



**FORM B**

**(Pursuant to Clause 31(a) of the Listing Agreement)**

**Format of covering letter of the annual audit report to be filled with the stock exchanges**

1.	Name of the Company	ICSA (INDIA) LIMITED
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March 2015
3.	Type of Observation	Qualified
4.	Frequency of Audit observation and Type	A) First year in respect of observation A) as stated in item 5 below. B) First year in respect of observation B) as stated in item 5 below. C) Repetitive in respect of observation C) as stated in item 5 below from the financial year ended on 30 <sup>th</sup> June, 2011. D) First year in respect of observation D) as stated in item 5 below.
5.	Draw attention to relevant notes in the financial statements.	<b>Observation</b>  A) Regarding non provision of interest on working capital loans for an amount of Rs.8,729.68 lacs. The loss of the company is understated to an extent of Rs.8,729.68lacs. Refer Note 7 of notes forming part of financial statements.  B) Regarding non provision of interest on Term loans From banks for an amount of Rs.7,471.83 lacs. The loss of the company is understated to an extent of Rs.7,471.83 lacs. Refer Note 9 of notes forming part of financial statements.  C) Regarding non provision of interest on corporate dividend tax for an amount of Rs.64.24 lacs. Refer Note 9 of notes forming part of financial statements.  D) Regarding non provision of differential interest on non acceptance of CDR package for an amount of Rs. 6427.58 lacs. Refer Note 25(a)(iii) of notes forming part of financial statements.

**ICSA (INDIA) LIMITED**

*(An ISO 9001 : 2008 Company)*




**Regd. Office** : Plot # 12, Software Units Layout, Cyberabad, Hyderabad - 500 081

**Phone** : +91-40-23114923, **Fax** : 040-23114921,

**CIN** : L72200TG1994PLC016969

**E-mail** : info@icsa-india.com www.icsa-india.com



To be signed by -		
Managing Director	G Bala Reddy	For I C S A (INDIA) LIMITED <i>G Bala Reddy</i> Managing Director
Ditector	M Sarveswara Reddy	<i>M Sarveswara Reddy</i>
Audit Committee Chairman	Dr. T Srinivasa Rao	<i>T. Srinivasa Rao</i>
Auditor of the Company	For RAMBABU & CO., Chartered Accountants Firm Reg.No.002976S <i>Ravi Rambabu</i> Ravi Rambabu Partner M.No.018541	

**ICSA (INDIA) LIMITED**  
(An ISO 9001 : 2008 Company)



Regd. Office : Plot # 12, Software Units Layout, Cyberabad, Hyderabad - 500 081  
Phone : +91-40-23114923, Fax : 040-23114921,  
CIN : L72200TG1994PLC016969  
E-mail : [info@icsa-india.com](mailto:info@icsa-india.com) [www.icsa-india.com](http://www.icsa-india.com)

**ICSA (INDIA) LIMITED**



**21<sup>st</sup> ANNUAL REPORT**

**2014 - 15**

**Board of Directors:**

Mr. G Bala Reddy  
Chairman-Cum-Managing Director

Mr. M Sarveswar Reddy  
Independent Director

Dr. T Srinivasa Rao  
Independent Director

Mr. R Venkata Rami Reddy  
Independent Director

Mrs. G Lalitha  
Director (Woman)

**Compliance Officer:**

K. Amaranadha Reddy

**Auditors:**

RAMBABU & CO  
Chartered Accountants,  
6-3-1090/1/A, Pancom Chambers  
Rajbhavan Road, Somajiguda, Hyd.

**Bankers:**

State Bank of India  
Punjab National Bank  
Andhra Bank  
Oriental Bank of Commerce  
Union Bank of India  
Bank of India  
IDBI Bank Limited

**Registered Office**

ICSA (INDIA) Limited  
Plot No 12, Ground Floor, Block-B,  
Softpro Heights, Cyberabad, Hyderabad – 500 081  
E-Mail: [secretarial@icsa-india.com](mailto:secretarial@icsa-india.com)  
Visit us at: [www.icsa-india.com](http://www.icsa-india.com)

**NOTICE**

Notice is hereby given that the 21st Annual General Meeting of the Members of ICSA (India) Limited (CIN: L72200AP1994PLC016969) will be held on Wednesday, the 30th day of September, 2015 at 9.30 am, at Registered office of the Company, Plot No. 12, 5th Floor, Conference Hall, Software Units Layout, Cyberbad, Hyderabad - 500 081, Telangana, to transact the following items of businesses:

**ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the Audited Balance Sheet of the Company as at 31st March, 2015 and Profit and Loss Account for the 9 months accounting period ended 31st March, 2015 on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bala Reddy Gopu (DIN: 01562665), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of auditors of the Company to hold office until the conclusion of the Annual general Meeting for Financial year 2014-15 and the payment of remuneration as fixed by the Board of Directors and to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary resolution.

“RESOLVED THAT, pursuant to the provisions of Section 139, 141 and 142 and all other applicable provisions of the Companies Act, 2013 and the rules made there under, including statutory modifications thereto or re-enactments thereof for the time being in force, and pursuant to the recommendations of the audit committee of the Board of directors, the appointment of M/s. Rambabu & Co, Chartered Accountants (Firm Registration No. 002976S), which was made AGM 2014 for Five Consecutive Audit-years ending on the conclusion of AGM for FY 2019 be and is hereby ratified and confirmed for the remaining audit period on such remuneration agreed upon by the Board of Directors and Auditors, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company, as fixed by the Board of Directors”

“RESOLVED FURTHER THAT the directors of the Company jointly and severally be and are hereby authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution and to certify and upload the e-forms.

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** Pursuant to provisions of sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force). Mrs G Lalitha (DIN: 02198243), who was appointed as an Additional Director pursuant to provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting 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 Director, be and is hereby appointed as a Woman Director of the Company, liable to retire by rotation”.

By Order of the Board of Directors

Chairman and Managing Director

Hyderabad  
26th August 2015

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and a proxy need not be a member of the company. The instrument of Proxy in order to be effective should be deposited at its Registered Office of the Company not later than forty eight hours before the commencement of the Meeting.  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders.
2. Members are requested to bring their copy of the Annual Report while attending the Annual General Meeting.
3. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
4. 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.
5. Corporate members intending to send their

authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

6. The Register of Members and Share Transfer Books of the Company will remain closed from September 23.09.2015 to, September 30th, 2015 (both days inclusive).
7. While members holding shares in physical form are requested to inform any change in their address/bank mandates/ email address to Company and/or Company's Registrars and Transfer Agents, Venture Capital and Corporate Investments Private Limited, 12-10-167 Bharatnagar, Hyderabad-500018. Members holding shares in electronic form must submit the information about change in address to their respective Depository.
8. The Company has entered into agreements with NSDL and CDSL. The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of shares certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL. Members are encouraged to convert their holdings to electronic mode.
9. Shareholders seeking any information regarding the accounts are requested to write to the company at least two days in advance to enable the management to keep the information ready.
10. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. The Share certificates will be returned to the Members after making requisite changes thereon.
11. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agents, immediately:
  - a) Change in the Residential status on return to India for permanent settlement.
  - b) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
12. The Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.
14. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository services (INDIA) Limited (CDSL):
15. **The instructions for members for voting electronically are as under:-**  
**In case of members receiving e-mail:**
  - (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on "Shareholders" tab.
  - (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

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

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

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- d. The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor of or against, if any, forthwith to the Chairman of the Company.
  - e. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 22.09.2015. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.icsa-india.com](http://www.icsa-india.com) and on the website of CDSL within two days of the passing of the resolutions at 21st Annual General Meeting of the Company on 30th day September, 2015 and communicated to the Stock Exchanges.

**In case of members receiving the physical copy::**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 27.09.2015 at 9.00 am and ends on 29.09.2015 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**General Instructions:**

- a. The e-voting period commences on 27.09.2015 (9.00 a.m.) and ends on 29.09.2015 (5.00 p.m.) During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2015, may cast their vote electronically. The e-voting module shall also be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2015, and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- c. Dr. Mohan S Rao, Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.



**EXPLANATORY STATEMENT UNDER SECTION 102(2) OF THE COMPANIES ACT, 2013:**

**Item No. 4:**

The Board of Directors of the Company appointed. Mrs G Lalitha (DIN: 02198243) as Additional women Director of the Company with effect from 19th March, 2015 pursuant to the provisions of Section 161(1) of the Act and In terms of the provisions of Section 161(1) of the Act. Mrs G Lalitha would hold office upto the date of the ensuing Annual General Meeting.

The Company has received notice in writing from member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of Mrs G Lalitha for the office of the Director of the Company.

Mrs G Lalitha is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Directors.

The Company has also received declaration from. Mrs G Lalitha that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under clause 49 of the Listing Agreement, Mrs G Lalitha possess appropriate skills, experience and knowledge.

Brief resume of Mrs G Lalitha nature of her expertise in specific functional areas and names of companies in which she holds directorship and memberships/chairmanships of Board Committees, shareholding as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are forming part of the Annual Report

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Mrs G Lalitha is appointed as a Woman Director.

This statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchange. Mrs G Lalitha is interested in the resolutions set out at item No. 4 of the Notice with regard to his appointment. Save and except the above, None of the Directors/ Key Managerial personnel / his relatives in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolution set forth in Item No. 4 for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution.

Your Directors recommend the Resolution for your approval.

By the order of the Board of Directors

for **ICSA (INDIA) LIMITED**

Sd/-  
Chairman & Managing Director

Place: Hyderabad

Date: 26th August, 2015

Email: [secretarial@icsa-india.com](mailto:secretarial@icsa-india.com)

**DIRECTORS' REPORT**

Dear Members

Your Directors have pleasure in presenting the 21st Annual Report of the Company together with the audited accounts for the 9th month accounting period ended 31st, March, 2015

**Financial Results** (Rs. Lakhs)

Sl. No.	Description	2014-15 (9 months)	2013-14 (12 months)
1	Revenue (Net of duties & Taxes)	<b>2365.13</b>	5748.06
2	Profit/(Loss) before depreciation & amortization, finance cost and exceptional items	<b>(11162.74)</b>	(9421.32)
3	Finance Cost	<b>15.09</b>	249.32
4	Depreciation & Amortization	<b>1163.41</b>	1258.64
5	Exceptional items		
	- Bad debts written off	<b>19391.54</b>	35147.08
	- Deposits written off	<b>538.42</b>	-
	- Provision for doubtful advances	<b>2037.16</b>	15963.04
6	Profit/(loss) before tax (2-3-4-5)	<b>(34308.36)</b>	(62039.40)
7	Provision for tax	-	-
8	Profit/(loss) after tax (6-7)	<b>(34308.36)</b>	(62039.40)

**Review of operations**

**Performance during the 9 month accounting period ended 31.03.2015**

Your company has made a Revenue of Rs.2365.13 Lakhs during the 9 months accounting period ended 31st March, 2015, as compared to the turnover of Rs.5748.06 Lakhs during the 12 month period ended on 30th June 2014 and incurred a net loss of Rs. 34308.36 Lakhs during the 9 months accounting period as against the net loss of Rs. 62039.40 Lakhs previous 12 months accounting period ended 30.06.2014. The revenue collections from the State Electricity Boards has continued to be decreased drastically on account of non-availability of timely funds for the completion of the projects., due to bad collections from the State Electricity Boards and on account of not providing funds by the banks. Also the decline in the performance is on account of slowdown of the economy with respect to the Infrastructure Sector. The detailed analysis of the performance, given at the management's discussion and analysis section of the Annual Report.

**Changes in capital structure**

There is no change in the capital structure of the company during the accounting period.

**FCCBs**

Out of USD 46 million FCCBs issued by the Company, USD 25 million FCCBs were converted into equity upon exercise of conversion rights by bond holders in the earlier years and an amount of USD 21 million FCCBs were

outstanding and due for redemption as at the previous accounting year. The trustee for FCCB holders has filed suit u/s.433 & u/s.434 of the Companies Act, 1956 for winding up of the company, which has been disposed off in Company favour.

**Subsidiary**

The Company has floated a new India based subsidiary during the year 2011-12, named ICSA Infra Limited. Since it is into inception stage, there was no transaction in the company during the accounting period.

**Dividend**

In view of the losses, your Directors decided not to recommend any dividend for the financial year under review.

**Fixed deposits**

Your Company has not accepted any deposits falling within the meaning of Sec. 76 of the Companies Act, 2013 and any other applicable provision read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

**Insurance**

The Company's properties and assets are adequately insured, wherever required.

**Directors' responsibility statement**

As required under Section 134(5) of the Companies Act, 2013 and any other applicable provisions of the act Directors of your company hereby state and confirm:

1. That in the preparation of the annual accounts for the 9 months accounting period ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures
2. That We have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the 9 months accounting period ended March 31, 2015 and of the Loss of the Company for the year under review
3. That We have taken proper and sufficient care for maintain of adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities
4. That We have prepared the accounts for the 9 months accounting period ended March 31, 2015 on a going concern basis

**Directors**

In accordance with the provisions of Section 160 of the Companies Act, 2013, Mrs. G. Lalitha (DIN 02198243)

was appointed as Additional Director (Woman Director) wef 19th March, 2015 in a duly constituted Board Meeting. A request has been received by one of the members of the Company to appoint retires by rotation and being eligible, has offered himself for reappointment.

### **Appointment of Secretarial Auditor**

Dr. Mohan S Rao, Practising Company Secretary is appointed as a Secretarial Auditor for the conduct of the Secretarial Audit for the financial year 2014-15.

### **Auditors**

The appointment of M/s. Rambabu & Co, Chartered Accountants, Hyderabad, Independent Auditors of the Company retiring at the forthcoming Annual General Meeting and are being ratified as they were appointed for a period of five years in the 20th AGM held on 22 Dec 2014. In accordance with the Companies Act 2013, it is proposed to appoint them for a period of three consecutive years of the first term of five consecutive years, subject to the ratification of shareholders at every Annual General Meeting and M/s. Rambabu & Co, Chartered Accountants, Hyderabad, have confirmed that the appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013.

### **Response to Auditors Observations**

With reference to the observations made by the Statutory Auditors in the Audit Report, the management response there to as follows:

- i) Attention is invited to Note No.7 to Notes on Financial statements regarding non-provision of interest on working capital loans for an amount of Rs. 8729.68 lacs. The loss of the company is understated to an extent of Rs.8729.68 lacs and the liability of the company is understated to that extent.

#### **Management Response:**

The company has been declared sick u/s.3(o) of SICA as per the order pronounced by the Hon'ble BIFR on 12.02.2014. Later banks have issued SARFAESI Act 2002 against which Hon'ble BIFR has stayed the actions of banks.

The company also has given revised DRS proposal to the banks which is pending. Hence interest is not provided.

- ii) Attention is invited to Note No.9 to Notes on Financial statements regarding non-provision of interest on Term Loans from banks for an amount of Rs.7,471.83 lacs. The loss of the company is understated to an extent of Rs.7,471.83 lacs and the liability of the company is understated to that extent.

#### **Management Response:**

The company has been declared sick u/s.3(o) of

SICA as per the order pronounced by the Hon'ble BIFR on 12.02.2014. Later banks have issued SARFAESI Act 2002 against which Hon'ble BIFR has stayed the actions of banks.

The company also has given revised DRS proposal to the banks which is pending. Hence interest is not provided.

- iii) Attention is invited to Note No.9 to Notes on Financial statements regarding non-provision of interest on corporate dividend tax for an amount of Rs.64.24 lacs which was provided for the financial year 2010-11. The loss of the company is understated to an extent of Rs.64.24 lacs and the liability of the company is understated to that extent.

#### **Management Response:**

The company has been declared sick u/s.3(o) of SICA as per the order pronounced by the Hon'ble BIFR on 12.02.2014. Later banks have issued SARFAESI Act 2002 against which Hon'ble BIFR has stayed the actions of banks.

The company also has given revised DRS proposal to the banks which is pending. Hence interest is not provided.

- iv) Attention is invited to Note No.25 (a) (iii) to Notes on Financial statements regarding non-provision of Rs. 6427.58 lacs, towards differential interest for non acceptance of CDR package by banks. The loss of the company is understated to an extent of Rs. 6427.58 lacs and the liability of the company is understated to that extent.

#### **Management Response:**

The company has been declared sick u/s.3(o) of SICA as per the order pronounced by the Hon'ble BIFR on 12.02.2014. Later banks have issued SARFAESI Act 2002 against which Hon'ble BIFR has stayed the actions of banks.

The company also has given revised DRS proposal to the banks which is pending. Hence interest is not provided.

### **Reference to Board for Industrial and Financial Reconstruction (BIFR)**

The Board of Directors at their meeting held on 29th August 2013 approved to make a reference to the Hon'ble Board for Industrial and Financial Construction (BIFR) u/s.15 Sick Industrial Companies (Special Provisions) Act, 1985. The information was already placed in the 20th Annual General Meeting held on 22nd December, 2014. Company has made a reference to the Hon'ble BIFR on 10th September 2013 and reference has been registered on 15th October 2013 as case no.70/2013. The company was declared sick u/s.3(o) of SICA as per the order pronounced by the Hon'ble BIFR on 12.02.2014.

As per the directions of the Hon'ble BIFR, the company has submitted the Draft Rehabilitation Package (DRS) to the State Bank of India, the Operating Agency (OA) and other banks on 25.03.2014.

The OA has appointed the consultant for the study of the TEV, who will submit the report, after getting the report; the Bankers will have a joint Lenders Meeting and will forward their recommendations to the Hon'ble BIFR.

Meanwhile the Banks have issued SARFAESI notice on 16.10.2014; the Hon'ble BIFR has given stay against the SARFAESI on 27.11.2014.

## Employees

During the year under review, none of the employees were in receipt of remuneration in excess of the limits prescribed under the Section 197(12) of the Companies Act, 2013 and any other applicable provisions of the act read with rule 5(1) of Companies (Appointment and remuneration of managerial personal) Rules 2014 as amended.

## Listing of Securities

The Company's equity shares are listed with the Bombay Stock Exchange Ltd. and the National Stock Exchange. The annual listing fee for the years 2014-15 and 2015-16 have been paid to these exchanges.

## Corporate Governance and Shareholders' Information

Your Company has been practicing the principles of good Corporate Governance over the years and it is a continuous and on-going process. A detailed Report on Corporate Governance is given as Annexure 'A' to this Report. Certificate from Practicing Company Secretary confirming the compliance with conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement is attached to this report.

## Employee stock options

The time period for schemes of employee stock options has expired and no shares have been allotted to the employees during the year. As the time period has expired the Deferred Employee Compensation no longer required and the same has been reversed to the Reserves.

## Management Discussion & Analysis:

Pursuant to the provisions of Clause 49 of the Listing Agreement with the stock exchange, a report on Management Discussion & Analysis is attached to this report.

## Conservation of energy, technology absorption, foreign-exchange earnings and outgo

Information as required to be furnished under the provisions of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are as hereunder:

## Conservation of energy

Energy conservation measures taken up:

ICSA uses electrical energy for its equipment such as air-conditioners, computer terminals, lighting and utilities at work places. As an on-going process, we continue to undertake the following measures to conserve energy-

- Incorporating new technologies in the air-conditioning system of the upcoming facilities to optimize power consumption
- Identifying and replacing low-efficient machinery (AC) in a phased manner
- Identifying and replacing outdated and low-efficient UPS systems in a phased manner

The Company also has in place the internal control procedures by which the cost of the electricity will be identified with the project and thereby, there will be an incentive for the concerned department to consume optimum power.

Additional investment and proposals for reduction of consumption of energy: Nil.

Total energy consumption requirement: Not applicable, as the Company is not engaged in any of the specified industries specified in Schedule 1 to the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988.

## Research and Development

The Company is committed to continue its efforts in Research and Development. Our Research and Development activities will help us gear up for future opportunities. We invest and encourage continuous innovation.

## Technology absorption, adoption and innovation

Efforts made in technology absorption: Enclosed - Form 'B

## Acknowledgements

Your Directors are thankful to all investors, customers, vendors, banks and service providers as well as regulatory and government authorities and other business constituents for their assistance, co-operation, understanding, support and encouragement. Your Directors also sincerely appreciate the high degree of professionalism, commitment and dedication displayed by the employees at all level in the initiatives of the Company.

By the order of the Board of Directors

for ICSA (INDIA) LIMITED

Place: Hyderabad  
Date: 26th August 2015

Sd/-  
**G. Bala Reddy**  
Chairman-cum-Managing Director

**Annexure to Directors' Report****FORM 'B'**  
(See rule 2)

Form for disclosure of particulars with respect to absorption, Research and Development (R &amp; D)

1. Specific areas in which R & D has been carried out by the Company:

Embedded solutions and software for Energy Sector

2. Benefits derived as a result of the above R & D:

We believe that our R & D activities will help us gear up for future opportunities and enable us to provide state-of-the-art power automation solutions.

3. Future plans of action:

The Company will continue R & D in the embedded solutions.

4. Expenditure on R & D	NIL
a) Capital	NIL
b) Recurring	NIL
c) Total	NIL
d) Total R & D expenditure as a percentage of total turnover	NIL

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption : adaptation and innovation

2. Benefits derived as a result of the above efforts:

Benefits like product development, product improvement, cost reduction among others.

3. In case of imported technology (imported during last five years reckoned from the beginning of the financial year) following information:

a) Technology imported	:	NIL
b) Year of import	:	NOT APPLICABLE
c) If not fully absorbed, areas where this did not take place, reasons therefore the same and future plan of action	:	NOT APPLICABLE

4. Foreign exchange earnings and outgo :

1)	<p>Activities relating to exports, initiatives taken to increase exports, developments of new export markets for products and services and export plans</p>	<p>The power sector has been receiving special attention from the private and government sectors world over. Every country has been realising the need to improve the status of the grids, bring in efficiency in Transmission and Distribution and manage demand and supply equation effectively. It is also acknowledged that adopting technology is the only way to achieve these objectives.</p> <p>Countries in which stakes are significant for the government are seeing reform initiatives either through funding programs or privatisation to fast-track development, and countries with private sector stakes are seeing technology deployments for efficiency building. Developed countries like the US and the UK are funding or incentivising utilities and co-operatives to deploy smart-grid technologies throughout the grid. While the developed world is a few years' advanced in initiating development, the Asian region is still lagging behind in these initiatives. Having said that, the Asian countries have also realised the need to make the grids smarter since the structure of power sector and the environment in which they operate are similar, viz. power losses by theft, inefficient commercial processes (metering, billing and collection), power deficit and resultant poor customer service.</p> <p>The Company's efforts in the last year have shown that the southeast Asian region is a good target market which includes Indonesia, Malaysia, Thailand, Vietnam since the distribution inefficiencies are much similar to those in India. These countries are also experiencing either privatisation or government interference to better handle power distribution. Power theft and poor customer service are considered as important factors by utilities for considering technology deployment. Several multi-lateral organisations like ADB, World Bank and IMF are funding projects taken up by the utilities that have energy-efficiency objective. The Company has also studied the type of the solutions that are required in these countries, and it is understood that automation technologies that have the capabilities of integrating into smart grid, power theft technologies, grid management technologies are mostly preferred.</p> <p>Having understood the landscape from a distance, the Company is now working towards approaching and explaining our capabilities to deploy through proper business development network to feel the pulse on the ground and the minds of the stakeholders in the utilities. Shortly, the Company plans to establish partner network to understand immediate and long-term opportunities.</p> <p>All the efforts the Company is making are in line to develop the market for a profitable long-term benefit.</p>
----	---	--

2) Total foreign exchange used and earned :

- a. Foreign exchange earnings : NIL
- b. Foreign exchange outgo : NIL

**Annexure ‘A’ to the Directors Report:**

**MANAGEMENT DISCUSSION AND ANALYSIS**

In nutshell, the business environment of your company was not very good during the year 2014-15. Company has seen steep fall in the business due to competition and inordinate delay in payment by the State Electricity Boards played major role in negative growth in business.

**Industry overview:**

When India became independent in 1947, the country had a power generating capacity of 1,362 megawatt (MW). Today, India is the sixth largest in terms of power generation and the per capita power consumption in the country is 733.54 kilowatt-hours per year (kWh/yr). It is said that power or electricity is the most critical component of infrastructure, which affects the economic growth and well-being of a nation. Presently, about 65 per cent of the electricity consumed in India is generated by thermal power plants, 22 per cent by hydroelectric power plants, three per cent by nuclear power plants and the rest 10 per cent are coming from other alternate sources like solar, wind, biomass, etc.

**Power Generation Scenario:**

**Demand Projection**

Demand Projections form an essential input to the Generation Planning exercise. Demand in terms of Peak demand in MW, Energy Requirement in BUs and the load profile for the entire year is used as the basis for estimating the Generation Capacity addition required to meet the demand in full. For the Generating Planning Studies, in the Base Case, demand corresponding to actual requirement in 2009-10 and thereafter 9% GDP growth rate and 0.9 & 0.8 elasticity during 12th & 13th Plans respectively has been considered to assess capacity addition requirement for 12th and 13th Plan periods. Thereafter, reduction in Peak Demand and Energy Requirement, on account of BEE’s Energy Efficiency Measures and DSM programmes has also been accounted for while arriving at the final Peak Demand & Energy Requirement for the generation planning studies. A load factor of about 78% was considered while estimating the peak demand for 2016-17 & 76% for 2021-22. Based on the above, in the Base Case, the demand to be adopted by 12th and 13th Plan end is as follows:

**DEMAND ADOPTED FOR GENERATION PLANNING STUDIES – BASE CASE**

	Energy Requirement (BU) 9% GDP Growth rate (0.9/ 0.8 ) Elasticity in 12th / 13th Plan)	Peak Load (MW) 9% GDP Growth rate (0.9/ 0.8 Elasticity in 12th / 13th Plan)
2016-17 (12th Plan end)	1403	1,97,686
2017-22 (13th Plan end)	1993	2,89,667

**Market size**

The power sector is mainly divided into these major pillars: Generation, Transmission, and Distribution. The generation is divided into these three sectors: Central Sector, State Sector, and Private Sector.

Electricity production in India (excluding captive generation) stood at 911.6 terawatt-hours (TWh) in FY 13. Presently, about 53.7 per cent of India’s commercial energy demand is met through the country’s vast coal reserves. India has also invested heavily in recent years on renewable sources of energy such as wind energy. As of March 2011, India’s installed wind power generation capacity stood at about 12,000 MW. The government has also committed massive amount of funds for the construction of various nuclear reactors which would generate at least 30,000 MW. In July 2009, India unveiled a US\$ 19 billion plan to produce 20,000 MW of solar power by 2020 under National Solar Mission.

Indian solar installations are forecasted to be approximately 1,000 MW in 2014, according to Mecom Capital Group, a global clean energy communications and consulting firm.

**Meeting the Challenges in Generation Sector:**

India’s generation is dominated by coal based plants which is to the tune of 55-60% of the 217GW generated. Factors like Shortages of coal supply, erratic gas supply, low confidence on nuclear based power generation, government lethargy in clearances and land acquisitions, operational issues like bidding, and importantly worsening financial situation of the utilities create a lot of pressure on new capacity addition and further hampers growth in generation.

In the 12th five year plan, India has planned to add close to 75 GW of power generation capacities. The huge capacity addition plan also offers opportunity for developing evacuation capacities and supply related OEMs like conductor manufacturing, insulator manufacturing, tower fabrication and EPC.

**Power Transmission Scenario:**

Identification of transmission expansion requirement for a Plan period is done based on power system studies corresponding to the generation expansion programme and forecasted demand scenario expected at the end of 12th Plan. The implementation programme is worked out keeping in view identification of projects, schemes and transmission elements that should be implemented matching with programme of generation capacity addition and load growth on yearly basis during the Plan.

**Inter-Regional Transmission Capacity Programme**

The Inter-regional transmission capacity of all-India grid at the end of 11th Plan is likely to be about 25,650 MW. During 12th Plan period considering about 76,000 MW capacity additions, the interregional transmission links of about 38,000 MW may be added during 12th Plan period. Thus inter-regional transmission capacity at the end of 12th Plan is expected to be of the order of 63,000 MW.

**Growth in 765kV Transmission System up to 12th Plan / Early 13th Plan Period:**

During 11th Plan, a number of 765kV lines and substations have been added and a few more are under-construction. A number of new 765kV lines and substations have been planned for evacuation of bulk power in the range of 3000 – 6000 MW over longer distances. The planned 765kV transmission systems are expected to be implemented during 12th Plan or early 13th Plan period.

**1200kV transmission system**

The Aurangabad - Wardha 400 kV Quad D/C line which is part of the transmission system for evacuation of power from Mundra UMPP has been planned and designed in such a way that this line would be converted into a 1200kV S/C line at a later date.

**Transmission Schemes Planned for 12th Plan Period**

During 12th Plan period, a total of about 1, 09,000 circuit kilometres (ckm) of transmission lines, 2, 70,000 MVA of AC transformation capacity and 13,000 MW of HVDC systems are estimated to be added.

Following Tables give development of the transmission system in India in 11th Plan period and expected to be added during 12th Plan period.

**Fund Requirement for development of transmission system during 12th Plan Period:**

The total fund requirement for development of transmission system is estimated to be of the order of Rs 1,80,000 crore (Rs 1,00,000 Cr in Central Sector, Rs. 55,000 Cr in State Sector and Rs. 25,000 Cr in Private Sector).

**Transmission expansion assessment for 13th Plan:**

Transmission systems for a number of generation projects have been planned under the LTA process, majority of which are expected to materialize during 12th Plan and the rest would be implemented during 13th Plan depending upon actual progress of the generation project. Based on progress and development of generation projects and transmission system during 12th Plan, only a broad assessment of transmission capacity addition for 13th Plan can be made considering probable load growth and indicative generation capacity addition scenarios for 13th Plan. Accordingly, following assessment has been made for transmission capacity addition during 13th Plan period:

Transmission capacity addition for 13th Plan (220kV and above system)

1. Transmission lines 130 Thousand ckm
2. Substation (Transformation) Capacity 300 Thousand MVA
3. Fund requirement for implantation of 13th transmission plan is Rs 200,000 Crore

**Meeting Challenges in Transmission Sector:**

**Major challenges being faced in the transmission sector are as follows:**

- ❖ Right Of Way (ROW)
- ❖ Flexibility in Line Loading and Regulation of Power
- ❖ Improvement of Operational Efficiency

**Following measures are being implemented to meet above challenges:**

- ❖ Increase in transmission voltage
- ❖ Upgradation of transmission line
- ❖ Upgradation of HVDC Terminal



- ❖ High capacity 400kV multi-circuit/bundle conductor lines
- ❖ High Surge Impedance Loading (HSIL) Line.
- ❖ Compact towers.
- ❖ Increase in current High Temperature Low Sag (HTLS) conductor line
- ❖ Reduction of land for substation
- ❖ Regulation in Power Flow/ FACTS devices
- ❖ Improvement of operational efficiency with Condition Based Monitoring and Preventive Maintenance
- ❖ 1200kV Test Station

**Power Distribution Scenario:**

Distribution is the last segment in the electricity supply chain; it is however, a key segment as it forms the vital link between the end consumers and the power companies. Post the break up of the State Electricity Boards (SEBs) the distribution segment is decentralized and in few regions/areas it has been privatized, however the SEBs are still handling a large part of power distribution.

Power distribution caters to both rural and urban areas, both of which have different characteristics. The consumer mix in the rural areas is largely residential and agricultural, while in the urban areas, the consumer mix is residential, commercial, and industrial to a certain extent

A big challenge facing the power distribution sector is T&D losses, which are estimated to be as high as 27% in 2012. Though it has come down over the years from 32.5% in FY04, it continues to be much higher than T&D losses reported in other countries of the world. A number of technical and non-technical factors are contributing to the high transmission and distribution losses (T&D). These include political interference in terms of free power supply or subsidised power supply to agricultural users, lack of consumer education, theft, and inefficient use of electricity. A major share of these losses occurs in the distribution sector. Inadequate investments in the sector over the years for system improvement have resulted in unplanned extension of the distribution lines, overloading the distribution system elements.

The concept of Aggregate Technical & Commercial (AT&C) losses was introduced in 2001-2002 to capture the difference between the billing and collection. The commercial losses in the sector can be eliminated by improving metering efficiency, proper energy accounting & auditing and improved billing and collection efficiency. Greater accountability across the different segments would also help reduce the AT&C losses considerably.

The government initiated the Accelerated Power Development & Reform Programme in 2001 for strengthening the T&D network and reducing the AT&C losses and revised it with R-APDRP in 2009 with a budget of about RS. 52000 cr. this program was supposed to accomplish the loss reduction target to about 15% by the end of the 11th 5 year plan.

The ministry of power launched the Rajiv Gandhi Grameen Vidhyutikaran Yojana (RGGVY) program in Apr 2005, which aims at providing electricity to all villages and habitations in four years and to also provide access to electricity to all rural households. Under the scheme, 576 projects in 546 districts covering 1,18,499 un- electrified villages, 3,54,967 already electrified villages and 246.45 Lakh BPL households with sanctioned project cost of Rs.26,514.14 Cr have been approved.

As on 31.07.2011, works in 98,612 Un-electrified villages has been reported complete. However, 83,820 Un-Electrified villages have been reported energized. The gap is primarily in the states of Bihar, Jharkhand, Orissa and Assam. By the end of 11th Plan, most of the projects are expected to be completed excepting NE region and areas involving difficult terrain. The Bharat Nirman target of electrification of 1 Lakh un-electrified villages and 175 Lakh BPL households by March 2012 is expected to be surpassed.

Against total allocation of capital subsidy of Rs.33,000 Cr (Rs.5,000 Cr under 10th Plan and Rs.28,000 Cr under 11th Plan), capital subsidy of Rs.23,913 Cr has been released as on 31.03.2011. The subsidy allocation for FY 2011-12 is Rs.6,000 Cr and accordingly the expected cumulative achievement at the end of 11th Plan would be about Rs.29,913 Cr. Thus, there would be spill over of about Rs.3,000 Cr. in the 12th Plan.

**PERFORMANCE**

Company has achieved a turnover of Rs.23.65 crores during the 9 months accounting period as compared to the turnover of previous year Rs.57.48 crores and company has incurred a net loss of Rs.343.08 crores as against the net loss of Rs.620.39 crores. The reduction in turnover on account of non-availability of funds leads to cancellation of order by some of the SEBs and not getting new orders due to non-performance in the Infra Division. The decrease in loss due to lower provisions and not accounted the interest on loans.

The trend of the decrease in turnover has continued in the accounting period due to bad cashflows of the company and the turnover of the company during the year 2015-16 will improve as compared to the year 2014-15, as the current year turnover is the lowest due to non-availability of funds for business. Company is making efforts to improve the performance after getting the proposed.

## CORPORATE GOVERNANCE

The company is committed for maximum transparency in all its dealings and places prominence on business ethics. In fulfillment of its unflinching commitment towards Corporate Governance, your company has been following best practice as per Listing Agreement and allied laws. A report on the compliance of the Corporate Governance code of the Listing Agreement is furnished below:

### 1. Company's philosophy on code of governance

At ICSA, The best philosophy of the corporate governance is to achieve business excellence and dedicate itself for increasing long term shareholder's value. The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and integrity. At ICSA, all employees are guided by a Code of Conduct, which sets forth the Company's policies on important issues, including relationship with our customers, shareholders and government. Global capital investors feel comfortable in an environment where the bedrock of Corporate Governance is best protected and practiced and bypass where Corporate Governance is limited or not followed. Companies stand to gain by adopting systems that bolster stakeholders' trust through transparency, accountability and fairness.

### 2. Board of Directors

#### Composition

Our policy towards the composition of the Board is to have an appropriate mix of Independent Directors to maintain the independence of the Board. The Board comprises three Non-Executive Directors as on March 31st 2015, in conformity with the Listing Agreement.

Name of the Director	Category of Director	Designation
Mr. G. Bala Reddy	Promoter, Executive	Chairman & Managing Director
Mr. Mandra Sarveswar Reddy	Independent and Non-Executive	Director
Dr. T Srinivasa Rao	Independent and Non-Executive	Director
Mr. R Venkata Rami Reddy	Independent and Non-Executive	Director
Mrs. G Lalitha*	Additional Director	Women Director

\*\*appointed as Additional Director (Woman Director) w.e.f. 19th March, 2015.

#### Meetings and attendance

Attendance of each Director at the Board meetings and last Annual General Meeting:

Name of Director	Number of meetings held	Number of meetings attended	Attendance at last AGM	Number of other companies		
				Directorships	Committee memberships #	Committee Chairmanships #
Mr. G. Bala Reddy	4	4	Yes	5	1	Nil
Mr. Mandra Sarveswar Reddy	4	4	NA	Nil	Nil	Nil
Dr. T Srinivasa Rao	4	4	Yes	Nil	Nil	Nil
Mr. R Venkata Rami Reddy	4	4	Yes	2	Nil	Nil
Mrs. G Lalitha	0	0	0	1	NIL	NIL

The above details of directorships in the other companies, excludes Directorships in associations, Private, Foreign and Section 25 Companies.

**Composition of Committees of Board in which a director is a member or Chairperson as on March 31, 2015:**

Name of Director	Committees			
	Audit	Nomination & Remuneration	Stakeholders Relationship	Compensation
Mr. T Srinivasa Rao	Chairman	Member	Chairman	Member
Mr. R Venkata Rami Reddy	Member	Member	Member	Member
Mr. Mandra Sarveswar Reddy	Member	Chairman	Member	Chairman

**Number of Board of Directors meetings and dates on which held**

S.No	Date	S.No	Date
1	August 27, 2014	4	March 19, 2015
2	November 12, 2014		
3	February 13, 2015		

**Board meeting procedures**

The draft agenda papers along with all relevant information to be discussed at the upcoming Board meeting is sent to the Directors prior to the Board meeting to invite suggestions from each Board member for their views and for the inclusion of items on the agenda if any. Relevant materials to be considered at the meeting are circulated to the Board before the Board meeting.

**Information supplied to the Board**

The Board of Directors of ICSA (INDIA) Limited is presented with various issues affecting the business and environment whenever applicable and materially significant. The Board is also given presentations covering finance, sales, compliance and marketing, covering all the major business operations and segments of the Company at each of the scheduled Board meetings. The processes for Board and committee meetings facilitate an effective post meeting follow-up, review and reporting process for the decisions taken by the Board of Directors.

**Directors’ membership in Boards/committees of other companies**

In terms of the Listing Agreement, none of the Directors of our Company were members in more than 10 committees nor acted as Chairman of more than five committees across all companies in which they were Directors.

**Shareholdings of Directors as on 31.03.2015:**

Sl.No.	Name of the Director	Number of shares held	% to total equity
1	Mr. G. Bala Reddy	24,74,779	5.14%

**3. Committees of the Board**

**A. Audit Committee**

The Audit Committee of the Board of Directors was constituted in conformity with the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The terms of reference, composition and meetings of Audit Committee are described as hereunder:

- i. Brief description of terms of reference
- ii. Composition, name of members and Chairperson
- iii. Meetings and attendance during the year

**i. Brief description of the terms of reference of the Audit Committee**

The Audit Committee reviews, acts and reports to the Board of Directors with respect to:

- Auditing and accounting matters, including the appointment of independent auditors;

- Company compliance with legal and statutory requirements;
- Integrity of the Company’s financial statements, the scope of the annual audits and fees to be paid to the independent auditors;
- Performance of the Company’s internal audit function, independent auditors and accounting practices and other matters as may be required in accordance with the rules and regulation of the exchanges from time to time.

Although the financial results are sent to the Audit Committee and the Board at the same time, the Audit Committee reviews the audited quarterly, half-yearly and yearly financial results with the management before submitting them to the Board for its consideration and approval. The Chairman of the Audit Committee is present at the Annual General Meeting.

**ii. Composition and qualifications**

The Audit Committee comprises of the following three independent Directors till 31st March 2015:

Dr. T Srinivasa Rao	Chairman
Mr. M Sarveswara Reddy	Member
Mr. R Venkata Rami Reddy	Member

None of the members receive, directly or indirectly, any consulting, advisory or compensatory fees from the Company other than their remuneration as a Director.

**iii. Meetings and Attendance during the year**

The Audit Committee met Four times during the financial year 2014-15 as mentioned below:

Serial number	Date	Committee strength	Number of members present
1	August 27, 2014	3	3
2	November 12, 2014	3	3
3	February 13, 2015	3	3

Attendance at Audit Committee meetings during the financial year:

Name of Director	Number of meetings attended
Dr. T Srinivasa Rao	3
Mr. M Sarveswara Reddy	3
Mr. R Venkata Rami Reddy	3

**B. Nomination and Remuneration Committee**

The nomenclature of Remuneration and Compensation Committee has been changed to Nomination and Remuneration Committee in the Board Meeting held on 24th March, 2014.

The terms of reference, composition and meetings of Nomination and Remuneration Committee are described as hereunder:

**i. Brief description of terms of reference of Nomination and Remuneration Committee**

- To determine salaries, benefits to employees and Directors of your Company
- Develop and recommend, to the Board, Corporate Governance guidelines applicable to the Company
- Implement policies and processes relating to Corporate Governance principles
- To identify persons who are qualified to become Directors and who may be appointed in senior management of the Company.

**ii. Composition**

Nomination and Remuneration Committee comprises the following three independent directors of the Board, till 31st March 2015:

Mr. M Sarveswara Reddy	Chairman
Dr. T Srinivasa Rao	Member
Mr. R Venkata Rami Reddy	Member

**iii. Meetings and attendance during the year**

There were no meeting held by the Compensation Committee during the accounting period.

**iv. Brief description of terms of reference of Compensation Committee**

To determine stock option grants to employees and Directors of your Company.

**v. Composition**

Compensation Committee comprises the following three independent directors of the Board, till 31st March 2015:

Mr. M Sarveswara Reddy	Chairman
Dr. T Srinivasa Rao	Member
Mr. R. Venkata Rami Reddy	Member

**vi. Meetings and attendance during the year**

There were no meeting held by the Compensation Committee during the accounting period.

**vii. Remuneration policy and criteria of making payments to Executive and Non-Executive Directors**

**Executive Directors**

Executive Directors are paid remuneration within the limits envisaged under provisions of the Companies Act. The remuneration payable is recommended by the Nomination and Remuneration Committee to the Board and is approved by the Board as well as the shareholders of the Company.

**Non-Executive Director**

Non-Executive Independent Directors paid sitting fee for attending the Meetings.

**viii. Details of remuneration to all Directors**

The details of remuneration paid/payable for the financial year 2014-15 to the Directors of the Company are as follows:

Name of the Director	Relationship with other Directors (Yes/No)	Remuneration	Commission	Sitting fees
Mr. G. Bala Reddy*	No	NIL	NIL	NIL
Mr. M Sarveswara Reddy	No	NIL	NIL	NIL
Dr. T Srinivasa Rao	No	NIL	NIL	NIL
Mr. R Venkata Rami Reddy	No	NIL	NIL	NIL

\*Mr. G Bala Reddy, Chairman & Managing Director of the company has abonded to receive the salary w.e.f. 01.07.2013, as company is incurring huge losses. A letter has been received in this context in the month of July 2013 from Mr. G Bala Reddy.

**C. Stakeholders Relationship Committee:**

The nomenclature of Shareholders & Investors Grievances Committee has been changed to Stakeholders Relationship Committee. In the Board Meeting held on 24th March, 2014.

Brief description of the terms of reference

The Stakeholders Relationship Committee administers mainly the following:

- Transfer of shares
- Transmission of shares
- Issuance of duplicate share certificates as and when required with approval of the Board
- Shareholders/Investors grievance issues from time to time and redresses the same

The composition of Directors managing the Committee and other details are described as hereunder:

Mr. M Sarveswara Reddy	Members
Dr. T Srinivasa Rao	Chairman
Mr. R Venkata Rami Reddy	Member

No meeting of the Stakeholders Relationship Committee held during the period.

Name and designation of compliance officer as on 31 March, 2015: Mr. K Amaranadh Reddy – Asst. Manager (Secretarial)

Details of Investor Grievances for the period from 01.07.2014 to 31.03.2015

Sl no	Description	Received	Resolved	Pending
1	Non-receipt of Dividend	3	Yes	Nil
2	Non-receipt of share certificates sent for transfer etc	1	Yes	Nil
3	Non-receipt of annual reports, right forms, bonus shares/ interest on delayed receipt of refund order	5	Yes	Nil

**4. Management discussion and analysis report**

Management discussion and analysis report as required under Clause 49 (IV) (F) is given as Annexure to this report.

**5. CEO/CMDs' declaration**

Pursuant to the provisions of Clause 49 (I) (D) (ii) of the Listing Agreement, the declaration by Chairman and Managing Director of the Company declaring that all the members of the Board and the senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company, is set out as an Annexure to this report.

**6. CEO/ CMD certification**

As required under Clause 49 of the Listing Agreement with the stock exchanges, the Managing Director and Executive Director certified to the Board the financial statements for the 9 months accounting period ended 31st March, 2015 and is set out as an Annexure to this report.

**7. GENERAL BODY MEETINGS**

General information pertaining to last three years Annual General Meetings is as follows:

i) Location and time where last three Annual General Meetings were held are given

Financial year	Date and Time of AGM	Location of the meeting
2011-12	December 28, 2012 At 12.00 noon	Hotel Daspalla, Madhapur, Hyderabad – 500 081
2012-13	December 23, 2013 At 12.00 noon	Hotel Daspalla, Madhapur, Hyderabad – 500 081
2013-14	December 22, 2014 At 10.00 AM	K L N Prasad, Auditorium, Federation House, 11-6-841, FAPCCI Marg, Red Hills, Hyderabad -500 004

ii) Details of special resolutions, postal ballot during the previous three AGMs:

Date of the AGM	Number of special resolutions passed	Resolutions requiring postal ballot	Postal ballot procedure
December 28, 2012 At 12.00 noon	2	NIL	N.A
December 23, 2013 At 12.00 noon	2	NIL	N.A
December 22, 2014 At 10.00 AM	3	NIL	N A

**8. Disclosures**

i. Related party transactions

The details of related party transactions during the year under review are shown in notes to accounts which form part of this report.

ii. Compliances by the Company

During the last three years, no penalties or strictures were imposed on the Company by the stock exchanges or any other statutory authorities on matters related to capital markets. There was notice from SEBI on non-compliance of clause 35 & 41 of listing agreement and violation of regulation 8A of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, which has been settled by providing the clarification.

iii. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this Clause

Your Company complied with all the mandatory requirements of the Clause 49 of the Listing Agreement. The details of these compliances have been given in the relevant sections of this report.

**9. ICSA Insider Trading Policy:**

The Company has in place an Insider Trading Policy to comply with all relevant Insider Trading regulations. In accordance with the policy, the Company announces quiet/silent period for designated employees from time to time.

**10. ICSA Code of Conduct:**

The ICSA Code of Conduct, as adopted by the Board of Directors, is applicable to all Directors, senior management and SBU Heads/Head of Departments of the Company.

ICSA's Code of Conduct aims to maintain highest level of ethical standards and professional behavior. The purpose of this code is also to deter wrongdoing and promote ethical conduct.

**11. Means of communication**

The Company's website [www.icsa-india.com](http://www.icsa-india.com) contains an exclusive Investors' section providing financials, press releases, shareholding pattern, news about the Company and certain other shareholder information.

The Company regularly intimates unaudited, as well as audited financial results to the stock exchanges immediately after these are taken on record by the Board.

These financial results are published in the newspapers and also on the website of the Company [www.icsa-india.com](http://www.icsa-india.com).

**(i) NSE Electronic Application Processing System (NEAPS):**

NEAPS is a web based application designed by NSE for corporates. The Shareholding pattern and Corporate Governance Report are also filed electronically on NEAPS.

**(ii) BSE Online (Listing.bseindia.com):** It is a web based application designed by BSE for corporates. The Shareholding pattern, Corporate Governance Report and Financial Results are also filed electronically as pdf attachments.

**12. SEBI Complaints Redress System (SCORES):**

SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. All complaints received through SCORES are resolved in a timely manner by the Company, similar to other complaints.

**13. General shareholder information**

The requirement of general shareholders information is described as hereunder:

i. Annual General Meeting

Day, Date and Time	30th day of September 2015 at 9.30 am
Venue	ICSA (India) Limited, No 12, Conference Hall, 5th Floor, Software Units Layout, Cyberabad, Hyderabad – 500 081.

ii. Profile of Directors seeking re-appointment/appointment

Name of the Director	Date of Birth	Date of appointment/reappointment	Experience in specific areas	Qualifications	Shareholding in the Company	Directorships in other companies
Mrs. Lalitha Gudimetla	24.09.1953	19th March, 2015	She has vast experience in administration, finance and General Management areas.	M.A; M.Pil.	5,23,500	1
Gopu Bala Reddy	26/06/1965	December 31, 1996	He is having 25 years of experience in the infrastructure Industry and Power Industry	M.A; Economics	24,74,779	5

Disclosure in terms of Clause 49(IV)(G)(ia) of the Listing Agreement: There are no interest relationships between the Board members.

ii. **Financial calendar**

The Company has extended the accounting year for 2013-14 by 3 months and closed the accounts for 15 month ended 30th June 2014. As such the Financial calendar for 2014-15 was for a period of 9 months i.e., from 01st July, 2014 to 31st March, 2015. The results for every quarter beginning from July for 2014-15 are declared within the time period of 45 days from the closure date of the relevant quarter.

iii. **Date of book closure:** From 23.09.2015 to 30.09.2015, inclusive of both days

iv. **Listing on stock exchanges and stock code**

S.No	Listing on stock exchanges with	Stock code	Address
1	Bombay Stock Exchange Limited	531524	P J Towers, Fort, Mumbai – 400 001
2	National Stock Exchange Limited	ICSA	Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051

v. **Listing fee:** The Company paid the listing fee for the year 2015-16 to BSE and NSE

vi. **Annual Custodial Charges to Depositories:** The Company paid annual custodial charges for the year to National Securities Depository Limited and Central Depository Services (India) Limited.

vii. High/Low during each month of the financial year:

Month	BSE price		Number of shares traded
	High (Rs.)	Low (Rs.)	
Jul-14	7.73	5.00	7,47,085
Aug-14	5.69	4.41	3,97,249
Sep-14	5.63	4.05	5,12,113
Oct-14	4.54	3.85	3,11,912
Nov-14	7.89	3.9	13,55,198
Dec-14	6.84	4.12	9,20,289
Jan-15	4.80	4.00	4,37,695
Feb-15	4.39	3.72	3,61,907
Mar-15	4.18	2.59	6,63,562

viii. **Transfer system**

The Share Transfers are affected as often as required by the Shareholders' and Investors' Grievance Committee to approve share transfers.



**ix. Distribution of shareholding as on March 31st, 2015:**

Range of Shares	Shareholders		Shares	
	Number	% to total	Number	% to total
(1)	(2)	(3)	(4)	(5)
1-500	30785	76.52	4283126	8.9
501-1000	4080	10.14	3446395	7.16
1001-2000	2393	5.95	3718482	7.72
2001-3000	938	2.33	2423907	5.04
3001-4000	439	1.09	1575642	3.27
4001-5000	409	1.02	1937423	4.02
5001-10000	641	1.6	4723587	9.81
10001- and above	542	1.35	26029938	54.07
Total	40227	100	48138500	100

**xi Shareholding Pattern as on 31st March 2015:**

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	
					As a Percentage of (A+B)	As a Percentage of (A+B+C)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
<b>A</b>	<b>Promoter and Promoter Group</b>					
<b>(1)</b>	<b>Indian</b>					
(a)	Individuals/Hindu Undivided Family	3	3213466	3213466	6.68	6.68
(b)	Central Government /State Government (s)	0	0	0	-	-
(c)	Bodies Corporate	1	200000	200000	0.42	0.42
(d)	Financial Institutions / Banks	0	0	0	-	-
(e)	Any other(PAC)	0	0	0	-	-
(f)	Others	0	0	0	0.00%	0
	<b>Sub-Total (A)(1)</b>	<b>4</b>	<b>3413466</b>	<b>3413466</b>	<b>7.09</b>	<b>7.09</b>
<b>(2)</b>	<b>Foreign</b>					
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0	0	-	-
(b)	Bodies Corporate	0	0	0	-	-
(c)	Institutions	0	0	0	-	-
(d)	Qualified Foreign Investor	0	0	0	-	-
(e)	Any Other	0	0	0	-	-
	<b>Sub-Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group A=(A)(1) + (A)(2)</b>	<b>4</b>	<b>3413466</b>	<b>3413466</b>	<b>7.09</b>	<b>7.09</b>
<b>B</b>	<b>Public Shareholding</b>					
<b>(1)</b>	<b>Institutions</b>					
(a)	Mutual Funds/UTI	0	0	0	-	-
(b)	Financial Institutions/Banks	1	82160	82160	0.17	0.17
(c)	Central Government/State Government(s)	0	0	0	-	-
(d)	Venture Capital Funds	0	0	0	-	-
(e)	Insurance Companies	5	2132364	2132364	4.43	4.43
(f)	Foreign Institutional Investors	1	128162	128162	0.27	0.27
(g)	Foreign Venture Capital Investors	0	0	0	-	-
(h)	Qualified Foreign Investor	0	0	0	-	-
(i)	Any Other	0	0	0	-	-
	<b>Sub-Total (B)(1)</b>	<b>7</b>	<b>2342686</b>	<b>2342686</b>	<b>4.87</b>	<b>4.87</b>
<b>(2)</b>	<b>Non-institutions</b>					

(a)	Bodies Corporate	542	4523798	4507748	9.40	9.40
(b)	Individuals					
	i Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	38991	27684615	27029613	57.51	57.51
	ii Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	45	6143797	6143797	12.76	12.76
(c)	Qualified Foreign Investor-Corporate	0	0	0	-	-
(d)	CLEARING MEMBER	137	987069	987069	2.05	2.05
(e)	TRUST	1	200	200	-	-
(f)	Non Resident Individuals	498	1288248	1288248	2.68	2.68
(g)	Foreign Bodies Corp	1	1474281	1474281	3.06	3.06
(h)	Foreign Nation	0	0	0	-	-
(i)	FPI - Individual	0	0	0	-	-
(j)	FPI - Corporate	1	280340	280340	0.58	0.58
	<b>Sub-Total (B)(2)</b>	<b>40216</b>	<b>42382348</b>	<b>41711296</b>	<b>88.04</b>	<b>88.04</b>
	<b>Total Public Shareholding</b>					
	<b>B=(B)(1)+(B)(2)</b>	<b>40223</b>	<b>44725034</b>	<b>44053982</b>	<b>92.91</b>	<b>92.91</b>
	<b>Total (A)+(B)</b>	<b>40227</b>	<b>48138500</b>	<b>47467448</b>	<b>100.00</b>	<b>100.00</b>

**xii Dematerialization of shares and liquidity**

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both NSDL and CDSL. As on 31st March 2015, 98.60% of the Company's equity share capital stood dematerialized.

Demat ISIN No. for NSDL and CDSL for equity shares – INE306B01029.

**xiii. Outstanding GDRs/ADRs/warrants or any convertible instrument, conversion date and likely impact on equity:**

The Company did not issue any GDRs/ADRs.

**xiv. Contact Details:**

**For any queries regarding transfer/demat of shares:**

**Registrar & Share Transfer Agents:**

Venture Capital and Corporate Investments Pvt. Ltd  
12-10-167, Bharatnagar, Hyderabad – 500018  
Email id: info@vccilindia.com,  
Tel: 040-23818475 / 23818476, Fax: 040-23868024

**For any queries:**

Mr. K Amarnadh Reddy, Compliance Officer,  
ICSA (India) Limited.  
Block - B, Softpro Heights, Ground Floor, Software Units Layout,  
Cyberabad, Hyderabad – 500081, Telangana.  
Email id: secretarial@icsa-india.com,  
Tel: 040-23115619, 23114923, 23114928, Fax: 040-23114921

By the order of the Board of Directors  
for I C S A (INDIA) LIMITED

Place: Hyderabad  
Date: 26th August, 2015

Sd/-  
**G. BALA REDDY**  
CHAIRMAN & MANAGING DIRECTOR

**Annexure to Corporate Governance report**

**Declaration under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct**

I, G. Bala Reddy, Chairman & Managing Director of the Company, hereby declares that the Board of Directors has laid down a Code of Conduct for its Board members and senior management personnel of the Company and the Board members and senior management personnel have affirmed compliance with the said Code of Conduct during the Financial Year 2014-15.

By the order of the Board of Directors  
for I C S A (INDIA) LIMITED

Sd/-  
**G. BALA REDDY**  
CHAIRMAN & MANAGING DIRECTOR

Place: Hyderabad  
Date: 26th August, 2015

**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of,  
I.C.S.A. (India) Limited  
Hyderabad.

We have examined the compliance of the conditions of Corporate Governance by I.C.S.A. (India) Limited (the Company) for the 9 months accounting period 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements(s).

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

**Dr. Mohan S Rao**  
Company Secretary  
FCS No.: 5850  
C. P. No.: 14186

Place: Hyderabad.  
Date: 26th August, 2015

**Certification by CMD and Director of the Company**

To the Board of Directors of ICSA (INDIA) Limited,

We, G. Bala Reddy, Managing Director, CMD and M Sarveswar Reddy Director of the Company do hereby jointly and severally certify that:

- (a) We have reviewed the Balance Sheet and Profit and Loss account (standalone), and all the schedules and notes on accounts, as well as the cash flow statements, and the Directors' report for the 9 months accounting period 31st March, 2015 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or contain statements that might be misleading or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made
  - (ii) These statements and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations
- (b) There were, to the best of our knowledge and belief, no transactions entered into by the Company during the year which were fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
  - (i) Designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
  - (ii) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting.
  - (iii) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
  - (iv) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
- (d) We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board of Directors (and persons performing the equivalent functions):
  - (i) There were no deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarise and report financial data, and there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - (ii) There were no significant changes in internal controls during the year covered by this report.
  - (iii) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
  - (iv) There were no instances of fraud of which we are aware, that involve the management or other employees who have a significant role in the Company's internal control system.
- (e) In the event of any materially significant misstatements or omissions, we will return to the Company that part of any bonus or incentive or equity based compensation, which was inflated on account of such errors.
- (f) We affirm that we have not denied any personnel, access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.

For ICSA (INDIA) Limited

Sd/-

**M. Sarveswar Reddy**  
Director

Sd/-

**G Bala Reddy**  
Chairman and Managing Director

Place: Hyderabad  
Date: 26th August, 2015

**Form No. MR-3****SECRETARIAL AUDIT REPORT**

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

**For the Financial Year ended 31st March, 2015**

To  
The Members,  
**ICSA (INDIA) Limited**  
Plot No. 12, Ground Floor, Block B,  
Softpro Heights, Cyberabad,  
Hyderabad – 500 081,  
Telangana.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. ICSA (INDIA) Limited (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

The company is engaged in the business of Rural Electrification, Construction of Sub stations, Conversion of LT line to HT lines etc and engaged in the business of providing energy Audit solutions to bring down Transmission & Distribution (T&D) losses by using its technologies for power distribution companies and also engaged in the business of development and maintenance of technology solutions which includes embedded solutions and software for Power, Oil, Gas and other sectors.

I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for our opinion.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the period ended on 31st 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st 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;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the audit period);
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014;

- e) The Securities and Exchange Board of India (Issue and Listing of Debit Securities) Regulations, 2008 (Not applicable to Company during the Audit Period);
- f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);
- vi) The following other laws as specifically applicable in the view of the Management.
  - (i) Income Tax act, 1961
  - (ii) The payment of bonus Act, 1965
  - (iii) Customs Act, 1962
  - (iv) Finance Act, 1994 (Service Tax)
  - (v) Minimum Wages Act, 1948
  - (vii) The Payment of Gratuity Act, 1972
  - (viii) The Payment of Wages Act, 1936
  - (ix) A.P. Shops & Establishment Act, 1988

I further report that: having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, on test-check basis and on the basis of the management representation that the Company has complied with all the industrial specific applicable laws.

I further report that: The board of directors at their meeting held on 29th August 2013 approved to make a reference to the Hon'ble Board for Industrial and Financial Construction (BIFR) u/s.15 Sick Industrial Companies (Special Provisions) Act, 1985. Company has made a reference to the Hon'ble BIFR on 10th September 2013 and reference has been registered on 15th October 2013 as case no.70/2013. The company was declared sick u/s.3(o) of SICA as per the order pronounced by the Hon'ble BIFR on 12.02.2014. As per the directions of the Hon'ble BIFR, the company has submitted the Draft Rehabilitation Package (DRS) to the State Bank of India, the Operating Agency (OA) and other banks on 25.03.2014. The OA has declined to consider the DRS, but the Hon'ble BIFR at the hearing held on 04.07.2014 directed the OA to appoint the consultant for the study of the Techno Economic Vaibility (TEV) of the company and to discuss among the bankers within the stipulated time, which is yet to be done by the OA. I further report that : the Company has given the replies to the queries raised in the Independent Auditors Report.

I 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 in advance as required, 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. Majority of the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the respective meetings. I 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.

I have also examined compliance of the applicable Clauses of the Listing Agreements entered into by the Company with the BSE and NSE Limited.

I further report that, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above. However, please note for the Audit period:

- (i) SEBI (ICDR) Regulations, 2009 are not applicable, as there being no further issues of any securities.
- (ii) SEBI (ESOS & ESOP) Guidelines, 1999 are not applicable, as there being no schemes of the Company under the said Guidelines.
- (iii) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable as there being no debt securities, which are listed on any of the recognized stock exchange.

- (iv) SEBI (Delisting of Equity Shares) Regulations, 2009 are not applicable, as there being not instances of delisting of equity Shares.
- (v) SEBI (Buyback of Securities) Regulations, 1998 are not applicable, as there being no instances of buyback of shares
- (vi) The Ministry of Corporate Affairs has not notified applicable Secretarial Standards under the Companies Act 2013, therefore, the same was not considered in the Audit.
- (vii) The compliance of other specific applicable laws as listed in 4 (V) (i) above, were relied on the basis of representations and compliance certificates issued by the Managing director compliance officers and other officials of respective / concerned Departments of the company.

I further report that the following are the brief events undertaken by Company during audit period:

During the period 2014-15, Four (4) Board meetings were held on 27th August, 2014, 12th November, 2014, 13th February 2015 and 19th March 2015.

During the period 2014-15, Three (3) Audit Committee meetings were held on 27th August, 2014, 11th November, 2014, and 13th February, 2015.

The Financial Year 2014-15 consisting of 9 months i.e., from 1st July, 2014 to 31st March, 2015 as the Financial Year 2013-14 was for a period of 12 months which commenced on 01st July, 2013 and closed on 30th June, 2014.

**Dr. Mohan S Rao**  
Company Secretary  
FCS No.: 5850  
C. P. No.: 14186

Place: Hyderabad.  
Date: 26th August, 2015

**INDEPENDENT AUDITORS' REPORT**

To the Members of  
ICSA (INDIA) LIMITED.

**Report on the Financial Statements**

We have audited the accompanying financial statements of ICSA (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

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 there under.

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 misstatements.

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 a 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 control system 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 the management as well as evaluating the overall presentation of the financial statements.

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.

**Basis for Qualified Opinion**

- i) *Attention is invited to Note No.7 to Notes on Financial statements regarding non-provision of interest on working capital loans for an amount of Rs. 8729.68 lacs. The loss of the company is understated to an extent of Rs.8729.68 lacs and the liability of the company is understated to that extent.*
- ii) *Attention is invited to Note No.9 to Notes on Financial statements regarding non-provision of interest on Term Loans from banks for an amount of Rs.7,471.83 lacs. The loss of the company is understated to an extent of Rs.7,471.83 lacs and the liability of the company is understated to that extent.*
- iii) *Attention is invited to Note No.9 to Notes on Financial statements regarding non-provision of interest on corporate dividend tax for an amount of Rs.64.24 lacs which was provided for the financial year 2010-11. The loss of the company is understated to an extent of Rs.64.24 lacs and the liability of the company is understated to that extent.*



- iv) *Attention is invited to Note No.25 (a)(iii) to Notes on Financial statements regarding non-provision of Rs. 6427.58 lacs, towards differential interest for non acceptance of CDR package by banks. The loss of the company is understated to an extent of Rs. 6427.58 lacs and the liability of the company is understated to that extent.*

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone 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 31st March, 2015, and its loss and its cash flows for the period ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters included in the Auditor's Report and in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014 and in our opinion and to the best of our information and explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at 31st March 2015 on its financial position in its financial statements as referred to in note 25(a) (i) (ii) and (iii) to the financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and on long term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the period ended 31st March 2015.

**For RAMBABU & Co.**  
Chartered Accountants  
Firm Reg No: 002976S

**Ravi Rambabu**  
Partner  
M No. : 018541

Place: Hyderabad  
Date: 29th May, 2015

**The Annexure referred to in the Independent Auditors' Report of even date on the Financial Statements to the Members of ICSA (India) Limited for the period ended 31 March 2015. We report that:**

- i. In respect of the fixed assets of the company:
  - a) The Company has maintained proper records showing full particular including quantitative details and situation of fixed assets.
  - b) As explained to us, fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
  - c) In our opinion, the company has not disposed off a substantial part of its fixed assets during the period and the going concern status of the company is not affected.
- ii. In respect of its inventories:
  - (a) *As explained to us, inventories have been physically verified during the period by the management. In our opinion, the frequency of verification is not reasonable.*
  - (b) *In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are not reasonable and adequate in relation to the size of the company and the nature of its business.*
  - (c) The company has maintained proper records of inventories. In our opinion and according to the information and explanations given to us, no discrepancies noticed on physical verification as compared to the book records.
- iii. No loans were granted by the Company, to any of the parties covered in the register maintained under section 189 of the Act. Hence we have not reported on the related matters of this clause and sub-clauses (a) and (b).
- iv. 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 purchase of inventory and fixed assets and for sale of goods and Services. We have not observed any major weakness in the internal control system during the course of the audit.
- v. The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and rules framed there under.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government of India under Section 148(1) of the Companies Act 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues.
  - a) The Company is not regular in depositing undisputed statutory dues with appropriate authorities including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
  - b) There were no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues in arrears as at 31st March 2015 for a period of more than six months from the date they became payable except the following:

Nature of Due	Rs. In Lakhs
Corporate Dividend Tax	142.76
PF Employee Contribution	0.46
PF Employer Contribution	0.54
Professional Tax	0.11
TDS Payable	1258.75
Employees State Insurance	0.55
Sales Tax	43.46
Service Tax	1235.01

- c) According to the information and explanations given to us, the dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of the dues	year to which the amount relates	Forum where dispute is pending	Amount. (Rs. In Lakhs)	Deposit Amount (Rs.in Lakhs)	Unpaid Deposit Amount (Rs.in Lakhs)
Income Tax Act,1961	Income Tax	2009-10	The Commissioner of Income Tax(Appeals)	2188.06	-	2188.06
Income Tax Act,1961	Income Tax	2010-11	The Commissioner of Income Tax(Appeals)	40,361.92	-	40,361.92
Income Tax Act,1961	Income Tax	2011-12	The Commissioner of Income Tax(Appeals)	26,270.36	-	26,270.36
Total				68,820.34	-	68,820.34

- d) In our opinion, there are no amounts required to be transferred to the investor education and protection fund by the Company.
- e) *The Company has accumulated losses exceeding 100% of its net worth at the end of the financial period and has incurred cash losses during the financial period covered by the audit and in the immediately preceding financial year.*
- f) According to the records of the Company examined by us and the information and explanations given to us, the company has defaulted in repayment of dues to financial institution and banks as at the Balance sheet date.

S.No.	Name of the Bank	Principal	Interest
1	Andhra Bank	3615.62	827.30
2	Oriental Bank of Commerce	9,991.91	2,509.02
3	Bank of India	-	1,909.63
4	Punjab National Bank	-	2,591.41
5	State Bank of India	-	3,956.85
6	Union Bank of India	-	1,720.61
7	IDBI Bank Limited	-	1,167.33
8	Andhra Bank	-	3,159.66
9	Bank of India	3,050.60	-
10	Punjab National Bank	1,845.82	-
11	State Bank of India	3,543.51	-
12	Union Bank of India	2153.18	-
13	IDBI Bank Limited	125.67	-
14	Andhra Bank	1,220.46	-

- g) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- h) We have not reported on this clause as no term loans were obtained by the Company during the period under review.
- i) During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Accounting Practice in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the period, nor have we been informed of such case by the management.

**For RAMBABU & Co.**  
Chartered Accountants  
Firm Reg No: 002976S

**Ravi Rambabu**  
Partner  
M No. : 018541

Place: Hyderabad  
Date: 29th May, 2015

**Balance Sheet as at 31st March, 2015**

Rupees in Lakhs

Particulars	Notes	As at 31st March, 2015	As at June 30th, 2014
<b>A EQUITY AND LIABILITIES:</b>			
<b>1] Shareholders' Funds:</b>			
a) Share Capital	3	<b>962.77</b>	962.77
b) Reserves and Surplus	4	<b>(1,12,730.99)</b>	(78,422.62)
<b>Sub-total-Shareholders' Funds</b>		<b>(1,11,768.22)</b>	(77,459.85)
<b>2] Non-Current Liabilities</b>			
a) Long - Term Borrowings	5	<b>2,500.00</b>	2,500.00
b) Deferred Tax Liability(Net)		-	-
c) Long - Term Provisions	6	<b>46.63</b>	45.59
<b>Sub-total-Non-Current Liabilities</b>		<b>2,546.63</b>	2,545.59
<b>3] Current Liabilities</b>			
a) Short - Term Borrowings	7	<b>66,375.89</b>	66,194.01
b) Trade Payables	8	<b>6,215.54</b>	7,179.56
c) Other Current Liabilities	9	<b>76,293.39</b>	78,653.43
<b>Sub-total-Current Liabilities</b>		<b>1,48,884.82</b>	1,52,027.00
<b>Total</b>		<b>39,663.23</b>	77,112.74
<b>B ASSETS</b>			
<b>1] Non-Current Assets</b>			
a) Fixed Assets	10		
(1) Tangible Assets		<b>10,656.09</b>	11,534.61
(2) In tangible Assets		-	284.89
b) Non-Current Investments	11	<b>0.49</b>	0.49
c) Deferred tax Asset		<b>477.92</b>	477.92
d) Long Term Loans & Advances	12	<b>7,369.69</b>	14,371.83
e) Other Non-Current Assets	13	<b>731.29</b>	1,002.38
<b>Sub-total-Non Current Assets</b>		<b>19,235.49</b>	27,672.12
<b>2] Current Assets</b>			
a) Inventories	14	<b>4,967.37</b>	9,910.33
b) Trade Receivables	15	<b>15,162.25</b>	39,337.72
c) Cash and Bank Balances	16	<b>298.12</b>	192.56
d) Short Term Loans & Advances	17	-	-
<b>Total</b>		<b>20,427.74</b>	49,440.62
<b>Total</b>		<b>39,663.23</b>	77,112.74
Significant Accounting Policies	1 to		
Notes on Financial statements	25		

As per our report of even date

for and on behalf of the Board

**For RAMBABU & CO.,**

Chartered Accountants

Firm Registration No.002976S

**Ravi Rambabu**

Partner

M.No. 018541

Place: Hyderabad

Date: 29-05-2015

**G. Bala Reddy**

Chairman and  
Managing Director

**M. Sarveswar Reddy**

Director

**Statement of Profit and Loss for the period ended 31st March, 2015**

Rupees in Lakhs

Particulars	Notes	<b>9 months period ended 31st March, 2015</b>	For the year ended 30th June, 2014
<b>I REVENUE</b>			
(a) Net Sales/Revenue from Operations	18	<b>2,354.21</b>	5,728.48
(b) Other Income		<b>10.92</b>	19.58
<b>Total</b>		<b>2,365.13</b>	5,748.06
<b>II EXPENSES</b>			
(a) Cost of Material consumed (refer note.25 f)	19	<b>2,467.03</b>	4,952.66
(b) Change in Inventories of Finished Goods & Work in progress (refer note.25 f)	20	<b>2,681.18</b>	7,716.43
(c) Employee Benefits Expenses	21	<b>107.03</b>	237.19
(d) Finance Cost	22	<b>15.09</b>	249.32
(e) Depreciation and Amortisation Expenses	23	<b>1,163.41</b>	1,258.64
(f) Other Expenses	24	<b>30,239.75</b>	53,373.23
<b>Total</b>		<b>36,673.49</b>	67,787.46
<b>Profit/(Loss) for the period</b>		<b>(34,308.36)</b>	(62,039.40)
Earnings per share in Rs. (Face Value of Rs.2/- each)			
Basic (refer note.25 c)		<b>(71.27)</b>	(128.88)
Diluted (refer note.25 c)		<b>(71.27)</b>	(128.88)
Significant Accounting Policies	1 to		
Notes on Financial statements	25		

As per our report of even date

for and on behalf of the Board

**For RAMBABU & CO.,**

Chartered Accountants

Firm Registration No.002976S

**Ravi Rambabu**

Partner

M.No. 018541

**G. Bala Reddy**

Chairman and  
Managing Director

**M. Sarveswar Reddy**

Director

Place: Hyderabad

Date: 29-05-2015

**Cash Flow Statement for the 9 month period ended March 31, 2015**

Rupees in lakhs

Particulars	9 months period ended March 31, 2015	For the year ended June 30th, 2014
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before tax	<b>(34,308.36)</b>	-62039.40
Adjustments for:		
Depreciation and amortisation expenses	<b>1,163.41</b>	1258.64
Finance cost	<b>15.09</b>	249.32
Interest income	<b>(10.92)</b>	-19.05
<b>Operating profit / (loss) before working capital changes</b>	<b>(33,140.79)</b>	(60,550.49)
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	<b>4,942.96</b>	11847.54
Trade receivables	<b>24,175.48</b>	56242.79
Short-term loans and advances	<b>-</b>	6406.68
Long-term loans and advances	<b>7,002.14</b>	13304.24
Other current assets	<b>(3.69)</b>	-11.04
Other non-current assets	<b>271.09</b>	1008.84
	<b>36,387.97</b>	88,799.05
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	<b>(964.02)</b>	-32656.91
Other current liabilities	<b>(2,360.05)</b>	47326.91
Long-term provisions	<b>1.03</b>	0.00
	<b>(3,323.03)</b>	14,670.00
<b>Cash generated from operations</b>	<b>(75.85)</b>	42918.56
Income tax paid	<b>-</b>	0.00
<b>Net cash flow from operating activities (A)</b>	<b>(75.85)</b>	42,918.56
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	<b>-</b>	0.00
Proceeds from sale of fixed assets	<b>-</b>	0.00
Long term Investments	<b>-</b>	199.86
Interest income	<b>10.92</b>	19.05
<b>Net cash flow from investing activities (B)</b>	<b>10.92</b>	218.91
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	<b>-</b>	-613.73
Proceeds from long-term borrowings	<b>-</b>	-48925.92
Net increase in working capital borrowings	<b>181.89</b>	6609.77
Finance cost	<b>(15.09)</b>	-249.32
<b>Net cash flow from financing activities (C)</b>	<b>166.80</b>	(43,179.20)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	<b>101.87</b>	-41.73
<b>Cash and cash equivalents at the beginning of the year</b>	<b>25.47</b>	67.19
<b>Cash and cash equivalents at the end of the year</b>	<b>127.34</b>	25.47

As per our report of even date

for and on behalf of the Board

**For RAMBABU & CO.,**

Chartered Accountants

Firm Registration No. 002976S

**Ravi Rambabu**

Partner

M.No.018541

Place: Hyderabad

Date: 29-05-2015

**G. Bala Reddy**

Chairman and  
Managing Director

**M. Sarveswar Reddy**

Director

**Notes on Financial Statements For the 9 month accounting period ended March 31, 2015**

**Note 1 Corporate information**

ICSA (INDIA) LIMITED (the "company") The company is engaged in the business of Rural Electrification, Construction of Sub stations, Conversion of LT line to HT lines etc and engaged in the business of providing energy Audit solutions to bring down Transmission & Distribution (T&D) losses by using its technologies for power distribution companies and also engaged in the business of development and maintenance of technology solutions which includes embedded solutions and software for Power, Oil, Gas and other sectors. The company registered office at Plot no.12, Software units layout , Cyberabad, Hyderabad-500081, Telangana.

**Note 2 Significant accounting policies**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

Under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 133 (Companies (Accounting standards) Rules, 2006, as amended) and other relevant provisions of the companies Act, 2013.

**2.1 Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**2.2 Inventories**

Inventories are valued at the lower of cost on FIFO basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

**2.3 Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**2.4 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**2.5 Depreciation and amortisation**

Depreciation has been provided based on the net depreciable cost as at 01.07.2014 by taking into account the useful life of the asset as on date per the provisions of Schedule II to the Companies Act, 2013.

**2.6 Revenue recognition**

**Sale of goods**

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

**Income from services**

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.

Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

**2.7 Tangible fixed assets**

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident. Fixed assets acquired in exchange for securities of the Company are recorded at the fair market value of the assets or the fair market value of the securities issued, whichever is more clearly evident.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

***Capital work-in-progress:***

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

**2.8 Intangible assets**

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

**2.9 Foreign currency transactions and translations**

***Initial recognition***

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

***Measurement of foreign currency monetary items at the Balance Sheet date***

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.



**Treatment of exchange differences**

"Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon."

**2.10 Government grants, subsidies and export incentives**

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

"Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis."

**2.11 Investments**

"Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets."

**2.12 Impairment of assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

**2.13 Research and development expenses**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

## 2.14 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

## 2.15 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

### **Defined contribution plans**

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

### **Defined benefit plans**

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

### **Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

### **Long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

## 2.16 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities.

### **2.17 Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

### **2.18 Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

### **2.19 Premium on redemption of Bonds/Debentures**

Premium on redemption of Bonds/Debentures, net of tax impact, are adjusted against the Securities Premium Account.

**Notes on Financial Statements 9 months period ended 31st March, 2015**

**Note 3 Share capital**

(i) Rupees in Lakhs

Particulars	As at 31st March, 2015		As at 30th June, 2014	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised Equity shares of Rupees 2/- each	<b>750,00,000</b>	<b>1,500.00</b>	750,00,000	1,500.00
	<b>750,00,000</b>	<b>1,500.00</b>	750,00,000	1,500.00
(b) Issued Equity shares of Rupees 2/- each	<b>481,38,500</b>	<b>962.77</b>	481,38,500	962.77
(c) Subscribed and fully paid up Equity shares of Rupees 2/- each	<b>481,38,500</b>	<b>962.77</b>	481,38,500	962.77
<b>Total</b>	<b>481,38,500</b>	<b>962.77</b>	481,38,500	962.77

**Note 3 Share capital (contd.)**

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2015	As at 30th June, 2014
<b>Equity shares</b>		
G. Bala Reddy	<b>24,74,779</b>	24,74,779
	<b>5.14%</b>	5.14%

(iii) The reconciliation of the number of shares outstanding is set out below

Particulars	As at 31st March, 2015 No. of Shares	As at 30th June, 2014 No. of Shares
Equity shares at beginning of the year	<b>481,38,500</b>	481,38,500
Add: Shares issued on exercise of Employees Stock Options	-	-
Less: Buy back of shares	-	-
Equity shares at end of the year	<b>481,38,500</b>	481,38,500

**Note 4 Reserves and surplus**

Particulars	As at 31st March, 2015	As at 30th June, 2014
<b>Capital Reserve</b>		
Opening balance	<b>1,347.70</b>	1,337.20
Add: During the year	-	10.50
Closing balance	<b>1,347.70</b>	1,347.70
<b>(a) Securities premium account</b>		
Opening balance	<b>27,740.84</b>	27,740.84
Add : Premium on shares issued during the year	-	-
Closing balance	<b>27,740.84</b>	27,740.84
<b>(b) General reserve</b>		
Opening balance	<b>5,870.23</b>	5,870.23
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	<b>5,870.23</b>	5,870.23

Particulars	As at 31st March, 2015	As at 30th June, 2014
<b>(c) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	<b>(1,13,381.39)</b>	(51,341.98)
Add: Profit / (Loss) for the year	<b>(34,308.36)</b>	(62,039.40)
Closing balance	<b>(1,47,689.75)</b>	(1,13,381.39)
<b>(d) Reserve for Employee Stock Option Scheme</b>		
Opening balance	-	613.73
Add: Addition during the year	-	-
Less: Deletion during the year	-	613.73
Closing balance	-	-
<b>Total</b>	<b>(1,12,730.99)</b>	(78,422.62)

**Note 5 Long-term borrowings**

Particulars	As at 31st March, 2015	As at 30th June, 2014
<b>i. Secured Loans</b>	-	-
<b>ii. Un secured loans</b>		
Related parties	<b>2,500.00</b>	2,500.00
<b>Total</b>	<b>2,500.00</b>	2,500.00

Current maturities of long term debts have been disclosed under the head other current liabilities (Refer Note: 9)

The unsecured loan from the related parties represents the interest free unsecured loan received from Mr. G Bala Reddy, Chairman and Managing Director of the company.

**Secured Loans:**

(i) The Company has defaulted in repayment of secured loans and interest in respect of the following:

Particulars	As at 31st March, 2015		As at 30th June, 2014	
	Period of default	Amount	Period of default	Amount
<b>i) Term Loans</b>				
<b>Andhra Bank</b>	July 2013 to March 2015		July 2013 to June 2014	
Principal		<b>3,615.62</b>		3,615.62
Interest		<b>827.30</b>		827.30
<b>Oriental Bank of Commerce</b>	July 2013 to March 2015		July 2013 to June 2014	
Principal		<b>9,991.91</b>		9,991.91
Interest		<b>2,509.02</b>		2,509.02
<b>ii) Funded Interest Term Loan</b>				
<b>Bank of India</b>	July 2013 to March 2015		July 2013 to June 2014	
Principal		-		-
Interest		<b>1,909.63</b>		1,909.63
<b>Punjab National Bank</b>	July 2013 to March 2015		July 2013 to June 2014	
Principal		-		-
Interest		<b>2,591.41</b>		2,591.41
<b>State Bank of India</b>	July 2013 to March 2015		July 2013 to June 2014	
Principal		-		-
Interest		<b>3,956.85</b>		3,956.85
<b>Union Bank of India</b>	July 2013 to March 2015		July 2013 to June 2014	
Principal		-		-
Interest		<b>1,720.61</b>		1,720.61

<b>IDBI Bank Limited</b>	July 2013 to March 2015	July 2013 to June 2014	
Principal			-
Interest			1,167.33
<b>Andhra Bank</b>	July 2013 to March 2015	July 2013 to June 2014	
Principal			-
Interest			3,159.66
<b>iii) Working Capital Term Loan</b>			
<b>Bank of India</b>	July 2013 to March 2015	July 2013 to June 2014	
Principal			3,050.60
Interest			-
<b>Punjab National Bank</b>	July 2013 to March 2015	July 2013 to June 2014	
Principal			1,845.82
Interest			-
<b>State Bank of India</b>	July 2013 to March 2015	July 2013 to June 2014	
Principal			3,543.51
Interest			-
<b>Union Bank of India</b>	July 2013 to March 2015	July 2013 to June 2014	
Principal			2,153.18
Interest			-
<b>IDBI Bank Limited</b>	July 2013 to March 2015	July 2013 to June 2014	
Principal			125.67
Interest			-
<b>Andhra Bank</b>	July 2013 to March 2015	July 2013 to June 2014	
Principal			1,220.46
Interest			-

During the period interest due on the term loan, working capital term loan, funded interest term loan has not been provided.

**Note 6 Long-Term provisions**

Rupees in Lakhs

Particulars	As at 31st March, 2015	As at 30th June, 2014
(a) Provision for employee benefits		
(i) Provision for gratuity	46.63	45.59
<b>Total</b>	<b>46.63</b>	<b>45.59</b>

Provision for gratuity provided based on the actual workings for liability.

**Note 7 Short-term borrowings**

Particulars	As at 31st March, 2015	As at 30th June, 2014
<b>Working Capital loans - Secured</b>		
Bank of India	10,908.86	10,908.86
Punjab National Bank	10,462.91	10,462.91
State Bank of India	18,081.45	18,081.45
Union Bank of India	4,817.56	4,638.69
IDBI Bank Limited	8,527.72	8,527.72
Andhra Bank	13,577.40	13,574.38
<b>Total</b>	<b>66,375.89</b>	<b>66,194.01</b>

- a. The working capital loans are secured with 1st pari passu charge on the Current Assets of the company and 2nd pari-passu charge on the fixed assets of the company.
- b. The working capital loans are further secured with personal guarantee of Mr. G Bala Reddy, Chairman and Managing Director of the company.
- c. During the period, company has not provided the interest on the above loans amounting to Rs.8729.68 Lakhs (cumulative upto 31.03.2015 amounting to Rs.20309.66 Lakhs) as the company has filed the Draft Rehabilitation Scheme (DRS) with the Hon'ble Board for Industrial and Financial Reconstruction under the Sick Industries Companies (Special Provisions) Act, 1985..

**Note 8 Trade payables**

Rupees in Lakhs

Particulars	<b>As at 31st March, 2015</b>	As at 30th June, 2014
Micro, Small and medium size enterprises #	-	-
Others	<b>6,215.54</b>	7,179.56
<b>Total</b>	<b>6,215.54</b>	7,179.56

# The company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act,2006. Therefore the amount due to MSME suppliers could not be ascertained. Hence disclosures, if any, relating to amount unpaid at the year end together with the interest paid / payable as required under the said Act have not been made.

**Note 9 Other current liabilities**

Particulars	<b>As at 31st March, 2015</b>	As at 30th June, 2014
<b>(a) Current maturities of long-term debt</b>		
<b>I. Secured Loans</b>		
<b>i. Term Loan</b>		
Andhra Bank	<b>3,615.62</b>	3,615.62
Oriental Bank of Commerce	<b>9,991.91</b>	9,991.91
<b>Sub-total</b>	<b>13,607.53</b>	13,607.53
<b>ii. Working Capital Term Loan</b>		
Bank of India	<b>3,050.60</b>	3,050.60
Punjab National Bank	<b>1,845.82</b>	1,845.82
State Bank of India	<b>3,543.51</b>	3,543.51
Union Bank of India	<b>2,153.18</b>	2,153.18
IDBI Bank Limited	<b>125.67</b>	125.67
Andhra Bank	<b>1,220.46</b>	1,220.46
<b>Sub-total</b>	<b>11,939.24</b>	11,939.24
<b>Total of secured loans</b>	<b>25,546.77</b>	25,546.77

**Terms and conditions for term loans**

- a. Term loan of Andhra Bank is secured with exclusive charge on the wind mills at Tamil Nadu & Karnataka.
- b. Term loan of Oriental Bank of Commerce, Funded interest term loan (Andhra Bank, Bank of India, IDBI Bank Limited, Oriental Bank of Commerce, Punjab National Bank, State Bank of India and Union Bank of India) and Working capital term loan (Andhra Bank, Bank of India, IDBI Bank Limited, Punjab National Bank, State Bank of India and Union Bank of India) are secured with 1st pari passu charge on Fixed Assets (excluding wind mills) of the company and secured with 2 nd pari passu charge on Current Assets of the company.
- c. The loans of Satate Bank of India is also secured with exclusive charge on the Flat at Vasantkunj, New Delhi.
- d. The term loans, Funded interest term loans and Working capital term loans are further secured with personal guarantee of Mr. G Bala Reddy, Chairman and Managing Director of the company.

Particulars	As at 31st March, 2015	As at 30th June, 2014
<b>II. Un-secured Loans</b>		
Foreign Currency Convertible Bonds (FCCBs)	<b>13,300.46</b>	12,585.83
Canara Bank	<b>4,981.27</b>	4,981.27
Aditya Birla Finance Limited	<b>3,000.00</b>	3,000.00
<b>Total of un-secured loans</b>	<b>21,281.73</b>	20,567.10

**Terms and conditions for term loans**

- a. The FCCB have matured on March 2012 and April 2012 and the premium for redemption of Rs.3902.25 Lakhs have not been accounted in the books of accounts, as the company has approached the FCCBs holders for restructure of the same to be repaid as per DRS. However, the Trustee for FCCBs holders has filed suit u/s.433 & u/s.434 of the Companies Act, 1956 for winding up of the company. The High Court of Andhra Pradesh has dismissed suit and transferred the matter to Hon'ble Board for Industrial and Financial Reconstruction.
- b. Canara Bank loan has been secured with personal guarantee of Mr. G Bala Reddy. The amount is over due for more than a year and the Canara Bank has filed suit in the Debt Recovery Tribunal.
- c. The loan from Aditya Birla Finance Limited is secured with personal guarantee of Mr. G Bala Reddy, Chairman and Managing Director of the company.

**Total of current maturities of long term debt**

**46,828.49**

46,113.86

During the period company has not provided the interest on the term loans amounting to Rs.7471.83 Lakhs (cumulative upto 31.03.2015 amounting to Rs.14603.18 Lakhs) as the company has filed the Draft Rehabilitation Scheme (DRS) with the Hon'ble Board for Industrial and Financial Reconstruction under SICA..

- |                                   |          |          |
|-----------------------------------|----------|----------|
| (b) Other current liabilities     | 1,271.05 | 1,315.70 |
| (c) Payables for expenses         | 983.36   | 1,038.20 |
| (d) Advance from customers        | 6,308.91 | 9,275.93 |
| (e) Un-claimed Dividend           | 42.82    | 48.97    |
| (f) Unpaid corporate dividend tax | 142.76   | 142.76   |

The above dividend tax of Rs.142.76 Lakhs pertain to the dividend paid for the accounting year 2010-11. The interest on the dividend tax of Rs. 12.85 Lakhs for the period (cumulative of Rs.64.24 lakhs upto 31.03.2015) has not been provided in the books of accounts..

- |  |                  |           |
|--|------------------|-----------|
| (g) TDS Payable                          | 1,258.75         | 1,260.78  |
| (h) Interest accrued and due for payment | 19,457.24        | 19,457.24 |
| <b>Total</b>                             | <b>76,293.39</b> | 78,653.43 |

**Note 10 Non-current investments**

Rupees in Lakhs

Particulars	As at 31st March, 2015	As at 30th June, 2014
<b>In Equity shares</b>		
<b>a. Quoted fully paid up (at Cost)</b>		
2700 shares in ECO Boards India Ltd (previous year 2700 shares) (Market value Rs.3.43/share - previous year Rs.5.49/share)	<b>0.21</b>	0.21
2000 shares in Cura Technologies Ltd (previous year 2000 shares) (Market value Rs.14.80/share - previous year Rs.17.30/share)	<b>1.68</b>	1.68
Sub-total	<b>1.89</b>	1.89
Less: Provision for diminution in value of investments	<b>1.39</b>	1.39
<b>Net value</b>	<b>0.49</b>	0.49
<b>b. Un-quoted fully paid up</b>		
Investment in Subsidiary	-	199.86
Less:- Provision for diminution in the value of investments	-	199.86
<b>Net value</b>	-	-
<b>Total</b>	<b>0.49</b>	0.49

M/s. ICSA International Pte Limited, Singapore, a 100% Subsidiary of the company has been dissolved vide the letter dated 21.11.2014 of Accounting and Corporate Regulatory Authority (ACRA) of Singapore.



Notes 11												
FIXED ASSETS												
(Rupees in Lakhs)												
Assets	Gross Block						Depreciation				Net block	
	As at 01.07.2014	Additions	Deletions	As at 31.03.2015	As at 01.07.2014	For the period	Deletions	Depreciation up to 31.03.2015	As at 31.03.2015	As at 30.06.2014		
<b>TANGIBLE ASSETS</b>												
Land	405.97	-	-	405.97	-	-	-	-	-	405.97	405.97	
Office Buildings	206.68	-	-	206.68	22.18	5.68	-	27.86	178.82	184.50		
Factory Buildings	3,302.21	-	-	3,302.21	503.14	85.89	-	589.03	2,713.17	2,799.06		
Furniture & Fixtures	135.68	-	-	135.68	66.22	22.97	-	89.20	46.49	69.46		
Office Equipment	120.22	-	-	120.22	36.21	71.01	-	107.22	13.00	84.02		
Vehicles	262.89	-	-	262.89	149.46	21.40	-	170.86	92.03	113.43		
Electrical Installations	14.79	-	-	14.79	9.32	3.61	-	12.93	1.86	5.48		
Computers	2,991.05	-	-	2,991.05	2,877.12	89.17	-	2,966.29	24.76	113.93		
Plant & Machinery (Projects)	10,512.93	-	-	10,512.93	2,754.16	578.77	-	3,332.94	7,180.00	7,758.77		
<b>TOTAL (A)</b>	<b>17,952.42</b>	-	-	<b>17,952.42</b>	<b>6,417.81</b>	<b>878.52</b>	-	<b>7,296.33</b>	<b>10,656.09</b>	<b>11,534.61</b>		
<b>INTANGIBLE ASSETS</b>												
Development Software	3,885.64	-	-	3,885.64	3,691.36	194.28	-	3,885.64	-	194.28		
Testing Tools	1,812.13	-	-	1,812.13	1,721.52	90.61	-	1,812.13	-	90.61		
<b>TOTAL(B)</b>	<b>5,697.77</b>	-	-	<b>5,697.77</b>	<b>5,412.88</b>	<b>284.89</b>	-	<b>5,697.77</b>	-	<b>284.89</b>		
<b>Total (A+B)</b>	<b>23,650.19</b>	-	-	<b>23,650.19</b>	<b>11,830.69</b>	<b>1,163.41</b>	-	<b>12,994.10</b>	<b>10,656.09</b>	<b>11,819.50</b>		
Previous year figures	23,650.19	-	-	23,650.19	10,670.90	1,159.79	-	11,830.69	11,819.50	12,979.29		

**Note:** The Company reassessed the useful lives of fixed assets as per Part C of Schedule II of the Companies Act, 2013. Consequently the useful life of asset classes has been revised and amounts aggregates Rs.1163.41 lakhs has been debited to Statement of Profit and Loss for the period ended 31st March, 2015.

**Note 12 Long-term loans and advances**

Rupees in Lakhs

Particulars	As at 31st March, 2015	As at 30th June, 2014
<b>Unsecured, considered good</b>		
<b>(a) Advances to sub-contractors</b>		
Related parties	-	1,992.21
Other parties	<b>2,496.72</b>	3,932.33
<b>Sub-total</b>	<b>2,496.72</b>	5,924.54
<b>(b) Advances others</b>		
Related parties	<b>21.61</b>	21.61
Other parties	-	-
- TDS Receivable	<b>1,183.66</b>	1,160.66
- Others	<b>268.45</b>	560.04
<b>Sub-total</b>	<b>1,473.72</b>	1,742.31
<b>(c) Advances to Suppliers</b>		
Related parties	<b>2,180.48</b>	2,180.48
Other parties	<b>3,255.92</b>	14,563.93
<b>Sub-total</b>	<b>5,436.41</b>	16,744.42
<b>Total</b>	<b>9,406.85</b>	24,411.27
Less: Provision for doubtful advances	<b>2,037.16</b>	10,039.44
<b>Total</b>	<b>7,369.69</b>	14,371.83

- a. An amount of Rs.5091.35 Lakhs accounted under advance to sub-contractors was adjusted against the bills received for works executed during the earlier years.
- b. The balances in related parties in advances to suppliers are relating to BRG Energy Ltd. The balance in related parties in advance others consists of Rs.21.61 Lakhs paid to Dr. Venkata Satya Prasad Tholada, Executive Director of the company.
- c. Auditors are not expressing opinion on the recovery of the loans & advances.

**Note 13 Other non-current assets**

Particulars	As at 31st March, 2015	As at 30th June, 2014
Earnest Money Deposits	<b>10.08</b>	15.08
Deposits with others	<b>180.16</b>	446.51
	<b>190.24</b>	461.60
<b>Misc expenses to the extent not written off</b>		
<b>FCCB Issue Expenses</b>	<b>516.70</b>	516.70
Less: Written off during the year	-	-
	<b>516.70</b>	516.70
<b>Deffered Employee Compensation</b>		
	-	613.73
Less: Reversed during the year (refer note no.4)	-	613.73
	-	-
<b>Deffered Revenue / Development Expenditure</b>		
Product Development Expenses	-	98.84
Less: Written off during the year	-	98.84
	-	-
Prepaid Expenses	<b>24.35</b>	24.08
<b>Total</b>	<b>731.29</b>	1,002.38

The prepaid expenses pertain to the commission paid to banks for issue of the Bank Guarantees.

**Note 14 Inventories (As valued and certified by the Management)**

Particulars	As at 31st March, 2015	As at 30th June, 2014
(a) Materials, Stores & Spares at sites	932.51	3,194.28
(b) Work-in-progress	4,007.65	6,648.84
(c) Finished Goods	27.21	67.21
<b>Total</b>	<b>4,967.37</b>	<b>9,910.33</b>

The inventories has been physically verified and valued by management based on the cost or market value whichever is lower. Auditors are not expressing opinion on the valuation & realisation of the inventory.

**Note 15 Trade Receivables**

Particulars	As at 31st March, 2015	As at 30th June, 2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	13,649.68	35,469.68
Unsecured, considered bad and doubtful	19,391.54	35,147.08
<b>Sub-total</b>	<b>33,041.21</b>	<b>70,616.77</b>
Less: Bad debts written off	19,391.54	35,147.08
<b>Sub-total - net</b>	<b>13,649.68</b>	<b>35,469.68</b>
Other trade receivables		
Unsecured, considered good	1,512.57	3,868.04
<b>Total</b>	<b>15,162.25</b>	<b>39,337.72</b>

Receivables are subject to confirm & reconciliation from the customers. The receivables pending for long period from customers which are not recoverable have been written off. Auditors are not expressing opinion on realisation of the receivables.

**Note 16 Cash and Bank Balances**

Particulars	As at 31st March, 2015	As at 30th June, 2014
<b>i. Cash and Cash Equivalents</b>		
(a) Cash on hand	0.01	0.58
(b) Balances with banks	127.33	24.88
<b>Sub-total</b>	<b>127.34</b>	<b>25.47</b>
<b>ii. Other Bank Balances</b>		
(a) Balances held as margin money or security against borrowings, guarantees and othe commitments	127.96	118.13
(b) Balances held in the unclaimed dividend bank accounts	42.82	48.97
<b>Sub-total</b>	<b>170.78</b>	<b>167.10</b>
<b>Total</b>	<b>298.12</b>	<b>192.56</b>

**Note 17 Short-term loans and advances**

Rupees in Lakhs

Particulars	As at 31st March, 2015	As at 30th June, 2014
<b>Unsecured, considered good</b>		
i. Advances		
a. Advances for raw materials	-	4,181.22
b. Advance for sub-contractors	-	1,742.38
<b>Sub-total</b>	-	5,923.60
Less: Provision for bad and doubtful advances	-	5,923.60
<b>Sub-total - net</b>	-	-
ii. Loans		
a. Loans to related parties	-	8.62
Less: Write off of the advance to related parties	-	8.62
<b>Sub-total - net</b>	-	-
<b>Total</b>	-	-

**Note 18 Revenue from operations**

Particulars	For 9 Months period ended 31st March, 2015	For the year ended 30th June, 2014
Contracts & Services	2,354.21	5,477.67
Power Generation	-	250.81
	2,354.21	5,728.48
Less: Excise duty	-	-
<b>Total</b>	2,354.21	5,728.48
<b>Other income</b>		
Interest on fixed deposit	10.92	19.05
Other receipts	-	0.53
<b>Total</b>	10.92	19.58

**Note 19 Cost of materials consumed**

Opening stock	3,194.28	7,325.40
Add: Purchases	205.26	821.54
	3,399.54	8,146.95
Less: Closing stock	932.51	3,194.28
<b>Cost of material consumed</b>	2,467.03	4,952.66

**Note 20 Changes in inventories of finished goods and work-in-progress**

**Inventories at the end of the year:**

Work-in-progress	4,007.65	6,648.84
Finished goods	27.21	67.21
	4,034.86	6,716.05

**Inventories at the beginning of the year:**

Work-in-progress	6,648.84	14,432.47
Finished goods	67.21	-
	6,716.05	14,432.47
<b>Net (increase) / decrease</b>	2,681.18	7,716.43

**Note 21 Employee benefits expenses**

Rupees in Lakhs

Particulars	For 9 Months period ended 31st March, 2015	For the year ended 30th June, 2014
Salaries, Allowances and Other Benefits	<b>99.93</b>	228.90
Contribution to PF and Other Funds	<b>1.62</b>	4.43
Staff Welfare and Incentives	<b>5.49</b>	3.86
<b>Total</b>	<b>107.03</b>	237.19

**Note 22 Finance cost**

(i) Bank Charges and Commission	<b>15.09</b>	249.32
<b>Total</b>	<b>15.09</b>	249.32

**Note 23 Depreciation and amortisation Expenses**

Depreciation	<b>1,163.41</b>	1,159.79
Misc. Expenses Written Off	-	98.84
<b>Total</b>	<b>1,163.41</b>	1,258.64

**Note 24 Other expenses**

Sub-contract Bills (refer note 12)	<b>7,063.15</b>	1,433.66
Freight Charges	<b>7.20</b>	29.52
Auditors Remuneration		
Audit fee	<b>7.50</b>	12.50
Tax Audit fee	<b>2.50</b>	2.50
Communication Expenses	<b>6.49</b>	8.20
Bad Debts Written off	<b>19,391.54</b>	35,147.08
Consultancy/Professional Charges	<b>44.34</b>	71.89
Conveyance and Travelling Expenses	<b>44.31</b>	21.89
Electricity Charges	<b>0.45</b>	11.35
Insurance	<b>36.59</b>	27.30
Business Promotion Expenses	<b>7.45</b>	12.40
Investment in subsidiary written off	-	199.86
Loan to subsidiary written off	-	8.62
Office Maintenance	<b>26.49</b>	14.49
Printing and Stationery	<b>0.67</b>	6.55
Rates, Taxes and Registration Fees	<b>3.53</b>	5.69
Rent	<b>11.30</b>	2.43
Exchange fluctuation	<b>714.63</b>	84.11
Bad and doubtful advances & deposits written off	<b>2,575.58</b>	15,963.04
Other Expenses	<b>296.04</b>	310.14
<b>Total</b>	<b>30,239.75</b>	53,373.23

**Additional Notes on Financial Statements For the 9 month period ended 31 March, 2015**

**Note 25**

a) Contingent liabilities and commitments (to the extent not provided for)

**i) Income Tax**

(Rupees in Lakhs)

Particulars	As At March 31, 2015	As At June 30, 2014
a) Income Tax for Assessment Year 2010-11	<b>2,188.06</b>	2,188.06
b) Income Tax for Assessment Year 2011-12	<b>40,361.92</b>	40,361.92
c) Income Tax for Assessment Year 2012-13	<b>26,270.36</b>	-
<b>Total</b>	<b>68,820.34</b>	42,549.98

The appeal preferred with CIT(Appeals) for AY 2010-11, AY 2011-12 & 2012-13. The appeals are yet to be disposed. The company is expecting that the appeals will be disposed in favour of the company. Hence no provision made for liability in the books of accounts during the accounting period.

**ii) Non Fund Based Banking facilities**

(Rupees in lakhs)

Particulars	As At March 31, 2015	As At June 30, 2014
(a) Bank Guarantees	<b>6,684.89</b>	8,244.88

iii) The banks has reduced the interest rate to 11% p.a. from 15% p.a. in sanctioning CDR package. The differential interest at 4% p.a. is payable as Right of Recompense to banks after completion of 7 years from the cut off date of CDR package. The liability towards the differential interest upto 30th June 2013 was Rs.6427.58 Lakhs.

**b) Foreign Exchange out go :**

(Rupees in lakhs)

Particulars	As At March 31, 2015	As At June 30, 2014
Value of imports during the year (C.I.F. Basis)		
Raw Material	-	-
Plant and machinery	-	-
<b>Total</b>	-	-

**Expenditure in foreign currency :**

(Rupees in lakhs)

Interest and Bank charges (FCCB)	-	-
Travelling expenses	-	-
<b>Total</b>	-	-

**c) Earning Per share**

Net profit after tax as per Statement of Profit and Loss attributable to Equity share holders (In Rupees Lakhs)	<b>(34,308.36)</b>	(62,039.40)
Adjusted profit for diluted EPS (In Rupees Lakhs)	<b>(34,308.36)</b>	(62,039.40)
Weighted average number of equity shares- Basic	<b>481,38,500</b>	481,38,500
Weighted average number of equity shares- Diluted	<b>481,38,500</b>	481,38,500
EPS-Basic (in Rupees)	<b>(71.27)</b>	(128.88)
EPS-Diluted (in Rupees)	<b>(71.27)</b>	(128.88)

- d) Loans and advances, Sundry Debtors, Sundry Creditors and other Advances are subject to confirmation and reconciliation from the concerned parties. During the accounting period some of the projects were cancelled by the customers and invoked Bank Guarantees and the amounts were adjusted towards the Risk and Cost. The receivables and advances which are not recoverable have been written off of provided during the accounting period.
- e) Foreign Currency Convertible Bonds (FCCBs) issue expenses are being written off in proportion to conversion of FCCBs into Equity Shares or repayment of such FCCBs (as the case may be) as and when such conversion/repayment takes place.
- f) Inventory is valued at cost or net realisable value, whichever is lower on FIFO basis. Inventories has been physically verified by the management and valued by the management. The diminution in the inventories on account of very slow in the progress in the completion of the projects amounting to Rs.3221.69 Lakhs has been written off during the accounting period and the same have been accounted under the consumption of the raw materials and changes in the work-in-progress/finished goods.
- g) The appointment of and payment of remuneration to Dr.TVS Prasad, Executive Director w.e.f. 15.05.2012 has been declined by the Government of India and the salary Rs.7.85 Lakhs paid during the year (previous accounting period Rs.13.76 Lakhs) has been considered under advance. The company once again approached the Government of India for approval of salary for Executive Director, the approval of which is yet to be received. Dr. TVS Prasad has resigned from the directorship w.e.f.24.03.2014.
- h) Consolidated Accounts with the accounts of Subsidiary i.e. ICSA International Pte Limited**  
 ICSA International Pte Limited have been dissolved vide the letter dated 21.11.2014 of Accounting and Corporate Regulatory Authority (ACRA), Singapore and hence the consolidated accounts has not been prepared for the year.
- i) Segment Information:**  
 The company has identified three reportable segments Viz. contracts and services, Embedded solutions and software services and Power Generation. Segments have been identified and reported taking in to account nature of products and services. The accounting policies adopted for segment reporting are in line with the accounting policy of the company.

**i) Primary Segment information**

(Rupees in Lakhs)

Particulars	For the 9 months period ended 31.03.2015			
	Business Segments			
	Contracts and services	Embedded solutions and software services	Power Generation	Total
Revenue	2354.21	-	-	2,354.21
	5477.67	-	250.81	5,728.48
Total	2354.21	-	-	2,354.21
	5477.67	-	250.81	5,728.48
Segment result	(33,665.25)	(284.89)	(343.14)	(34,293.28)
	(55,421.00)	(6,320.93)	(48.15)	(61,790.08)
Operating income				(34,293.28)
				(61,790.08)
Other Un allocable income (net)				-
				-
Profit before interest and taxes				(34,293.28)
				(61,790.08)
Interest				15.09
				249.32
<b>Tax expense</b>				
Current tax pertaining to previous years				-
				-
Current tax for current year				-
Deferred tax liability/(Asset)				-
				-
Net profit for the year				(34,308.37)
				(62,039.40)

**ii) Secondary Segment Information**

Particulars	For the 9 months period ended 31.03.2015			
	Business segments			
	Contracts and services	Embeded solutions and software services	Power Generation	Total
Segment assets	35431.13	0	4232.1	39,663.23
	<i>72104.10</i>	<i>284.89</i>	<i>4723.75</i>	<i>77,112.74</i>
Unallocable assets				-
				-
Total assets				39,663.23
				<i>77,112.74</i>
Segment liabilities	147605.59	-	3825.86	1,51,431.45
	<i>150746.73</i>	-	<i>3825.86</i>	<i>1,54,572.59</i>
Unallocable liabilities				-
				-
Total liabilities				1,51,431.45
				<i>154572.59</i>
Other information				
Capital expenditure (allocable)	-	-	-	-
Capital expenditure (unallocable)	-	-	-	-
Depreciation and amortisation (allocable)	535.38	284.89	343.14	1163.41
	<i>363.67</i>	<i>506.56</i>	<i>289.57</i>	<i>1159.80</i>
Depreciation and amortisation (unallocable)	-	-	-	-
				<i>98.84</i>
Other significant non-cash expenses (allocable)	-	-	-	-
	-	-	-	-
Other significant non-cash expenses (unallocable)	-	-	-	-

# Figures in *Italic* represents Previous Year amount

- j) Deferred Tax has not been provided, as there is no certainty of taxable profits in the near future.
- k) As per accounting standards 18 , the disclosure of transactions with the related parties are given below:
- i) List of related parties where control exists and related parties with whom transactions have taken place and relationships

S.No.	Name of the Related party	Relationship
1	ICSA International PTE Limited (Applied for dissolution of the company in June 2014)	100% subsidiary
2	BRG Energy Limited	Associate
3	Cura Technologies Limited	Associate
4	G. Bala Reddy	Key Management personnel
5	M. Sarveswar Reddy	



ii) Transactions during the period with the related parties

(Rupees in lakhs)

S.No.	Nature of Transactions	Associates	Key Management personnel
1	Sales	-	-
2	Purchases/Subcontract works	-	-
3	Rent & Amenities	(4.08)	-
4	Managerial Remuneration*	-	(7.85)
5	Balances Receivable	2,180.48 (4,272.69)	21.61 (21.61)
6	Balances payable	952.73 (952.73)	2,643.10 (12.02)

Note: Figures shown in brackets pertaining to previous year.

The Chairman and Managing Director (CMD) has not been taking salary since 01.07.2013. A letter to this extent was received from the CMD of the company in July 2013.

**l) CDR package**

The CDR package sanctioned by the banks on 16.03.2012, could not be implemented as per the sanctioned terms and correspondingly the banks have revoked the package in November 2013.

**m) Sickness of the company**

The reference made by the company to the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) and the same has been registered vide case no.70/2013 and the company has been declared as Sick u/s.3(1)(o) of Sick Industrial Companies (Special Provisions) Act, 1985 on 12.02.2014. The company has submitted the Draft Rehabilitation Scheme (DRS), which is yet to be considered.

**n) The previous accounting period figures are regrouped / reclassified wherever necessary.**

As per our report of even date

for and on behalf of the Board

**For RAMBABU & CO.,**

Chartered Accountants  
Firm Registration No.002976S

**Ravi Rambabu**  
Partner  
M.No.018541

**G. Bala Reddy**  
Chairman and  
Managing Director

**M. Sarveswar Reddy**  
Director

Place: Hyderabad  
Date: 29th May, 2015



# ICSA (INDIA) LIMITED

(CIN: L72200AP1994PLC016969)

Registered Office: Plot No. 12, Block B, Ground Floor, Softpro Heights, Software Units Layout, Cyberabad, Hyderabad - 500 081.

## PROXY FORM

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

CIN	L72200AP1994PLC016969
Name of the Company	ICSA (INDIA) LIMITED
Registered office	Block B, Ground Floor, Softpro Heights, Plot No. 12, Software Units Layout, Cyberabad, Hyderabad - 500 081, Telangana.
Name of the Member(s)	
Registered Address	
Email 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		
	of failing him			
2	Name			
	Address			
	E- Mail ID	Signature		
	of failing him			
3	Name			
	Address			
	E- Mail ID	Signature		
	of 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 of the Company, to be held on the 30th day of September, 2015 at 9:30 A.M. at Registered office of the Company, Plot No 12, 5th Floor, Conference Hall, Software Units Layout, Cyberabad, Hyderabad - 500 081, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		For	Against
1.	Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2.	Re-appointment of Mr. G. Bala Reddy who retires by rotation		
3.	Ratify the Appointment of Auditors and fixing their remuneration		
4.	Appointment of Mrs. G. Lalitha, Additional Director (Woman)		

Signed this .....day of .....2015

Signature of Shareholder.....

Signature of Proxy holder(s).....

Affix  
Revenue  
Stamp



## ICSA (INDIA) LIMITED

(CIN: L72200AP1994PLC016969)

Registered Office: Plot No. 12, Block B, Ground Floor, Softpro Heights, Software Units Layout,  
Cyberabad, Hyderabad - 500 081.

### ATTENDANCE SLIP

#### 21st ANNUAL GENERAL MEETING – September 30th, 2015

---

1. Name & Registered Address of the sole/first named Shareholder :
  2. Name(s) of the Joint Shareholder(s): (if any) :
  3. Registered Folio No. / :  
DP ID / Client ID No.
  4. Number of Shares held :
- 

I Certify that I am a member / Proxy for the member of the Company. I hereby record my presence at the 21st Annual General Meeting of the Company to be held on the 30th day of September, 2015 at 9:30 A.M. at Registered office of the Company, Plot No 12, 5th Floor, Conference Hall, Software Units Layout, Cyberbad, Hyderabad - 500 081, Telangana.

---

Member's / Proxy's Name in Block Letters

---

Member's / Proxy's Signature

---

Dear Member,

### SUBJECT : E-VOTING

In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules") and clause 35B of the listing agreement, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 22nd September, 2015 (End of Day) being the cut-off date ( i.e. record date for the purpose of Rule 20(3)(vii) of the Rules) fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by Central Depository Services Limited (CDSL).

The e-voting period commences from 9.00 a.m. on 27th September, 2015 and ends on 5.00 p.m. on 29th September, 2015. The members of the Company, holding shares either in physical or demat form, as on the cut-off date of 22nd September, 2015, may cast their vote electronically.

For instructions on E-Voting please read the attached Notice of the Annual General Meeting. This communication forms an integral part of the Notice for convening the Annual General Meeting of the Company to be held on 30th September, 2015.

**BOOK-POST / REGD. POST / COURIOR**

**PRINTED MATTER**

*If undelivered please return to :*

**ICSA (INDIA) LIMITED**

**Registered Office** : Plot No. 12, Block B,  
Softpro Heights, Ground Floor,  
Software Units Layout, Cyberabad,  
Hyderabad - 500 081, Telangana.