

**ICL FINANCIAL
SERVICES LIMITED**

**Regd. Office: "Dhun Building"
827, Anna Salai, Chennai 600 002.**

**Annual
Report
2017**

ICL FINANCIAL SERVICES LIMITED

Board of Directors : **Sri N Srinivasan, Chairman**

Sri L Sabaretnam

Sri R Srinivasan

Sri V Manickam

Auditors : **Messrs P S Subramania Iyer & Co.**

Chartered Accountants

103, P S Sivaswamy Salai

Mylapore

CHENNAI 600 004.

Registered Office : **"Dhun Building"**
827, Anna Salai
Chennai 600 002.

ICL FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Twenty Fourth Annual Report together with the audited accounts for the year ended 31st March 2017.

(Rs. in Lakhs)

FINANCIAL RESULTS	For the year ended 31 st March	
	2017	2016
Profit / (Loss) before Finance Cost, Depreciation & Taxation	99.44	(0.02)
Less: Finance Cost	1.84	684.17
Less: Depreciation	0.00	0.00
Less: Taxation	0.00	0.00
Net Profit / (Loss)	97.60	(684.19)
Profit / (Loss) brought forward from last year	(2306.71)	(1622.51)
Balance carried forward	(2209.11)	(2306.70)

DIVIDEND

In view of the accumulated loss and the need to conserve the resources of the Company, your Directors do not recommend any dividend for the year ended 31st March, 2017.

OPERATIONS

The Company has not made any investment during the year.

MATERIAL CHANGES AND COMMITMENTS SINCE 31ST MARCH, 2017

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial Statements relate and the date of the report other than those disclosed in the financial statements.

RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and minimization of risk thereof.

INTERNAL FINANCIAL CONTROLS

The Company has Internal Financial Control Policy and Procedures commensurate with the size and nature of its operations and financial reporting.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

Pursuant to Rule 8(5)(vii) of Companies (Accounts) Rules, 2014, it is reported that during the year 2016-17, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company during the year has not given any loans or guarantees or provided security to any person or other body corporate attracting the provisions of Section 186 of the Companies Act, 2013.

CONSERVATION OF ENERGY, ETC.

The provisions of Section 134(3)(m) of the Companies Act, 2013 regarding Conservation of Energy etc. is not applicable to the Company. There was no foreign exchange earnings and outgo during the year under review.

TRANSACTIONS WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties in Form AOC-2 along with justification are given in Annexure 1.

PUBLIC DEPOSITS

During the year under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Also there were no outstanding public deposits at the beginning or end of the year.

PERSONNEL

During the year, the Company has no employee and hence furnishing the particulars of employees as contemplated under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 are not applicable to the Company.

EXTRACT OF ANNUAL RETURN

Extract of the Annual Return in Form No. MGT-9 is attached with this Report as Annexure 2.

DIRECTORS

Under Article No.99 of the Articles of Association of the Company, Sri.R.Srinivasan retires by rotation at the ensuing Annual General Meeting of the Company and is eligible for re-appointment.

Mr.R.K.Das resigned as Director with effect from 24.06.2016. The Board expresses its appreciation for the valuable contribution made by Mr.R.K.Das during the tenure of his office.

Mr.L.Sabatetnam was co-opted as an Additional Director on the company's Board with effect from 29.06.2016. The Shareholders at the Annual General Meeting held on 30.09.2016 appointed Mr.L.Sabaretnam as an Independent Director of the Company to hold office for a term of 5 years from 29.06.2016 to 28.06.2021.

Mr.V.Manickam was appointed as Independent Director of the Company for a period from 31.03.2015 to 30.09.2017. The Company proposes to reappoint Mr.V.Manickam as Independent Director for another term of 3 consecutive years from 01.10.2017 to 30.09.2020 and special resolution for his reappointment as independent director is included in the Notice convening the 24th Annual General Meeting of the Company.

INDEPENDENT DIRECTORS

A statement on declaration given by independent directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 has been received by the Company.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a Policy for selection and appointment of Directors, Key Managerial Personnel and other employees and their remuneration for implementation. During the year, no remuneration, including sitting fees has been paid to any Director of the Company.

BOARD MEETINGS

During the year 2016-17, 5 Board Meetings were held on 26.05.2016, 29.06.2016, 31.08.2016, 09.12.2016 and 21.03.2017.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013.

"We confirm that:

1. in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. such Accounting Policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for that year;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts for the year ended 31st March, 2017 have been prepared on a going concern basis;
5. proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively."

SUBSIDIARIES

The Company had two Subsidiaries, viz. Trinetra Cement Limited and Trishul Concrete Products Limited. The Hon'ble National Company Law Tribunal, Division Bench, Chennai, has, vide its Orders dated 13.04.2017 and 20.04.2017, sanctioned the Scheme of Amalgamation and Arrangement between Trinetra Cement Limited (First Transferor Company) and Trishul Concrete Products Limited (Second Transferor Company) with The India Cements Limited (Transferee Company) and their respective Shareholders. The said Orders were filed by the Transferor and Transferee Companies with the Registrar of Companies-TamilNadu, Chennai, on 28.04.2017 and accordingly, the Scheme became effective from the Appointed Date i.e. 01.01.2014.

AUDIT COMMITTEE

The Board of Directors at its meeting held on 29.06.2016 reconstituted the Audit Committee with the following Directors as its members, viz. (i) Sri.L.Sabaretnam, (ii) Sri.V.Manickam and (iii) Sri.R.Srinivasan. The Audit Committee met once during the year on 25.05.2016. There has been no instances, where the Board had not accepted any recommendation of Audit Committee.

AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014, M/s.P.S.Subramania Iyer & Co., Chartered Accountants, Chennai, Auditors of the Company, retire at the ensuing Annual General Meeting and are proposed to be re-appointed as Statutory Auditors to hold office from the conclusion of the 24th Annual General Meeting until the conclusion of the 25th Annual General Meeting of the Company.

The Company has obtained a written consent from M/s.P.S.Subramania Iyer & Co., Chartered Accountants, for their appointment as Auditors of the Company along with a Certificate confirming that the appointment, if made, would be in accordance with the conditions and criteria as prescribed under Section 141(3) of the Companies Act, 2013.

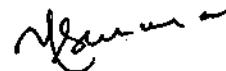
A resolution for the appointment of M/s.P.S.Subramania Iyer & Co., Chartered Accountants as statutory auditors of the Company by the Members, is included in the Notice convening the Annual General Meeting of the Company.

The Report of the Statutory Auditor for the year ended 31st March, 2017 does not contain any qualification, reservation or other remarks.

ACKNOWLEDGEMENT

The Directors are thankful to the Bankers for their continued support during the year.

for and on behalf of the Board



Place: Chennai
Date : 31.08.2017

N.SRINIVASAN
CHAIRMAN

ICL FINANCIAL SERVICES LIMITED

Form No. AOC-2

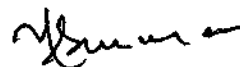
[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship : Holding Company:
The India Cements Limited
 - (b) Nature of contracts/ arrangements / transactions : Availing or rendering of financial assistance / services
 - (c) Duration of the contracts / arrangements / transactions : Need based
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any : Refer Note No.21 of Notes on Accounts
 - (e) Date(s) of approval by the Board : 26.05.2017
 - (f) Amount paid as advances, if any : Nil

for and on behalf of the Board



**N.SRINIVASAN
CHAIRMAN**

Place : Chennai
Date : 31.08.2017

Form No. MGT-9**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U65991TN1993PLC026056
 ii) Registration Date : 20/10/1993
 iii) Name of the Company : ICL Financial Services Limited
 iv) Category / Sub-Category of the Company : Company limited by shares / Indian Non-Government Company
 v) Address of the Registered office and contact details : 'Dhun Building', 827, Anna Salai, Chennai 600002
 vi) Whether listed company Yes / No : No
 vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Nil

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	The India Cements Ltd. 'Dhun Building', 827, Anna Salai, Chennai 600002.	L26942TN1946PLC000931	Holding Company	100.00%	Sec.2(46)
2	Trishul Concrete Products Ltd. (Amalgamated with The India Cements Limited) 'Dhun Building', 827, Anna Salai, Chennai 600002	U26956TN1999PLC042773	Subsidiary	88.37%	Sec.2(87)
3	Trinetra Cement Ltd. (Amalgamated with The India Cements Limited) 'Dhun Building', 827, Anna Salai, Chennai 600002	L99999TN1987PLC082730	Subsidiary	61.22%	Sec.2(87)
4	Coromandel Electric Company Ltd. 'Dhun Building', 827, Anna Salai, Chennai 600002	U45207TN1997PLC038219	Subsidiary	30.14%	Sec.2(87)
5	Coromandel Sugars Ltd. 'Dhun Building', 827, Anna Salai, Chennai 600002	U15421TN1996PLC035549	Associate Company	24.99%	Sec.2(6)
6	India Cements Capital Ltd 'Dhun Building', 827, Anna Salai, Chennai 600002.	L65191TN1985PLC012362	Associate Company	23.96%	Sec.2(6)
7	Unique Receivable Management Private Ltd. 'Dhun Building', 827, Anna Salai, Chennai 600002	U67200TN2002PTC048428	Associate Company	24.60%	Sec.2(6)

i)	Individual shareholders holding nominal share capital upto Rs.1 lakh	---	---	---	---	---	---	---	---
ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	---	---	---	---	---	---	---	---
c)	Others (specify)								
	Directors & Relatives	---	---	---	---	---	---	---	---
	Sub-total (B)(2)	---	---	---	---	---	---	---	---
	Total Public Shareholding (B)=(B)(1)+(B)(2)	---	---	---	---	---	---	---	---
C.	Shares held by Custodian for GDRs & ADRs	---	---	---	---	---	---	---	---
	Sub-total (C)	---	---	---	---	---	---	---	---
	Grand Total (A+B+C)	---	5962000	5962000	100.00	---	5962000	5962000	100.00

* 900 Equity shares of Rs.10/- each held by nominee of The India Cements Limited

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	The India Cements Limited	5962000*	100.00	---	5962000*	100.00	---	---
	Total	5962000	100.00	---	5962000	100.00	---	---

* includes 900 Equity shares of Rs.10/- each held by nominees of The India Cements Limited

(iii) Change in Promoters' Shareholding (please specify, if there is no change) :

No Change in the Promoters' Shareholding during the year.

	Shareholding	
	No. of shares	% of total shares of the company
At the beginning of the year	5962000	100.00
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	Nil	Nil
At the End of the year	5962000	100.00

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

Sl No	Top 10 Shareholders	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year		Cumulative Shareholding during the Year		At the end of the year	
		No. of shares	% of total shares of the company	Date	Reason for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Nil									

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Increase / Decrease in Shareholding during the year		Cumulative Shareholding during the Year		At the end of the year	
		No. of shares	% of total shares of the company	Date	Reason for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
I.	Directors:	---	---	---	---	---	---	---	---
1.	Sri N.Srinivasan	---	---	---	---	---	---	---	---
2.	Sri V Manickam	---	---	---	---	---	---	---	---
3.	Sri R.Srinivasan	---	---	---	---	---	---	---	---
4.	Sri R.K.Das ^{*1}	---	---	---	---	---	---	---	---
5.	Sri L Sabaretnam ^{*2}	---	---	---	---	---	---	---	---
II.	KMP:								
1.	Sri V M Mohan Company Secretary	--	--	--	--	--	--	--	--

^{*1} Ceased to be a Director w.e.f. 24.06.2016 ^{*2} Appointed as Additional Director w.e.f. 29.06.2016

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:
(Rs. in 000')

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	5207894	0	5207894
ii) Interest due but not paid	0	0	0	
iii) Interest accrued but not due	0	0	0	
Total (i+ii+iii)	0	5207894	0	5207894
Change in Indebtedness during the financial year				
▣ Addition	0	11105	0	11105
▣ Reduction	0	0	0	0
Net Change Indebtedness at the end of the financial year	0	11105	0	11105
i) Principal Amount	0	5218999		5218999
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (I+II+III)	0	5218999	0	5218999

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL –

No remuneration was paid to Directors and Key Managerial Personnel during the year.

A. Remuneration to Managing Director, Whole-time Directors and / or Manager: Not Applicable

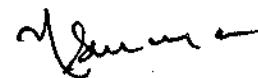
B. Remuneration to other directors: Not Applicable

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD: Not Applicable

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishments / compounding of offences against the Company, Directors and other Officers in Default during the year ended 31st March, 2017.

For and on behalf of the Board of Directors



N. SRINIVASAN
Chairman

Place : Chennai
Date : 31.08.2017



P.S. SUBRAMANIA IYER & CO.

CHARTERED ACCOUNTANTS

JAYSHREE APARTMENTS, NEW NO.60, OLD NO.39, SECOND MAIN ROAD, RAJA ANNAMALAI PURAM, CHENNAI - 600 028.
PHONE : 2435 30 20 / 2435 40 30 / 2435 30 40 / 4211 20 90 E-mail : pss@pssca.in

Independent Auditor's Report

To the Members of ICL FINANCIAL SERVICES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of ICL FINANCIAL SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, and the statement of Cash Flows for the year then ended, and a summary of the 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 stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the



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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,



in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

For P.S.SUBRAMANIA IYER & CO
Chartered Accountants
FRN: 004104S



Place:- Chennai
Date:- 26.05.2017

V. Swaminathan

SWAMINATHAN VENKATARAMAN
(PARTNER)
Membership No. 022276



Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- i. The company does not have any fixed assets.
- ii. The company does not have any inventory.
- iii. The company has granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013.

In respect of such loans granted, we report that,

- a. The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
- b. The terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand with interest. Hence, this paragraph is not applicable to the company in respect of repayment of the principle amount.
- iv. In our opinion and according the information provided and explanations given to us during the course of audit, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- v. The company has not accepted any deposits from the public.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii.
 - a. According to the records of the company, undisputed statutory dues, viz. Tax deducted at source (Income-tax), has generally been regularly deposited with the appropriate authorities in all cases during the year. There are no outstanding statutory dues as on 31st of March, 2017 for a period of more than six months from the date they became payable.



- b. As per the information and explanations given to us, there are no disputed tax amounts to be paid.
- viii. In our opinion and according to the information and explanations given by the management, Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- ix. According to the information and explanations given to us, we report that no fraud by the company or on the Company by its officers or employees has been noticed or reported during the year.
- x. The company has not paid any remuneration to its directors during this year.
- xi. The company is not a Nidhi Company.
- xii. The company has complied with sections 177 and 188 of Companies Act, 2013 in relation to transactions with related parties and the details of the same have been disclosed in the Financial Statements as required by the Accounting Standards (AS)18.
- xiii. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xiv. According to the information and explanations given to us and based on our audit procedures, the company has not entered into non-cash transactions with directors or persons connected with him.
- xv. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as it is exempt from registration by the virtue of notification No.DNBS.PD.221/CGM(us) 2011 dated 5,January 2011 issued by the Reserve Bank of India.

Place:- Chennai
Date:- 26.05.2017



For **P.S.SUBRAMANIA IYER & CO**
Chartered Accountants
FRN: 004104S

V Swaminathan

SWAMINATHAN VENKATARAMAN
(PARTNER)
Membership No. 022276



Annexure 'B'

Report on Internal Financial Controls Over Financial Reporting

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ICL SECURITIES LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

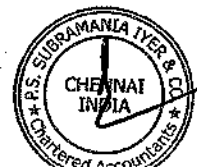
Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place:- Chennai
Date:- 26.05.2017



For P.S.SUBRAMANIA IYER & CO
Chartered Accountants
FRN: 004104S

V. Swaminathan

SWAMINATHAN VENKATARAMAN
(PARTNER)
Membership No. 022276

ICL Financial Services Limited
Balance Sheet as at 31st March 2017

(Rs.'000)

Particulars		Note No.	2017	2016
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a)	Share capital	2	59,620	59,620
(b)	Reserves and surplus	3	(220911)	(230670)
2 Share application money pending allotment				
3 Non-current liabilities				
(a)	Long-term borrowings	4	5218999	5207894
(b)	Deferred tax liabilities (Net)		-	-
(c)	Other Long term liabilities		-	-
(d)	Long-term provisions		-	-
4 Current liabilities				
(a)	Short-term borrowings	5	189969	2,09,939
(b)	Trade payables		-	-
(c)	Other current liabilities	6	244	727
(d)	Short-term provisions		20	31
TOTAL			5247941	5247541
II. ASSETS				
Non-current assets				
1 (a) Fixed assets				
(i)	Tangible assets		-	-
(ii)	Intangible assets		-	-
(iii)	Capital work-in-progress		-	-
(iv)	Intangible assets under development		-	-
(b)	Non-current investments	7	5170310	5170310
(c)	Deferred tax assets (net)		-	-
(d)	Long-term loans and advances	8	76941	76941
(e)	Other non-current assets		-	-
2 Current assets				
(a)	Current investments		-	-
(b)	Inventories		-	-
(c)	Trade receivables		-	-
(d)	Cash and cash equivalents	9	504	104
(e)	Short-term loans and advances		-	-
(f)	Other current assets	10	186	186
TOTAL			5247941	5247541

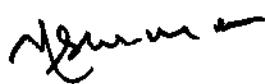
Notes on Accounts
As per our Report of 26th May 2017

1 to 23

For P.S. SUBRAMANIA IYER & CO.,
Chartered Accountants
Firm Regn.No.004104S



V.SWAMINATHAN
Partner
Membership No.022276



N. SRINIVASAN
Chairman



R.SRINIVASAN
Director



V.M. MOHAN
Secretary

Place : Chennai
Date : 26th May 2017

ICL Financial Services Limited
Statement of Profit and loss for the year ended 31st March 2017

(Rs.'000)

Particulars	Note No.	2016-17	2015-16
Revenue from operations		-	-
Other income	11	9980	221
Total Revenue		9980	221
Expenses:			
Finance costs	12	184	68,417
Other expenses	13	36	223
Total expenses		221	68640
Profit/(Loss) before tax		9759	(68419)
Tax expense:			
Current tax		-	-
Short Provision of tax relating to earlier years		-	-
Profit/ (Loss) after tax		9759	(68419)
Earnings per equity share:			
Basic		1.64	(11.48)
Diluted		1.64	(11.48)

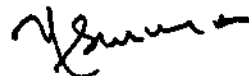
Notes on Accounts
As per our Report of 26th May 2017

1 to 23

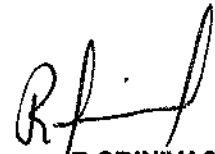
For P.S. SUBRAMANIA IYER & CO.,
Chartered Accountants
Firm Regn.No.004104S



V.SWAMINATHAN
Partner
Membership No.022276



N. SRINIVASAN
Chairman



R.SRINIVASAN
Director



V.M. MOHAN
Secretary

Place : Chennai
Date : 26th May 2017

ICL Financial Services Limited

Cash Flow Statement for the year ended March 31, 2017

(Rs. ' 000)

	2017	2016
Cash flows from operating activities		
Net profit / (loss) before tax and extraordinary items	9759	(68419)
Dividend income	(9980)	(221)
Provision for Diminishing in Investments	0	0
Operating profit / (loss) before changes in operating assets	(221)	(68640)
Increase / (Decrease) in Current Liabilities	(20464)	204861
(Increase) / Decrease in Current Assets	0	31
Direct taxes	0	0
Net cash from operating activities (A)	(20685)	136252
Cash flows from investing activities		
Dividends received	9980	221
Proceeds from sales of investments	0	0
Additions to Investments	0	(1981)
Reduction / (increase) in long term loans and advances	0	0
Net cash from investing activities (B)	9980	(1760)
Cash flows from financing activities		
Increase / (Repayment) of Long Term Borrowings	11105	(134595)
Net cash from financing activities (C)	11105	(134595)
Net increase in cash and cash equivalents (A+B+C)	400	(103)
Cash and cash equivalents at beginning of the year	104	207
Cash and cash equivalents at end of period	504	104

As per our Report of 26th May 2017

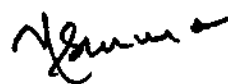
For P.S. SUBRAMANIA IYER & CO.,
Chartered Accountants
Firm Regn.No004104S



V.SWAMINATHAN

Partner

Membership No.022276



N. SRINIVASAN
Chairman



R.SRINIVASAN
Director



V.M. MOHAN
Secretary

Place : Chennai
Date : 26th May 2017

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017:**Note 1. Significant Accounting Policies**

- a) Accrual system of accounting is followed.
- b) Long term investments are carried at cost. Provision for diminution, wherever necessary in the value is made to recognize a decline, other than of a temporary nature.
- c) Borrowing costs on outlays for acquiring shares of other companies as a long term measure for gaining and maintaining control are capitalized to the cost of such investments.

Note 2. Share Capital**Share Capital**

Share Capital	As at 31st March 2017		As at 31st March 2016	
	Number of Shares	Rs. '000	Number of Shares	Rs. '000
Authorised				
Equity Shares of Rs.10/- each	25000000	250000	25000000	250000
Issued				
Equity Shares of Rs.10/- each	5971000	59710	5971000	59710
Subscribed & Paid up				
Equity Shares of Rs.10/- each fully paid	5962000	59620	5962000	59620
Total	5962000	59620	5962000	59620

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares	
	Number of Shares	Rs. '000
Shares outstanding at the beginning of the year	5962000	59620
Shares Issued during the year	0	0
Shares bought back during the year	0	0
Shares outstanding at the end of the year	5962000	59620

Details of Shares held by Holding Company

Name of Shareholder	As at 31st March 2017		As at 31st March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
The India Cements Limited	5962000	100	5962000	100
Total	5962000	100	5962000	100

List of share holders holding more than 5% of the equity share capital (Par value per share is Rs.10/-)

Name of Shareholder	As at 31st March 2017		As at 31st March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
The India Cements Limited	5962000	100	5962000	100
Total	5962000	100	5962000	100

Terms / Rights / restrictions attached to shares

The Company has only one class of Equity share. Each share has paid up value of Rs.10/-. Every shareholder is entitled to one vote per share.

Note 3 .Reserves and Surplus

Particulars	2017	2016
	Rs.'000	Rs.'000
Surplus		
Opening balance	(230670)	(162251)
(+) Net Profit/(Net Loss) For the current year	9759	(68419)
Closing Balance	(220911)	(230670)
Total	(220911)	(230670)

Non Current Liabilities (Note No.4)**Note 4.Long-term borrowings**

Particulars	2017	2016
	Rs.'000	Rs.'000
Unsecured		
Zero% 4,85,55,000 Unsecured Non-Convertible Redeemable Debentures @ Rs.100/- each (Terms of Debentures- Refer Note.No.19)	4855500	4855500
Loans and advances from holding company (Repayable with in seven years)	363499	352394
Total	5218999	5207894

Current Liabilities (Note.No.5 & 6)**Note 5.Short-term borrowings**

Particulars	2017	2016
	Rs.'000	Rs.'000
Unsecured		
Bank overdraft	189969	209939
Total	189969	209939

Note. 6 Other Current Liabilities

Particulars	2017	2016
	Rs.'000	Rs.'000
Statutory Liabilities		
TDS Payable	0	483
Other Current Liabilities		
Interest accrued but not due	0	0
Accounts Payable - Related Parties	123	123
Accounts Payable - Others	121	121
Total	244	727

Note 7. Non-current investments

Particulars	2017	2016
	Rs.'000	Rs.'000
Other Investments (Refer below)		
Investment in Equity instruments	1471948	1471948
Investment in Debentures	3736180	3736180
Total	5208128	5208128
Less : Provision for diminution in the value of Investments	37818	37818
Total	5170310	5170310

Particulars	2017	2016
	Rs.'000	Rs.'000
Aggregate amount of quoted investments (Market value 1817642 (Previous Year 953054)) (In Rs.'000)	1256431	1256431
Aggregate amount of unquoted investments	3951697	3951697

Details of Other Investments					
Name of the Body Corporate	No. of Shares / Debentures		Face Value per Share / Debenture (Rs.)	Cost Rs.'000	
	2017	2016		2017	2016
(1)	(2)	(3)	(4)	(5)	(6)
a) Investment in Equity Instruments					
Quoted Fully Paid Equity Shares at Cost					
India Cements Capital Ltd.	5200000	5200000	10	165310	165310
The India Cements Ltd. (Refer Note No.17)	9980000	9980000	10	1027607	1027607
Trinetra Cement Limited *	2739874	2739874	10	63514	63514
Total (I)				1256431	1256431
Unquoted Fully Paid Equity Shares at Cost					
Coromandel Sugars Limited	3500000	3500000	10	67508	67508
ICL Shipping Ltd	5000	5000	10	50	50
Raasi Cement Ltd	84792	84792	10	37818	37818
Trishul Concrete Products Limited *	1933000	1933000	10	59200	59200
Coromandel Electric Company Limited	211000	211000	10	2110	2110
Unique Receivable Management Private Ltd.	12300	12300	10	123	123
Coromandel Travels Limited	395000	395000	10	3950	3950
PT. Coromandel Minerals Resources (60 Ordinary shares of USD 100 Each)	60	60	4327	260	260
Coromandel Packaging Pvt Ltd (Formerly Pulivendula Polymers Pvt Ltd)	230000	230000	10	2300	2300
Senka Carbon Private Limited	6450	6450	100	3938	3938
Sun Paper Mill Ltd (listed but not quoted)	325200	325200	10	3252	3252
TCP Limited (listed but not quoted)	459480	459480	10	35009	35009
Total (II)				215517	215517
Total (I) + (II)				1471948	1471948
Less : Provision for diminution in value of investments				37818	37818
Grand Total				1434130	1434130
b) Investment in Debentures					
0% Unsecured Convertible Debentures of Trishul Concrete Products Limited	37344370	37344370	100	3736180	3736180
Total				3736180	3736180
Aggregate of Quoted investments					
Cost :				1256431	1256431
Market Value :				1817642	953054
Non Current Investments Total				5170310	5170310

*Trinetra Cement Limited and Trishul Concrete Products Limited amalgamated with The India Cements Limited in accordance with The Honorable National Company Law Tribunal, Division Bench Chennai, Vide its order dated April 13, 2017 and April 20, 2017 subject to the directions given by the Honorable High Court of Madras on 31st January 2017 in CA No.617 to 621 of 2016 in CP.No.171 of 2015

Note 8. Long term loans & advances

Particulars	2017	2016
	Rs. '000	Rs. '000
Unsecured, considered good		
a. Loans and advances to related parties	71150	71150
b. Others	5791	5791
Total	76941	76941

Current Assets (Note No.9 & 10)**Note 9. Cash and cash equivalents**

Particulars	2017	2016
	Rs. '000	Rs. '000
Balances with banks	495	95
Cash on hand	9	9
Total	504	104

Note 10. Other current assets

Particulars	2017	2016
	Rs. '000	Rs. '000
TDS Receivable	186	186
Amount Recoverable	0	0
Total	186	186

Note 11. Other Income

Particulars	2016-17	2015-16
	Rs. '000	Rs. '000
Dividend Income	9980	221
Total	9980	221

Note 12. Finance Cost

Particulars	2016-17	2015-16
	Rs. '000	Rs. '000
Interest Expenses	0	2497
Interest on term loan	184	65920
Total	184	68417

Note 13. Other Expenses

Particulars	2016-17	2015-16
	Rs. '000	Rs. '000
Audit Fees	12	12
Interest on TDS	0	181
Miscellaneous Expenses	24	30
Total	36	223

14. The Company acting in concert with other associate and holding companies has acquired shares of other companies as a long term measure to gain and maintain controlling interest in the said companies.
15. The investments held by the company in the shares of Trinetra Cement Limited to the extent of 22,95,600 shares are given as security for the dues owed by Trinetra Cement Limited to lenders.
16. Provision for diminution in value of investments, net of borrowing costs capitalised to the cost of such investments, acquired as a long term measure for gaining and maintaining control, are not reckoned in view of the intrinsic value of such investments.
17. The company had an investment of 4,99,00,000 equity shares of Rs.10/- each in Visaka Cement Industry Limited (VCIL). VCIL was amalgamated with The India Cements Limited (ICL) with effect from 01.07.2006 in accordance with the scheme of amalgamation approved by the order of the Honorable High Court of Judicature at Madras dated 25.07.2007.

As per the scheme of amalgamation 99,80,000 equity shares of Rs.10 each of ICL have been allotted in the ratio of 1:5. Being a wholly owned subsidiary of ICL, the shares allotted consequent to the said scheme of amalgamation are held in the name of a Trust for the benefit of the company as beneficial owner. Hence the shares held by the Trust in ICL is disclosed as Investments at a carrying cost of Rs.102,76,07,144 as they constitute strategic Long term investments.

18. The company has unabsorbed losses available for set off under the Income Tax Act, 1961. However, in view of the present uncertainty regarding generation of sufficient future taxable income, deferred tax assets at the year end including related credit for the year have not been recognized in these accounts on prudent basis.
19. The company has issued Zero% 4,85,55,000 Unsecured Non-Convertible Redeemable Debentures of Rs.100/- Each to The India Cements Ltd. The Debentures were issued at par for tenure of 10 years, with a premium of Rs.100/- per Debenture on Redemption.

20. Related party disclosure:

A. Name of the related parties and the nature of the relationship :

- (i) Holding Company:
The India Cements Ltd
- (ii) Subsidiary Companies:
Trishul Concrete Products Limited
Trinetra Cement Limited
- (iii) Fellow Subsidiary Companies:
ICL Securities Limited
Industrial Chemicals and Monomers Limited
ICL International Limited
PT. Coromandel Minerals Resources, Indonesia
Coromandel Minerals Pte Ltd., Singapore
Coromandel Electric Company Limited
India Cements Infrastructures Ltd
Coromandel Travels Limited
- (iv) Associate Companies:
Raasi Cement Limited

Coromandel Sugars Limited
 India Cements Capital Limited
 Unique Receivable Management Private Limited

(v) Directors:

Sri N Srinivasan, Chairman
 Sri L Sabaretnam
 Sri R Srinivasan
 Sri V Manickam

(vi) Key Managerial Personnel:

Sri R.Srinivasan, Manager
 Sri V.M.Mohan, Company Secretary

B. Transactions with related parties:

Outstanding balance as on 31.03.17 classified under:

Description	Holding Company (Rs. '000)	Subsidiary Company (Rs. '000)	Fellow Subsidiary Company (Rs. '000)	Associate Company (Rs. '000)
Loans Taken	363499	-	-	-
Debentures Issued	4855500	-	-	-
Advances Given	-	-	-	71150
Investments in Equity Instruments	1027607	122714	6320	270759
Investments in Debentures	-	3736180	-	-
Accounts Payable	-	-	-	123
Dividend Received	9980	-	-	-

21. The details of Specified Bank Notes (SBN) held and transacted during the period 08.11.16 to 30.12.16

	SBNs (Rs. '000)	Other denomination noted (Rs. '000)	Total (Rs. '000)
Closing cash in hand as on 08.11.2016	-	9	9
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	9	9


22. Auditors Remuneration


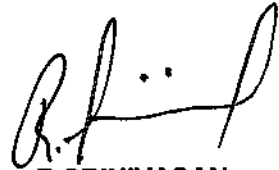
Particulars	2016-17 (Rs. '000)	2015-16 (Rs. '000)
Statutory Audit fees	6	6
Tax audit / Other services	6	6

23. Previous year's figures have been regrouped wherever necessary.


As per our Report of 26th May 2017

For P.S. SUBRAMANIA IYER & CO
Chartered Accountants
Firm Regn.No.004104S


V.SWAMINATHAN
Partner
Membership No.: 022276

 
N. SRINIVASAN R.SRINIVASAN
Chairman Director

Place: Chennai
Date: 26th May 2017


V.M. MOHAN
Secretary