Other Income	23.38	15.14
<b>Total Income</b>	<b>29.76</b>	<b>24.03</b>
Less Interest		
Profit before Depreciation	2.51	5.63
Less Depreciation	3.25	1.92
<b>Profit after depreciation and interest</b>	<b>(0.74)</b>	<b>3.71</b>
Less Current Income Tax	-	0.80
Less Previous year adjustment of Income Tax	-	-
Less Deferred		
Tax	0.07	0.24
<b>Net Profit after Tax</b>	<b>(0.81)</b>	<b>1.93</b>
Dividend (including Interim if any and final )	-	-
Net Profit after dividend and Tax	<b>(0.81)</b>	1.93
Amount transfered to General Reserve	-	-
Balance carried to Balance Sheet	(0.81)	1.93
Earning per share (Basic)	(0.03)	0.06
Earning per Share(Diluted)	(0.03)	0.06

**2. DIVIDEND:**

No Dividend was declared for the current financial year due to loss incurred by the Company

**3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:**

Your Directors wish to present the details of Business operations done during the year under review:

The Company is mainly dealing with Foreign Exchange Transactions.

Due to heavy competitions in forex market, margins in foreign exchange transactions have been reduced and the Company is taking all possible efforts to perform better and also been very careful and selective when doing sales as creditably factor is more important.

The Company is in the process of revoking the suspension of trade in BSE. After completion of this process better business opportunities are expected.

The Directors are very keen to convert the idle asset like the property at Cochin to cash to improve the liquidity and to carry on the core business of the company. The Company is taking all possible efforts to improve the performance and achieve better results in future years.

Sale of property at Ernakulam: In the previous year a special resolution was passed to effect the sale of the property mentioned above. Sale is delayed as we are in the process of getting the survey report and due efforts are taken to get the survey report from the local authorities. So far prospective buyers are coming closer to get this property and the sale will be executed atonce on getting this report.

**5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

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

There are no significant and material orders passed by Regulators / Court / Tribunals impacting the going concern status and company's operation in future.

**6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. The total Foreign Exchange Inflow and Outflow was nil during the year under review.

**7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company is facing heavy competition in the market due to the influence of unexpected exchange rate fluctuations leading to average and poor returns. Adequate measures are taken to minimize risks and maximize returns.

**8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There was no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

**10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 186 is available in Annexure 3 and is attached to this report..

**11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report and explanations /comments made by the Board relating to the qualifications, reservations or adverse remarks made by the Practicing Company Secretary in their respective reports are furnished as Annexure 6 and is attached to this report.

**12. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) of the Companies Act, 2013, relating to constitution of Nomination and Remuneration Committee are in place. The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure 5, 5a & 5b** and is attached to this report.

The Board has made a formal evaluation of its own performance, committees of the Board and Independent Directors as per the above policy and is satisfactory over its performance.

**13. ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration ) Rules, 2014 is furnished in **Annexure 2** and is attached to this Report.

**14. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Company had its Board meetings and other Committee meetings during the financial year under review as per the **Annexure 3**.

**15. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary and Joint venture. M/s. Southern warehousing Company Pvt. Ltd. is our only Associate Company .

**17. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

**18. DIRECTORS**

**CHANGES IN THE BOARD:**

- Mr. K. Sethuraman who was appointed as an Independent Director on 18<sup>th</sup> September, 2014 holds the said office till the date of the Annual General Meeting. A notice has been received from a member proposing his candidature for his reappointment.
- Mr. V. V. Joseph, Director resigned from the Board with effect from 18<sup>th</sup> September, 2014.
- Ms. Mary Rodrigues was appointed as a Managing Director with effect from 10<sup>th</sup> March, 2015.
- Audit Committee was re-constituted on 18th September, 2014 with the following directors as its members.

NAME OF THE MEMBER	STATUS IN COMMITTEE	NATURE OF DIRECTORSHIP
Mr. RanjithMathan	Chairman	Non-Executive & Independent
Mr. K. Sethuraman	Member	Non-Executive & Independent
Mr. Vettath Abraham Kurien	Member	Non – Executive

- Nomination and Remuneration Committee was constituted on 18th September, 2014 with the following directors as its members:

NAME OF THE MEMBER	STATUS IN COMMITTEE	NATURE OF DIRECTORSHIP
Mr. K. Sethuraman	Chairman	Non-Executive & Independent
Mr.RanjithMathan	Member	Non-Executive & Independent
Ms. Mary Rodrigues	Member	Non – Executive
Mr. SanjayArjundasWadhwa	Member	Non – Executive

- Shareholders Committee was renamed as Stakeholders Relationship Committee on 18th September, 2014 and was re-constituted with the following directors as its members:

NAME OF THE MEMBER	STATUS IN COMMITTEE	NATURE OF DIRECTORSHIP
Mr. K. Sethuraman	Chairman	Non-Executive & Independent
Ms. Mary Rodrigues	Member	Non – Executive
Mr. Vettath Abraham Kurian	Member	Non – Executive

- The Independent Directors Committee was constituted with Mr. K. Sethuraman and Mr. Ranjith Kurian Matthan as its members.
- Mr. V. A. Kurian retires at this Annual General Meeting and being eligible offered himself for re-election.
- Board and committee member details given in cover page according to the reconstituted committee as on 10th March 2015.

**19. DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**20. STATUTORY AUDITORS**

M/s Sudhindran & Co, Chartered Accountants, were appointed as Statutory Auditors for a period of one year in the Annual General Meeting held on 22<sup>nd</sup> August, 2014. Their re-appointment can not be done due to expiry of their term as per the provisions of the Company's Act, 2013. So Mr.A.M.Thomas, Chartered Accountant (Membership No. 022119) is proposed to be appointed in the place of retiring auditors for a period of Five Years from 2015 to 2020 and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditor to the effect that if he is appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

**21. RISK MANAGEMENT POLICY**

The Statement showing the details regarding the development and implementation of Risk Management Policy of the Company is available in our Company website [www.sicapital.co.in](http://www.sicapital.co.in). The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting.

At present, the Company has not identified any element of risk which may threaten the existence of the company

**22. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013, The Audit Committee consists of the following members:

<b>NAME OF THE MEMBER</b>	<b>STATUS IN COMMITTEE</b>	<b>NATURE OF DIRECTORSHIP</b>
Mr. Ranjith Mathan	Chairman	Non-Executive & Independent
Mr. K. Sethuraman	Member	Non-Executive & Independent
Mr. Vettath Abraham Kurien	Member	Non – Executive

The above composition of the Audit Committee consists of independent Directors viz., Mr. Ranjith Mathan and Mr K. Sethuraman who forms the majority.

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company. No personnel has been denied access to the audit committee for reporting any of their genuine concerns.

Audit Committee is responsible to handle risks and to implement the policy appropriately and to report the Board regarding the plans and procedures implemented to mitigate risks.

Internal Control systems and adequacy: The Company's internal control system is properly placed and strengthened taking into account the nature of business and size of operations. Internal auditors are conducting periodic audits and brings out any deviations in internal audit procedures and their observations are periodically reviewed and compliance is ensured. The audit committee is properly reviewing and monitoring this internal audit process.

**23. SECRETARIAL AUDIT**

The Company has appointed M/s. Gopimohan Satheesan & Associates, a firm of practicing company Secretaries as secretarial auditors to conduct the audit for the year 2014-15 and their report is annexed herewith as Annexure – 1.

**24. PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed herewith as Annexure – 7.

**25. CORPORATE GOVERNANCE**

Your Company affirms its commitment to good corporate governance policies and practices. Pursuant to Clause 49 of the listing agreement with the Stock Exchanges, the Report on Corporate Governance which forms a part of this Report and is annexed here as Annexure 3.

**26. SHARES**

**A. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

**B. SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

**C. BONUS SHARES**

No Bonus Shares were issued during the year under review.

**D. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

**27. ACKNOWLEDGEMENTS**

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

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Mary Rodrigues**  
Managing Director

**Ranjith Matthan**  
Director

Date : 20.08.2015  
Place : Chennai

**SECRETARIAL AUDIT REPORT  
Annexure 1**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2015**

To,  
The Members,  
S.I.CAPITAL & FINANCIAL SERVICES LIMITED  
Chennai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by S.I. CAPITAL & FINANCIAL SERVICES 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, minute 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 31<sup>st</sup> March, 2015 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:

The equity shares of the Company are listed in Bombay Stock Exchange and Madras Stock Exchange, of which Madras Stock Exchange is not carrying out any trading activities for the last several years and are practically non-operational and therefore, our audit has not covered the Compliance or otherwise of the Listing Agreement entered by the Company with the Madras Stock Exchange.

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 31<sup>st</sup> March, 2015 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; (only to the extent that the Company's shares are dematerialised with the Depository)
- (iv) Foreign Exchange Management Act, 1999 and the rules, circulars and regulations made thereunder to the extent it is related to full fledged money changers;
- (v) Reserve Bank Act, 1934 and Circulars issued by the Reserve Bank of India to the extent applicable to Non-Banking Finance Companies.
- (vi) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the company during the period of our Audit.

- (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
  - (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; (applicable only to the extent applicable to a company appointing an Registrar and Share Transfer Agent)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (not applicable to the Company).
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [not applicable to the company as the company did not buy back any shares during the year under review.]
1. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and SEBI Act and Regulations made thereunder, subject to the following observations:
    - (i) The trading of Securities issued and Listed by the company with Bombay Stock Exchange Limited continued to be suspended during the year ended 31.03.2015 and hence there is no trading of the securities through the Bombay Stock Exchange.
    - (ii) The audited financial results for the year ended 31/03/2014 was approved only at the Board meeting held on 01/07/2014 which is not in compliance of clause 41 of the listing agreement.
    - (iii) The Company is yet to file e-form MGT-14 relating to Disclosure of interest and appointment of Company Secretary with the Registrar of Companies. The Company filed e-form MR-1 relating to appointment of Company Secretary on 20.08.2015.
  2. In respect of other laws like Acts relating to employees and labour regulations, welfare and connected activities, specifically applicable to the Company, we have relied on information/ records produced by the Company during the course of our audit and the reporting is limited to that extent.

We report that:

The following Rules issued under the Companies Act, 2013 are not applicable to the Company during the financial year 2014-15:

- i. Companies (Issue of Global Depository Receipts) Rules, 2014 as the Company has not issued any Global Depository Receipts.
- ii. Companies (Prospectus and Allotment of Securities) Rules, 2014 as the Company has not issued any shares or other securities through issue of prospectus.
- iii. Companies (Acceptance of Deposits) Rules, 2014 as the Company has not accepted any public deposits.
- iv. Companies (Corporate Social Responsibility Policy) Rules, 2014.
- v. Companies (Inspection, investigation and inquiry) Rules, 2014 as no inspection or investigation were ordered on the affairs of the Company.
- vi. Companies (Declaration and Payment of Dividend) Rules, 2014 as the Company has not declared dividend during the audit period.
- vii. Companies (Registration of Charges) Rules, 2014 as Company has not created any charge during the audit period.

The Company has complied with the following Rules, issued under the Companies Act, 2013:

- i. Companies (Share Capital and Debentures) Rules, 2014.
- ii. Companies (Management and Administration) Rules, 2014 subject to observation in para 1(iii) above.
- iii. Companies (Accounts) Rules, 2014.
- iv. Companies (Audit and Auditors) Rules, 2014
- v. Companies (Appointment and Qualification of Directors) 2014.
- vi. Companies (Meeting of Board and its Powers) Rules, 2014.
- vii. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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 decisions of the Board were made unanimously and were captured and recorded as part of the minutes.

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.

We further report that during the audit period the company have not:

- (i) made any Public issue/Rights issue/Preferential issue / debentures issue/sweat equity shares, etc.
- (ii) made any Redemption / buy-back of securities.
- (iii) took any decision by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) took any decision on Merger / amalgamation / reconstruction, etc.
- (v) took any decision on Foreign technical collaborations.

**For GOPIMOHAN SATHEESAN & ASSOCIATES**

Sd/-

SANDEEP KUMAR.S

(PARTNER)

ACS No. 26281

C P No.: 9450

Place : PALAKKAD

Date : 20.08.2015

## FORM NO. MGT 9

Annexure 2

## EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2014

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration ) Rules, 2014.

## I REGISTRATION &amp; OTHER DETAILS:

i	CIN	L67190TN1994PLC029151
ii	Registration Date	8th November 1994
iii	Name of the Company	S.I.CAPITAL & FINANCIAL SERVICES LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares Indian - Non Government Company
v	Address of the Registered office & contact details	64,MONTIETH ROAD,EGMORE, CHENNAI-600008, TAMIL NADU
vi	Whether listed company	LISTED
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	GNSA Infotech Ltd Nelson Chambers, F Block, IVth Floor 115, Nelson Manickam Road Aminthakarai, Chennai - 600 029 Ph: 044 - 4296 2025 e-mail: sta@gnsaindia.com

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

	All the business activities contributing 10% or more of the total turnover of the company shall be stated		
SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Authorised dealers or money changers in Foreign Exchange	67190	97%

## III PARTICULARS OF HOLDING , SUBSIDIARY &amp; ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Southern Warehousing Co. Pvt. Ltd. No.65, Montieth Road, Egmore, Chennai 6000 008	U63023TN1976PTC007212	Associate	16.80	2(6)

**IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	765810	189610	955420	31.85	990440	229360	1219800	40.66	8.81
a) Individual/HUF									
b) Central Govt.or State Govt.									
c) Bodies Corporates	439000	150600	589600	19.65	504100	0	504100	16.80	-2.85
d) Bank/FI									
e) Any other									
SUB TOTAL:(A) (1)	1204810	340210	1545020	51.50	1494540	229360	1723900	57.46	5.96
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1204810	340210	1545020	51.50	1494540	229360	1723900	57.46	5.96
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI	0	9200	9200	0.31	0	9200	9200	0.31	0
C) Cenntal govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):	0	9200	9200	0.31	0	9200	9200	0.31	0
(2) Non Institutions									
a) Bodies corporates	400	33300	33700	1.12	400	33300	33700	1.12	0
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	166030	828050	994080	33.14	166000	781400	947400	31.58	-1.56
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	241100	176900	418000	13.93	108900	176900	285800	9.53	-4.41
c) Others (specify)									
SUB TOTAL (B)(2):	407530	1038250	1445780	48.19	275300	991600	1266900	42.23	-5.96
Total Public Shareholding (B)= (B)(1)+(B)(2)	407530	1047450	1454980	48.50	275300	1000800	1276100	42.54	-5.96
C. Shares held by Custodian for GDRs & ADRs									0
Grand Total (A+B+C)	1612340	1387660	3000000	100	1769840	1230160	3000000	100	0

<b>(ii) SHARE HOLDING OF PROMOTERS</b>									
SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year	
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares		
1	V A KURIEN	575910	19.20		727310	24.24		5.05	
2	SUSIE ABRAHAM	151100	5.04		151100	5.04		0.00	
3	SANJAY ARJUNDAS WADHWA	100000	3.33		100000	3.33		0.00	
4	SANJAY ARJUNDAS WADHWA	64500	2.15		64500	2.15		0.00	
5	SANJAY ARJUNDAS WADHWA	45000	1.50		45000	1.50		0.00	
6	MARY RODRIGUES	38800	1.29		40200	1.34		0.05	
7	V A KURIEN	0	0.00		28100	0.94		0.94	
8	ARJUNDAS POKARDAS	16700	0.56		16700	0.56		0.00	
9	SANJAY A WADHWA	16300	0.54		16300	0.54		0.00	
10	SUZANNE VENGLLET	7330	0.24		7330	0.24		0.00	
11	SANJAY ARJUNDAS WADHWA	5000	0.17		5000	0.17		0.00	
12	ARJUNDAS POKARDAS HUF II	5000	0.17		5000	0.17		0.00	
13	ARJUNDAS POKARDAS HUF I	5000	0.17		5000	0.17		0.00	
14	SANJAY A WADHWA HUF	4200	0.14		4200	0.14		0.00	
15	ARJUNDAS POKARDAS	2400	0.08		2400	0.08		0.00	
16	N.T. KADAVILL	900	0.03		900	0.03		0.00	
17	SANJAY WADHWA	700	0.02		700	0.02		0.00	
18	KHALEELI M A C	10	0.00		10	0.00		0.00	
19	ABRAHAM THOMAS	10	0.00		10	0.00		0.00	
20	SASIKUMAR C	10	0.00		10	0.00		0.00	
21	GEORGE C A	10	0.00		10	0.00		0.00	
22	KADAVILL N T	10	0.00		10	0.00		0.00	
23	SUZANNE VENGLLET	10	0.00		10	0.00		0.00	
24	SOUTHERN WAREHOUSING CO. PVT. LTD.	439000	14.63		504100	16.80		0.00	
	<b>Total</b>	<b>1477900</b>	<b>49.26</b>		<b>1723900</b>	<b>57.46</b>		<b>2.17</b>	

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	V A KURIEN	575910	19.20	575910	19.20
ADD	20.06.2014 / Market Purchase	1400	0.05	577310	19.24
ADD	20.06.2014 / Market Purchase	150000	5.00	727310	24.24
	At the end of the year (31.03.2015)	727310	24.24	727310	24.24
2	SUSIE ABRAHAM	151100	5.04	151100	5.04
	At the end of the year (31.03.2015)	151100	5.04	151100	5.04
3	SANJAY ARJUNDAS WADHWA	100000	3.33	100000	3.33
	At the end of the year (31.03.2015)	100000	3.33	100000	3.33
4	SANJAY ARJUNDAS WADHWA	64500	2.15	64500	2.15
	At the end of the year (31.03.2015)	64500	2.15	64500	2.15
5	SANJAY ARJUNDAS WADHWA	45000	1.50	45000	1.50
	At the end of the year (31.03.2015)	45000	1.50	45000	1.50
6	MARY RODRIGUES	38800	1.29	38800	1.29
ADD	31.03.2015 / Market Purchase	1400	0.05	40200	1.34
	At the end of the year (31.03.2015)	40200	1.34	40200	1.34
7	V A KURIEN	0	0.00	0	0.00
ADD	23.02.2015 / Market Purchase	28100	0.94	28100	0.94
	At the end of the year (31.03.2015)	28100	0.94	28100	0.94
8	ARJUNDAS POKARDAS	16700	0.56	16700	0.56
	At the end of the year (31.03.2015)	16700	0.56	16700	0.56
9	SANJAY A WADHWA	16300	0.54	16300	0.54
	At the end of the year (31.03.2015)	16300	0.54	16300	0.54
10	SUZANNE VENGLLET	7330	0.24	7330	0.24
	At the end of the year (31.03.2015)	7330	0.24	7330	0.24
11	SANJAY ARJUNDAS WADHWA	5000	0.17	5000	0.17
	At the end of the year (31.03.2015)	5000	0.17	5000	0.17
12	ARJUNDAS POKARDAS HUF II	5000	0.17	5000	0.17
	At the end of the year (31.03.2015)	5000	0.17	5000	0.17
13	ARJUNDAS POKARDAS HUF I	5000	0.17	5000	0.17
	At the end of the year (31.03.2015)	5000	0.17	5000	0.17
14	SANJAY A WADHWA HUF	4200	0.14	4200	0.14
	At the end of the year (31.03.2015)	4200	0.14	4200	0.14
15	ARJUNDAS POKARDAS	2400	0.08	2400	0.08
	At the end of the year (31.03.2015)	2400	0.08	2400	0.08
16	N.T. KADAVILL	900	0.03	900	0.03
	At the end of the year (31.03.2015)	900	0.03	900	0.03
17	SANJAY WADHWA	700	0.02	700	0.02
	At the end of the year (31.03.2015)	700	0.02	700	0.02

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
18	KHALEELI M A C	10	0.00	10	0.00
	At the end of the year (31.03.2015)	10	0.00	10	0.00
19	ABRAHAM THOMAS	10	0.00	10	0.00
	At the end of the year (31.03.2015)	10	0.00	10	0.00
20	SASIKUMAR C	10	0.00	10	0.00
	At the end of the year (31.03.2015)	10	0.00	10	0.00
21	GEORGE C A	10	0.00	10	0.00
	At the end of the year (31.03.2015)	10	0.00	10	0.00
22	KADAVILL N T	10	0.00	10	0.00
	At the end of the year (31.03.2015)	10	0.00	10	0.00
23	SUZANNE VENGLLET	10	0.00	10	0.00
	At the end of the year (31.03.2015)	10	0.00	10	0.00
24	SOUTHERN WAREHOUSING CO. PVT. LTD.	439000	14.63	439000	14.63
ADD	11.07.2014 / Market Purchase	65100	2.17	65100	2.17
	At the end of the year (31.03.2015)	504100	16.80	504100	16.80

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	<b>At the beginning of the year</b>	<b>295800</b>	<b>9.86</b>	<b>295800</b>	<b>9.86</b>
1	JAYANT PRANJIVANDAS	57900	1.93	57900	1.93
2	SURENDRA KUMAR NAKHAT	53700	1.79	53700	1.79
3	DIVYA SHARMA	50000	1.67	50000	1.67
4	VRINDA S WADHWA	35500	1.18	35500	1.18
5	JAGDISH PRASAD JHANWAR	27800	0.93	27800	0.93
6	MANJU SARDA	18300	0.61	18300	0.61
7	S SIVARAMAKRISHNAN	15000	0.50	15000	0.50
8	MRG NAGHESEN	14800	0.49	14800	0.49
9	VIMALKUMAR GALADA	12800	0.43	12800	0.43
10	MOHINI A WADHWA	10000	0.33	10000	0.33
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	<b>NO CHANGE</b>			
	<b>At the end of the year 31.03.2015)</b>	<b>295800</b>	<b>9.86</b>	<b>295800</b>	<b>9.86</b>

## (v) Shareholding of Directors &amp; KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>VETTATH ABRAHAM KURIAN</b>				
	At the beginning of the year	575910	19.20	575910	19.20
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)				
	22.08.2014 / Market Purchase	151400	5.05	727310	24.24
	23.02.2015 / Market Purchase	28100	0.94	755410	25.18
	At the end of the year (31.03.2015)	755410	25.18	755410	25.18
<b>2</b>	<b>MARY RODRIGUES</b>				
	At the beginning of the year	38800	1.29	38800	1.29
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)				
	31.03.2015 / Market Purchase	1400	0.05	40200	1.34
	At the end of the year (31.03.2015)	40200	1.34	40200	1.34
<b>3</b>	<b>SANJAY ARJUNDASS WADHWA</b>				
	At the beginning of the year	167000	5.57	167000	5.57
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)				
	11.07.2014 / Market Purchase	64500	2.15	231500	7.72
	At the end of the year (31.03.2015)	231500	7.72	231500	7.72
<b>4</b>	<b>RANJITH KURIAN MATTHAN</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
<b>5</b>	<b>KRISHNAPILLAI SETHURAMAN</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

<b>6</b>	<b>K DANALAKSHMI</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
<b>7</b>	<b>SAI GIRIJA SRIKANTH</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

**V INDEBTEDNESS**

<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	nil	nil	nil	nil
ii) Interest due but not paid	nil	nil	nil	nil
iii) Interest accrued but not due	nil	nil	nil	nil
<b>Total (i+ii+iii)</b>	nil	nil	nil	nil
<b>Change in Indebtedness during the financial year</b>				
Additions	nil	nil	nil	nil
Reduction	nil	nil	nil	nil
<b>Net Change</b>	nil	nil	nil	nil
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	nil	nil	nil	nil
ii) Interest due but not paid	nil	nil	nil	nil
iii) Interest accrued but not due	nil	nil	nil	nil
<b>Total (i+ii+iii)</b>	nil	nil	nil	nil

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount	
1	Gross salary	MARY				
		RODRIGUES				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	10000			10000	
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	NIL			NIL	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL			NIL	
2	Stock option	NIL			NIL	
3	Sweat Equity	NIL			NIL	
4	Commission	NIL			NIL	
	as % of profit	NIL			NIL	
	others (specify)	NIL			NIL	
5	Others, please specify	NIL			NIL	
	Total (A)	NIL			NIL	
	Ceiling as per the Act	30 Lakhs				

Sl. No	Particulars of Remuneration	Name of the Directors			Total Amount
1	<b>Independent Directors</b>	Ranjith Kurian Matthan	K.Sethuraman		
	(a) Fee for attending board committee meetings	3000	3000	0	6000
	(b) Commission	0	0	0	0
	(c) Others, please specify	0	0	0	0
	Total (1)	3000	3000	0	6000
2	<b>Other Non Executive Directors</b>	<b>V.A. Kurian</b>	<b>Sanjay Arjundass Wadhwa</b>	<b>Mary Rodrigues</b>	<b>Total Amount</b>
	(a) Fee for attending board committee meetings	7000	6000	6000	<b>19000</b>
	(b) Commission	0	0	0	
	(c) Others, please specify.	0	0	0	
	Total (2)	<b>7000</b>	<b>6000</b>	<b>6000</b>	<b>19000</b>
	Total (B)=(1+2)	<b>10000</b>	<b>6000</b>	<b>6000</b>	<b>25000</b>
	Total Managerial Remuneration				
	Overall Ceiling as per the Act.	1 Lakh per board meeting maximum			

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
1	Gross Salary	CEO	Company Secretary	CFO	Total	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	Nil	144000	276000		420000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil		Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil		Nil
2	Stock Option	Nil	Nil	Nil		Nil
3	Sweat Equity	Nil	Nil	Nil		Nil
4	Commission	Nil	Nil	Nil		Nil
	as % of profit	Nil	Nil	Nil		Nil
	others, specify	Nil	Nil	Nil		Nil
5	Others, please specify	Nil	Nil	Nil		Nil
	<b>Total</b>	<b>Nil</b>	<b>144000</b>	<b>276000</b>		<b>420000</b>

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**REPORT ON CORPORATE GOVERNANCE****Annexure 3****1. Company's Philosophy on code of governance:**

Company's Philosophy on Corporate Governance envisages striving for excellence in all facets of its operations through socially and environmentally acceptable means. The Company wants to be a responsible corporate citizen and share the benefits with society and also will make its customers, employees, suppliers and shareholders feel proud of their association with the Company through highest level of fairness and transparency in its dealings.

**2. Board of Directors****a. Composition of the Board**

As on 31st March 2015, the Company's Board comprised of 5 Directors. The Board consists of 1 Managing Director - a Woman Director and 4 Non-Executive Directors, of whom 2 are Independent Directors. Details are given in the table below; The members of the Board are well-experienced professionals and industrialists. The day-to-day management and affairs are handled by Ms. Mary Rodrigues, Managing Director, subject to the supervision, control and direction of the Board of Directors. The composition of the Company's Board is in conformity with the Listing Agreement.

**b. Category of Directors, Attendance, other Directorships and Committee Memberships**

Name of Directors	Category	Attendance particulars		No. of Directorships in other Companies			No. of Committee positions held in other Companies	
		Last AGM	Board Meeting	Public Company	Private Company	Foreign Company	Member	Chairman
Mr. Vettath Abraham Kurian	Non-Executive	yes	9	1	6	-	Nil	Nil
Mr. Sanjay Arjundass Wadhwa	Non-Executive	yes	7	-	6	-	Nil	Nil
Mr. Ranjith Kurian Matthan	Non-Executive – Independent	no	6	2	2	-	Nil	Nil
Mr. Krishnapillai Sethuraman	Non-Executive – Independent	N.A	5	Nil	Nil	Nil	Nil	Nil
Ms. Mary Rodrigues	Executive – Managint Director	yes	8	-	6	-	Nil	Nil

Mr. Vettath Abraham Kurien and Ms. Mary Rodrigues are related to each other. No other directors are related to each other. An exclusive meeting of the Independent Directors of the Company was held on 10th March, 2015 without the attendance of the Non-Independent Directors and members of the management to discuss inter alia the matters specified under Schedule IV of the Companies Act, 2013. none of the above directors are a members in more than ten board level committees of public Companies in which they are directors nor a chairman of more than five such committees.

**c. Board Meetings**

During the year 2014-15, the Board met 9 times on 23<sup>rd</sup> April 2014, 27<sup>th</sup> May 2014, 1<sup>st</sup> July, 2014, 28<sup>th</sup> July, 2014, 18<sup>th</sup> September 2014, 31<sup>st</sup> October, 2014, 12<sup>th</sup> January, 2015, 30<sup>th</sup>

January 2015, and 10<sup>th</sup> March 2015 and the gap between two meetings did not exceed 120 days.

**d. Brief note on Directors seeking appointment / re-appointment:** - Refer Annexure 5

**3. Audit Committee**

- a. The Committee is mandated with the same terms of reference as specified in Clause 49 of the Listing agreement with the Stock Exchanges and also confirms to the provisions of Section 177 of the Companies Act, 2013.
- b. Composition, Name of Members / Chairman, Meetings held and Members present during the year 2014-15:

Name of the Member	Category	Date of Meeting / Members Present						
		23rd April, 2014	1st July, 2014	28th July, 2014	18th September, 2014	31st October, 2014	30th January, 2015	10th March, 2015
Mr. V.A. Kurian	Non-Executive	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Sanjay Arjundass Wadhwa	Non-Executive	Yes	Yes	Yes	Not applicable	Not applicable	Not applicable	Not applicable
Mr. Ranjith matthan	Non-Executive - Independent	No	No	No	Yes	Yes	Yes	Yes
Mr. V.V. Joseph	Non-Executive	No	No	No	No	No	No	No
Mr. K. Sethuraman	Non-Executive - Independent	No	No	No	Yes	Yes	Yes	Yes

Upto 18<sup>th</sup> September, 2014, the committee was functioning with Mr. V. A. Kurian, Mr. Sanjay Arjundass Wadhwa, Mr. Ranjith Matthan and Mr. Joseph as members. On 18<sup>th</sup> September, 2014 the Committee was re-constituted with Mr. Ranjith Matthan as Chairman and Mr. V. A. Kurian and Mr. K. Sethuraman as members.

- c. The Company Secretary acts as the secretary to the Committee. The Chief Financial Officer, Internal audit team and the Statutory Auditors of the Company are permanent invitees to the meeting of the Audit Committee.

**4. Nomination and Remuneration Committee:**

- a. The Committee shall formulate for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees
- b. The Committee shall identify the persons who are qualified to become Directors / Senior Management Personnel of the Company in accordance with the criteria laid down, recommend to the Board their appointment, the remuneration including commission, perquisites and benefits payable to the Directors and their removal. It shall also carry out the evaluation of every Director's performance
- c. Composition, Name of Members / Chairman, Meetings held and Members present during the year 2014-15:

Name of the Member	Category	Date of Meeting / Members Present	
		18th September, 2014	10th March, 2015
Mr. K. Sethuraman	Non-Executive - Independent	Yes	Yes
Mr. Ranjith matthan	Non-Executive - Independent	Yes	Yes
Ms. Mary Rodrigues	Non-Executive	Yes	Yes
Mr. Sanjay Arjundass Wadhwa	Non-Executive	Yes	Yes

**d. Nomination and Remuneration Policy:**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement as amended from time to time, the policy on the nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors on 18<sup>th</sup> September, 2014 and again re – organised in the meeting held on 10<sup>th</sup> March, 2015 , Refer Annexure 5a for Nomination and remuneration policy.

**e. Remuneration of Directors**

All the Directors are paid with a sitting fees of Rs.1000/- only for the Board Meetings attended by them. They have given waiver of sitting fees for all the Committee meetings of the Board in which they are members.

The Managing Director, Ms. Mary Rodrigues is paid with a remuneration of Rs.10000/- (Rupees Ten Thousand Only) with effect from 10<sup>th</sup> March 2015. Until then she was also paid only with the sitting fees for the Board Meetings attended by her.

**5. Stake holders relationship committee**

Shareholders Committee was re-named as Stake Holders relationship Committee and was re-constituted on 18<sup>th</sup> September, 2014 with Mr. K. Sethuraman as Chairman and with Mr. V. A. Kurian and Ms. Mary Rodrigues as Members

The Committee approves the issue of new / duplicate share certificates. The Committee oversees and reviews all matters connected with share transfers / transmission / demat / remat and other issues pertaining to shares. The Committee also looks into the investor relations / grievances and redressal of the same, on a periodical basis.

The Committee met 5 times during the year on 27<sup>th</sup> May 2014, 1<sup>st</sup> July 2014, 25<sup>th</sup> August, 2014, 31<sup>st</sup> October, 2014 and 23<sup>rd</sup> February 2015 . Mr.V. A. Kurian / Mr. k. Sethuraman chaired the meetings. Ms. Sai Girija Srikanth, Company Secretary is the Compliance Officer. During the year, no investor Complaints were received and were left unattended.

**6. General Body Meetings**

Year	Date	Time	Special Resolutions	Location
2012-18th AGM	18.09.2012	10.30 am	Nil	Conference Hall, Green Meadows 4/364A, Anna Salai, Palavakkam
2013-19th AGM	13.09.2013	11.00 am	Nil	
2014-20th AGM	22.08.2014	11.00 am	Sale of Land situated at Elamkulam Village	

Special Resolutions passed during the year 2014-15: NIL

**7. Disclosures:****a. Related party Transaction**

The Company has not entered into any materially significant related party transactions that may have potential conflict with the interest of the Company at large. Details of transactions with related parties are- A rental agreement is entered into with Ms. Mary Rodrigues, towards the office space rented for a sum of Rs. 78000/-. P.A. This detail is provided in notes 23 - (notes to financial statements for the year ended 2014-15) under related party disclosure as per AS-18. The Company has formulated a policy on related party transactions which has been placed on the website of the Company and is annexed with this as **Annexure 4**

- b. There was no instance of non-compliance by the Company on any matters relating to the capital markets, nor was there any penalty / strictures imposed by the stock exchanges or SEBI or any other statutory authority on such matters, during last three years.
- c. The Company has established a Vigil Mechanism / Whistle Blower Policy to enable Directors and employees to report their genuine concerns and grievances . The Policy provides for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and direct access to the Chairman of the Audit Committee of the Company, in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman. The Company hereby affirms that no Director / employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Whistle Blower Policy has been disclosed on the website of the Company and the weblink thereto is <http://www.sicapital.co.in/AboutSICapital.html>.
- d. The Company has complied with all the mandatory requirement of corporate governance norms as enumerated in clause 49 of the Listing Agreement with the stock exchanges.
- e. There are no Transfer of Unclaimed Shares to Demat Account pending for our Company.

**9. Means of Communication**

The quarterly / annual financial results of the Company are published in News Today-English and in Malaisudar - Tamil. The financial results and the annual reports of the Company are uploaded on the Company's website: [www.sicapital.co.in](http://www.sicapital.co.in) and on the websites, [www.bseindia.com](http://www.bseindia.com). Management discussion & Analysis forms part of the Annual Report

**10. General Shareholder Information**

- a. Annual General Meeting Date & Time : 28<sup>th</sup> September, 2015, 9.00 a.m
- b. Venue : Conference Hall, Green Meadows No. 4/364-A, Anna Salai, Palavakkam,  
Chennai – 600 041

- c. Financial Year : 1st April 2014 to 31st March, 2015
- d. Date of Book closure : 15<sup>th</sup> September, 2015 to 28<sup>th</sup> September, 2015

Financial Calendar :

Financial Reporting for the Quarter ending	Financial Calendar
30 <sup>th</sup> June, 2015	Between 15 <sup>th</sup> July and 14 <sup>th</sup> August, 2015
30 <sup>th</sup> September, 2015	Between 15 <sup>th</sup> October and 14 <sup>th</sup> November, 2015
31 <sup>st</sup> December, 2015	Between 15 <sup>th</sup> January and 14 <sup>th</sup> February, 2016
31 <sup>st</sup> March, 2016	Between 15 <sup>th</sup> April and 30 <sup>th</sup> May, 2016

- e. Particulars of Dividend payments : No dividend was recommended for the year 2014 - 15.
- f. Listing on Stock Exchanges : BSE Limited, Phiroze Jeejeebhoy Towers, Dalal street, Mumbai – 400001  
  
Madras Stock Exchange Ltd.,, Second Line Beach, Chennai 600 001. Madras stock exchange is not carrying out any trading activities for the last several years and are practically dormant.
- g. Stock Code : BSE – Scrip Code – 530907 – Scrip Name – SICAP & FINA
- h. International Security Identification Number (ISIN) : INE417F01017
- i. Listing and Custodial Fee : Annual Listing Fees for the year 2015-16 – paid on 30.4.2015
- j. Stock Market Data: This data is not provided as there is no trading in any of the stock exchanges
- k. Registrar and Transfer Agents: M/s. GNSA Infotech Ltd  
Nelson Chambers, Block F, 4<sup>th</sup> Floor,  
115, Nelson Manickam Road  
Aminthakarai, Chennai – 600 029  
Ph: 044-42962025

They are taking care of all aspects of investor servicing relating to shares in both physical and Demat form.

**I. Share Transfer System:**

The Company's shares are required to be compulsorily traded in the Stock Exchanges in dematerialised form. Shares in physical mode which are lodged for transfer are processed and returned within the stipulated time, if the documents are complete in all respects. The Company obtains from M/s. B, Umesh , Practising Company Secretary, Membership No:29294,, Certificate of Practise Number 12374, Company Secretaries, Chennai the following certificates :

- i. Pursuant to clause 47(c) of the listing agreement with the stock exchanges, on half-yearly basis, for due compliance of share transfer formalities by the Company through RTA.
- ii. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, on quarterly basis, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) with the total issued / paid up capital of the Company.

**m. Shareholding pattern as on 31st March 2015:**

Statement Showing Shareholding Pattern								
Category code	Category of Shareholder	Number of Share holders	Total number of shares	Number of shares held in dematerialized form	Table I(a)		Shares Pledged or otherwise encumbered	
					Total shareholding as a percentage of total number of shares		Number of shares	As a percentage
					As a percentage of(A+B) <sup>1</sup>	As a percentage of (A+B+C)		
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(IV)*100
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group<sup>2</sup></b>							
<b>1</b>	<b>Indian</b>							
(a)	Individuals/ Hindu Undivided Family	23	1219800	990440	40.66	40.66		0.00
(b)	Central Government/ State Government(s)							0.00
(c)	Bodies Corporate	1	504100	504100	16.80	16.80		0.00
(d)	Financial Institutions/ Banks							0.00
(e)	Any Others(Specify)							0.00
(e-i)								0.00
(e-ii)								0.00
	Sub Total(A)(1)	24	1723900	1494540	57.46	57.46	<b>0</b>	0.00
<b>2</b>	<b>Foreign</b>							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)							0.00
b	Bodies Corporate							0.00
c	Institutions							0.00
d	Any Others(Specify)							0.00
d-i								0.00
d-ii								0.00
	Sub Total(A)(2)	0	0	0	0.00	0.00	<b>0</b>	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	24	1723900	1494540	57.46	57.46	<b>0</b>	0.00
<b>(B)</b>	<b>Public shareholding</b>							
<b>1</b>	<b>Institutions</b>							
(a)	Mutual Funds/ UTI							
(b)	Financial Institutions / Banks	1	9200	0	0.31	0.31		
(c)	Central Government/ State Government(s)							0.00
(d)	Venture Capital Funds							
(e)	Insurance Companies							
(f)	Foreign Institutional Investors							
(g)	Foreign Venture Capital Investors							
(h)	Any Other (specify)							
(h-i)								

Statement Showing Shareholding Pattern								
					Table (I)(a)			
Category code	Category of Shareholder	Number of Share holders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of(A+B) <sup>1</sup>	As a percentage of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(IV)*100
(h-ii)								
	Sub-Total (B)(1)	1	9200	0	0.31	0.31		0.00
<b>B 2</b>	<b>Non-institutions</b>							
(a)	Bodies Corporate	22	33700	400	1.12	1.12		0.00
(b)	Individuals				0.00	0.00		0.00
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	1626	947400	166000	31.58	31.58		0.00
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	9	285800	108900	9.53	9.53		0.00
(c)	Any Other (specify)							
(c-i)	Clearing Member							
(c-ii)	NRI							
	Sub-Total (B)(2)	1657	1266900	275300	42.23	42.23		0.00
<b>(B)</b>	Total Public Shareholding (B)= (B)(1)+(B)(2)	1658	1276100	275300	42.54	42.54		0.00
	TOTAL (A)+(B)	1682	3000000	1769840	100.00	100.00		0.00
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>							
1	Promoter and Promoter Group					0.00		0.00
2	Public					0.00		
	Sub-Total (C )	0	0	0		0	0	
	GRAND TOTAL (A)+(B)+(C)	1682	3000000	1769840		<b>100.00</b>	0	0.00

**n. Distribution of Shareholding as on 31st March 2015:**

SHARE HOLDING	SHARE HOLDRS NUMBER	%	SHARE HOLDING	
			VALUE IN RS.	% TO TOTAL
UPTO - 5000	1262	75.03	2782600	9.28
5001 - 10000	200	11.89	1651000	5.50
10001 - 20000	80	4.76	1228000	4.09
20001 - 30000	73	4.34	1851000	6.17
30001 - 40000	15	0.89	520000	1.73
40001 -50000	12	0.71	572000	1.91
50001 - 100000	21	1.25	1604300	5.35
100001 AND ABOVE	19	1.13	19791100	65.97
<b>Total</b>	<b>1682</b>	<b>100</b>	<b>30000000</b>	<b>100.00</b>

**o. Dematerialisation of shares and liquidity as on 31st March 2015:**

Particulars	No. of Holders	% of No. of Holders	No. of Shares	% of Total Paid – up Capital
National Securities Depository Limited (NSDL)	238	14.15	1769840	58.99
Physical form	1444	85.85	1230160	41.01
<b>Total</b>	<b>1682</b>	<b>100.00</b>	<b>3000000</b>	<b>100.00</b>

p. As on 31st March 2015, there are no Outstanding GDRs /ADRs / Warrants or any Convertible Instruments.

q. Address for correspondence:

Registrar & Transfer Agents	Company
M/s. GNSA Infotech Ltd Nelson Chambers, Block F, 4th Floor, 115, Nelson Manickam Road Aminthakarai, Chennai – 600 029 Ph: 044-42962025 e-mail:info@gnsaindia.com	Secretarial Department, S.I. Capital & Financial Services Limited 64, Montieth Court, Montieth Road, Egmore, Chennai – 600 008 Ph: 044- 28415438 / 39 e-mail: info@sicapital.co.in

Website address:[www.sicapital.co.in](http://www.sicapital.co.in)

r. Name of the Compliance Officer : Ms. Sai Girija Srikanth, Company Secretary

**By order of the Board**

Place : Chennai  
Date : 20.08.2015

Sd/-  
Mary Rodrigues  
Managing Director

**CODE OF CONDUCT :**

The Company has laid down a code of conduct for all Board members. The code of conduct is available on the website of the Company under the web link <http://www.sicapital.co.in/AboutSICapital.html#codeofconduct> The declaration of the Managing Director is given below:

**Declaration:**

All the Board members and senior management personnel affirmed compliance with the code of conduct of the Company for the financial year ended 31st March 2015.

Place: Chennai  
Date : 20.08.2015

**Mrs. Mary Rodrigues**  
Managing Director

**CERTIFICATE ON CORPORATE GOVERNANCE(Under Clause 49 of the Listing Agreement)**

**Quarterly Compliance Report on Corporate Governance**

Name of the Company : S I CAPITAL & FINANCIAL SERVICES LIMITED

Quarter Ending on : 31.03.2015

Particulars	Clause of Listing Agreement	Compliance Status (Yes/ No/N.A)	Remarks
1	2	3	4
1. Board of Directors	49 I	YES	-
(A) Composition of Board	49 (IA)	YES	-
(B) Non- Executive Directors , Compensation & disclosures	49 (IB)	YES	-
(C) Other provisions as to Board and Committees	49(IC)	YES	-
(D) Code of Conduct	49(ID)	YES	-
II. Audit Committee	49(II)	YES	-
(A) Qualified & Independent Audit Committee	49(IIA)	YES	-
(B) Meeting of Audit Committee	49(II B)	YES	-
(C) Powers of Audit Committee	49(II C)	YES	-
(D) Role of Audit Committee	49(II D)	YES	-
(E) Review of Information by Audit Committee	49(II E)	YES	-
III. Subsidiary Companies	49(III)	N.A.	-
IV. Disclosures	49(IV)	YES	-
(A) Basis of related party transactions	49(IV A)	YES	-
(B) Disclosure of Account treatment	49(IV B)	YES	-
(C) Board Disclosures	49(IV D)	YES	-
(D) Proceed from public issues, right issues, preferential issues etc.	49(IV D)	N.A.	-
(E) Remuneration of Directors	49(IV E)	YES	-
(F) Management	49(IV F)	YES	-
(G) Shareholders	(49IV G)	YES	-
V. CEO / CFO Certification	49(V)	YES	-
VI. Report on Corporate Governance	49(VI)	YES	-
VII. Compliance	49(VII)	YES	-

## POLICY ON RELATED PARTY TRANSACTION

### Annexure 4

#### INTRODUCTION:

Pursuant to the Clause 49 of the Listing Agreement read with section 188 of the Companies Act 2013, the Board of Directors (“the Board”) of S.I. Capital & Financial Services Limited (“the Company”) has adopted the Policy on elated Party Transaction (“the policy”). The policy has been approved by the Board on 10<sup>th</sup> March, 2015.

#### 1. OBJECTIVE

The Company has formulated this policy to determine the materiality of related party transactions and to lay down the procedure in dealing with the related party transactions. This policy is to regulate the transactions between the Company and its Related Parties as per the laws and regulations applicable to the Company.

#### 2. DEFINITIONS

“Audit Committee” means “Audit Committee” constituted by the Board of Directors of S.I. Capital & Financial services Limited, from time to time, under the provisions of the Listing Agreement with the Stock Exchanges and the Companies Act, 2013.

“**Related Party**” means person or entity as defined:

- (i) under section 2(76) of the Companies Act, 2013 and
- (ii) under the applicable accounting standards.

“**Key Managerial Personnel**” means the key managerial personnel of the Company as defined under Section 2(51) of the Companies Act, 2013 and the rules made there under.

“**Related Party Transaction**” means any transaction directly or indirectly between the Company and any Related Party which is a transfer of resources, services or obligations between a Company and a related party, regardless of whether a price is charged.

“**Material Related party Transaction under Listing Agreement**” means the transaction / transactions with a related party, to be entered into individually or taken together with previous transactions during the financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

“**Material Related party Transaction under Companies Act**” means the transaction /transactions with the related party, to be entered into individually or taken together with previous transactions during the financial year

- (a) as contracts or arrangements with respect to clauses (a) to (e) of sub-section (1) of section 188 of the Companies Act 2013, falling under one or more of the criteria mentioned below:
  - (i) sale, purchase or supply of any goods or materials, directly or through appointment of

agent, exceeding ten per cent of the turnover of the Company or Rupees One Hundred Crores, whichever is lower, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188;

- (ii) selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, exceeding ten per cent of net worth of the Company or Rupees One Hundred Crores, whichever is lower, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188;
- (iii) leasing of property of any kind exceeding ten per cent. of the net worth of the Company or ten percent of turnover of the Company or Rupees One Hundred Crores, whichever is lower, as mentioned in clause (c) of sub-section (1) of section 188;
- (iv) availing or rendering of any services, directly or through appointment of agent, exceeding ten per cent of the turnover of the Company or Rupees Fifty Crores, whichever is lower, as mentioned in clause (d) and clause (e) respectively of subsection (1) of section 188;
- (b) is for appointment to any office or place of profit in the Company, its subsidiary Company or associate Company at a monthly remuneration exceeding Rupees Two and Half Lakhs as mentioned in clause (f) of sub-section (1) of section 188; or
- (c) is for remuneration for underwriting the subscription of any securities or derivatives thereof, of the Company exceeding one per cent, of the net worth as mentioned in clause (g) of sub section (1) of section 188.

The Turnover or Net Worth referred in the above definition shall be computed on the basis of the Audited Financial Statement of the preceding financial year.

“Relative” shall mean “relative” as defined in section 2(77) of the Companies Act, 2013 and rules prescribed there under.

“Arm’s length transaction” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest

### **3. POLICY**

This policy is framed to be in compliance with the Companies Act, 2013 and the Equity Listing agreement with Stock Exchanges.

#### **3.1. IDENTIFICATION OF POTENTIAL RELATED PARTY AND TRANSACTIONS**

Each director and Key Managerial Personnel (KMP) is responsible for providing notice to the Board or the Audit Committee of the list of related parties as covered under Section 2(76) of the Companies Act, 2013 as well as under Accounting Standard 18. This list of related parties shall be updated on an annual basis and further changes informed as soon as possible.

Each director as well as KMP shall inform in advance to the Company of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about

the transaction that the Board/Audit Committee may reasonably request. Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

### **3.2. APPROVAL**

#### **3.2.1 Related Party Transactions**

- a) shall require prior approval of Audit Committee.
- b) shall require approval of the Board of Directors, if the transaction is not in the Ordinary Course of Business and / or at arm's length.

#### **3.2.2. Material Related Party Transactions under Listing Agreement (Whether it is in the ordinary course of business and / or on arm's length basis)**

- a) shall require prior approval of Audit Committee.
- b) shall require approval of the Board of Directors.
- c) shall require approval of the shareholders through special resolution and the Related Parties (irrespective of whether being a party to the particular transaction or not) shall abstain from voting on such resolutions.

Approval of shareholders is not required for the transactions entered into between a holding Company and its wholly owned subsidiary whose accounts are consolidated with such holding Company and placed before the shareholders at the general meeting for approval

#### **3.2.3. Material Related Party Transactions under Companies Act**

##### **3.2.3.1 (When the transaction is in the ordinary course of business and on arm's length basis)**

- a) shall require prior approval of Audit Committee.
- b) may require approval of the Board of Directors.

##### **3.2.3.2 (When the transaction is not in the ordinary course of business and / or not on arm's length basis)**

- a) shall require prior approval of Audit Committee.
- b) shall require approval of the Board of Directors.
- c) shall require approval of the shareholders through special resolution and the Related Party, who is the party to that particular transaction alone,

shall abstain from voting on such resolutions. The interested director shall not be present at the Audit Committee meeting / Board meeting during the discussions on the subject in which he is interested and shall not vote on the resolution relating to the contract / arrangement / transaction in which he is interested.

The following Related Party Transactions shall not require approval of Audit Committee or Board or Shareholders:

- a. Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- b. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

### **3.3. PROCEDURE FOR REVIEW AND APPROVAL**

Related Party Transactions will be referred to the Audit Committee for review and approval. Any member of the Audit Committee / Board who has a potential interest in any Related Party Transaction shall not be present at the Audit Committee meeting / Board meeting during the discussions on the subject in which he is interested and shall not vote on the resolution relating to the contract / arrangement / transaction in which he is interested.

To review and approve a Related Party Transaction, the Audit Committee / Board will be provided with

- a. the name of the related party, the interested director/KMP and nature of relationship;
- b. the nature, duration of the contract and particulars of the contract or arrangement;
- c. the material terms of the contract or arrangement including the value, payment terms if any;
- d. any advance paid or received for the contract or arrangement, if any;
- e. the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;
- f. whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
- g. any other information relevant or important to take a decision on the proposed transaction.

In determining whether to approve a Related Party Transaction or not, the Audit Committee / Board will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- a. Whether the terms of the Related Party Transaction are fair and on arms length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- b. Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- c. Whether the Related Party Transaction would affect the independence of an independent Director ;
- d. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;

- e. Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and
- f. Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board / Audit Committee deems relevant.

The Company shall periodically reconcile the accounts of the Related Party. The Audit Committee shall review, on a quarterly basis, the details of the Related Party Transactions entered into by the Company.

#### **OMNIBUS APPROVAL**

The Audit Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company which are repetitive in nature subject to the following conditions:

- a. The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the Company.
- b. The Audit Committee shall satisfy itself the need for such omnibus approval and that such
- c. Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price/ current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit.

Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1 Crore per transaction.

- d. Audit Committee shall review, at least on a quarterly basis, the details of the Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given.
- e. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

#### **3.4. RELATED PARTY TRANSACTIONS WHEN NOT APPROVED UNDER THIS POLICY**

In the event the Company becomes aware of a Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee.

The Audit Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Audit Committee shall

also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Audit Committee under this Policy, and shall take any such action as it deems appropriate.

Where the Audit Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy subject to the compliance of statutory requirements.

The Audit Committee shall place its recommendations in this regard to the Board for its approval.

Where any contract or arrangement is entered into by a director or KMP, without obtaining the approval of the Audit Committee or Board or Shareholders as required above and if it is not ratified by the Board or Shareholders within three months from the date on which such contract or arrangement was entered, shall be dealt as per Section 188 of the Companies Act.

### **3.5. AMENDMENT TO THE POLICY**

The Board on its own and/or on the recommendations of the Audit Committee can amend this policy, as and when it deems fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the competent authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail and this policy shall stand amended accordingly without any further action, from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

### **3.6 DISCLOSURE**

- (1) This Policy will be communicated to all the operational employees and other concerned persons of the Company.
- (2) Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.
- (3) Every contract or arrangement entered with the Related Party, covered under Section 188(1) of the Companies Act, 2013 shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.
- (4) The Company shall disclose the policy on dealing with Related Party Transactions on its website "www.sicapital.co.in" and a web link thereto shall be provided in the Annual Report.
- (5) The Company shall disclose the name of the related party, the nature of relationship, the transaction details and such other details as required under Accounting Standard-18, in the Annual Report.

**YOUR DIRECTORS – PROFILE & OTHER DIRECTORSHIPS****Annexure 5****1. Ms. Mary Rodrigues - Managing Director - Executive**

DIN : 01778843

Date Of Birth : 14.12.1959

Qualification : B.A., Certificate in Business Management USA

Nature of Expertise : MRS. MARY RODRIGUES, aged 56 has a Bachelor Degree in Management and has been involved in the food industry for a very long time. At present Mrs. Rodrigues looks after the logistics and hospitality divisions of Southern Warehousing. As a Managing Director she provides strategic direction to the Company. She has vast knowledge in international business as well as domestic marketing. Her other directorships are as follows:

CIN	COMPANY NAME	DESIGNATION
U02001AN1984PTC000014	ANDAMAN WOOD WORKS PRIVATE LIMITED	DIRECTOR
U63022AN1984PTC000013	ANDABAR COLD STORES PRIVATE LIMITED	DIRECTOR
U63023TN1976PTC007212	SOUTHERN WAREHOUSING CO PRIVATE LIMITED	DIRECTOR
U22121TN1959PTC003757	LOKAVANI SOUTHERN PRINTERS PRIVATE LIMITED	DIRECTOR
U55101TN2010PTC078459	GREEN MEADOWS HOLIDAY RESORTS PRIVATE LIMITED	DIRECTOR
U55101TN2011PTC079857	SOUTHERN HOLDINGS & INVESTMENTS (CHENNAI) PRIVATE LIMITED	DIRECTOR

She ceased from the following Directorships in the previous three years:

CIN	COMPANY NAME	DESIGNATION	DATE OF CESSATION
U52599TN1991PTC020803	FARM SUZZANNE PRIVATE LIMITED	DIRECTOR	22/07/2013

**2. Mr. Vettath Abraham Kurian - Non-Executive Director**

DIN : 01778831

Date Of Birth : 13.01.1930

Qualification : B.Com., FCA

Nature of Expertise : Mr.V.A.Kurien is a Chartered Accountant. He is a person with in-depth knowledge in the field of audit and accounts and he was a Practicing Chartered Accountant for about 20 years. After leaving the profession, he has been an entrepreneur in starting various companies such as Southern Sea Foods Ltd., Southern Warehousing Co Pvt Ltd., Southern Holding & Investments (Chennai) Pvt Ltd, S.I. Capital & Financial Services Ltd. and Andabar Cold Stores Pvt Ltd. These companies are mainly involved in sea food export, hospitality, logistics and

**S.I. Capital & Financial Services., Ltd., Chennai**

retail trade. Southern Warehousing Co Pvt Ltd., is also involved in refrigeration transportation between Chennai and Port Blair. In his Business he gathered experience of about 35 years in various fields. His knowledge and experience counts a lot for the smooth running of the Company. His other directorships are listed below:

<b>CIN</b>	<b>COMPANY NAME</b>	<b>DESIGNATION</b>
U02001AN1984PTC000014	ANDAMAN WOOD WORKS PRIVATE LIMITED	DIRECTOR
U63022AN1984PTC000013	ANDABAR COLD STORES PRIVATE LIMITED	DIRECTOR
U63023TN1976PTC007212	SOUTHERN WAREHOUSING CO PRIVATE LIMITED	DIRECTOR
U22121TN1959PTC003757	LOKAVANI SOUTHERN PRINTERS PRIVATE LIMITED	DIRECTOR
U92412TN2009NPL071459	MADRAS BOAT CLUB	DIRECTOR
U55101TN2010PTC078459	GREEN MEADOWS HOLIDAY RESORTS PRIVATE LIMITED	DIRECTOR
U55101TN2011PTC079857	SOUTHERN HOLDINGS & INVESTMENTS (CHENNAI) PRIVATE LIMITED	DIRECTOR

He ceased from the following Directorships in the previous three years:

<b>CIN</b>	<b>COMPANY NAME</b>	<b>DESIGNATION</b>	<b>DATE OF CESSATION</b>
U55101TN1998PTC040565	CENTURY ENTERTAINMENTS PRIVATE LIMITED	DIRECTOR	07/11/2013

3. Mr. Sanjay ArjundassWadhwa - Non-Executive Director

DIN : 00203083

Date Of Birth : 06.12.1966

Qualification : B.Com., MBA

Nature of Expertise : Mr. Sanjay ArjundassWadhwa is a person with wide business experience and his knowledge in the field of lending business in particular is extremely useful for the betterment of the Company. His other directorships are given below:

<b>CIN</b>	<b>COMPANY NAME</b>	<b>DESIGNATION</b>
U32301TN1994PTC028189	MUSIC MASTER AUDIO VIDEO MANUFACTURING COMPANY PRIVATE LIMITED	DIRECTOR
U92114TN1999PTC042699	ANAK EXPORTS PRIVATE LIMITED	DIRECTOR
U55101TN2000PTC045656	SIPRIAN HOTELS PRIVATE LIMITED	DIRECTOR
U92100TN2008PTC069493	AYNGARAN ANAK MEDIA PRIVATE LIMITED	WHOLE-TIME DIRECTOR
U74120TN2011PTC079485	GLOBAL SMART CHIP SOLUTIONS PRIVATE LIMITED	DIRECTOR
AAA-3666	GLOBALCHIP SOLUTIONS LLP	DESIGNATED PARTNER

He ceased from the following Directorships in the previous three years:

<b>CIN</b>	<b>COMPANY NAME</b>	<b>DESIGNATION</b>	<b>DATE OF CESSATION</b>
L05001AP1968PLC094913	SSF LIMITED	DIRECTOR	26/09/2014
U74220TN2011PTC078925	ACCESS HEALTHCARE SERVICES PRIVATE LIMITED	DIRECTOR	09/08/2013

4. Mr. RanjithMatthan - Non-Executive Director - Independent

DIN : 00968445

Date Of Birth : 13.04.1941

Qualification : Ph.d., FIOM 3

Nature of Expertise : Dr. Ranjith Matthan has a Doctorate in Polymer Technology and is a Internationally renowned consultant for rubber products and plastics.

<b>CIN</b>	<b>COMPANY NAME</b>	<b>DESIGNATION</b>
U74140KA1974PTC002590	POLYMER CONSULTANCY SERVICES PRIVATE LIMITED	DIRECTOR
U51900MH1940PLC003067	INDIA COFFEE AND TEA DISTRIBUTING COMPANY LIMITED	DIRECTOR
U93090TN1977NPL007299	SCHIEFFLIN INSTITUTE OF HEALTH-RESEARCH AND LEPROSY CENTRE	DIRECTOR
U24131KL2004PTC017048	K.A.PREVULCANISED LATEX PRIVATE LIMITED	DIRECTOR

5. Mr. Krishnapillai Sethuraman - Non-Executive Director – Independent

DIN : 06990255

Date Of Birth : 17.05.1943

Qualification : B.A

Nature of Expertise : He is good in General Administration of Company affairs.

Other Directorships : NIL

**REMUNERATION PAID TO DIRECTORS DURING THE FINANCIAL YEAR ENDING 31<sup>ST</sup> MARCH, 2015**

**NON-EXECUTIVE DIRECTORS:**

The Company pays sitting fees of Rs.1000/- per meeting for each Board meeting attended by the members of the Board plus reimbursement of actual expenses and out of pocket expenses incurred by them. Directors are not paid for any of the Committee meetings attended by them. All the Directors had given their consent towards waiver of sitting fees for their attendance to committee meetings.

**REMUNERATION TO MANAGING DIRECTOR:**

Ms. Mary Rodrigues is appointed as a Managing Director w.e.f 10<sup>th</sup> March, 2015 and a formal contract describing her duties and remuneration has been entered into by the Company.

## PROCEDURE OF MEETING

### 1. MEETINGS AND ATTENDANCE

The Company's Governance Policy requires the Board to meet at least four times in a year. The intervening period between two Board meetings was well within the maximum gap of 120 days prescribed under Clause 49 of the Listing Agreement with Stock Exchanges. The annual calendar of meetings is broadly determined at the beginning of each year.

### 2. BOARD AGENDA

Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated at least seven days prior to the Board meeting.

### 3. INFORMATION PLACED BEFORE THE BOARD

In addition to matters required to be placed before the Board under the Governance Policy of the Company, the following are also tabled for the Board's periodic review / information / approval:

- Internal Audit findings and External Audit Management Reports (through the Audit Committee).
- Status of safety and legal compliance.
- Risk management processes.
- Succession to senior management (through the Nomination & Compensation Committee).
- Show Cause, demand, prosecution and adjudication notices, if any, from revenue authorities which are considered materially important, including any exposure that exceeds 1% of the Company's net worth, and their outcome.
- Default, if any, in payment of any dues.
- Write-offs / disposals (fixed assets, inventories, receivables, advances etc.) on a half-yearly basis.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including Clause 49 of the Listing Agreement with Stock Exchanges.

### 4. POST-MEETING FOLLOW-UP SYSTEM

The Governance processes in the Company include an effective post-meeting follow-up, review and reporting process for action taken / pending on decisions of the Board, the Board Committees. Meetings of each Board Committee are convened by the respective Committee Chairman. Matters requiring the Board's attention / approval, as emanating from the Board Committee meetings, are placed before the Board by the respective Committee Chairman. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided in **Annexure 3** attached with this report.

The Code of Conduct of the Board & Committees are given in **Annexure 5b**.

#### (A) AUDIT COMMITTEE

The Audit Committee of the Board provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of operations
- safeguarding of assets and adequacy of provisions for all liabilities.

- reliability of financial and other management information and adequacy of disclosures.
- compliance with all relevant statutes.

The role of the Committee includes the following:

- (a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (b) To recommend the appointment, remuneration, terms of appointment and removal of Statutory Auditors, and to review the manner of rotation of Statutory Auditors;
- (c) To recommend the appointment, remuneration and removal of Cost Auditors, where necessary;
- (d) To approve transactions of the Company with related parties, including modifications thereto;
- (e) To review and monitor the Statutory Auditor's independence and performance, and effectiveness of the audit process;
- (f) To evaluate the Company's internal financial controls and risk management systems;
- (g) To review with the management the following:
  1. Annual financial statements and Auditor's Report thereon before submission to the Board for approval;
  2. Quarterly financial statements before submission to the Board for approval;
- (h) To review the following:
  1. Management discussion and analysis of financial condition and results of operations;
  2. Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
  3. Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
  4. System / manner of maintenance, storage, retrieval, display, print out and security of books of account of the Company maintained in the electronic form;
  5. Functioning of Whistle Blower mechanism in the Company.

**(B) NOMINATION & COMPENSATION COMMITTEE**

The Nomination and Remuneration Committee of the Board, under the nomenclature 'Nomination & Compensation Committee', inter alia, identifies persons qualified to become Directors and formulates criteria for evaluation of performance of the Independent Directors & the Board.

The Committee's role also includes recommending to the Board the appointment, remuneration and removal of Directors & Corporate Management Committee Members. This Committee also has the responsibility for administering the Employee Stock Option Schemes of the Company. The names of the members of the Nomination & Compensation Committee, including its Chairman, are provided under the section 'Board of Directors and Committees' in the Report and Accounts. Nomination and Remuneration Policy of the Committee is given in **Annexure 5a**

## Nomination and Remuneration Policy

### Annexure 5A

#### Introduction

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time, this policy on the nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors on 10<sup>th</sup> March, 2015.

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

#### 1. OBJECTIVE

The Objectives of the Policy are:

- 1.1. To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the Directors, Key Managerial Personnel and Senior Management and provide necessary reports to the Board for their further evaluation.
- 1.3. To recommend the Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to the Key Managerial Personnel and Senior Management, rewards linked directly to their effort, performance, dedication and achievement in relation to the Company's operations.
- 1.5. To attract, retain, motivate and promote talent and to ensure the long term sustainability of talented managerial persons and create a competitive advantage.
- 1.6. To devise a policy on Board diversity.
- 1.7. To develop a succession plan for the Board and to regularly review the plan.

#### 2. DEFINITIONS

- 2.1. "Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. "Board" means Board of Directors of the Company.
- 2.3. "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- 2.4. "Policy or This Policy" means, the Nomination and Remuneration Policy.
- 2.5. "Company" means S.I. CAPITAL & FINANCIAL SERVICES LIMITED

- 2.6. "Directors" mean Directors of the Company.
- 2.7. "Independent Director" means a Director referred to in Section 149 (6) of the Companies Act, 2013.
- 2.8. "Key Managerial Personnel" means key managerial personnel of the Company as defined under Section 2(51) of the Companies Act, 2013 and the rules made thereunder.
- 2.9. "Senior Management" means personnel of the Company who are members of its core management team excluding the Board of Directors. It would comprise all members of management, one level below the executive Director(s), including the functional heads.

### **3. COMMITTEE**

#### **3.1. Composition of the Committee**

- 3.1.1 The Company through its Board of Directors shall constitute the Nomination and Remuneration Committee consisting of at least three Directors, all of whom shall be nonexecutive Directors and at least half shall be independent.
- 3.1.2 The Chairman of the Committee shall be an Independent Director.
- 3.1.3 The Chairperson of the Company may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.
- 3.1.4 The Chairman of the Committee could be present at the Annual General Meeting, to answer the shareholders' queries. However, it would be up to the Chairman to decide who should answer the queries.

#### **3.2. Role of the Committee**

The Committee shall:

- 3.2.1 Formulate the criteria for determining the qualifications, positive attributes and independence of a Director.
- 3.2.2 Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- 3.2.3 Recommend to the Board, the appointment and removal of Directors, KMP and Senior Management Personnel.
- 3.2.4 Recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees, based on their qualification, experience and performance and to also ensure that the level and composition of the remuneration is reasonable and sufficient to attract retain and motivate the Directors, KMP and Senior Management Personnel and such other factors as the Committee shall deem appropriate.
- 3.2.5 While formulating the policy, the Committee shall ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- 3.2.6 Approve the remuneration of the senior management including key managerial personnel of the Company, by maintaining a balance between fixed and incentive pay reflecting the short term and long term performance objectives appropriate to the working of the Company and its goals.

- 3.2.7 Devise a policy on Board diversity, to ensure that the Board comprises of an optimum combination of executive Directors and non-executive Directors including Independent Directors.
- 3.2.8 Devise a framework to ensure that the Directors are inducted through suitable familiarization process covering their roles, responsibility and liability.
- 3.2.9 Formulate the criteria for evaluation of Independent Directors and the Board.
- 3.2.10 Carry out the evaluation of every Director's performance.
- 3.2.11 Assist the Board in ensuring that plans are in place for the orderly succession of appointments to the Board and to the senior management.
- 3.2.12 Consider any other matters as may be requested by the Board.

Provided that the Committee may set up a mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious execution.

### **3.3. Committee Member's Interests**

- 3.3.1 A member of the Committee is not entitled to be present when his or her own remuneration is being discussed at a meeting or when his or her performance is being evaluated.
- 3.3.2 The Committee may invite such executives, as it considers appropriate, to be present at the meeting of the Committee.

### **3.4. Secretary**

The Company Secretary of the Company shall act as the Secretary of the Committee.

### **3.5. Frequency of Meetings**

The meetings of the Committee shall be held at such regular intervals as may be required.

### **3.6. Voting**

Matters arising for determination at Committee meetings shall be decided by the majority of the votes of the Members present and voting and any such decision shall for all purposes be deemed to be a decision of the Committee.

3.6.2 In case of equality of votes, the Chairman of the meeting will have a casting vote.

### **3.7. Minutes of Committee Meeting**

Proceedings of all meetings must be entered in the minutes and signed by the Chairman of the Committee. Minutes of the Committee meeting will be tabled at the subsequent Board meeting.

## **4. POLICY RELATING TO APPOINTMENT, REMUNERATION AND REMOVAL OF DIRECTORS, KMP AND SENIOR MANAGEMENT**

### **4.1. Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and shall recommend to the Board his / her appointment.

- b) A person should possess adequate qualification, expertise and experience for the position he / she is being considered for appointment. The Committee has discretion to decide whether the qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- e) Appointment of Independent Directors is subject to compliance of the provisions of Section 149 of the Companies Act, 2013, read with Schedule IV and the rules made thereunder for the time being in force.
- f) A person shall not be eligible for appointment as a Director of the Company, if he is disqualified under section 164 of the Companies Act, 2013 or under any other regulations.
- g) Appointment of KMP and Senior Management Personnel shall be in line with the HR policy of the Company.

#### **4.2. Term / Tenure**

##### **a) Managing Director/Whole-time Director / Executive Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of the term.

##### **b) Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiry of three years of ceasing to be an Independent Director. Provided that an Independent Director shall not, during the aforementioned period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of an Independent Director, it should be ensured that the number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such a person is serving as a Whole-time Director of a listed Company or such other number as may be prescribed under the Act

##### **c) KMP / Senior Management Personnel:**

The Company may in general not appoint or continue the employment of any person as KMP / Senior Management Personnel who has attained the age of retirement i.e. Fifty Eight (58) years. But at the discretion of the Top Management, the retirement age can be extended to Sixty (60) years, subject to competency & good health of the individual. Subsequently, subject to the same criteria of competency & good health, on a yearly basis of evaluation the retirement age can be extended to Sixty Five (65) years. The same criteria of competency & good health shall apply also for appointments upto the age of Sixty Five (65) years.

### 4.3. EVALUATION

The Committee shall carry out the evaluation of the performance of every Director, KMP and Senior Management Personnel at regular intervals (yearly). Following are the criteria for the evaluation of the performance of the Independent Directors and the Board:

#### 4.3.1. DIRECTORS

##### a. Executive Directors / Whole-time Directors

The Executive Directors shall be evaluated on the basis of targets/ criteria given to them by the Board from time to time.

##### b. Independent Directors

The Independent Directors shall be evaluated on the basis of the following criteria i.e. whether they :

- a) Act objectively and constructively while exercising their duties;
- b) Effectively deploy knowledge and expertise;
- c) Maintain confidentiality, integrity and independence in their behavior and judgment;
- d) Exercise their responsibilities in a bona fide manner in the interest of the Company;
- e) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- f) Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g) Refrain from any action that would lead to loss of his independence;
- h) Inform the Board immediately when they lose their independence;
- i) Assist the Company in implementing the best corporate governance practices;
- j) Strive to attend all meetings of the Board of Directors and the Committees;
- k) Participate constructively and active participation to discussions in the Board meetings and in the Committees of the Board in which they are chairpersons or members;
- l) Keep themselves well informed about the Company and the external environment in which it operates;
- m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between the management and the shareholder's interest.
- n) Abide by the Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

##### c. Non-Independent Directors

The Non-Independent Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- a) Act objectively and constructively while exercising their duties;
- b) Effectively deploy knowledge and expertise;
- c) Maintain confidentiality, integrity and independence in their behavior and judgment;
- d) Exercise their responsibilities in a bona fide manner in the interest of the Company;
- e) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- f) Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g) Assist the Company in implementing the best corporate governance practices;
- h) Strive to attend all meetings of the Board of Directors and the Committees;
- i) Participate constructively and active participation to discussions in the Board meetings and in the Committees of the Board in which they are chairpersons or members;
- j) Keep themselves well informed about the Company and the external environment in which it operates;
- k) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between the management and the shareholder's interest.
- l) Abide by the Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

#### **4.3.2 KMP / Senior Management Personnel**

The KMP / Senior Management Personnel shall be evaluated on the basis of the HR policy of the Company inclusive of the following criteria:

1. Individual Performance- Based on the Target (KPI's) set for him/her at the commencement of the performance year.
2. Organisation Performance- Based on the organisation performance target set at the commencement of the year.

#### **4.4. REMOVAL**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder or the Company's HR policy, the Committee may recommend, to the Board with reasons recorded in writing, the removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

#### **4.5. RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company

## **4.6. REMUNERATION**

### **4.6.1.General:**

- a) The remuneration / compensation / commission etc. to the Director (Executive & NonExecutive), KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for their approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and the Central Government, wherever required.
- b) The remuneration and commission including increments, to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions specified as per the provisions of the Act.
- c) Where any insurance has been taken by the Company on behalf of its Whole-time Director, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proven to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### **4.6.2. REMUNERATION TO WHOLE-TIME / EXECUTIVE / MANAGING DIRECTOR**

#### **a) Remuneration**

The Whole-time Director shall be eligible for remuneration as may be approved by the shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and the Central Government, wherever required.

#### **b) Minimum remuneration**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its whole-time Director in accordance with the provisions of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

### **4.6.3. REMUNERATION TO NON- EXECUTIVE / INDEPENDENT DIRECTOR:**

#### **a) Sitting Fees:**

The Non-Executive / Independent Director may receive remuneration by way of fees for attending the meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs.1,00,000/- (Rupees One Lakh ) per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### **b) Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

**c) Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

**4.6.4 REMUNERATION TO KMP & SENIOR MANAGEMENT PERSONNEL**

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and the prevailing market standards. The KMP and the Senior Management Personnel of the Company shall be paid monthly remuneration as per the Company's HR policies and/or as may be approved by the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses etc. shall be as per the Company's HR policy. The remuneration details shall be presented before the Committee, which would have the requisite details setting out the proposed increments for the next financial year. The Committee shall peruse and forward the same to the Board of Directors of the Company for their approval. This remuneration policy shall apply to all future/ continuing employment/ engagement(s) with the Company. In other respects, the remuneration policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board meeting minutes.

**4.7. BOARD DIVERSITY**

The Board of Directors shall have the optimum combination of Directors from different areas / fields like management, finance, sales, marketing, legal etc. or as may be considered appropriate. The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

**4.8. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

- a) The Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. through various programmes.
- b) The details of such familiarization programmes shall be disclosed on the Company's website and a web link thereto shall also be given in the Annual Report

**5. DISSEMINATION**

The details of the policy and the evaluation criteria shall be disclosed in the annual report as part of Board's report therein.

**6. AMENDMENT TO THE POLICY**

The Board of Directors on its own and / or as per the recommendations of the Committee can amend this policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

## Code of Conduct

(Adopted on 10<sup>th</sup> March, 2015)

### Annexure 5B

#### 1. Preamble

In order to maintain the high standards, the following rules / code of conduct should be observed in all the activities of the Board and the Senior Management.

- This code will apply to:
- All Directors and

Senior Management. "Senior Management" shall mean personnel of the company who are members of its core management team and all functional heads.

Independent directors of the Company are subject to certain additional duties and standards of conduct under the Companies Act, 2013 which are set out in Annexure - a to this Code.

All Directors and Senior Management must act within the bounds of authority conferred upon them with a duty to make and enact informed decisions and policies in the best interests of the company and its stakeholders.

The Company Secretary will act as the facilitator, who will be available to all the directors and senior management personnel to answer questions and to help them comply with the code.

#### 2. Honesty and integrity

They shall conduct their activities, on behalf of the company, with honesty, integrity and fairness.

They will act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgement to be subordinated.

They will act in the best interests of the company and fulfill the fiduciary obligations.

#### 3. Conflict of interest

They shall not engage in any business, relationship or activity, which is likely to develop a conflict of interest with the Company. Conflicts can arise in many situations, It is not possible to cover every possible conflict situation and at times, it will not be easy to distinguish between proper and improper activity. Some of the common circumstances that may lead to actual or potential conflict of interest are:

Any activity / employment that interferes with the performance or responsibility to the company or is otherwise in conflict with or prejudicial to the company Investments by them / their family members viz. parents, spouse and sons / daughters, in unlisted entities of competitors, customers, suppliers and any other investments that compromise their responsibility to the company

#### 4. Compliance

Efforts have to be taken to ensure compliance with all applicable laws, rules and regulations, both in letter and spirit. Any possible violation of law, rules, regulations or the code of conduct has to be reported to the Company Secretary, who will be available to assist in interpreting the appropriateness of any event or action or proposed event or action, in this context.

**5. Other directorships etc**

They should avoid serving on Boards or in Senior Management positions or in a controlling position of a direct competitor likely to lead to potential conflict of interest.

**6. Confidentiality of information**

Any information concerning the company's business, its customers, suppliers and other stakeholders which is not in the public domain and which they possess or have access to, must be kept in strict confidence unless disclosure is authorized or becomes a legal requirement.

**7. Insider trading**

They should not derive any benefit or assist others in deriving any benefit by giving investment advice based on their access to and possession of information about the company, not in public domain and therefore constituting insider information. They shall comply with the insider trading guidelines as issued by SEBI.

**8. Gifts and donations**

They should not receive or offer, directly or indirectly, any payments, gifts, donations, hospitality and comparable benefits which are intended or perceived to be intended to influence any business favours.

**9. Protection of assets**

They must protect the company's assets and should not use the company's assets or manpower or company-related information for their personal purposes, unless approved by the Board (in the case of Directors) or the CEO (in the case of Senior Management personnel).

**10. Periodic review**

In the last month of every financial year or whenever this code is revised, every director/ senior management personnel must acknowledge understanding of the code and execute an undertaking to continue complying with it. New directors / senior management personnel shall execute such undertaking at the time of their induction.

**Code of Conduct**  
**CODE FOR INDEPENDENT DIRECTORS**

**Annexure a**

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

**I. Guidelines of professional conduct:**

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

**II. Role and functions:**

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

**III. Duties :**

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- (3) strive to attend all meetings of the Board of Directors and of the Board Committees of which they are a member;
- (4) participate constructively and actively in the Board Committees in which they are chairpersons or members;
- (5) strive to attend the general meetings of the Company;
- (6) ensure, where they have concerns about the running of the Company or a proposed action, that these are addressed by the Board of Directors;
- (7) keep themselves well informed about the Company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or Board Committee;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- (10) ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct
- (12) act within their authority and assist in protecting the legitimate interests of the Company, shareholders and its employees;
- (13) not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans and unpublished price sensitive information, unless such disclosure is expressly approved by the Board of Directors or required by law.

**IV. Separate meetings:**

- (1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- (2) All the independent directors of the company shall strive to be present at such meeting;
- (3) The meeting shall:
  - (a) review the performance of non-independent directors and the Board as a whole;
  - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
  - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**ANNEXURE - 6****REPLY TO THE OBSERVATIONS MADE BY THE SECRETARIAL AUDITORS****Reply to the observation 1(i):**

Our Company is in the process of getting revocation of suspension of trading of our shares listed with Bombay Stock Exchange. This process is at the verge of getting approval for revocation of suspension of trading. So currently there is no trading as observed by the Secretarial auditors and very soon the company is expected to resume its trading platform.

**Reply to the observation 1(ii):**

This delay in compliance under Clause 41 of the listing agreement was noted initially during the process of revocation of suspension of trading. Due measures are taken to avoid such delayed compliances. Quarterly, half-yearly and annual accounts adoptions for 2014-15 are properly done.

**Reply to the observation 1(iii):**

This lapse in filing MGT-14 happened during the transitional period of applicability of the Companies Act, 1956 to the Companies Act, 2013. Our Company is taking due measures to rectify this by applying to the concerned authorities to file this as per the requirement of the Companies Act, 2013.

**Annexure – 7****PARTICULARS OF EMPLOYEES**

Particulars of Remuneration of Directors and Employees pursuant to Section 197(12) of the Companies (Appointment and Remuneration) Rules, 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2014-15:

<b>S.I. No</b>	<b>Names</b>	<b>Ratio</b>
1	Ms. Mary Rodrigues	0.98:1
2	Mr. Vettath Abraham Kurian	0.54:1
3	Mr. Sanjay Arjundass Wadhwa	0.46:1
4	Mr. Ranjith Matthan	0.23:1
5	Mr. Krishnapillai Sethuraman	0.23:1

During the year the Non- Executive Directors received only the sitting fees as remuneration.

- (ii) Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive officer, Company Secretary or manager if any in the financial year 2014-15:

There is no such increase for any of the aforementioned people.

(iii) Percentage increase in the median remuneration of employees in the financial year 2014-15:  
There is no such increase for any of the aforementioned people.

(iv) The number of permanent employees on the rolls of Company: 6

(v) Comparison of the remuneration of the KMP against the performance of the Company:

<b>KMP's Remuneration 2014-15</b>	<b>% Increase / (Decrease) in KMP's Remuneration (2014-15) against 2013-14</b>	<b>Sales 2014-15</b>	<b>% increase in sales (2014-15 against 2013-14)</b>
166355	Not Comparable as KMP appointed only in 2014-15	691,79,784	Not Comparable as KMP appointed only in 2014-15

(vi) Variations in Market Capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in market quotations of the shares of the company in comparison to the rate at which the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the networth of the company as at the close of the current financial year and previous financial year:

This details are not available as the public trading of the shares is now under suspension.

(vii) Average percentile increase already made in the salaries of 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:

This comparison is not possible as the managerial remuneration is applicable only from 10th March 2015.

(viii) Comparison of the each remuneration of the KMP against the performance of the Company:

<b>KMP's Name &amp; Designation</b>	<b>Cost to Company for 2014-15 ( In Rs.)</b>	<b>% Increase / (Decrease) in Cost to Company (2014-15 against 2013-14)</b>	<b>Sales for 2014-15</b>	<b>% Increase in sales (2014-15 against 2013-14)</b>
Ms. Mary Rodrigues – Managing Director	12775	Not Comparable as she is appointed effective 10 <sup>th</sup> March 2015	691,79,784	Not Comparable as she is appointed effective 10 <sup>th</sup> March 2015
Ms. M. Dhanalakshmi – Chief Financial Officer	15581	Not Comparable as she is appointed effective 10 <sup>th</sup> March 2015	691,79,784	Not Comparable as she is appointed effective 10 <sup>th</sup> March 2015
Ms. Sai Girija Srikanth – Company Secretary	144000	Not Comparable as she is appointed effective 01 <sup>st</sup> July, 2015	691,79,784	Not Comparable as she is appointed effective 01 <sup>st</sup> July, 2015

- (ix) The key parameters for any variable component of remuneration availed by the directors:

The Directors are not getting any variable compensation other than the sitting fees for the board meetings attended.

- (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

<b>S.I. No</b>	<b>Name of the Director</b>	<b>Ratio</b>
1.	Mary Rodrigues	0.45:1

- (xi) We affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the remuneration policy approved by the Board of Directors of the Company.
- (xii) Statement of employees receiving remuneration not less than five lakhs rupees per month: Nil

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Mary Rodrigues**  
Managing Director

**Ranjith Matthan**  
Director

Date : 20.08.2015

Place : Chennai

## INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

To The Members of

SI CAPITAL & FINANCIAL SERVICES LIMITED, CHENNAI

### Report on the Financial Statements

1. We have audited the accompanying financial statements of SI Capital & Financial Services Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the Financial Statements

2. 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 and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act, read with rule 7 of the companies (Accounts) Rules, 2014. 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 and its profit and loss and its cash flows for the year ended on that date:

**Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.

**10. 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 purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- e. on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
- f. In our opinion and according to information and explanations given to us, there are no financial transactions or matters which have any adverse effect on the functioning of the Company
- g. 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 explanations given to us:
  - 1) The company has no pending litigation on its financial position in its financial statement.
  - 2) The Company did not have any material foreseeable losses relating to long term contracts including derivative contracts.
  - 3) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Chennai  
Date : 28.05.2015

For Sudhindran & Co  
Chartered Accountants.

Sd/-  
CA. P. Sudhindran  
Partner  
Membership No.032100  
Firm Registration No.006019s

**ANNEXED TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph '1' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) According to the information and explanation given to us, all the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
2. (a) As explained to us, the inventories were physically verified during the year by the Management. In our opinion the frequency of the verification is reasonable  
(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification and the same have been properly dealt with in the books of account.
3. As informed, the Company has not taken or granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, provision of the clause 3(iii) (a), (b) of the Companies ( Auditor's Report) Order, 2015 are not applicable and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Accordingly, the provisions of paragraph 4(v) of the order is not applicable.
6. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the activities of the Company.
7. According to the information and explanations given to us, in respect of statutory dues:  
(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, Valued Added Tax and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, Valued Added Tax and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanation given to us, there are no dues in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, Valued Added Tax that have not been deposited with the appropriate authorities on account of any dispute.
  - (d) According to the information and explanations given to us, no amount is required to be transferred to investor Education and Protection Fund in accordance with the relevant provisions for the Companies Act, 1956, and the rules made there under.
8. The Company has accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
  9. According to the information and explanations furnished to us, the company has not given guarantees, for loans taken by others from banks or financial institutions.
  10. According to the information and explanations furnished to us, the company has not taken any term loan during the year. Therefore, the provisions of clause 3(xi) of the Order are not applicable to the company.
  11. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the company and no material fraud on the company has been noticed or reported during the year.

Place : Chennai  
Date : 28.05.2015

For Sudhindran & Co  
Chartered Accountants.

Sd/-  
CA. P. Sudhindran  
Partner  
Membership No.032100  
Firm Registration No.006019s

**BALANCE SHEET AS AT 31st MARCH 2015**

Amount in Rs.

	Note No.	31.03.2015	31.03.2014
<b>I. EQUITY AND LIABILITIES :</b>			
i) Share Holders' Funds			
a) Share Capital	3	30,000,000.00	30,000,000.00
b) Reserves and Surplus	4	(3,188,087.26)	(3,078,466.85)
		26,811,912.74	26,921,533.15
ii) Non-Current Liabilities			
a) Long Term Provisions	5	367,857.82	228,759.41
		367,857.82	228,759.41
iii) Current Liabilities			
a) Other Current Liabilities	6	8,323.00	11,639.00
b) Short Term Provisions	7	134,752.00	1,821,792.00
		143,075.00	1,833,431.00
<b>Total Equity &amp; Liabilities</b>		27,322,845.56	28,983,723.56
<b>II. ASSETS</b>			
i) Non-Current Assets			
a) FIXED ASSETS			
Tangible Assets	8	7,432,593.73	8,333,571.48
b) Non current Investments	9	1,048,195.00	1,048,195.00
c) Deferred tax Asset (Net)	10	787,645.14	795,162.14
d) Long Term Loans & Advances	11	81,059.00	81,059.00
		9,349,492.87	10,257,987.62
ii) Current Assets			
a) Current Investments	12	7,066,712.70	7,395,180.00
b) Inventories	13	13,901.31	4,499.14
c) Trade receivables	14	2,517,975.16	2,517,975.16
d) Cash and Cash Equivalent	15	1,752,562.52	1,523,482.20
e) Short term Loans & Advances	16	6,315,681.00	6,915,619.44
f) Other current assets	17	306,520.00	368,980.00
		17,973,352.69	18,725,735.94
<b>Total Assets</b>		27,322,845.56	28,983,723.56

Accounting policies and Notes forming part of the financial statements.

For and on behalf of the Board

As per our separate report of even date

Sd/-  
Mr. V.A Kurien  
Director

Sd/-  
Mrs. Mary Rodrigues  
Managing Director

Sd/-  
Sai Girija Srikanth  
Company Secretary

For Sudhindran & Co  
Chartered Accountants.

Sd/-  
Mr. Ranjith K Matthan  
Director

Sd/-  
Mr. Sanjay Arjundas Wadhwa  
Director

Sd/-  
M Dhanalakshmi  
Chief Financial Officer

Sd/-  
CA. P. Sudhindran  
Partner  
Membership No.032100  
Firm Registration No.006019S

Place : Chennai  
Date : 28.05.2015

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2015.**

Amount in Rs.

PARTICULARS	Note No.	31.03.2015	31.03.2014
<b>I. INCOME :</b>			
Revenue from operations	18	637,771.91	888,858.51
Other Income	19	2,338,114.85	1,513,991.01
<b>Total Revenue</b>		<b>2,975,886.76</b>	<b>2,402,849.52</b>
<b>II. EXPENSES :</b>			
Employee benefit expenses	20	1,159,511.00	858,350.81
Financial cost	21	26,212.29	48,176.51
Provisions and Contingencies	5	15,019.41	16,507.12
Depreciation	8	325,646.22	192,437.26
Other Administrative expenses	22	1,523,634.37	916,038.04
<b>Total Expenses</b>		<b>3,050,023.29</b>	<b>2,031,509.74</b>
Profit/Loss before exceptional and extraordinary items and tax		(74,136.53)	371,339.78
Exceptional Items		-	-
Profit/Loss before extraordinary items and tax		(74,136.53)	371,339.78
Extraordinary Items		-	-
Profit/Loss before tax		(74,136.53)	371,339.78
Less: Transfer to Special Reserve		-	74,267.96
		(74,136.53)	297,071.83
Tax Expenses :			
Current Tax		-	80,000.00
Deferred Tax Liability		(7,517.00)	23,690.00
Profit/Loss for the year		(81,653.53)	193,381.83
Earnings Per Equity Share Basic & Diluted		(0.03)	0.06

Accounting policies and Notes forming part of the financial statements.

For and on behalf of the Board

As per our separate report of even date

Sd/-  
Mr. V.A Kurien  
DirectorSd/-  
Mrs. Mary Rodrigues  
Managing DirectorSd/-  
Sai Girija Srikanth  
Company SecretaryFor Sudhindran & Co  
Chartered Accountants.Sd/-  
Mr. Ranjith K Matthan  
DirectorSd/-  
Mr. Sanjay Arjundas Wadhwa  
DirectorSd/-  
M Dhanalakshmi  
Chief Financial OfficerSd/-  
CA. P. Sudhindran  
Partner  
Membership No.032100  
Firm Registration No.006019SPlace : Chennai  
Date : 28.05.2015

**Cash flow statement for the year ended 31.03.2015.**

	As on 31.03.2015		As on 31.03.2014	
<b>A. Cash Flow From Operating Activities</b>				
Net Profit / (Loss) Before Tax & Extraordinary items		(74,136.53)		371,339.78
Add: Depreciation	325,646.22		192,437.26	
Loss on Sale of Motor Car	234,596.65		-	
Excess provision for Income Tax written back	811.00	561,053.87	8,389.00	200,826.26
		486,917.34		572,166.04
Less: Profit on Redemption of Mutual Funds	984,039.79		327,556.37	
Income tax for earlier years w/off	43.00			
Advances irrecoverable written off	-		430,000.00	
Interest received	1,347,697.56		1,182,767.14	
Dividend received	6,377.50	2,338,157.85	3,667.50	1,943,991.01
Operating Profit Before Working Capital Changes		(1,851,240.51)		(1,371,824.97)
Changes In Working Capital				
Add: Decrease in Current Assets/Non current Assets	652,996.27		(1,705,642.75)	
Add: Increase in Current Liabilities / Non Current Liabilities	(1,551,257.59)	(898,261.32)	1,474,601.93	(231,040.82)
		(2,749,501.83)		(1,602,865.79)
Less: Provision for Taxation		-		80,000.00
Net Cash from Operating Activities		(2,749,501.83)		(1,682,865.79)
<b>B. Cash Flow From Investing Activities</b>				
Sale of Investments	11,138,137.76		5,579,786.37	
Sale of Fixed Assets	350,000.00		-	
Interest Received	1,347,697.56		1,182,767.14	
Dividend Received	6,377.50	12,842,212.82	3,667.50	6,766,221.01
Less : Purchase of Fixed Assets	38,000.00		1,448,011.00	
Purchase of Mututal Fund	9,825,630.67	9,863,630.67	7,195,180.00	8,643,191.00
<b>Net Cash from Investing Activities</b>		2,978,582.15		(1,876,969.99)
<b>C. Cash Flow from Financing Activities</b>				
Decrease in Secured Loans	Nil		Nil	
Increase in Secured Loans	Nil		Nil	
Decrease in Unsecured Loans	Nil		Nil	
Increase in Unsecured Loans	Nil		Nil	
Less : Decrease in bank borrowings	Nil		Nil	
Interest on Loans	Nil	Nil	Nil	Nil
Net Cash from Financing Activities		Nil		Nil

	<b>As on 31.03.2015</b>		<b>As on 31.03.2014</b>	
<b>D. Net Increase/(Decrease in) Cash &amp; Cash Equivalents</b> (A + B + C) or (F - E)		229,080.32		(3,559,835.78)
<b>E. Cash &amp; Cash Equivalent at the start of the year</b>		1,523,482.20		5,083,317.98
<b>F. Cash &amp; Cash Equivalent at the end of the year</b>		1,752,562.52		1,523,482.20
		229,080.32		(3,559,835.78)

**NOTES :**

- The above Cash Flow statement has been prepared by using Indirect Method as per Accounting Standard 3 - Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been regrouped/rearranged wherever necessary to conform to current year's presentation

For and on behalf of the Board

sd/-  
V.A. KURIEN  
Director

sd/-  
MARY RODRIGUES  
Managing Director

sd/-  
SANJAY ARJUNDAS WADHWA  
Director

Place : Chennai  
Date : 28.05.15

The Board of Directors  
S.I. CAPITAL & FINANCIAL SERVICES LTD., Chennai

We have examined the attached cash flow statement of S.I. Capital & Financial Services Ltd., for the year ended 31.03.2015.

The statement has been prepared by the company in accordance with the requirement of listing agreement clause 32 with the stock exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the company by our report of 28.05.2015 to the members of the company.

Place : Chennai  
Date : 28.05.2015

As per our separate report of even date.  
For Sudhindran & Co,  
Chartered Accountants,

sd/-  
CA. P. Sudhindran  
Partner  
Mem.No. 32100  
Firm Registration No. 006019S

**Note: 21 - Notes forming part of the financial statements for the year ended 31st March 2015**

**1 CORPORATE INFORMATION**

S.I. Capital & Financial Services Limited is a public company incorporated in the State of Tamilnadu, India and regulated by the Reserve Bank of India as money changer company, Non Banking Finance Company (NBFC).

The company has been engaged mainly in the following businesses :

- a. Money Changer
- b. Long/Medium Term Loans
- c. Lease Finance
- d. Hire Purchase and dealing in stock and securities

**2 SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Preparation**

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013. read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 ("the Act"), and guidelines issued by the Securities and Exchange Board of India (SEBI) / RBI. as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**2. Inter Branch Transfers**

Inter Branch Transfers of currency are at cost.

**3 Valuation of Inventories**

Currencies in stock are valued at cost.

**4 Use of Estimates**

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period like provision for employee benefit provisioning for receivables, provision for credit enhancement for assets de-recognised, net realizable value of repossessed assets, useful lives of fixed assets. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

## 5 Provision, Contingencies Liabilities & Assets

Provisions are recognised only when the Company has present or legal or constructive obligations as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the transaction and a reliable estimate can be made for the amount of the obligation. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

A contingent provision against standard assets has been created at 0.25% of the outstanding standard assets in terms of the RBI circular Ref. No.DNBS(PD) CC No.225/03.02.001/ 2011-12 dated July 1,2011.

## 6 Fixed Assets and Depreciation

### a. Fixed Assets :

Tangible fixed assets acquired by the company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition value includes the purchase price to the asset to bring it to the site and in the working condition for its intended use.

### b. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on tangible fixed assets is provided using the written down value method in accordance with the useful life prescribed in Schedule II to the Companies Act, 2013.

## 7 Investments

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments in accordance with the RBI guidelines and Accounting Standard 13 on "Accounting for investments" as notified under the Companies (Accounting Standards) (Amendment) Rules, 2011. Current investments also include current maturities of long-term investments.

### Non Current Investments

Long term investments are stated at cost. Provision for diminution is made to recognise a diminution, other than temporary, in the value of such investments.

### Current Investments

Current investments are stated at the lower of cost and the market value, determined on an individual investment basis.

**8 Loans**

In accordance with the RBI guidelines, all loans are classified under any of four categories i.e (i) standard assets (ii) sub-standard assets (iii) doubtful assets and (iv) loss assets.

**9 Revenue Recognition**

Interest on loans and advances are recognised on accrual basis. In respect of loans under litigation, it is the company's policy to recognise interest on realisation basis.

**10 Retirement Benefits**

Contribution to Provident Fund is funded as a percentage of salary. Adequate provisions have been made in the accounts for the liability for Gratuity of employees.

**11 Impairment of Assets**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

**12 Cash and Cash Equivalents**

Cash and Cash Equivalents for the purpose of the cash flow statement comprises of cash on hand, cash in bank, fixed deposits and other short term highly liquid investments with an original maturity of three months or less, that are readily convertible into known amount of cash and which are subject to an insignificant risk of exchange in value.

**13 Cash Flow Statement**

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

## NOTES FORMING PART OF FINANCIAL STATEMENT FOR 2014 - 2015.

	31.03.2015	31.03.2014
<b>NOTE NO. 3</b>		
AUTHORISED CAPITAL		
35,00,000 equity shares @ Rs.10/- each	<u>35,000,000.00</u>	<u>35,000,000.00</u>
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
Issued & Subscribed and paidup fully		
30,00,000 equity shares @ Rs.10/- each	<u>30,000,000.00</u>	<u>30,000,000.00</u>

**Reconciliation of number of equity shares and share capital**

	Number of Equity Shares	Amount in Rs.	Number of Equity Shares	Amount in Rs.
At the beginning of the year	3,000,000	30,000,000.00	3,000,000	30,000,000.00
Add : Issued during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	<u>3,000,000</u>	<u>30,000,000.00</u>	<u>3,000,000</u>	<u>30,000,000.00</u>

Disclosures :

All the equity shares carry equal rights and obligations rights including for dividend and with respect to voting rights.

Details of Shareholders holding more than 5% of the aggregate shares in the Company

<u>Name of the Shareholders</u>	<u>Number of Equity Shares</u>	<u>% of Ratio</u>	<u>Number of Equity Shares</u>	<u>% of Ratio</u>
Mr. V A Kurien	755,410	25.18	575,910	19.20
Mrs. Susie Abraham	151,100	5.04	151,100	5.04
Mr. Sanjay Arjundas Wadhwa	231,500	7.72	166,300	5.54
Southern warehousing Co. Pvt Ltd	504,100	16.80	439,600	14.65
Pyramid Audio Ind Ltd	-	-	179,000	5.97

Note : No equity shares were allotted as fully paidup by way of bonus shares during the preceeding five years.

## NOTES FORMING PART OF FINANCIAL STATEMENT FOR 2014 - 2015.

<b><u>NOTE NO. 4</u></b>	<b>31.03.2015</b>	<b>31.03.2014</b>
Reserves and Surplus		
a. Special reserve		
Balance at the beginning of the year	1,015,039.60	940,771.64
Add: Special reserve for the year	-	74,267.96
Balance at the end of the year ----- (a)	<u>1,015,039.60</u>	<u>1,015,039.60</u>
b. Surplus (Profit & Loss account)		
Balance at the beginning of the year	(4,093,506.44)	(3,865,277.27)
Add : Excess provision of Income Tax w/back	811.00	8,389.00
Profit/Loss for the year	<u>(81,653.53)</u>	<u>193,381.83</u>
	(4,174,348.98)	(3,663,506.44)
Less : Income Tax for earlier year w/off	43.00	-
Additional depreciation on fixed assets	28,734.88	-
Advances irrecoverable written off	-	430,000.00
Balance at the end of the year ----- (b)	<u>(4,203,126.86)</u>	<u>(4,093,506.44)</u>
Grand Total (a+b)	<b><u>(3,188,087.26)</u></b>	<b><u>(3,078,466.85)</u></b>
<b><u>NOTE NO. 5</u></b>		
Long Term Provisions		
Gratuity Provision	316,730.00	192,651.00
Contingent Provision against Standard Assets	<u>51,127.82</u>	<u>36,108.41</u>
	<b><u>367,857.82</u></b>	<b><u>228,759.41</u></b>
<b><u>NOTE NO. 6</u></b>		
Other Current Liabilities		
Service Tax payable	823.00	5,639.00
TDS Payable	<u>7,500.00</u>	<u>6,000.00</u>
	<b><u>8,323.00</u></b>	<b><u>11,639.00</u></b>
<b><u>NOTE NO. 7</u></b>		
Short Term Provisions		
Provision for Employees Benefit		
Salary Payable	16,000.00	-
Bonus Payable	17,500.00	17,500.00
PF Payable	7,680.00	4,375.00
<u>Others</u>		
Rent Payable	16,436.00	6,500.00
Electricity Charges Payable	-	10,700.00
Sudhindran & Co.	76,770.00	61,416.00
Interest Payable on late payment of TDS	225.00	-
Interest Payable on late payment of Service Tax	141.00	-
Publishing expenses Payable	-	10,098.00
Bombay Stock Listing Fees Payable	-	16,854.00
GNSA - Specimen Signature	-	14,349.00
Asten Realtors Pvt Ltd	-	1,250,000.00
Advance for sale of motor car	-	350,000.00
Provision for Tax A.Y 2014 - 15	-	80,000.00
	<b><u>134,752.00</u></b>	<b><u>1,821,792.00</u></b>

**NOTE NO.8**  
**FIXED ASSETS**

**DEPRECIATION SCHEDULE AS PER COMPANIES ACT FOR THE YEAR ENDED 31.03.2015**

Particulars	Gross Block			Depreciation				Net Block			
	As on 01.04.2014	Additions	Deletions	As on 31.03.2014	As on 01.04.2014	WDV Written off / back	On Assets sold	For the year	Upto 31.03.2015	As on 31.03.2015	As on 31.03.2014
<b>TANGIBLE</b>											
Land	6,791,663.50	-	-	6,791,663.50	-	-	-	-	-	6,791,663.50	6,791,663.50
Building	105,000.00	-	-	105,000.00	46,131.89	-	-	2,833.39	48,965.28	56,034.72	58,868.11
Plant & Machinery	973,120.19	-	-	973,120.19	909,244.91	14,882.09	-	15,900.53	940,027.53	33,092.66	63,875.28
Electrical Machinery	99,990.85	-	-	99,990.85	63,300.59	6,516.52	-	9,482.82	79,299.93	20,690.92	36,690.26
Air Conditioner	30,000.00	-	-	30,000.00	22,269.53	-	-	1,864.30	24,133.83	5,866.17	7,730.47
Canon Xerox	52,200.00	-	-	52,200.00	24,149.32	-	-	5,518.93	29,668.25	22,531.75	28,050.68
Furniture & Fixtures	931,651.15	38,000.00	-	969,651.15	886,794.56	5,279.14	-	6,360.29	898,433.99	71,217.16	44,856.59
Motor Car - Honda Brio	738,011.00	-	738,011.00	-	150,762.91	-	153,414.35	2,651.44	-	-	587,248.09
Motor Car - Jetta	710,000.00	-	-	710,000.00	2,014.45	-	-	278,359.68	280,374.13	429,625.87	707,985.55
Computers & Peripherals	408,076.00	-	-	408,076.00	401,473.03	2,057.13	-	2,674.84	406,205.00	1,871.00	6,602.97
<b>TOTAL</b>	<b>10,839,712.69</b>	<b>38,000.00</b>	<b>738,011.00</b>	<b>10,139,701.69</b>	<b>2,506,141.21</b>	<b>28,734.88</b>	<b>153,414.35</b>	<b>325,646.22</b>	<b>2,707,107.94</b>	<b>7,432,593.73</b>	<b>8,333,571.48</b>
Previous Year :	9,391,701.69	1,448,011.00	-	10,839,712.69	2,313,703.95	-	-	192,437.26	2,506,141.21	8,333,571.48	7,077,997.74

## NOTES FORMING PART OF FINANCIAL STATEMENT FOR 2014 - 2015.

	31.03.2015	31.03.2014
<b><u>NOTE NO. 9</u></b>		
<u>Non Current Investments</u>		
<u>Investment in Equity Instruments</u>		
<u>Quoted:</u>		
Sambandam Spinning Mills Ltd	45,000.00	45,000.00
Sri Nachammai Cotton Mills Ltd.	56,000.00	56,000.00
<u>Un Quoted:</u>		
Laser Diamond Ltd	229,000.00	229,000.00
Saravana Estates & Plantation Ltd	200,000.00	200,000.00
SI Property Development Limited	43,195.00	43,195.00
Skandam Farms & Plantations Ltd.	470,000.00	470,000.00
Thambi Modern Spinning Mills Ltd	5,000.00	5,000.00
	1,048,195.00	1,048,195.00
<b><u>NOTE NO. 10</u></b>		
<u>Deferred Tax Asset (Net)</u>		
Depreciation as per Companies Act	325,646.22	192,437.26
Depreciation as per as per Income Tax Act	208,393.72	238,581.70
	117,252.50	46,144.44
Deferred Tax Asset/Liability on the above @ 30.90 %	36,231.00	14,259.00
<u>Deferred Tax Liability For The Year</u>		
Provision for Bonus	17,500.00	17,500.00
Provision for Gratuity	124,079.00	13,020.81
	141,579.00	30,520.81
Deferred Tax Liability for the year @ 30.90% on the above	43,748.00	9,431.00
Net Deferred Tax Liability to be taken to P& L Account	7,517.00	23,690.00
<u>Summary :</u>		
Deferred Tax Asset as per Last Year Balance Sheet	795,162.14	818,852.14
Deferred Tax Liability as per Current Year	7,517.00	23,690.00
Net Deferred Tax Asset (Net)	787,645.14	795,162.14
<b><u>NOTE NO. 11</u></b>		
<u>Long Term Loans &amp; Advances</u>		
<u>i) Security Deposit</u>		
a) Unsecured, considered Good :		
Telephone Deposit	35,139.00	35,139.00
Rent Deposit	45,920.00	45,920.00
	81,059.00	81,059.00

## NOTES FORMING PART OF FINANCIAL STATEMENT FOR 2014 - 2015.

	31.03.2015	31.03.2014
<b><u>NOTE NO. 12</u></b>		
<u>Current Investments</u>		
<u>Investment in Mutual Funds</u>		
HDFC Cash Mgmt - Treasury Advantage - Daily Dividend	-	300,000.00
HDFC Corporate Debt Opportunities Fund	2,306,712.70	-
Birla Sunlife Frontline Equity Fund	1,000,000.00	-
ICICI Prudential FMP Series 64 - 367 Days Plan G	-	2,945,180.00
ICICI Prudential Dynamic Plan	1,000,000.00	-
ICICI Prudential Focused Blucheip Equity Fund	1,000,000.00	-
ICICI Prudential Flexible Income Plan	-	2,200,000.00
ICICI Prudential Flexible Income Plan - Daily Dividend	-	1,250,000.00
Reliance Money Manager Fund Growth	1,760,000.00	-
Reliance Short Term Fund Quarterly Divd	-	700,000.00
	7,066,712.70	7,395,180.00

Total market value of the above investments as on 31.03.2015 is Rs. 78,50,619.42

**NOTE NO.13**Inventories

Stock-in-trade	13,901.31	4,499.14
	13,901.31	4,499.14

**NOTE NO.14**Trade Receivables1. Outstanding for more than six months

a) Unsecured, considered Good	2,517,975.16	2,517,975.16
2. Others	-	-
	2,517,975.16	2,517,975.16

**NOTE NO.15**Cash & Cash Equivalent

1. Cash in hand	21,970.03	148,827.98
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2. Cash at Banksi. In Current account

ABN Amro Bank	250,948.82	19,130.35
HDFC Bank Ltd - Chennai	19,758.25	13,265.89
Indian Overseas Bank	11,656.59	2,065.09
Axis Bank Ltd	59,991.19	656.22

**NOTES FORMING PART OF FINANCIAL STATEMENT FOR 2014 - 2015.**

Axis Bank Ltd- Port Blair	-	5,325.00
Karnataka Bank - Kochi	564,852.52	610,772.52
Karnataka Bank - Kochi	2,400.00	6,867.00
HDFC Bank Ltd - Kochi	20,985.12	16,572.15

ii. In Deposit account

Karnataka Bank	800,000.00	700,000.00
	<u>1,752,562.52</u>	<u>1,523,482.20</u>

**NOTE NO.16**Short Term Loans & Advances1. Loans & Advances from related partiesa) Secured considered Good :

Advance to Associate concerns	429,440.26	861,000.00
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2. Others

i)(Advance recoverable in cash or in kind or for value to be considered good)

a) <u>Secured Considered Good</u> : [See note (a)]	4,840,511.00	5,359,228.00
b) <u>Unsecured Considered good</u> : [See note (a)]	737,813.66	382,619.36
c) <u>Doubtful</u> [See note (a)]	-	-
	<u>6,007,764.92</u>	<u>6,602,847.36</u>

Less: Provision for Doubtful debts

	-	-
	<u>6,007,764.92</u>	<u>6,602,847.36</u>

ii) Advance Income Tax / Refund Due

	307,916.08	312,772.08
	<u>6,315,681.00</u>	<u>6,915,619.44</u>

(a) The classification of loans under the RBI guidelines is as under :

(i) Standard assets	6,007,764.92	6,602,847.36
(ii) Sub-standard assets	-	-
(iii) Doubtful assets	-	-
(iv) Loss assets	-	-
	<u>6,007,764.92</u>	<u>6,602,847.36</u>

**NOTE NO. 17**Other Current Assets

Interest accrued on FD	26,520.00	24,542.00
Interest Receivable	280,000.00	344,438.00
	<u>306,520.00</u>	<u>368,980.00</u>

## NOTES FORMING PART OF FINANCIAL STATEMENT FOR 2014 - 2015.

	31.03.2015	31.03.2014
<b>NOTE NO. 18</b>		
<u>Revenue from operations</u>		
Total Sales	69,179,784.37	112,365,000.21
Service Charges Received	25,662.94	73,674.68
Commission Received	4,520.00	-
Add: Closing Stock	13,901.31	4,499.14
Sub-Total (a)	69,223,868.62	112,443,174.03
Opening Stock	4,499.14	30,173.55
Purchase of cn	68,494,517.57	41,645,194.37
Service Charges Paid	-	6,588.00
Encashment of Cheque	87,080.00	69,872,359.60
Sub-Total (b)	68,586,096.71	111,554,315.52
Grand Total (a+b)	637,771.91	888,858.51
<b>NOTE NO. 19</b>		
<u>Other Income</u>		
Interest received on loans	1,277,925.56	1,118,225.14
Interest from bank on deposits	69,772.00	64,542.00
Dividend received on Shares	6,377.50	3,667.50
Profit on Redemption of Mutual Funds	984,039.79	327,556.37
	2,338,114.85	1,513,991.01
<b>NOTE NO. 20</b>		
<u>Employee benefit expenses</u>		
Employee Cost (Salaries,allowances and others)	949,060.00	774,075.00
Bonus	28,350.00	26,250.00
Gratuity	124,079.00	13,020.81
Provident Fund	41,155.00	32,035.00
Staff Welfare	16,867.00	12,970.00
	1,159,511.00	858,350.81
<b>NOTE NO. 21</b>		
<u>Finance cost</u>		
Interest Paid on car loan	-	21,790.00
Interest Paid on Service Tax	141.00	267.00
Interest Paid on TDS	495.00	4,632.00
Bank Charges	25,576.29	21,487.51
	26,212.29	48,176.51

**NOTES FORMING PART OF FINANCIAL STATEMENT FOR 2014 - 2015.**

	31.03.2015	31.03.2014
<b><u>NOTE NO. 22</u></b>		
<b><u>ADMINISTRATIVE EXPENSES</u></b>		
Rent	197,232.00	197,232.00
Rates & Taxes	6,739.00	3,235.00
Electricity Charges	63,003.00	54,710.00
Postage & Telegram	4,593.00	3,519.00
Telephone Charges	53,745.00	49,869.73
Printing & Stationery	19,966.22	31,465.00
Travelling Expenses	204,661.00	53,799.00
Conveyance Expenses	28,751.50	29,831.31
Repairs and Maintenance	2,950.00	530.00
Vehicle Maintenance	86,673.00	35,735.00
Office Maintenance	12,661.00	15,998.00
Property Maintenance	41,573.00	72,857.00
Annual Maintenance Charges	20,223.00	12,730.00
AGM & Publishing Expenses	100,914.00	61,023.00
Insurance Charges	27,400.00	15,921.00
Inspection Charges	13,371.00	19,101.00
Commission Paid	-	10,196.00
Listing & Filing Fee	134,160.00	40,090.00
NSDL Charges	6,809.00	6,741.00
BSE Charges	28,090.00	-
Sitting Fees	25,000.00	11,000.00
Share transfer fee	38,186.00	23,713.00
Loss on Sale of Motor Car	234,596.65	-
Professional & Legal Charges	88,067.00	99,326.00
Audit fees	84,270.00	67,416.00
	1,523,634.37	916,038.04



**19 Earning per Share:**

	31.03.2015	31.03.2014
Basic and Diluted		
Weighted Average No. of Shares outstanding (Nos.)	3,000,000.00	3,000,000.00
Net Profit / (Loss) in Rupees	(81,653.53)	193,381.83
Earning Per Share	(0.03)	0.06
Nominal value of Share	Rs. 10/-	Rs. 10/-

**20 Taxation**

**Income Tax:**

As the taxable income for the year gets adjusted against brought forward losses of earlier years, there is no tax liability during the current year.

**Deferred Tax:**

The deferred tax for timing differences is accounted for using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax asset arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future. Consequently, Deferred tax asset on business loss carried forward has not been created.

**Deferred Tax Asset**

Opening Balance		795,162.14
Deferred Tax for the year		
Depreciation as per Companies Act	325,646.22	
Depreciation as per Income Tax Act	<u>208,393.72</u>	
Difference	<u>(117,252.50)</u>	
Deferred Tax Liability for the year @ 30.90% on the above		(36,231.00)
Provision for Bonus	17,500.00	
Provision for Gratuity	<u>124,079.00</u>	
	<u>141,579.00</u>	
Deferred Tax Liability for the year @ 30.90% on the above		43,748.00
Current year Deferred Tax Liability debited to P&L a/c		<u>7,517.00</u>
Net Deferred Tax Asset shown in the Balance Sheet		<u>787,645.14</u>

**21 Income from Forex Business Rs. 637,771.91 has been arrived at as follows.**

	<b>31.03.2015</b>	<b>31.03.2014</b>
Income from Forex Business:		
Sales of Currencies & Travellers Cheque	69,209,967.31	112,365,000.21
<u>Less:</u> Purchase of Currencies & Travellers Cheques, Service Charges paid	68,581,597.57	111,450,467.29
Sub Total - (a)	628,369.74	914,532.92
<u>Add:</u> Increase / ( Decrease) in Stock		
Closing Stock	13,901.31	4,499.14
<u>Less:</u> Opening Stock	4,499.14	30,173.55
Sub Total - (b)	9,402.17	(25,674.41)
TOTAL (a+b)	637,771.91	888,858.51

**22 Managerial Sitting fee**

Directors' Sitting fee	25,000.00	11,000.00
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**23 Auditor's Remuneration:**

As Audit fee	55,000.00	40,000.00
As Tax audit fee including service tax	29,270.00	27416.00
Total	84,270.00	67416.00

**24** The company has created a Special Reserve (20% of Profit) under section 45-IC of the RBI Act,1934 wherever applicable.

**25** The Schedule to the Balance Sheet of a non-banking financial company [as required in terms of paragraph 13 of Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank), Directions, 2007] is annexed.

**26 Prior year Comparatives**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

For and on behalf of the Board

As per our separate report of even date

Sd/-  
Mr. V.A Kurien  
Director

Sd/-  
Mrs. Mary Rodrigues  
Managing Director

Sd/-  
Sai Girija Srikanth  
Company Secretary

For Sudhindran & Co  
Chartered Accountants.

Sd/-  
Mr. Ranjith K Matthan  
Director

Sd/-  
Mr. Sanjay Arjundas Wadhwa  
Director

Sd/-  
M Dhanalakshmi  
Chief Financial Officer

Sd/-  
CA. P. Sudhindran  
Partner  
Membership No.032100  
Firm Registration No.006019S

Place : Chennai  
Date : 28.05.2015

**ANNEXURE - I**

Schedule to the Balance Sheet of a Non-Banking Financial Company  
[As required in terms of paragraph 13 of Non-Banking Financial (Deposit Accepting or Holding)  
Companies Prudential Norms (Reserve Bank) Directions, 2007]

(Rs. in lakhs)

	Particulars	Amount Outstanding	Amount Overdue
	<b>Liabilities Side :</b>		
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	Nil	Nil
	Unsecured	Nil	Nil
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter-corporate loans and borrowing	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Public Deposits	Nil	Nil
	(g) Other Loans	Nil	Nil
(2)	Break up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)		
	(a) In the form of Unsecured debentures	Nil	Nil
	(b) In the form of partly secured debentures i.e, debentures where there is a shortfall in the value of security	Nil	Nil
	(c) Other public deposits*	Nil	Nil
	<b>Assets Side :</b>	<b>Amount outstanding</b>	
(3)	Break up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured		
	Southern Warehousing Co. Pvt Ltd	4.29	
	Praba Narasimhan	1.93	
	Anto Joseph Film Co.	10.00	
	August Cinema Co Pvt Ltd	20.00	
	Arokhiyaraj	1.92	
	Finecut Entertainment	10.00	
	Amirta	4.55	
	(b) Unsecured		
	Debtors Receivable	25.18	
	Advance others	5.00	
	Advances to Employees	2.37	

	Particulars	Amount Outstanding	Amount Overdue
(4)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors		
	(a) Financial lease		
	(b) Operating lease		
	(ii) Stock on hire including hire charges under sundry debtors		
	(a) Assets on hire		
	(b) Repossessed assets		
	(iii) Other loans counting towards AFC activities	Nil	
	(a) Loans where assets have been repossessed		
	(b) Loans other than (a) above		
(5)	Break-up of Investments		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity		
	Sambandam Spinning Mills Ltd	0.45	
	Sri Nachammai Cotton Mills Ltd.	0.56	
	(b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of mutual funds	Nil	
	(iv) Government Securities	Nil	
	(v) Others (please specify)	Nil	
	2. Unquoted :		
	(i) Shares : (a) Equity		
	Laser Diamond Ltd	2.29	
	Saravana Estates & Plantation Ltd	2.00	
	SI Property Development Limited	0.43	
	Skandam Farms & Plantations Ltd.	4.70	
	Thambi Modern Spinning Mills Ltd	0.05	
	(b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of mutual funds	70.67	
	(iv) Government Securities	Nil	
	(v) Others (please specify)	Nil	



(8)	Other information	
	Particulars	Amount
(i)	Gross Non Performing Assets	
	(a) Related parties	
	(b) Other than related parties	
(ii)	Net Non-Performing Assets	
	(a) Related parties	
	(b) Other than related parties	
(iii)	Assets acquired in satisfaction of debt	

For and on behalf of the Board

As per our separate report of even date

Sd/-  
Mr. V.A Kurien  
Director

Sd/-  
Mrs. Mary Rodrigues  
Managing Director

Sd/-  
Sai Girija Srikanth  
Company Secretary

For Sudhindran & Co  
Chartered Accountants.

Sd/-  
Mr. Ranjith K Matthan  
Director

Sd/-  
Mr. Sanjay Arjundas Wadhwa  
Director

Sd/-  
M Dhanalakshmi  
Chief Financial Officer

Sd/-  
CA. P. Sudhindran  
Partner  
Membership No.032100  
Firm Registration No.006019s

Place : Chennai  
Date : 28.05.2015

**Proxy Form**

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

**Name of the company : S.I.CAPITAL & FINANCIAL SERVICES LIMITED**  
**CIN : L67190TN1994PLC029151**  
**Registered office : No.64, Montieth Court, Montieth Road, Egmore, Chennai-600008.**

Name of the member(s) :  
 Registered address :  
 E-mail Id :  
 Folio No/Client Id :  
 DP ID :

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature:....., or failing him

2. Name: .....

Address:

E-mail Id:

Signature:....., or failing him

3. Name: .....

Address:

E-mail Id:

Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual general meeting/ Extraordinary general meeting of the company, to be held on Monday, the 28<sup>th</sup> day of September at 9.00 a.m. at .....(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>S.I. No</b>	<b>Resolutions</b>	<b>For</b>	<b>Against</b>
1	Consider and adopt of Audited Financial Statement, Report of the Board of Directors and Auditors		
2	Re-appointment of Director – Mr. V. A. Kurian who retires by rotation		
3	Appointment of Statutory Auditor and fix their remuneration		
4.	Appoint Mr. Krishnapillai Sethuraman as an Independent Director		
5.	Re-appoint Mr. Ranjith Kurian Matthan as an Independent Director		
6.	Appoint Ms. Mary Rodrigues as a Managing Director		

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp
---------------------------

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

**S.I. Capital & Financial Services Limited**

65, Montieth Court, Montieth Road, Egmore, Chennai – 600 008

Ph:044- Website: [WWW.sicapital.co.in](http://WWW.sicapital.co.in) e-mail : [info@sicapital.co.in](mailto:info@sicapital.co.in)

CIN: L67190TN1994PLC029151

**ATTENDANCE SLIP**

I hereby record my presence at 21<sup>st</sup> Annual General Meeting to be held on 28<sup>th</sup> September, 2015 at Green Meadows – Conference Hall, No. 4/364-A, Anna Salai, Palavakkam, Chennai – 600041

-----

Signature of Share Holder / Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. members are requested to bring their copies of the Annual Report to the AGM.



