



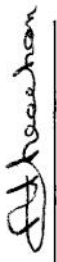


FORM A

[Pursuant to Clause 31(a) of Listing Agreement]

Sl.No.	Particulars	Details
1	Name of the Company	Sika Interplant Systems Limited
2	Annual Financial Statements for the year ended	31 st March 2015
3	Type of Audit observation	Un qualified
4	Frequency of observation	Not Applicable
5	To be signed by:	
	Chairman & Managing Director	<p>for: Sika Interplant Systems Ltd.</p>  <p>Rajeev Sikka DIN:00902887</p>
	Whole Time Director & CFO	<p>For Sika Interplant Systems Ltd.</p>  <p>Kunal Sikka DIN:05240807</p>
	Auditor of the Company	<p>As per our Annual Report dated:29th May 2015. For M/s.Shekar & Yathish Chartered Accountants, FRN 008964S</p>  <p>Kasuma Yathish Partner Membership No.209637</p> 
	Audit Committee Chairman	 <p>R.N.Chawhan DIN:00568833</p>



**29th Annual Report
for year ended 31st March 2015**

SIKA INTERPLANT SYSTEMS LTD

BOARD OF DIRECTORS(As on 29th May 2015)

Dr C G Krishnadas Nair

Mr R N Chawhan

Mr S Santhanam

Mrs Krishna Sikka (from 30th March 2015)

Mr Rajeev Sikka, Chairman & Managing Director

Mr Kunal Sikka, Whole Time Director & CFO

COMPANY SECRETARY

Mrs Sriee Aneetha M

AUDITORS

Shekar & Yatish

Chartered Accounts

BANKERS

Canara Bank

REGISTERED OFFICE

3 Gangadharchetty Road,

Bangalore 560 042

Tel: 080 49299144

E-mail: corpaffairs@sikaglobal.com

Website: www.sikaglobal.com

REGISTRAR & SHARE TRANSFER AGENT

Integrated Enterprises [India] Limited

No.30, Ramana Residency,

4th Cross, Sampige Road,

Malleswaram,

Bangalore 560 003

Tel: 080 23460815

E-mail: giri@integratedindia.in

Website: www.integratedindia.in

CORPORATE IDENTITY NUMBER

L29190KA1985PLC007363

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NOTICE

Notice is hereby given that the Twenty Ninth ANNUAL GENERAL MEETING of Sika Interplant Systems Limited ("the Company") will be held on Friday, 25th September, 2015 at 10.00a.m. at Hotel Ajantha, 22 M.G.Road, Bangalore 560 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March 2015 together with the Reports of the Directors and the Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended 31st March 2015.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to provision of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. B.N.Subramanya & Co, Chartered Accountants (ICAI Firm Registration No. 0041425) be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Shekar & Yathish, Chartered Accountants (ICAI Firm Registration No. 008964S), and they shall hold the office of the Statutory Auditors of the Company for a period of three years from the conclusion of this Annual General Meeting (AGM) to the conclusion of the third successive AGM to be held in the year 2018, subject to ratification in every AGM till the year 2017, to examine and audit the accounts of the Company for the financial years 2015-16 to 2017-2018, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors.

4. To consider and, if thought fit, to pass, with or without modifications, the following as an Ordinary Resolution:

"RESOLVED THAT Mrs. Krishna Sikka (DIN: 01226312), who was appointed as an Additional Director of the Company with effect from 30th March 2015 by the Board of Directors and who holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 (the Act) but who is eligible for appointment and who offers herself for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed a Director of the Company, who will not be liable to retire by rotation."

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in respect of the special business as set out above and the relevant

details of the Director seeking re-appointment/ appointment above as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are annexed here to.

2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy is not entitled to vote except on a poll. A Proxy form is enclosed herewith. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable.
3. Members/proxies should bring the attendance slips duly filled in and signed for attending the meeting.
4. Corporate members intending to send their authorised representatives to attend the AGM are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. The Register of Members and the Transfer Books of the Company will remain closed from 21st September 2015 to 25th September 2015, both days inclusive.
7. Members are requested to notify immediately any change in their addresses and/or the Bank Mandate details to the Company's Registrars and Share Transfer Agents, Integrated Enterprises [India] Ltd (IEIL) for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.
8. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made to those Members whose names appear on the Register of Members of the Company as on 20th September 2015.
9. Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividend, as applicable, remaining unclaimed/unpaid for a period of seven years

from the date they became due for payment, in relation to the Company have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2015.

10. Members holding shares in physical form and who have not registered their e-mail IDs are requested to register the same with IEIL.
11. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
12. To support the "Green Initiative", Members who have not registered their e-mail addresses are requested to register the same with IEIL/Depositories. Further to the "Green Initiative", copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to kindly bring their copies to the meeting.
13. E-voting:-
 - a. In compliance with the provisions of Section 108 of the Act and read with the Companies (Management and Administration) Rules, 2014 as amended, and Clause 35B of the Listing agreement, the Company is pleased to provide the e-voting (the "Remote e voting") to, the Members holding shares in physical or dematerialized form, as on the cut-off date of 20th September 2015 to exercise their right to vote by electronic means on any or all of the businesses specified in the Notice.
 - b. The Company is also offering the facility for voting by way of physical ballot at the AGM. Members attending the meeting who have not already cast their vote by remote e-voting are eligible to exercise their right to vote at the meeting. Members who have cast their vote by remote e-voting prior to the AGM are also eligible to attend the meeting but shall not be entitled to cast their vote again. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date.
 - c. In case Members cast their votes through more than one mode, voting done by e-voting shall prevail and votes cast through physical ballot form shall be treated as invalid.
 - d. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

- e. Ms. Gauri Balankhe, Practicing Company Secretary (Membership No. FCS No:7786), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- f. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the Agency to provide e-voting facility.
- g. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the DPs as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- h. The Scrutinizer, after scrutinizing the votes cast at the meeting, through remote e-voting and ballot, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman or a person authorized by him in writing. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company at www.sikaglobal.com. The results shall simultaneously be communicated to the Stock Exchange.
- i. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 25, 2015.

The instructions for shareholders voting electronically are as under:

- j. The remote e-voting period commences on 22nd September 2015 at 9:00 a.m. (IST) and ends on 24th September 2015 at 5:00 p.m. (IST). The remote e-voting module shall be disabled by CDSL for voting thereafter.
- k. The instructions for e-voting are as under:
 - (i) The Member should log on to the e-voting website : www.evotingindia.com.
 - (ii) Click on "Shareholders".
 - (iii) Now Enter your User ID
 - a. For CDSL: 16-digit beneficiary ID
 - b. For NSDL: 8-character DP ID followed by 8-digit Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (iv) Next enter the Image Verification as displayed and click on "Login".
 - (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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

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

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for 'SIKA INTERPLANT SYSTEMS LIMITED'.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board

Bangalore,
8th August, 2015

Sree Aneetha M
Company Secretary

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

Pursuant to Section 102 of the Companies Act, 2013, (the "Act") the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 and 4 of the accompanying Notice.

Item No.3

Shekar & Yathish, Chartered Accountants, Bangalore (ICAI Firm Registration No.008964S) have resigned from the office of Statutory Auditors of the Company due to other engagements, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Act. Any casual vacancy caused by resignation in the office of Statutory Auditors can only be filled up by the Company in General Meeting, considering the recommendations made by the Audit Committee and Board of Directors in this regard. The Audit Committee and Board of Directors in their respective meetings held on 8th August 2015 have recommended appointing B.N.Subramanya & Co, Chartered Accountants, Bangalore (ICAI Firm Registration No. 0041425), as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of Shekar & Yathish, Chartered Accountants. B.N.Subramanya & Co, Chartered Accountants, if appointed in this Annual General Meeting (the "AGM") will be holding office of Statutory Auditors for a period of three years, subject to ratification by Members at every AGM.

B.N.Subramanya & Co, Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with confirmation that, their appointment, if approved by the Members, would be within the limits prescribed under the Act.

The Board recommends the Resolution at Item No.3 for approval by the Members.

None of the Directors or Key Managerial Personnel ("KMP") or their respective relatives are concerned or interested in the Resolution at Item No.3 of the Notice.

Item No. 4

Pursuant to Clause 49 (II)(A)(1) of the Listing Agreement and the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mrs. Krishna Sikka (DIN: 01226312) was appointed as an Additional Director of the Company by the Board of Directors on 30th March 2015. As such, Mrs. Sikka holds office as Director up to the date of the forthcoming AGM. The Company has received from Mrs. Sikka (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimation under section 164(2) in Form DIR-8 in terms of that she is not disqualified, (iii) disclosure of interest in any other company in Form MBP-1, and (iv) a declaration to the effect that she meets the criteria of Directorship. In the opinion of the Board of Directors, Mrs. Sikka, the Director proposed to be appointed, fulfils the conditions specified in the Act.

Brief profile of Mrs. Krishna Sikka is as under:

DIN	01226312
PAN	AJAPS4317D
Date of Birth	12-08-1928
Date of Appointment	30-03-2015
Qualifications	Matriculation
Expertise in specific functional areas	Management & Administration for over 40 years
Directorships held in other companies (excluding foreign companies and Sec.8 companies)	i. Sikka N Sikka Engineers Private Ltd.(Managing Director) ii. Ultraweld Engineers Private Ltd. (Chairperson & Managing Director)
Memberships/Chairmanships of committees of other companies	- Nil -
Number of shares held in the Company	52

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

The Board recommends the Resolution at Item No.4 for approval by the Members.

Except Mrs. Krishna Sikka, Mr. Rajeev Sikka and Mr.Kunal Sikka, none of the other Directors or KMP or their respective relatives are concerned or interested in the Resolution proposed at Item No.4 of the Notice.

By Order of the Board

Bangalore,
8th August, 2015

Sreee Aneetha M
Company Secretary

DIRECTORS' REPORT

To the Members,

The Directors are pleased to present the Twenty-Ninth Annual Report of the Company and the Audited Statement of Accounts for the year ended 31st March 2015.

FINANCIAL HIGHLIGHTS

(₹ in lakhs)

	Standalone		Consolidated	
	FY 2015	FY 2014	FY 2015	FY 2014
Total Income	3,061.16	2,203.26	3,104.26	2,251.27
Profit (Loss) before Tax and Depreciation	286.04	239.41	287.92	240.44
Provision for Taxes	77.79	67.39	75.16	70.12
Depreciation	51.14	33.87	51.53	35.31
Profit (Loss) for the Year After Tax and Depreciation	157.11	138.14	161.23	135.01
Earnings per Share (in ₹)	3.71	3.26	3.80	3.18

OPERATIONAL REVIEW

During the year under review, your Company achieved Total Income of ₹ 3,061.16 Lakhs on a standalone basis as compared to ₹ 2,203.26 Lakhs during the previous Financial Year. After considering Interest, Depreciation, Foreign Exchange (Loss) / Gain and Tax, the Company has Net Profit of ₹ 157.11 Lakhs for the current year as against Net Profit of ₹ 138.14 Lakhs in the previous year.

As can be seen, both your Company's turnover and net profit increased as compared to the previous year, despite a persisting weakness in the domestic macroeconomic environment during the last Financial Year. The continuation of your Company on a strong growth path was driven by the positive returns from a customer focused business development approach combined with the on-time execution of major orders.

Like in previous years, the last Financial Year also saw balancing investments being made in building infrastructure, design software, information systems, and design and development activities for the future benefit of your Company.

RECOGNITION

As your Company continues to be involved in advanced research and development (R&D), your Directors are pleased to report that the Company has recently obtained approval as a recognised R&D Centre from the Department (DSIR) of Scientific and Industrial Research, Department of Science & Technology, Government of India.

DIVIDEND

The Directors of your Company recommend a dividend of 8% (₹ 0.80 per share) subject to the approval of the Members.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

TRANSFER TO GENERAL RESERVE

No amount is proposed to be transferred to the general reserve.

RISK MANAGEMENT

The Company has a robust Risk Management frame work commensurate with the size and scale of its operations to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal controls and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

SUBSIDIARY COMPANIES

As on the date of this report, the company has the following subsidiary companies:

1. Sikka N Sikka Engineers Private Limited
2. EMSAC Engineering Private Limited
3. Sika Tourism Private Limited

The annual accounts of these subsidiary companies were consolidated with the accounts of the Company for 2014-15. The Annual Accounts of the subsidiary companies and other relevant information shall be made available for inspection at the Company's Registered Office.

A statement containing the salient feature of the financial statements of Company's aforesaid subsidiaries is annexed in the prescribed Form AOC-1 to this report.

Sterling Technologie Pte Ltd ceased to be a subsidiary of the Company during the period under review.

FIXED DEPOSITS

Your Company has not accepted any deposits from the public, and as such no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate are appended to this report.

DIRECTORS

During the year, Dr. J.M. Deb Nath, (DIN: 00902929) Director, tendered his resignation due to personal commitment, which was accepted in the Board Meeting held on 30th March 2015. The Board places on record its appreciation of the valuable contributions and guidance provided by Dr. J.M. Deb Nath.

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement, during the year, Mrs. Krishna Sikka was appointed as Additional Director on 30th March 2015, and she holds office only up to the date of forthcoming AGM of the Company. Her experience of over 40 years in management and administration will be of immense value to the Company. The Resolution seeking approval of the Members for her appointment have been incorporated in the Notice along with brief details.

At the 28th Annual General Meeting of the company held on 25th September 2014, the company appointed Dr.C.G.Krishnadas Nair, Mr.R.N.Chawan and Mr.S.Santhanam as Independent Directors and they have all given declaration that, they meet the criteria of independence as laid down under section 149(6) of the Act and Clause 49 of the Listing Agreement.

BOARD EVALUATION

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the individual directors as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration, which is stated in the Corporate Governance Report.

MEETINGS

During the year five Board Meetings were convened and held, the details of which are given more specifically in the Corporate Governance Report.

COMMITTEES OF THE BOARD

The details of all the Committees of the Board including the Audit Committee are provided in the Report on Corporate Governance which forms part of this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Directors' Responsibility Statement is given hereunder:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures if any;
- ii. The Directors have, in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. The Directors have taken proper and sufficient care, for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis;
- v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

KEY MANAGERIAL PERSONNEL

The Company has complied with the requirement of having Key Managerial Personnel ("KMP") as per the provisions of Section 203 of the Act.

AUDITORS

a) Statutory Auditors

Shekar & Yathish, Chartered Accountants, Bangalore (ICAI Firm Registration No. 008964S) have resigned from the office of Statutory Auditors of the Company due to other engagements, resulting into a casual vacancy in the office of Statutory Auditors. Subsequently, the Audit Committee and Board in their respective meetings held on 8th August 2015 have recommended appointing B. N. Subramanya & Co, Chartered Accountants, Bangalore (ICAI Firm Registration No. 0041425), as Statutory Auditors of the Company to fill the casual vacancy. The Resolution seeking approval of the Members for their appointment has been incorporated in the Notice along with brief details.

The Auditors' report on the Financial Statements of the Company for the financial year 2014-15 does not contain any qualifications, reservations or adverse remarks.

b) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. N K Hebbar & Associates, Company Secretaries in practice, to undertake the Secretarial Audit of the Company. The report on the Secretarial Audit is annexed herewith.

The Secretarial Audit Report confirms that the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc., subject to the observations listed therein, which arose due to there being differing interpretation of the provisions of the new Act during the transition period. Further to the same, the Directors' clarifications on the same are as follows.

Observation (a): As per clarification provided by the Ministry of Corporate Affairs vis-à-vis Section 185 of the Act vide General Circular No. 03/2014 dated 14/02/2014 loans made by a holding company to a subsidiary are permitted "in the ordinary course of business" and such clarification will "be applicable to cases where loans so obtained are exclusively utilized by the subsidiary for its principal business activities," which is this case here and hence these loans were in accordance with the said provisions of the Act.

Observation (b): The complete information as required to be given were included in the Notice, Explanatory Statement, Board's Report or the accompanying Audited Financial Statements and hence the same was in accordance with the said provisions of the Act.

Observation (c): The elaboration provided by Secretarial Auditors in their report is self-explanatory, i.e. "the Board of Directors have appointed the Company Secretary at their meeting held on 30.03.2015," and hence the same is in accordance with the Act.

Observation (d): The required e-forms have subsequently been filed as advised and hence the same is in accordance with the Act

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, KMP or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval, wherever required. Prior omnibus approvals of the Audit Committee are obtained for the transactions of repetitive nature, as applicable. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company. The 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 Act in Form AOC-2 is annexed herewith.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided on request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars mentioned in Rule 5 of the said Rule which is available for inspection by the members business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

CONSERVATION OF ENERGY

The operations of the Company are not energy intensive. However, adequate measures have been taken to conserve and reduce the energy consumption.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Technology absorption and adaptation continues to be at core of the Company's objectives and associated strategy. During the year the Company has developed new designs to meet requirements of customers. The research and development efforts of the Company are customer need based and hence it is a continuous process. Because of its in-house R&D efforts the Company was able to deliver the best solutions to the customers in cost effective manner.

FOREIGN EXCHANGE EARNING AND OUTGO

Foreign Exchange Earnings and Outgo are reported in Notes to Accounts No.32 forming part of the Audited Financial Statements for the year ended 31st March, 2015.

SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by any Regulators or Courts or Tribunals during the year under review impacting the going concern status and company's operations in future.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the support which the Company has received from its promoters, shareholders, customers, lenders, business associates, vendors, and the employees of the Company.

On behalf of the Board of Directors

Rajeev Sikka

Chairman & Managing Director

DIN : 00902887

Bangalore, 8th August 2015

Annexure I

AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part A - Subsidiaries

(₹ in lakhs)

1	Name of the subsidiary	Sikka N Sikka Engineers Private Ltd.	EMSAC Engineering Private Ltd.	Sika Tourism Private Ltd.
2	Share Capital	6.00	5.00	1.00
3	Reserves & Surplus	85.75	16.14	(1.13)
4	Total Assets	93.44	28.34	0.14
5	Total Liabilities	93.44	28.3	0.14
6	Investments	5.85	0	-
7	Turnover	14.76	69.87	-
8	Profit before taxation	5.43	1.85	-
9	Provision for taxation	1.22	0.57	-
10	Profit after taxation	4.21	1.28	-
11	Proposed Dividend	-	-	-
12	% of Shareholding	100	51	99.99

Notes:

- Reporting period and reporting currency of the above subsidiary is the same as that of the Company.
- Part B of the Annexure is not applicable as there are no associate companies/joint ventures of the Company as on 31st March 2015.

Annexure II

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 Act including certain arms-length transactions under third proviso thereto

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

The Company has not entered into any material contracts or arrangement or transactions with its related parties which is not at arm's length and hence not applicable.

2. Details of contracts or arrangements or transactions at arm's length basis:

- Name(s) of the related party and nature of relationship – Sika Tourism Private Ltd. Subsidiary, 99.99% owned and Sterling Technologies Pte Ltd - ceased to be subsidiary during the period under review.
- Nature of contracts/arrangements/transactions – Advances towards payment of statutory expenses and Principal Business activities.
- Duration of the contracts / arrangements/transactions – As the Subsidiary companies are still in the nascent stages of operation, advances are provided until they are able to pay for such expenses on their own.
- Salient terms of the contracts or arrangements or transactions including the value, if any – As above.
- Date(s) of approval by the Board – 30th May 2014
- Amount paid as advances, if any – Rs. 3,17,797/-

On behalf of the Board of Directors

Bangalore, 8th August 2015

Rajeev Sikka
Chairman & Managing Director
DIN : 00902887

FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2015 [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!	:	L29190KA1985PLC007363
! ii) Registration Date!	:	20 th December 1985
! iii) Name of the Company!	:	SIKA INTERPLANT SYSTEMS LIMITED
! iv) Category / Sub-Category of the Company!	:	Public Company & Company limited by shares
v) Address of the Registered office and contact details!	:	No.3, Gangadhar Chetty Road, Bangalore 560042. Ph.No.: 080 49299144
! vi) Whether listed company Yes / No!	:	Yes
! vii) Name, Address and Contact details of Registrar and Transfer Agent!	:	Integrated Enterprises [India] Limited ! No.30, Ramana Residency, 4 th Cross, ! Sampige Road, Malleswaram, Bangalore-3

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 th Product / Services	% to total turnover of the company
1.	Engineering Products – Handling Systems, Hoists & Winches	2915	68.40%
2	Engineering Systems –Servo Products	29112	15.17%
3	Engineering Service	99831418	16.43%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Sikka N Sikka Engineers Ltd	U28900MH1971PTC014993	Subsidiary	100 %	2(87)
2	EMSAC Engineering Private Limited	U35900KA2008PTC044963	Subsidiary	51%	2(87)
3	Sika Tourism Private Limited	U55205KA2011PTC061497	Subsidiary	100 %	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	4394	-	4394	0.10	4394	-	4394	0.10	No change
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	3035021	-	3035021	71.58	3036823	-	3036823	71.62	+0.04
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other..	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	3039415	-	3039415	71.68	3041217	-	3041217	71.72	+0.04
(2) Foreign:	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	3039415		3039415	71.68	3041217		3041217	71.72	+0.04
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
I) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
I) Indian	214079	6000	220079	5.19	125610	6000	131610	3.10	-2.09
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
I) Individual shareholders holding nominal share capital upto Rs. 1 lakh	406971	148062	555033	13.09	531529	133462	664991	15.69	+2.59
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	423851	-	423851	10.00	374854	-	374854	8.84	-1.16
c) Others (specify) clearing Member	1797	-	1797	0.04	27503	-	27503	0.65	+0.61
Sub-total (B)(2):-									
Total Public Shareholding (B) = (B)(1) + (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4086113	154062	4240175	100.00	4100713	139462	4240175	100.00	

(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 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	Rajeev Sikka	3933	0.09	-	3933	0.09	-	-
2	Sonal Toshniwal	409	0.01	-	409	0.01	-	-
3	Gourmet Estates Pvt Ltd	64508	1.52	-	64508	1.52	-	-
4	Ultraweld Engineers Pvt Ltd	2970513	70.06	-	2972315	70.10	-	0.04
5	Krishna Sikka	52	0.001	-	52	0.001	-	-
	Total	3039415	71.68	-	3041217	71.72	-	0.04

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% total share of the company	No. of Shares	% total share of the company
	Ultraweld Engineers Pvt Ltd				
	At the beginning of the year	2970513	70.06	2970513	70.06
	Bought during the year	1802	0.04	2972315	70.10
	Sold during the year	-	-	-	-
	At the End of the year	2972315	70.10	2972315	70.10

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% total share of the company	No. of Shares	% total share of the company
1	Sharad Kanayalal shah				
	At the beginning of the year	69795	1.65%	69795	1.65%
	Bought during the year	-	-	69795	1.65%
	Sold during the year	-	-	69795	1.65%
	At the end of the year	69795	1.65%	69795	1.65%
2	Shashank S Khade				
	At the beginning of the year	59075	1.39%	59075	1.39%
	Bought during the year	3077	0.07%	62152	1.46%
	Sold during the year	-	-	62152	1.46%
	At the end of the year	62152	1.46%	62152	1.46%
3	Sindu Trade Links Ltd				
	At the beginning of the year	-	-	-	-
	Bought during the year	43677	1.03%	43677	1.03%
	Sold during the year	-	-	43677	1.03%
	At the end of the year	43677	1.03%	43677	1.03%
4	Anshul Saigal				
	At the beginning of the year	-	-	-	-
	Bought during the year	42405	1.00%	42405	1.00%
	Sold during the year	-	-	42405	1.00%
	At the end of the year	42405	1.00%	42405	1.00%
5	Shivani T Trivedi				
	At the beginning of the year	-	-	-	-
	Bought during the year	39795	0.94%	39795	0.94%
	Sold during the year	-	-	39795	0.94%
	At the end of the year	39795	0.94%	39795	0.94%
6	Moneyplant Estates Pvt Ltd				
	At the beginning of the year	24314	0.57%	24314	0.57%
	Bought during the year	-	-	24314	0.57%
	Sold during the year	-	-	24314	0.57%
	At the end of the year	24314	0.57%	24314	0.57%
7	Dr.Ramesh Chimamlal shah				
	At the beginning of the year	-	-	-	-
	Bought during the year	22998	0.54%	22998	0.54%
	Sold during the year	-	-	22998	0.54%
	At the end of the year	22998	0.54%	22998	0.54%

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% total share of the company	No. of Shares	% total share of the company
8	Laxmichand Kunverji Kenia				
	At the beginning of the year	21388	0.50%	21388	0.50%
	Bought during the year	-	-	21388	0.50%
	Sold during the year	1200	0.03%	20188	0.47%
	At the end of the year	20188	0.47%	20188	0.47%
9	Bharat Kunverji Kenia				
	At the beginning of the year	16076	0.38%	16076	0.38%
	Bought during the year	-	-	16076	0.38%
	Sold during the year	660	0.01%	15416	0.37%
	At the end of the year	15416	0.37%	15416	0.37%
10	Sanjay B Shah				
	At the beginning of the year	15000	0.35%	15000	0.35%
	Bought during the year	-	-	15000	0.35%
	Sold during the year	3000	0.07%	12000	0.28%
	At the end of the year	12000	0.28%	12000	0.28%

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% total share of the company	No. of Shares	% total share of the company
	Rajeev Sikka				
	At the beginning of the year	3933	0.09	3933	0.09
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the End of the year	3933	0.09	3933	0.09

V. INDEBTEDNES

The Company had no indebtedness with respect to secured Loans or Deposits during the financial year 2014-15

(vi) Remuneration of Directors and Key Managerial Personnel:

A. Remuneration of Managing Director, Whole-time Director and/or Manager

Sl. No.		Name of MD/WTD/Manager		Amount
		Rajeev Sikka	Kunal Sikka	
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	18,01,056-00	8,75,748-00	26,76,804-00
	b) Value of Perquisites u/s.17(2) of Income Tax Act, 1961	93,369-00	42,711-00	1,35,780-00
	c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
5	Others	-	-	-
	Total	18,95,425-00	9,18,459-00	28,12,584-00
	Ceiling as per the Act	Overall Maximum Managerial Remuneration payable per person by companies earning no Profit or Inadequate Profit is Rs.30,00,000/-		

B. Remuneration to other Directors

Sl. No.		Name of Director			Amount
		Dr. Krishnadas Nair	R.N. Chawhan	S. Santhanam	
1	Sitting Fees for attending the Board/Committee meetings	20,000	15,000	20,000	55,000
2	Commission	-	-	-	-
	Total	20,000	15,000	20,000	55,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March 2015.

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

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

To,
 The Members,
 Sika Interplant Systems Limited, Bengaluru

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sika Interplant Systems 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.

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 and based on the representations received from the management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2015 (the audit period) 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" during the audit period 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 there under;
- 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 Overseas Direct Investment. There was no Foreign Direct Investment and External Commercial Borrowing.
- 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, 1992;

- c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- vi. The management has represented that there are no laws applicable specifically to the company, other than general laws.

I have also examined compliance with the applicable clauses of the 'Listing Agreement' entered into by the Company with BSE Ltd.

I have not examined compliance by the Company with the Secretarial Standards issued by the Institute of Company Secretaries of India as they had not been notified by the Central Government up to March 31, 2015.

During the year under review (audit period), the company has generally complied with provisions of the Act, rules, regulations and guidelines, etc mentioned above subject to following observations:

- a. The company has, in few occasions, advanced loans to its subsidiary companies which is not in accordance with the provisions of Section 185 of the Act. The management has represented that the loans were made to Company's subsidiaries for their principal business activities.
- b. Complete information as required to be given under the provisions of Section 196 & 197 read with Schedule V of the Act and Clause 49 of the Listing Agreement were not provided in the Board's report/notice calling the Annual General Meeting.
- c. The company did not have the Company Secretary (whole-time Key Managerial Person) during the audit period, as required under Section 203(1) of the Act. However, the Board of Directors have appointed the Company Secretary at their meeting held on 30.03.2015.
- d. During the audit period, in few occasions, the company was required to file the e-forms 'MGT-14' registering the Board resolutions with the Registrar of Companies, Karnataka as per the provisions of Section 117 read with Section 179(3) of the Act and Clause 8 of the Companies (Meeting of Board and Its Powers) Rules, 2014. The company has been advised to file the same.

I/we further report that, there were no action/events in pursuance of

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; requiring compliance thereof by the Company during the audit period.

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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of meetings duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that, based on the information provided by the Company, its officers and authorised representatives during the conduct of audit, in my opinion, 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 report further that, during the audit period there were no other specific events/actions in pursuance of the above referred laws, rules, regulations and guidelines, etc. having a major bearing on the company's affairs.

The compliance by the Company of applicable financial laws, like direct and Indirect tax laws have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

For N K Hebbar & Associates,
Company Secretaries

Nityanand Hebbar
Proprietor
ACS No. 26717
C P No. 9618

Place : Bangalore
Date: 08/08/2015

MANAGEMENT DISCUSSION AND ANALYSIS

THE ECONOMY

The global macro-economic landscape in the past year has remained characterised by uneven growth. There are, however, a few bright spots as the US Economy is poised to register a healthy GDP growth; the UK is also well on its way to recovery. In comparison, Eurozone, Japan, China and other emerging markets are facing hardships and seeking new ways to revive growth.

It has been a year since the Narendra Modi-led NDA government came into power, and while the euphoria may have faded, the country has made progress. India's macroeconomic signals have become stronger and stable. Crucial parameters such as current account deficit, fiscal deficit and levels of inflation have improved. The economy has bottomed out and is inching upwards, thanks to the new government's growth-oriented policies. The recent quarterly GDP readings make India the fastest growing economy globally, which is a reflection of the change which has happened over the past year.

The Government's 'Make in India' campaign is aimed at reviving the manufacturing sector and increasing its percentage of GDP from 15% to 25%. The initiative is also about creating a vibrant ecosystem for world class manufacturing, including by bringing about indigenisation of components/products which hitherto were imported – the Indian aerospace & defence and automotive industries being focus sectors under 'Make in India,' may grow well in the coming years.

COMPANY OVERVIEW

Sika Interplant Systems Limited (Sika) is actively involved in four main areas, namely, engineering (design and development), manufacturing, assembly and testing, projects and systems integration, and maintenance, repair and overhaul (MRO). Additionally, your Company's in-house capabilities in technology development and production are complemented by tie-ups with international partners. The majority of our Company's business is catered to serving the Aerospace & Defence (A&D) and Automotive sectors.

Building on its established expertise in systems integration, documentation and certification, your Company is working on a number of prestigious Indian projects within the A&D sector. Under these typically long lifecycle programs, Sika offers its customers a combination of one or more of design, development, manufacturing, assembly, testing, certification, supply and integration of systems, and implementation of the projects. In addition, the Company has set up facilities to provide MRO for its own products and, with the backing of its customers, with foreign partners to provide MRO services for their A&D products in India.

Your Company is one of the select private enterprises with design approval from the Center for Military Airworthiness and Certification (CEMILAC). Sika has also been granted an Industrial License for Defence production from the Government of India, which enables it to undertake these projects and also qualifies the Company for offset programs. The opportunity from offsets in the coming years is expected to be considerable, with avenues likely to be available both in manufacturing and services.

The Company has a professional and experienced team comprised of a variety of backgrounds to ensure that we focus on ensuring that products delivered are of the highest quality, matched by strong after-sales support. In line with this, during the last Financial Year your Company successfully maintained its AS9100 (Rev C) certification, which is a widely adopted and standardised quality management system for the aerospace industry globally.

In recent years your Company has been focused on building advanced facilities to expand its operational base to keep pace with the fast paced development of the A&D sector in India, and Sika is now well positioned to meet the requirements of both potential international partners and domestic projects. In addition, as your Company continues to be involved in advanced research and development (R&D), your Directors are pleased to report that the Company has recently obtained approval as a recognised R&D Centre from the Council of Scientific and Industrial Research, Department of Science & Technology, Government of India.

Within the automotive sector, your Company continues to undertake projects to supply critical capital equipment to a significant number of the major automobile manufacturers across the country.

INDUSTRY STRUCTURE AND DEVELOPMENT

India's geopolitical scenario and compulsions, real or perceived, are driving a relentless transformation of its A&D industry. The biggest growth driver is India's burgeoning expenditure in India's Defence budgets; the last decade also witnessed India emerge as one of the most attractive A&D markets in the world with a steady increase in the Ministry of Defence's budget for modernization of the armed forces. With the world's third largest armed forces, India's Defence budget is around 2.1% of its GDP.

India continues to be one of the top Defence spending countries in the world and spends about 40% of its total Defence budget on capital acquisitions. With its Defence spending and aviation market growth rate of estimated 18% (CAGR), this would put the country, in very near future, among one of the top five A&D markets in the world. The sector's growth is also fuelling a MRO market that alone is expected to grow 10% annually and reach \$2.6 billion by 2020.

The Indian government will continue to focus on indigenisation, which is receiving a fillip from the 'Make in India' initiative.

OPPORTUNITIES AND THREATS

The country's Defence expenditure has been increasing with big-ticket deals and massive modernization programs, the latter in response to the urgent need to enhance the deterrent and operation capabilities of the armed forces through up gradation/modernization of existing equipment, as well as additional acquisitions of 'state of the art' equipment. The large scale of the market provides a significant opportunity for foreign original equipment manufacturers (OEMs), Indian industries and SMEs.

Around 70% of our Defence requirements are met through imports. The need for a self-reliant Defence sector and a sharp focus on minimising dependence on imports is seeing the continued opening up of the sector for private participation. In 2001, the government opened this sector to private and foreign investors and set a challenging target of achieving 70% indigenisation. This focus on indigenization should gather pace, with the new government having re-emphasised the importance of this endeavour.

The implementation of the DPP, including its series of amendments, seeks greater engagement of domestic enterprises and SMEs in Defence and internal security. The offset clause stipulates that a minimum of 30% of the import purchase value is required to be spent on Indian components, sub-systems and products. The latest DPP revision also provides for increasing the share of local purchases through prioritisation of the "Buy Indian" clause.

It is estimated that during the next decade India will buy close to USD 100 billion worth of fighter aircraft, radars, missiles and warships. Though it is difficult to reach a clear estimate on the value of offsets which will be involved with this huge Defence Imports, never the less the offsets figures could well be above USD 30 billion. The implementation of this value of offsets is both a challenge and an opportunity for the Indian Defence industry.

Most of the threats to the domestic A&D industry are rooted on the policy front. These include slippages on the fiscal front, lengthy procurement and evaluation processes, controversies related to corruption and disputes over short listing in competitive bids. These will serve to delay acquisition plans of the armed forces and impact timing of execution of already long-dated projects.

Additionally, despite the size of the Defence market in India, the government's Defence budget, the 30% offset clause, the Defence Production Policy espousing indigenisation and pronouncements regarding self-reliance all seeming promising for the private Defence industry, the lack of a level playing field for the private sector vis-a-vis the DPSUs and the foreign OEMs - especially continues to be a dampener on the efforts of the private sector to be able to contribute meaningfully to the Indian growth story. There remains an urgent requirement for the government to further harmonise the current disadvantageous system of taxes and duties applicable to supplies from the private sector.

OUTLOOK

The overall outlook for next Financial Year (2015-16) looks positive. As discussed above, we expect that the combination of a continued increase in domestic Defence spending and the opportunity from offsets—aided by the 1.5x multiplier made available for MSMEs—coupled with the balancing investments made in expanding your Company's operating base will provide us with a solid platform for sustained and consistent growth in our business over the coming years.

RISKS AND CONCERNS

Any delays from the Ministry of Defence (MoD), Government of India, in the execution of A&D projects associated with it, shortfalls in planned Defence outlays, adverse changes to government policy, etc. could directly have a direct impact on the activities of the Company and consequently on its revenues. Further, as many of these projects are initiated by the MoD driven by its own policies and priorities, the continued progression of these into long-term programs with a definitive quantum of orders depends largely on the government's decisions. This results in an uneven and skewed pattern of sales for the Company, which is beyond the control of the Company.

Also, your Company's increasing exposure to international markets brings with it inherent risks like Foreign Currency Risk and Interest Rate risk. In addition, there are various external risk factors like a prolonged slowdown in India and/or the global economy, change or delay in domestic economic reforms, political instability, hostilities, natural disasters, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

We believe the Company has a proper and adequate internal control system commensurate with the size and scale of its operations to in place to ensure that all activities and transactions are monitored, authorized, recorded and reported correctly. An Internal Audit system is in place to conduct a regular check and review accounting methodologies with a view to improving the control systems. The Audit Committee of the Board of Directors has appraised the adequacy of internal controls.

SEGMENT WISE PERFORMANCE

The Company is primarily engaged in the business of manufacturing and rendering of services in engineering products, projects and designs.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

Human Resources (HR) remained a key focus area for your Company during the year under review various HR initiatives are taken to align the HR policies to the requirement of the business. The Company provides employees with a fair and equitable

work environment and support to develop their capabilities. We are also focused on bringing in new talent and competencies to aid the Company's growth strategy.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, figures, expectations and predictions may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

The company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your company believes in providing highest transparency and ethical value in Corporate Governance. Your Company has long recognized the importance of Corporate Governance practices that help ensure an environment of honesty, integrity and transparency combined with effective oversight and strong accountability. The Company endeavors to provide its stakeholders with timely information relating to the affairs of the Company together with complete transparency. The Company complies with various statutory requirements / provisions and is committed to good corporate governance.

2. BOARD OF DIRECTORS

As on 31st March 2015, the Company had 6 Directors, comprising 4 Non-Executive Directors (NEDs) and 2 Executive Directors. These Directors bring a wide range of skills and experience to the Board.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year under review and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are as follows:

Name of the Director	Category	No. of Board Meetings Attended	Attended Last AGM	No. of other Directorships and Committee Positions Held		
				Director #	Committee Member *	Committee Chairman *
Dr C G Krishnadas Nair	Independent, Non-Executive	5	No	6	1	3
Mr R N Chawhan	Independent, Non-Executive	4	Yes	1	-	-
Mr S Santhanam	Independent Non-Executive	5	No	-	-	-
Dr J M Deb Nath ##	Executive	-	No	-	-	-
Mrs. Krishna Sikka**	Non-Executive	1	NA	-	-	-
Mr Rajeev Sikka, Chairman & MD	Executive	5	Yes	-	-	-
Mr. Kunal Sikka WTD/CFO	Executive	3	Yes	-	-	-

excludes Alternate Directorships and directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act 2013.

*Only Audit Committee and Shareholders' / Investors' Grievance Committee are considered for the purpose of Committee positions as per the Listing Agreement. None of the Directors is a member in more than 10 committees, nor a Chairman in more than 5 committees across all companies in which he is a Director.

Dr. J.M. Deb Nath was unable to attend Board Meetings for 2014-15 due to personal reasons and resigned on 30th March 2015. The details are mentioned in the Directors Report.

** Additional Director Mrs. Krishna Sikka was appointed on 30th March 2015 and the resolution seeking approval of the Members for her appointment in the Annual General Meeting & contained in the Notice.

Five Board meetings were held during the year 2014-15 and the gap between two meetings did not exceed four months. The Board meetings were held on 30th May 2014; 06th August 2014; 04th November 2014; 12th February, 2015; and 30th March 2015.

All Independent Directors possess the requisite qualifications and are very experienced in their own fields. Only Director Mrs. Krishna Sikka is liable to retire by rotation. Necessary disclosures have been obtained from all the Directors regarding their directorship and have been taken on record by the Board.

The Company places before the Board all those details as required under Annexure X to the Listing Agreement. The dates for the Board Meetings are fixed after taking into account the convenience of all the directors and sufficient notice is given to them. Detailed agenda notes are sent to the directors. All the information required for decision making are incorporated in the agenda. Those that cannot be included in the agenda are tabled at the meeting.

The Chairman and the Managing Director appraise the Board on the overall performance of the Company at every Board Meeting. Legal issues, write-offs, provisions, purchase and disposal of capital assets are all brought to the notice of the Board. The Board reviews performance, approves capital expenditures, sets the strategy the Company should follow and ensures financial stability. The Board takes on record the actions taken by the Company on all its decisions periodically.

The information as required under Annexure 1A to Clause 49 of the Listing Agreement is being regularly placed before the Board.

Details of shares of the Company held by Non-Executive Directors as on 31st March 2015 areas below:

Name of the Director	Number of Shares
Dr. C.G. Krishnadas Nair	80,000
Mr. R.N. Chawhan	-
Mr. S. Santhanam	-
Mrs. Krishna Sikka	52

The Non-Executive Directors of the Company are paid sitting fees for attending each meeting of the Board of Directors and Committees thereof. The Company has not granted any stock option to any of its Non-Executive Directors.

The details of the sitting fees paid for the year 2014-15 are given below:

Name of the Director	Sitting Fees (Gross) (₹)
Dr. C G Krishnadas Nair	20,000
Mr. R N Chawhan	15,000
Mr. S. Santhanam	20,000
Mrs. Krishna Sikka	-

The remuneration of the Executive Directors is decided on the recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors and shareholders. The remuneration package of the Executive Directors comprises of salary and allowances, contribution to provident fund and superannuation fund and performance incentive.

The details of remuneration of the Executive Directors for Financial Year 2014-15 are summarized below:

Name of the Director	Designation	Salary & Allowances (Rs.)	Company's Contribution to Provident Fund and Superannuation Fund (Rs.)	Performance Incentive (Rs.)
Mr. Rajeev Sikka	Chairman & Managing Director	18,95,425	1,08,000	Nil
Mr. Kunal Sikka	Whole Time Director & CFO	9,18,459	50,400	Nil
Mr. J.M.Deb Nath	Executive Director	Nil	Nil	Nil

3. AUDIT COMMITTEE

The Audit Committee assists the board in the dissemination of financial information and in overseeing the financial and accounting processes in the company. The terms of reference of the Audit Committee covers all matters specified in Clause 49 of the Listing Agreement and also those specified in section 177 of the Companies Act 2013. The terms of reference broadly include review of internal audit reports and action taken on reports, assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the Company. The Audit Committee reviews the compliance with legal and statutory requirements, the quarterly and annual financial statements and related party transactions and reports its findings to the Board. The Committee also recommends the appointment of internal Auditor and Statutory Auditors and cost auditor. The Audit Committee takes note of any default in the payments to creditors and shareholders. The Committee also looks into those matters specifically referred to it by the Board. The Statutory Auditors were present at all Audit Committee meetings.

The composition of the Audit Committee and the details of meetings attended by its members is as follows:

Sl. No	Name of the Director	Category	No. of Meetings Attended
1.	Mr R N Chawhan - Chairman	Non-Executive, Independent	4
2.	Dr C G Krishnadas Nair - Member	Non-Executive, Independent	4
3.	Mr. Kunal Sikka - Member	Whole Time Director & CFO	4

As on 31st March 2015 the committee comprised of two Independent Directors and one Executive Director, all of whom are financially literate and have relevant finance / audit exposure. The Chairman & Managing Director, is a permanent invitee to the meetings of the Committee. The Audit Committee also invites other Directors and executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings. The composition of the audit committee is as per clause 49 of the listing agreement. The Audit Committee met 4 times during the year under review on 30th May 2014; 06th August 2014; 04th November 2014; 12th February, 2015.

4. NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are as follows:

Sl. No	Name of the Director	Category	No. of Meetings Attended
1.	Mr R N Chawhan - Chairman	Non-Executive, Independent	2
2.	Dr C G Krishnadas Nair - Member	Non-Executive, Independent	2
3.	Mr. S. Santhanam - Member	Non-Executive, Independent	2

The Nomination and Remuneration Committee met 2 times during the year under review on 06th August 2014 and 30th March 2015 and there has been no change in the Remuneration Policy of the Company.

The broad terms of reference of the Nomination and Remuneration Committee are to recommend the remuneration package for Executive Directors as well as the remuneration payable to the Non Executive Directors, considering criteria such as industry benchmarks, financial performance of the Company, performance of the respective Director, etc.

5. REMUNERATION POLICY:

The Policy inter alia provides for the following:

- attract, recruit, and retain good and exceptional talent;
- Formulate the criteria for determining the qualifications, positive attributes and independence of the directors of the Company;
- ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- fulfil the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

6. PERFORMANCE EVALUATION

During the year under review, pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the performance of the Board and its Committees and individual Directors, including the Chairperson of the Board, was evaluated. The exercise was carried out through an evaluation process covering various aspects of the Board's functioning such as composition of the Board and Board Committees, experience, competencies, performance of specific duties, obligations and governance issues, etc. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, etc.

The evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. The Directors were satisfied with the said evaluation process and results, which reflected the overall engagement of the Board and its Committees with the Company.

7. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of the Stakeholders Relationship Committee and the details of meetings attended by its members are as follows:

Sl. No	Name of the Director	Category	No. of Meetings Attended
1.	Dr C G Krishnadas Nair - Chairman	Non-Executive, Independent	4
2.	Mr R N Chawhan - Member	Non-Executive, Independent	4
3.	Mr. Rajeev Sikka - Member	Executive	4

The Stakeholders Relationship Committee met 4 times during the year under review on 30th May 2014; 06th August 2014; 04th November 2014; 12th February 2015. The Stakeholders' Relationship Committee specifically looks into the redressal of investors' complaints in connection with transfer of shares, non-receipt of annual reports, non-receipt of declared dividends, etc. In addition, the Committee also looks into matters which can facilitate services and relations with the investors.

There were no shareholder's complaints outstanding as on April 1, 2014 and during the year under review the Company did not receive any complaint. Accordingly there were no complaints outstanding as on March 31, 2015. During the year all the requests for dematerializations were approved by the Company. No valid transfer / transmission of shares were pending as of 31st March 2015.

Mrs. Sreee Aneetha M, Company Secretary, is the Compliance Officer of the Company, and shareholders may contact her for any clarification / complaint at the Registered Office of the Company.

8. CODE OF CONDUCT

The Board has framed a Code of Conduct for the Directors and Senior Management of the Company pursuant to Clause 49 of the Listing Agreement with the Stock Exchange.

9. INDEPENDENT DIRECTOR'S MEETING:

A meeting of the Independent Directors was held on 30th May 2014 to review: (a) the performance of the non-Independent Directors and the Board as a whole; (b) the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors; and (c) the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively perform its duties.

The attendance details are given below

Sl. No	Name of the Director	Category	Attended
1.	Dr C G Krishnadas Nair, Chairman	Non-Executive, Independent	Yes
2.	Mr R N Chawhan	Non-Executive, Independent	Yes
3.	Mr. S. Santhanam	Non-Executive, Independent	Yes

10. GENERAL BODY MEETINGS

The particulars of the last three Annual General Meetings held as under:

Financial Year	Day & Date	Time	Venue	No. of Special Resolutions passed thereat
2013-14	Thursday, 25 th September, 2014	10.00 a.m.	Hotel Ajantha, 22, M.G. Road, Bangalore 560 001	5
2012-13	Friday, 27 th September, 2013	4.00 p.m.		1
2011-12	Friday, 28 th September, 2012	11.00 a.m.		-

No postal ballot was conducted during the Financial Year 2014-15. No Extra-ordinary General meeting was held.

11. SUBSIDIARY COMPANIES

The financials of the subsidiary companies have been duly reviewed by the audit committee and the Board of the Company. The board minutes of the unlisted subsidiary companies have been placed before the Board of the Company. The Company's Board is also periodically informed about all significant transactions and arrangements entered into by the subsidiary companies.

12. RISK MANAGEMENT

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan are taken through Audit Committee. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk management through Audit committee, with the following objectives:

- Y Provide an overview of the principles of risk management
- Y Explain approach adopted by the Company for risk management
- Y! Define the organizational structure for effective risk management
- Y Develop a "risk" culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.
- Y Identify, assess and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company's human, physical and financial assets.

13. WHISTLE BLOWER POLICY

The company has an established mechanism for Directors / Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of directors/ employees who avail of the mechanism. The company affirms that no personnel have been denied access to the Audit

Committee. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise Reportable Matters within 60 days after becoming aware of the same. All suspected violations and Reportable Matters are reported to the Chairman of the Audit Committee

14. RELATED PARTY TRANSACTION

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, KMP or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval, wherever required. Prior omnibus approvals of the Audit Committee are obtained for the transactions of repetitive nature, as applicable. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company. The 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 Act in Form AOC-2 is annexed herewith.

15. DISCLOSURES

- i) The Company has not entered into any transaction of material nature with the promoters, the Directors or the management, or relatives etc. during the year that may have potential conflict with the interests of the Company.
- ii) During the last three years, there were no non-compliances / penalties imposed nor strictures passed on the Company by Stock Exchanges, Securities and Exchange Board of India (SEBI) or any statutory authority for any non-compliance related to the capital markets.
- iii) The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.
- iv) In terms of Clause 49 (V) of the Listing Agreement, the Managing Director and the Chief Financial Officer made a certification to the Board of Directors in the prescribed form at for they ear under review, which has been reviewed by the Audit Committee and taken on record by the Board.

16. MEANS OF COMMUNICATION

Quarterly, half-yearly and annual results are published in a widely circulated national newspaper. The BSE website (bseindia.com– Scripcode 523606) and the website of the Company, www.sikaglobal.com, also contain relevant information.

No presentations were made to Institutional Investors or to Analysts during the year under review.

17. GENERAL SHAREHOLDER INFORMATION

- i) **Annual General Meeting:** The AGM is scheduled to be held on Friday, 25th September 2015 at Hotel Ajantha, 22, M.G.Road, Bangalore 560001
- ii) **Financial Year:** 1st April 2014 to 31st March 2015
- iii) **Directors seeking appointment/ re-appointment:** As required under Clause 49 (IV) (G), particulars of Directors seeking appointment / reappointment are given in the annexure to the Notice of the AGM.
- iv) **Book Closure :** 22nd September 2015 to 24th September 2015 (both days inclusive)
- v) **Dividend Payment Date:** Within 30 days from the date of AGM subject to Members' approval at the AGM.
- vi) **Listing on Stock Exchange:** Company's equity shares are listed on BSE Limited, Mumbai.
- vii) **Listing Fees:** Listing fees as prescribed have been paid to BSE Limited for the year 2014-15.
- viii) **Scrip Code** Bombay Stock Exchange Limited – 523606
- ix) **ISIN:** International Securities Identification Number–INE438E01016
- x) **Address for Correspondence:** 3 Gangadharchetty Road, Bangalore 560042.

xi) Market Price Data:

High, Low during each month of the Company's equity shares during the last Financial Year (April 2014 to March 2015) at the Bombay Stock Exchange Limited is given below:

Month	High (₹)	Low (₹)
April '14	39.00	33.00
May '14	46.85	44.10
June '14	66.00	60.00
July '14	61.80	61.70
August '14	70.50	66.15
September '14	82.00	79.95
October '14	115.95	142.10
November '14	98.70	94.50
December '14	85.30	85.00
January '14	92.00	82.50
February '14	109.60	90.10
March '15	155.80	138.40

- xii) **Registrars and Transfer Agents:** Integrated Enterprises (India) Limited, having its registered office at No 30 Ramana Residency, 4th Cross Sampige Road, Malleswaram, Bangalore - 560 003, Phone : 080 -23460815 - Fax - 080-23460819, CIN:U65993TN1987PLC014964

xiii) **Share Transfer System:** Dematerialization requests are normally confirmed within an average of 15 days from the date of receipt. Shares received for transfer in physical mode are processed and valid transfers are approved within the prescribed time limit. Duly transferred share certificates are generally dispatched within 30 days from the date of receipt.

xiv) **Dematerialization of Shares:** Trading in equity shares of the Company is permitted only in dematerialized form. As of 31st March 2015, 96.71% of the Company's equity shares were held in dematerialized form with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

xv) **Shareholding Pattern of the Company as on 31st March, 2015:**

Category	No. of Shareholders	No. of Shares Held	Percentage
Promoters	5	3,041,217	71.72
Foreign institutions & Banks	0	0	0.00
Financial institutions & Banks	0	0	0.00
Bodies Corporate	39	1,31,610	3.10
Indian Public	2334	10,39,845	24.52
Individual Foreign	5	4,634	0.11
Clearing Member	25	22,869	0.54
Total	2408	42,40,175	100.00

xvi) **Distribution of Shareholding as on 31st March, 2015:**

No. of Shares	No. of Shareholders	Percentage	No. of Shares Held	Percentage
1 – 500	2125	88.25	288558	6.81
501 – 1000	153	6.36	124488	2.93
1001 – 2000	60	2.49	92319	2.18
2001 – 3000	20	0.83	52568	1.24
3001 – 4000	10	0.41	36520	0.86
4001 – 5000	9	0.37	43398	1.02
5001 – 10000	15	0.62	105406	2.49
10001 & above	16	0.66	3496918	82.47
Total	2408	100	4240175	100

xvii) **Outstanding GDRs / ADRs / Warrants / convertible instruments:** The Company has no outstanding GDRs and nor the Company has issued any ADRs / Warrants or any Convertible instruments during the year under review.

xviii) **Plant Location:** Company's plant Sika Technology Centre is located at 21 K M Hosur Road, Bommasandra Industrial Area, Bangalore 560 099.

18. UNCLAIMED DIVIDENDS AND TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

All the shareholders whose dividend is unclaimed are requested to claim their dividend. The Company does not have any unclaimed shares and hence there are no disclosures to be made as per the provisions of clause 5A of the equity Listing Agreement.

During the year under review, the Company has credited INR 82,074/- (being the Unpaid Dividend for financial year 2006-2007 lying in the unclaimed / unpaid dividend account to the Investor Education & Protection Fund pursuant to Section 205C of the Companies Act, 1956, read with Investor Education & Protection Fund (Awareness and Protection of Investors) Rules, 2001

The unclaimed dividend as on March 31, 2015 is as follows:

Financial Year	Unpaid / Unclaimed dividend on 31.03.2015(*)	Date of Declaration	Due date for transfer to IEPF
2007 – 08	92,243.40	29-09-2008	25-09-2015
2008 – 09	1,10,248.00	30-09-2009	29-09-2016
2009 – 10	92,427.80	30-09-2010	29-09-2017
2010 – 11	1,02,315.00	30-09-2011	29-09-2018
2011 – 12	54,100.00	28-09-2012	27-09-2019
2012 – 13	60,684.00	27-09-2013	26-09-2020
2013 – 14	78,060.00	25-09-2014	24-09-2021
Grand Total	5,90,079.00		

19. RECONCILIATION OF SHARE CAPITAL AUDIT

The Company conducts a Reconciliation of Share Capital Audit by a practising company secretary on a quarterly basis in accordance with SEBI requirements. The Reconciliation of Share Capital Audit Reports of practising company secretary, which were submitted to the Stock Exchange within the stipulated period, inter alia confirms that the equity shares of the Company held in dematerialized form and in physical form tally with the issued and paid-up equity share capital of the Company.

20. INFORMATION TO SHAREHOLDERS

A brief resume of the director reappointed together with the nature of his experience and details of the other directorships held by him is annexed to the Notice convening the Annual General Meeting.

21. DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT, PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND THE SENIOR MANAGEMENT

All Directors and Senior Management personnel of the Company have affirmed compliance with the provisions of the Sika Interplant Systems Limited Code of Conduct, as applicable to them for the Financial Year ended 31st March, 2015.

On behalf of the Board of Directors
Sd/-

Rajeev Sikka
Chairman & Managing Director
DIN:00902887

Bangalore, 08th August, 2015

AUDITORS'S CERTIFICATION ON CORPORATE GOVERNANCE

To the Members of Sika Interplant Systems Ltd.,

We have examined the compliance of the conditions of corporate governance by Sika Interplant Systems Ltd for the year ended 31st March 2015 as stipulated in Clause 49 of the Listing agreement of the said Company with the Stock Exchanges.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company of ensuring the compliance with the conditions of the 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 in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing agreement.

We state that company has not received any complaints from shareholders during the financial year.

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

For and on behalf of
M/s.Shekar & Yathish
Chartered Accountants
FRN.008964S

Kusuma Yathish
Partner
M.No.209637

Bangalore
08th August 2015

**DECLARATION BY CHAIRMAN AND MANAGING DIRECTOR ON
CODE OF CONDUCT UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To
The Members

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31, 2015.

Place : Bangalore
Date :08th August 2015

Sd/-
Rajeev Sikka
Chairman & Managing Director
DIN:00902887

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Sika Inter plant Systems Limited**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Sika Inter plant Systems 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 year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (2) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 safe guarding 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 standalone 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 31 March 2015 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 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 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 the 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; and

- (f) 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 has disclosed the impact of pending litigations on its financial position in its financial statements –Refer Note 41 to the financial statements;
 - ii. the company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2015, we report that:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All the assets have been physically verified by the management at reasonable intervals. Having regard to the size of the company and the nature of its assets, no material discrepancies were noticed on such verification.
- ii) a) The inventory has been physically verified during the year by the management at reasonable intervals.
- b) The procedures of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of company and nature of its business.
- c) The company is maintaining proper records of Inventory, minor discrepancies noticed on such physical verification have been properly dealt with in the books of accounts.
- iii) a) The Company has granted loans to two bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- b) In the cases of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3 (iii) (b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- c) There are no over due amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- 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 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.
- vi) According to the information and explanations given to us, The Central Government has not prescribed maintenance of cost records under Sec. 148(1) of the Companies Act 2013.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of

Place : Bangalore!
Date : 29/05/2015!

For Shekar&Yathish
Chartered Accountants
FRN. 008964S

KusumaYathish
Partner
M. No. 209637

undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities and according to the information and explanations given to us the company as at the last day of the financial year did not have any dues in respect of the aforementioned for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi) The term loans outstanding at the beginning of the year and those raised during the year were applied for the purposes for which they were taken.
- xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Bangalore!
Date : 29/05/2015!

For Shekar & Yathish
Chartered Accountants
FRN. 008964S

Kusuma Yathish
Partner
M. No. 209637

Balance Sheet as at 31st March, 2015

Particulars	Note No	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	42,401,750	42,401,750
(b) Reserves and Surplus	3	346,178,209	336,270,462
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	5,638,706	8,887,324
(b) Deferred Tax Liabilities (Net)	5	3,619,441	2,970,892
(c) Other Long-Term Liabilities	6	500,000	1,654,130
(d) Long-Term Provisions	7	154,942	101,087
(3) Current Liabilities			
(a) Short-Term Borrowings	8	15,854,039	17,285,848
(b) Trade Payables	9	4,706,016	11,726,840
(c) Other Current Liabilities	10	9,923,101	11,519,781
(d) Short-Term Provisions	11	8,182,678	4,525,191
Total		437,158,882	437,343,305
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		338,131,359	335,746,119
(ii) Intangible Assets		966,810	652,321
(iii) Capital Work-In-Progress		2,857,795	1,611,711
(b) Non-Current Investments	13	18,587,472	13,312,510
(c) Long Term Loans and Advances	14	2,558,819	1,806,416
(2) Current Assets			
(a) Inventories	15	15,163,576	11,322,674
(b) Trade Receivables	16	15,186,858	41,881,788
(c) Cash and Cash Equivalents	17	40,415,460	27,999,640
(d) Short-Term Loans and Advances	18	1,131,893	2,020,814
(e) Other Current Assets	19	2,158,840	989,312
Total		437,158,882	437,343,305

Significant Accounting Policies and Notes on Financial Statements

1 to 39

Schedules referred to above form an integral part of this Balance Sheet.

As per our report of even date.

For and on behalf of
M/s. Shekar & Yathish
Chartered Accountants
FRN 008964S

Kusuma Yathish
Partner
Membership No.209637

Bangalore
29/05/2015

Rajeev Sikka
Chairman & Managing Director
DIN : 00902887

Kunal Sikka
Whole Time Director
& Chief Financial Officer
DIN : 05240807

For and on behalf of the board

R.N. Chawhan
Director
DIN : 00568833

Sreee Aneetha M
Company Secretary

Statement of Profit and Loss for the Year ended 31 March, 2015

Particulars	Note No	Figures for the current Reporting Period	Figures for the previous Reporting Period
I. Revenue From Operations	20	296,773,192	214,300,384
II. Other Income	21	9,342,658	6,025,707
III. Total Revenue (I + II)		306,115,850	220,326,091
IV. Expenses:			
Cost of Materials Consumed	22	22,595,548	42,071,967
Purchases	23	199,733,391	77,158,299
Changes in Inventory of Work In progress	24	(616,166)	21,179,194
Employee Benefit Expense	25	20,922,533	20,934,646
Finance Costs	26	3,539,814	4,155,421
Depreciation and Amortization Expense	12	5,114,389	3,387,615
Other Expenses	27	31,336,807	30,885,245
Total Expenses		282,626,316	199,772,387
V. Profit Before Tax (III - IV)		23,489,534	20,553,704
VI. Tax Expense:			
(1) Current Tax expense for Current year		6,600,000	5,220,000
(2) Current Tax expense for Earlier years		531,118	-
(3) Deferred Tax Expense		648,549	1,519,599
VII. Profit/(Loss) For The Period (V - VI)		15,709,867	13,814,105
VIII. Earning Per Equity Share:	28		
(1) Basic		3.71	3.26
(2) Diluted		3.71	3.26

Significant Accounting Policies and Notes on Financial Statements

1 to 39

Schedules referred to above form an integral part of this Statement of Profit and Loss.

As per our report of even date.

For and on behalf of
M/s. Shekar & Yathish
Chartered Accountants
FRN 008964S

Kusuma Yathish
Partner
Membership No.209637

Bangalore
29/05/2015

For and on behalf of the board

Rajeev Sikka
Chairman & Managing Director
DIN : 00902887

Kunal Sikka
Whole Time Director
& Chief Financial Officer
DIN : 05240807

R.N. Chawhan
Director
DIN : 00568833

Sreee Aneetha M
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
A] <u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net Income before Taxation and Extraordinary items	23,489,534	20,553,704
<u>Add/(Less) : Adjustments for :-</u>		
Depreciation and Amortization	5,114,389	3,387,615
Profit on sale of Fixed Assets	(71,090)	(210,283)
Loss on Sale of Fixed Assets	7,194	-
Finance Cost	3,539,814	4,155,421
Interest on Deposits	(3,298,262)	(2,101,919)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	28,781,579	25,784,538
<u>Changes in Working Capital</u>		
<u>Adjustments for (increase)/decrease in operating assets</u>		
Trade Receivables	26,694,929	(15,967,277)
Inventories	(3,840,902)	18,726,054
Short-term Loans & Advances	888,921	1,523,842
Long-term Loans & Advances	(752,403)	1,525,345
Other Current Assets	(1,169,528)	(18,536)
<u>Adjustments for increase/(decrease) in operating liabilities</u>		
Trade Payables	(7,020,824)	3,625,906
Other Current Liabilities	(1,596,680)	(30,584,560)
Short-Term Provisions	3,657,487	1,089,078
Long-Term Provisions	53,855	(13,298)
Cash generated from operations	45,696,434	5,691,092
Less : Tax Adjustment (paid)/refund	(7,131,118)	(5,220,000)
NET CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES	38,565,316	471,092
B] <u>CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES</u>		
Capital Expenditure on Fixed Assets	(10,940,932)	(5,418,203)
Proceeds from Sale of Fixed Assets	251,188	357,820
Interest on Bank Deposits	3,298,262	2,101,919
Sale of Long Term Investments	(5,274,962)	-
Other Long term Liabilities	(1,154,130)	1,154,130
NET CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES	(13,820,574)	(1,804,334)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
C] CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Finance Cost	(3,539,814)	(4,155,421)
Repayment of Long Term Borrowings	(3,248,618)	(8,458,978)
Proceeds from Short Term Borrowings	-	12,419,181
Repayment of Short Term Borrowings	(1,431,809)	-
Dividends Paid	(3,392,140)	(3,392,140)
Tax on Dividend	(716,541)	(576,494)
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES	(12,328,922)	(4,163,853)
D] NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	12,415,820	(5,497,095)
Add: Cash and Cash Equivalents at beginning of the year	27,999,640	33,496,735
Cash and Cash Equivalents at end of the year*	40,415,460	27,999,640
* Comprises:		
(a) Cash on hand	125,852	36,372
(b) Balances with banks		
- In current accounts	4,727,522	8,339,877
(c) Deposits considered as part of cash and cash equivalents	35,562,086	19,623,391
	40,415,460	27,999,640

As per our report of even date.

For and on behalf of
M/s. Shekar & Yathish
Chartered Accountants
FRN 008964S

Kusuma Yathish
Partner
Membership No.209637

For and on behalf of the board

Rajeev Sikka
Chairman & Managing Director
DIN : 00902887

R.N. Chawhan
Director
DIN : 00568833

Bangalore
29/05/2015

Kunal Sikka
Whole Time Director
& Chief Financial Officer
DIN : 05240807

Sriee Aneetha M
Company Secretary

1. Significant Accounting Policies

a. Accounting Convention:

The financial statements are prepared under the historical cost convention on an accrual basis, in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") and mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the act to the extent notified.

b. Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation and impairment (if any). All costs relating to the acquisition and installation of fixed assets have been capitalized.

Capital work in progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes land, related acquisition expenses, development/construction costs, borrowing costs and other direct expenditure including advances to contractors and others.

Leasehold land on a lease-cum-sale basis are capitalized at the allotment rates charged by the concerned allotting Authorities.

Intangibles having the characteristic of assets, capable of generating future economic benefits and are reliably measurable are stated at cost.

c. Depreciation/Amortization

In respect of fixed assets acquired during the period, depreciation/ amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life based on an evaluation.

Sl. No.	Asset	Useful Life
1	Building (other than RCC Frame Structure & Factory Building)	30 Years
2	Building (RCC Frame Structure)	60 Years
3	Plant and Machinery	15 Years
4	Office Equipments	5 Years
5	Furniture and Fixtures	10 Years
6	Vehicles	8 Years
7	Computers	3 Years
8	Servers	6 Years
9	Computer Software	6 Years

d. Valuation of Inventories:

Stock of spare parts, raw materials and stock in trade are valued at lower of cost and net realizable value. Work-in progress is valued at cost.

e. Valuation of Investments:

Current investments are valued at the lower of cost and market value. Long Term Investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in carrying value of each investment..

f. Retirement Benefits:

Company has Group Gratuity policy with Life Insurance Corporation of India and the premiums determined there at is charged to revenue. The Company has provided for Leave Encashment based on accumulated un-availed leave by the employees as on the date of Balance Sheet.

g. Revenue Recognition:

- Revenue from sale of goods is recognized on passing of the property in goods.
- Services – Revenue from services is recognized on completion of service.
- Profit on sale of investments: Profit / loss on sale of investments are recognized on the date of redemption.

h. Foreign Currency Transactions:

Transactions in foreign currency are recorded using the spot rate at the transaction date and exchange differences resulting from settled transactions are adjusted in the profit and loss account. At the balance sheet date, monetary items denominated in foreign currencies are converted into rupee equivalents at exchange rates as at the balance sheet date. Those relating to acquisition of fixed assets are adjusted to the cost of assets.

i. Provisions:

A provision is recognized when outflow of resources will be required to settle a present obligation as a result of past events. Accordingly provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

j. Provision for Warranty:

The estimated liability for the product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective action on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically up to three years.

As per the terms of contracts, the company provides post contract services/ warranty support to some of its customers. The company accounts for the post-contract support / provision for warranty on the basis of the information available with the management duly taking into account the current and past technical estimates.

**k. Segment Reporting Policies:
Primary Business Segments**

The Company is primarily engaged in the business of manufacturing and rendering of services in engineering products and designs. For all purposes the company is organized into one operating activity of Engineering products and services. Accordingly the Company is of the view that it has only one business segment. The Company has no activity outside India except for export of Engineering Services. Thereby there is no geographical segment.

l. Impairment of Assets

At each Balance Sheet date the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, the Company estimates the recoverable amount and if this is lower than the carrying amount of the asset, an impairment loss is recognized in the Profit and Loss account to the extent the carrying amount exceeds the recoverable amount.

m. Taxation

Current Taxation and Deferred Taxation:

Provision for current income tax is made on the assessable income at the rates applicable to the relevant assessment year.

Deferred Tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversing in one or more subsequent periods.

Deferred tax assets on unabsorbed depreciation and carry forward of losses are recognized only to the extent there is a virtual certainty of its realization.

n. Research & Development Expenditure

Research & Development Expenditure is charged to Revenue under the natural heads of account in the year in which it is incurred. However, Expenditure incurred at development phase, where it is reasonably certain that outcome of research will be commercially exploited to yield economic benefits to the company, is considered as an intangible asset.

o. Earning Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the Purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares are outstanding during the period are adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split.

Notes on Financial Statements for the Year ended 31st March , 2015

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
2. SHARE CAPITAL		
Equity Shares with Voting Rights Authorised		
5,000,000 Equity Shares of Rs. 10/- each (Previous Year 5,000,000 Equity Shares of Rs.10 /- each)	50,000,000	50,000,000
Equity Shares with Voting Rights Issued and Subscribed		
42,40,175 Equity Shares of Rs. 10/- each (Previous Year 42,40,175 Equity Shares of Rs.10 /- each) (Of the above shares, 26,00,000 shares are issued for consideration other than cash)	42,401,750	42,401,750
Equity Shares with Voting Rights Paid Up		
42,40,175 Equity Shares of Rs. 10/- each (Previous Year 42,40,175 Equity Shares of Rs.10 /- each)	42,401,750	42,401,750
TOTAL	42,401,750	42,401,750

Details of Shareholders holding more than 5% shares

Name of the Shareholder	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
Equity Shares with Voting Rights Ultraweld Engineers Private Limited No of Shares % held	2,972,315 70.10%	2,970,613 70.06%

Details of Share held by the holding company

Name of the Shareholder	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
Equity Shares with Voting Rights Ultraweld Engineers Private Limited, the holding Company No of Shares % held	2,972,315 70.10%	2,970,613 70.06%

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

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
Opening Balance	4,240,175	4,240,175
Add. Issued during the year	-	-
Less. Bought back during the year	-	-
Closing Balance	4,240,175	4,240,175

Notes on Financial Statements for the Year ended 31st March , 2015

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
3.RESERVES AND SURPLUS		
General Reserve		
Opening Balance	4,401,400	4,401,400
Add:Transferred from surplus in Statement of Profit and Loss		
Less:Utilised/Transferred during the year		
Closing Balance	4,401,400	4,401,400
Capital Reserve		
Opening Balance	60,676,001	60,676,001
Add:Additions during the year		
Less:Utilised/Transferred during the year		
Closing Balance	60,676,001	60,676,001
Securities Premium Account		
Opening Balance	177,967,000	177,967,000
Add:Premium on shares issued during the year		
Less:Utilised during the year		
Closing Balance	177,967,000	177,967,000
Surplus/(Deficit) as per Statement of Profit and Loss		
Opening Balance	93,226,061	83,380,589
Add :Transferred from Statement of Profit and Loss	15,709,867	13,814,105
	108,935,928	97,194,694
Less:		
(1) Effect on Depreciation due to change in estimate	1,693,439	-
(2) Proposed Dividend (Dividends Proposed to be Distributed to Equity Shareholders (Re.80 paise per share))	3,392,140	3,392,140
(2) Tax On Proposed Dividend*	716,541	576,494
	5,802,120	3,968,634
Closing Balance	103,133,808	93,226,060
TOTAL	346,178,209	336,270,462

* Tax on Proposed dividend includes an amount of Rs.22,012/- , being provision relating to an earlier year.

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
NON CURRENT LIABILITIES		
4. LONG TERM BORROWINGS		
Secured		
A. Loans from Banks		
Term Loan (Term Loan 1 - sanctioned of Rs.3,44,05,043/- is Secured by book debts, stock and Land at Bommasandra)	4,286,588	8,279,608
(Term Loan 2 - sanctioned amount Rs. 74,00,000, Amount availed as on 31 March 2015 Rs. 17,81,980 is secured by Machineries / Office Equipments / Computers Purchased out of the amounts availed.)		
B. From Other Parties		
Long Term Maturities of Finance Lease Obligations (Secured by Vehicle purchased out of above) (Refer Note No.38)	1,352,118	607,716
TOTAL	5,638,706	8,887,324
	Loan Tenure	Rate of Interest
1. Term Loan from Bank	3 years	Base rate+Floating rate of 2.25% currently at 12.75%
2. Term Loan from Bank	5 years	Base rate+Floating rate of 2.25% currently at 13.20%
3. Vehicle Loan from Bank	3 years	10.50%
4. Two Vehicle Loans from NBFC are borrowed for a tenure of 3 years with rate of interest of 10.45% and 10.30%		
	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
5. DEFERRED TAX LIABILITY		
The accumulated impact of deferred tax arising on account of timing differences and expected to be reversed during forthcoming years is recognised as an adjustment to balance of Profit and Loss Account as prescribed in AS 22. The composition of accumulated deferred tax liability is as under:		
-Deferred Tax liability Related to Fixed Assets- Depreciation	3,877,428	3,194,425
-Deferred Tax Asset Related to expenditure allowed under the Income Tax Act, 1961 on payment basis	257,987	223,533
-Deferred Tax liability (Net)	3,619,441	2,970,892

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
6. OTHER NON CURRENT LIABILITIES		
Other Payables		
Security Deposit	500,000	1,654,130
TOTAL	500,000	1,654,130

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
'7. LONG-TERM PROVISIONS		
Provision For Employee Benefits		
Leave Encashment (Unfunded)	154,942	101,087
TOTAL	154,942	101,087

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
8. SHORT TERM BORROWINGS		
Secured		
Working Capital Loans from Banks (Working Capital loans are secured by book debts, stock and Land at Bommasandra)	15,854,039	17,285,848
TOTAL	15,854,039	17,285,848

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
9. TRADE PAYABLES		
Trade Payables-Micro, Small and Medium Enterprises	-	-
Trade Payables-Related Parties	-	947,287
Trade Payables-Others	4,706,016	10,779,553
TOTAL	4,706,016	11,726,840

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
10. OTHER CURRENT LIABILITIES		
Current Maturities of Long term Debt		
Secured		
Loans from Banks		
Term Loan from Bank	5,775,000	4,560,000
Vehicle Loan from Bank	-	219,007
Current Maturities Finance Lease Obligation		
Secured		
Loans from Others		
Vehicle Loan from NBFC	1,239,420	773,157
Others Payables		
Statutory Remittances	667,493	817,524
Unclaimed Dividends	590,079	594,147
Payables to Related Parties	280,304	139,638
Payable to Employees	1,047,241	1,134,243
Advances From Customer for Supplies / Services	208	2,951,315
Other	323,356	330,750
TOTAL	9,923,101	11,519,781

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
11. SHORT TERM PROVISIONS		
Provision For Employee Benefits		
Leave Encashment (Unfunded)	31,241	21,272
Bonus	572,826	535,285
Provision For Others		
Provision for Proposed Dividend	3,392,140	3,392,140
Provision for Tax on Proposed Dividend	694,529	576,494
Provision for Income Tax (Net of Advance Tax)	3,366,453	-
Provision for Warranty	125,489	-
TOTAL	8,182,678	4,525,191

Note No.12 - Fixed Assets and Depreciation Schedule

Particulars	Gross Block			Accumulated Depreciation				Net Block			
	Balance as at 1st April 2014	Additions	Deduction/ Adjustments	Balance as at 31st March 2015	Balance as at 1st April 2014	Depreciation for the year	Accumulated Depreciation on disposal of Assets	Adjustments*	Balance as at 31st March 2015	As at 31st March 2015	As at 31st March 2014
(i) Tangible Assets											
Freehold Land	255,140,290	-	-	255,140,290	-	-	-	-	-	255,140,290	255,140,290
Leasehold Land at Mysore	5,882,629	-	-	5,882,629	-	-	-	-	-	5,882,629	5,882,629
Building	62,392,044	-	-	62,392,044	1,709,936	1,271,664	-	-	2,981,600	59,410,444	60,682,108
Plant and Machinery	3,410,304	2,836,676	-	6,246,980	1,087,032	293,807	-	-	1,380,839	4,866,140	2,323,272
Office Equipments	3,576,847	224,229	-	3,801,076	1,246,459	672,126	-	960,593	2,879,178	921,898	2,330,388
Furniture & Fixtures	4,837,757	2,420,967	-	7,258,724	2,285,557	736,812	-	96,551	3,118,920	4,139,804	2,552,200
Vehicles	11,492,613	3,660,892	1,319,278	13,834,227	5,510,868	1,630,478	1,131,989	290,641	6,299,998	7,534,229	5,981,745
Computers	4,157,790	-	-	4,157,790	3,304,303	271,907	-	3,45,654	3,921,864	235,925	853,487
Total	350,890,274	9,142,764	1,319,278	358,713,760	15,144,155	4,876,794	1,131,989	1,693,439	20,582,399	338,131,359	335,746,119
Previous Year	303,778,421	51,006,641	3,894,788	350,890,274	15,633,195	3,258,212	3,747,252	-	15,144,155	335,746,119	288,145,226
(ii) Intangible Assets											
Software	879,703	552,084	-	1,431,787	227,382	237,595	-	-	464,977	966,810	652,321
Total	879,703	552,084	-	1,431,787	227,382	237,595	-	-	464,977	966,810	652,321
Previous Year	772,717	106,986	-	879,703	97,979	129,403	-	-	227,382	652,321	674,738
(iii) Capital Work In progress											
Tourism - Project	1,611,711	1,246,084	-	2,857,795	-	-	-	-	-	2,857,795	1,611,711
Total	1,611,711	1,246,084	-	2,857,795	-	-	-	-	-	2,857,795	1,611,711
Capital WIP Previous Year	47,307,135	652,797	463,482,221	1,611,711	-	-	-	-	-	1,611,711	47,307,135

1. On 10/11/2006, Kamataka Industrial Areas Development Board ('KIADB') allotted land aggregating to 8.33 acres to the Company for INR 58,82,629 on a lease-cum-sale basis and extended by yearly renewals on various occasions and at present valid till March 2015.

2. Adjustments relates to assets written off to free reserves as required by Schedule II of Companies Act, 2013.

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
13 . NON CURRENT INVESTMENTS		
Trade Investments (At cost)		
Investment in equity instruments in Subsidiary Companies		
Unquoted, fully paid up		
Emsac Engineering Pvt Ltd Current Year-2,55,000 Shares of Re.1/- each (Previous Year-2,55,000 Shares of Re.1/- each)	255,000	255,000
Sikka n Sikka Engineers Pvt Ltd Current Year-6,000 Shares of Rs.100/- each (Previous Year-6,000 Shares of Rs.100/- each)	12,698,000	12,698,000
Sika Tourism Pvt Ltd Current Year - 99,990 Shares of Re.1/- each (Previous Year - 99,990 Shares of Re.1/- each)	99,990	99,990
Other Investments (at Cost)		
Quoted, fully paid up		
Investment in equity in Other Companies		
Melstar Information Technologies Ltd (Market Value 3,520/-, Previous Year Rs. 1,600/-)	9,520	9,520
Current Year-800 Shares of Rs.10/- each (Previous Year-800 Shares of Rs. 10/- each)		
Sterling Technologies Pte Ltd Current Year - 90 Shares of Rs. 47,63(ISGD) each (Previous Year - NIL)	4,287	-
Investment in Mutual Funds		
Birla Dynamic Bond Fund Current Year-13,805.290 units of Rs. 24.44 each(Previous year-13,805.290 units of Rs. 21.22 each) (Market Value-Rs.3,37,437/-,Previous Year-Rs.2,92,948/-)	250,000	250,000
Reliance Liquid Fund Current Year-982.229 units of Rs. 1114,15 each (Previous year - Nil) (Market Value-Rs. 31,29,350.50 Previous Year - Nil)	1,094,340	-
Tauris Liquid Fund Current Year-3,128,531 units of Rs. 1000.2620 each (Previous year - Nil) (Market Value-Rs. 31,29,350.50 Previous Year - Nil)	3,129,351	-
Franklin India Ultra Short Bond Fund Current Year-1,04,205,497 units of Rs.10,0793/- each (Previous year - Nil) Market Value - Rs. 10,50,318,47/- Previous Year - Rs. Nil)	1,046,984	-
TOTAL	18,587,472	13,312,510
Note: a) Aggregate amount of quoted investments	5,530,195	259,520
b) Aggregate amount of unquoted investments	13,057,277	13,052,990
c) Aggregate market value of listed and quoted investments	5,614,976	295,494

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
14. LONG TERM LOANS AND ADVANCES		
Unsecured and Considered Good		
Loans to Related Parties	317,797	-
Security Deposits	2,241,022	1,806,416
TOTAL	2,558,819	1,806,416

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
15. INVENTORIES (At lower of cost and net realisable value)		
Raw Materials	10,191,604	6,966,868
Work in Progress	4,971,972	4,355,806
TOTAL	15,163,576	11,322,674

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
16. TRADE RECEIVABLES		
Unsecured and Considered Good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	520,042	4,767,321
Other Trade Receivables	14,666,816	37,114,466
TOTAL	15,186,858	41,881,788

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
17. CASH AND CASH EQUIVALENTS		
Cash on Hand	125,852	36,372
Balance with Banks		
In Current Accounts	117,193	105,340
In EEFC Accounts	4,014,038	7,634,231
In Unpaid Dividend Account	596,292	600,305
In Demand Deposit Accounts	35,562,086	19,623,391
TOTAL	40,415,460	27,999,640

Notes:

i) Balances with bank include deposits with remaining maturity of more than 12 months from the balance sheet date

3,563,554 -

ii) Balances with banks held as Margin Money deposits against guarantees

1,097,492 1,556,372

Cash and Cash equivalents as of March 31, 2015 and March 31, 2014 include restricted cash and bank balances of INR16,93,784/- and INR21,56,677/-, respectively. The restrictions are on account of deposits held as margin deposits against guarantees and bank balances in Dividends.

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
18. SHORT TERM LOANS AND ADVANCES		
Unsecured and Considered Good		
Advance Income Tax (Net of provisions)	-	264,562
Balances with Government Authorities	552,856	671,165
Advance Given to Employees	278,000	81,829
Advance Given To Suppliers	133,069	768,984
Prepaid Expenses	167,968	234,274
TOTAL	1,131,893	2,020,814

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
19. OTHER CURRENT ASSETS		
Interest Accrued on deposits	1,982,063	826,355
Other Receivables	176,777	162,957
TOTAL	2,158,840	989,312

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
20. REVENUE FROM OPERATIONS		
Sale of Engineering Systems	13,667,511	84,284,885
Sale of Engineering Products	234,514,983	82,875,993
Sale of Engineering Services	48,440,111	47,117,289
Other Operating Income	150,587	22,217
TOTAL	296,773,192	214,300,384

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
21. OTHER INCOME		
Interest from banks -From Deposits	3,298,262	2,101,919
Rental Income*	3,847,100	577,065
Dividend Received	299,817	-
Other Income	638,957	173,436
Gain on Sale of Fixed Asset	71,090	210,283
Net Gain due to Foreign Exchange Differences	1,187,431	2,963,004
TOTAL	9,342,658	6,025,707

*The company has entered into commercial property leases on its investment property portfolio, consisting of the company's unutilised land

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
22. COST OF MATERIAL CONSUMED		
Imported	8,228,745	19,737,501
Indigeneous	14,366,803	22,334,466
TOTAL	22,595,548	42,071,967

Percentage of Consumption	2014-15	2013-14
Imported	36.42%	46.91%
Indigeneous	63.58%	53.09%

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
22.1. Particulars of Materials consumed		
Mechanical Components	7,789,012	22,192,961
Electrical Components	11,470,064	10,453,620
Others	3,336,472	9,425,386
TOTAL	22,595,548	42,071,967

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
23. PURCHASES		
Purchase of Stock in Trade	199,733,391	77,158,299
TOTAL	199,733,391	77,158,299

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
23.1. PURCHASES OF STOCK IN TRADE		
Mechanical Components	173,077,357	67,571,073
Electrical Components	24,268,587	6,614,035
Others	2,387,447	2,973,191
TOTAL	199,733,391	77,158,299

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
24. CHANGES IN INVENTORY OF WORK IN PROGRESS		
Inventory at the end of the year		
Work in Progress	4,971,972	4,355,806
Total	4,971,972	4,355,806
Inventory at the beginning of the year		
Work in Progress	4,355,806	25,535,000
Total	4,355,806	25,535,000
Net (Increase)/Decrease	(616,166)	21,179,194

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
25. EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	19,380,926	19,594,567
Staff welfare expenses	494,310	423,388
Contribution to Provident & Other Funds(Refer Note No.36)	1,047,297	916,691
TOTAL	20,922,533	20,934,646

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
26. FINANCE COSTS		
Interest Expense	3,539,814	4,155,421
TOTAL	3,539,814	4,155,421

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
27. OTHER EXPENSES		
Manufacturing Expenses		
Electricity and Water Charges	635,757	471,481
Repairs & Maintenance- Factory Building & Machinery	1,911,102	1,670,118
Staff Training and Education	27,000	374,489
Rates and Taxes	54,407	144,656
Retainership Fees	3,569,762	3,198,406
Selling and Distribution Expenses		
Advertisement Expenses	158,788	209,537
Business Promotion Expenses	3,257,949	2,940,543
Seminar and Exhibition Charges	2,159,428	1,323,641
Establishment Expenses		
Electricity and Water Charges	267,876	255,115
AGM Expenses	40,460	33,620
Bank Charges	694,343	890,363
Commission and Brokerage	-	192,100
Communication Expenses	596,040	657,226
Discounts, Bad Debts and Write offs	954,952	1,524,810
Charity and Donations	83,000	40,000
Insurance	254,955	227,538
Office Expenses	409,118	180,713
Printing & Stationery	387,975	479,971
Rates and Taxes	239,116	363,275
Rent	819,470	893,243
Retainership, Legal and Professional Charges	5,431,761	4,574,163
Sitting Fees	55,000	22,500
Travel and Conveyance Expense	6,973,372	7,986,742
Loss on Sale of Fixed Asset	7,194	-
Miscellaneous Expenses	4,347	11,310
Repairs & Maintenance - Office	2,009,645	1,969,966
Payment to Auditor's		
Statutory Audit Fees	280,900	196,630
Tax Audit Fees	28,090	28,090
Certification and Consultation Fees	25,000	25,000
TOTAL	31,336,807	30,885,245

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
28.EARNINGS PER SHARE		
I. Net Profit As Per Profit And Loss Account Available For Equity Shareholders	15,709,867	13,814,105
II. Weighted Average Number of Equity Shares for Earnings Per Share Computation		
a. For Basic Earnings per Share	4,240,175	4,240,175
b. For Diluted Earnings per Share	4,240,175	4,240,175
III. Earnings Per Share (Face Value of Rs.10/- each)		
Basic	3.71	3.26
Diluted	3.71	3.26

Particulars	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
29. CONTINGENT LIABILITY AND COMMITMENTS		
- Bank Guarantee	7,974,918	10,788,534
- Capital Commitments to the extent not provided in the books	1,163,480	-
TOTAL	9,138,398	10,788,534

NOTES ON ACCOUNTS AS AT 31st March 2015

30. The information required to be disclosed under the Micro, Small, Medium enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. There are no over dues to parties on account of principal amount and / or interest and accordingly no additional disclosures have been made.

31. Capital Reserve and Securities Premium have arose pursuant to a scheme of merger approved by the Honorable High Court of Karnataka.

32. Expenditure in Foreign Currency in respect of

(Amounts in INR)

Particulars	2014-15	2013-14
Purchase of Raw Materials & Components	1,23,85,472	2,23,84,182
Purchases of Stock in Trade	19,68,38,699	7,36,13,633
Travelling Expenses	22,18,320	40,27,500
Total	21,14,42,491	10,00,25,315

33. Sale by class of goods and services

(Amounts in INR)

Particulars	2014-15	2013-14
1. Finished Engineering systems		
(a) Handling Systems	1,30,52,511	8,39,82,721
(b) Others	6,15,000	3,02,164
Total	1,36,67,511	8,42,84,885
2. Engineering Products		
(a) Servo Products	23,42,98,403	8,21,25,473
(b) Others	3,67,167	7,50,520
Total	23,46,65,570	8,28,75,993
3. Sale of Engineering Service		
(a) Designs and Drawings	4,76,00,111	3,29,11,786
(b) Others	8,40,000	1,42,05,503
Total	4,84,40,111	4,71,17,289

34. Earnings in Foreign Currency (on FOB basis)

(Amounts in INR)

Particulars	2014-15	2013-14
Export of Services	4,76,00,111	3,29,11,806
Export of Goods	2,52,133	3,02,164
Total	4,78,52,244	3,32,13,970

35. Related party transactions

(Amounts in INR)

Particulars	Referred to in (a) below		Referred to in (b) below		Referred to in (c) below	
	31.3.2015	31.3.2014	31.3.2015	31.3.2014	31.3.2015	31.3.2014
Purchase:						
Engineering Services	21,00,000	15,00,000	-	-	-	-
Sales:						
Engineering Services	8,40,000	8,40,000	-	-	-	-
Other Income	-	55,000	-	-	-	-
Expenses:						
a. Remuneration	-	-	28,22,284	19,35,646	-	-
b. Service	5,40,000	5,40,000	-	-	-	-
c. Professional Consultancy Charges	-	-	-	-	9,24,000	9,40,800
d. Salary Paid	-	-	6,61,500	13,72,916	-	-
Other Transactions						
Loans Borrowed	68,00,000	-	-	-	-	-
Loans Repaid	68,00,000	41,12,654	-	-	-	-
Loans Given	3,50,506	-	-	-	-	-
Loans Recovered	18,820	-	-	-	-	-
Purchase of Fixed Assets	-	17,17,985	-	-	-	-
Interest	6,72,527	3,39,577	-	-	-	-
Outstanding						
a. Prof Charges/ Remuneration	-	-	2,80,304	1,39,638	77,000	77,000
b. Service Charges payable/ (receivable) net	-	9,47,287	-	-	-	-
c. Loans Receivable	3,17,797	-	-	-	-	-

Related Party Information

Relationship

a. Where significant influence exists (Subsidiaries)

1. M/s. Sikka N Sikka Engineers Pvt Ltd
2. M/s. Emsac Engineering Pvt Ltd
3. M/s. Sika Tourism Pvt Ltd
4. M/s. Sterling Technologies Pte Ltd
5. M/s. Ultraweld Engineers Pvt Ltd
6. M/s. Gourmet Estates Pvt Ltd

b. Key Management Personnel

1. Mr. Rajeev Sikka
2. Mr. Kunal Sikka

c. Relatives of Key Management Personnel

1. Mrs. Krishna Sikka
2. Mrs. Anuradha Sikka

36. As per Accounting Standard 15 "Employment Benefits", the disclosures as defined in the Accounting Standard with regard to Note no.25 are given below:

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	2014-15	2013-14
Employer's Contribution to Provident Fund	5,88,096	5,02,956
Employer's Contribution to Pension Scheme	2,59,101	2,21,591

Defined Benefit Plan

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Compensated Absences is recognised in the same manner as gratuity.

Gratuity		
Particulars	2014-15	2013-14
Components of Employer Expenses		
Current Service cost	1,76,405	1,47,592
Interest on Obligations	85,082	2,08,789
Expected Return on Plan Assets	(2,68,103)	(2,75,402)
Net actuarial loss/ (gain) recognized during the year	(43,190)	(5,97,976)
Total Expenses recognised in the Statement of Profit & Loss	(49,806)	(5,16,998)
Net asset/(liability) recognised in the Balance Sheet		
Present Value of defined benefit Obligation	13,07,701	23,36,350
Fair value of plan assets	36,19,390	33,79,786
Funded status[Surplus/(deficit)]	(23,11,689)	(10,43,437)
Unrecognised past service costs	-	-
Change in defined benefit obligations(DBO) during the year		
Present Value of DBO at beginning of the year	23,36,350	26,09,857
Current service cost	1,76,405	1,47,592
Interest Cost	85,082	2,08,789
Actuarial(gains)/Losses	(12,90,136)	(6,05,484)
Benefits Paid	0	(24,404)
Present Value of DBO at end of the year	13,07,701	23,36,350
Change in fair value of assets during the year		
Plan assets at beginning of the year	33,79,787	31,36,296
Expected return on plan assets	268,103	275,402
Actuarial (Gains)/Losses	21,736	(7,507)
Benefits Paid	0	(24,404)
Plan Assets at End of the year	36,69,626	33,79,786
Actual Return on plan assets	2,89,839	2,67,895

Particulars	2014-15	2013-14
Actuarial assumptions		
Interest Rate	7.81%	8.00%
Discount Rate	7.81%	8.00%
Expected return on plan assets	8.00%	8.85%
Salary Escalation	7.00%	7.00%
Attrition Rate	5.00%	5.00%

The discount rate is based on the prevailing market yields of government of India securities as the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Experience adjustment figures are not included as same has not been provided by the Actuary.

The Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by LIC of India. Under the plan the eligible employees are entitled to Gratuity under a defined benefit plan.

Particulars	Leave Encashment	
	2014-15	2013-14
Changes in Defined Obligations		
Obligations at period beginning - Current	21,272	21,047
Obligations at period beginning - Non Current	1,01,087	1,14,385
Service Cost	1,06,435	34,507
Interest on Defined benefit obligation	5,275	10,580
Benefits settled	(1,09,643)	(38,855)
Actuarial gain/(loss)	61,757	(19,305)
Obligations at period end	1,86,183	1,22,359
Current Liability (within 12 months)	31,241	21,272
Non Current Liability	1,54,942	1,01,087
Changes in Plan Assets		
Plans assets at period beginning, at fair value	-	-
Expected return on plan assets	-	-

Actuarial gain/(loss)	-	-
Contributions	1,09,643	38,855
Benefits settled	(1,09,643)	(38,855)
Plans assets at period end, at fair value	-	-
Funded Status		
Closing PBO	1,86,183	1,22,359
Closing Fair value of plan assets	-	-
Closing Funded status	(1,86,183)	(1,22,359)
Net Asset/(Liability) recognized in the Balance Sheet	(1,86,183)	(1,22,359)
Expenses recognized in the P&L account		
Service cost	1,06,435	34,507
Interest cost	5,275	10,580
Expected return on plan assets	-	-
Actuarial (Gain)/Loss	61,757	(19,305)
Net gratuity / leave cost	1,73,467	25,782
Experience Adjustment on Plan Liabilities	61,757	(19,305)
Experience Adjustment on Plan Assets	-	-
Assumptions		
Interest rate	7.81%	9.12%
Discount factor	7.81%	9.12%
Estimated rate of return on plan assets	0.00%	0.00%
Salary increase	6.00%	6.00%
Attrition rate	5.00%	5.00%

37. In respect of fixed assets acquired on terms loans from bank the payment outstanding are as follows:

(Amounts in INR)

Particulars	Minimum Payments Outstanding		Future Interest on Outstanding Payments (Interest)		Present Value of Minimum Payments(Principal)	
	As at 31st Mar 2015	As at 31st Mar 2014	As at 31st Mar 2015	As at 31st Mar 2014	As at 31st Mar 2015	As at 31st Mar 2014
Within One year	67,17,039	59,30,000	9,42,039	13,70,000	57,75,000	45,60,000
> 1 year and < 5 Years	45,10,762	92,82,000	2,23,902	10,03,000	42,86,860	82,79,000
> 5 Years	-	-	-	-	-	-
Total	1,12,27,801	1,52,12,000	11,65,941	23,73,000	1,00,61,860	1,28,39,000

The Amounts Stated under Future Interest on Outstanding Lease Payments is based on the existing rates of interest and the amounts are subject to change in rate of interest/ any lumpsum payments made by the Company towards principal portion of the Loan Outstanding as on 31/03/2015.

38. In respect of fixed assets acquired on finance lease, the minimum payment outstanding are as follows:

(Amounts in INR)

Particulars	Minimum Payments Outstanding		Future Interest on Outstanding Payments (Interest)		Present Value of Minimum Payments (Principal)	
	As at 31st Mar 2015	As at 31st Mar 2014	As at 31st Mar 2015	As at 31st Mar 2014	As at 31st Mar 2015	As at 31st Mar 2014
Within One year	14,53,755	11,03,056	2,14,336	1,10,896	12,39,419	9,92,160
> 1 year and < 5 Years	14,44,123	6,74,659	78,442	66,943	13,65,681	6,07,716
> 5 Years	-	-	-	-	-	-
Total	28,97,878	17,77,715	2,92,778	1,77,839	26,05,100	15,99,876

The Amounts Stated under Future Interest on Outstanding Payments is based on the existing rates of interest and the amounts are subject to change in rate of interest/ any lumpsum payments made by the Company towards principal portion of the Loan Outstanding as on 31/03/2015.

39. The expenditure incurred on Research and Development activities comprises of the following

(Amounts in INR)

Particulars	FY 2014-15	FY 2013-14
Salaries & Wages	7,02,19,525	62,83,162
Plant & Machinery	27,52,681	-

40. A lease hold land is allotted by KIADB to the company and the company has also been incurring capital expenses in the same regard. The company has made an application for further renewal which is pending for approval.

41. **Litigation**

The Company is subject to legal proceeding and claims which have arisen in respect of the rights in and / or title to two immovable properties of the Company and such legal proceedings are pending and being litigated appropriately.

The Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operation or financial position

42. Previous year's figures have been regrouped / recast / restated, wherever necessary, to make them comparable with those of the current year.

For and on behalf of
M/s. Shekar & Yathish
Chartered Accountants
FRN 008964S

For and on behalf of the board

Kusuma Yathish
Partner
Membership No.209637

Rajeev Sikka
Chairman & Managing Director
DIN : 00902887

R.N. Chawhan
Director
DIN : 00568833

Bangalore
Date : 29/05/2015

Kunal Sikka
Whole Time Director
& Chief Financial Officer
DIN : 05240807

Sree Aneetha M
Company Secretary

INDEPENDENT AUDITOR'S REPORT

**To The Members of
Sika Interplant Systems Limited**

Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of M/s. Sika Interplant Systems Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements.

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 thereunder.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31st March, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements / financial information of one subsidiary, whose financial statements reflect total assets (net) of Rs. 28,34,832/- as at March 31, 2015, total revenues (net) of Rs.69,87,123/- and net cash flows amounting to Rs.7,12,047/- for the year ended on that date, as considered in the consolidated financials statements. The consolidated financial statements also include the Group's share of net profit of Rs. 1,27,860/- for the year ended 31st March, 2015, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, based on the comments in the auditors' report of the Company and on the auditors' reports issued in accordance with the Order on subsidiary companies incorporated in India, we give in the Annexure 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, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated 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 of the Company as on March 31, 2015, taken on record by the Board of Directors of the Company and the reports of the auditors of its subsidiary companies incorporated in India, none of the Directors of the Company and its subsidiaries, incorporated in India is disqualified as on March 31, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. There were no pending litigations which would impact the consolidated financial position of the Group..
- ii. The Group did not have any material foreseeable losses 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 Holding Company.

&

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India.

For Shekar & Yathish
Chartered Accountants
FRN: 008964S

Kusuma Yathish
Partner
M.No.209637

Place: Bangalore
Date : 29/05/2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2015, we report that

Our reporting on the Order includes a subsidiary company incorporated in India on which the auditors have reported on in accordance with the Order. Our report in respect of these subsidiaries is based solely on the reports of their auditors.

1. In respect of the fixed assets of the Company and its aforesaid subsidiaries:
 - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification which, in our opinion and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, no material discrepancies were noticed on such verification.
2. In respect of the inventories of the Company and its aforesaid subsidiaries:
 - (a) As explained to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, the inventories were physically verified during the year by the Management of the respective subsidiaries at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, the procedures of physical verification of inventories followed by the respective Management were reasonable and adequate in relation to the size of the Company and its respective subsidiaries and the nature of their business.
 - (c) In our opinion and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, the Company and its aforesaid subsidiaries have maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. The Company has granted loans to two bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') and one of its aforesaid subsidiaries has granted any loans to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')
4. In our opinion and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, there is an adequate internal control system commensurate with the size of the Company and its aforesaid subsidiaries and the nature of its business with regard to purchase of inventory and fixed assets and sale of goods and services. . During the course of our audits and based on auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, we have not observed any major weakness in such internal control system
5. In our opinion and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, the Company and its aforesaid subsidiaries have not accepted deposits during the year and do not have any unclaimed deposits. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company and its aforesaid subsidiaries.
6. According to the information and explanations given to us, The Central Government has prescribed maintenance of cost records under Sec. 148(1) of the Companies Act 2013. However the same has not been produced before us to express any further opinion as to adequacy and accuracy of the same. The provisions of clause 3 (vi) of the Order are not applicable to the aforesaid subsidiaries as the respective entities are not covered by the Companies (Cost Records and Audit) Rules, 2014.
7. According to the information and explanations given to us and based on auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, in respect of statutory dues of the Company and its aforesaid subsidiaries:
 - (a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time. However in respect of the aforesaid subsidiaries, the companies had no dues which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
8. The Group does not have accumulated losses. The Group has not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, the respective entities have not defaulted in repayment of dues to a bank during the year and did not have any amount outstanding to financial institutions or debenture holders.
10. In our opinion and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, the Company and its aforesaid subsidiaries have not given guarantees for loans taken by others from banks and financial institutions. Therefore, the provisions of the clause 3 (x) of the Order are not applicable to the Group.
11. In respect of the holding company, the term loans outstanding at the beginning of the year and those raised during the year were applied for the purposes for which they were taken.
- According to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, the respective entities did not avail any term loan during the year.
12. To the best of our knowledge and belief and according to the information and explanations given to us and based on the auditors' reports issued in accordance with the Order on the aforesaid subsidiaries, no fraud by the Company and its aforesaid subsidiaries and no material on the Company and its aforesaid subsidiaries has been noticed or reported during the year.

For Shekar & Yathish
Chartered Accountants
FRN: 008964S

Place: Bangalore
Date : 29/05/2015

Kusuma Yathish
Partner
M.No.209637

Consolidated Balance Sheet as at 31st March, 2015

Particulars	Note No	Figures as at the end of current Reporting Period	Figures as at the end of previous Reporting Period
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	42,401,750	42,401,750
(b) Reserves and Surplus	3	345,204,103	334,999,686
(c) Minority Interest of subsidiaries		1,036,202	973,555
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	5,638,706	8,887,324
(b) Deferred Tax Liabilities	5	3,692,695	3,047,453
(c) Other Long-Term Liabilities	6	500,000	1,654,130
(d) Long-Term Provisions	7	154,942	101,087
(3) Current Liabilities			
(a) Short-Term Borrowings	8	15,854,039	17,285,848
(b) Trade Payables	9	5,011,537	12,498,844
(c) Other Current Liabilities	10	10,377,769	12,189,786
(d) Short-Term Provisions	11	8,237,740	4,591,558
Total		438,109,483	438,631,021
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		338,276,491	335,984,294
(ii) Intangible Assets		966,810	652,321
(iii) Capital Work-In-Progress		2,857,795	1,611,711
(iv) Goodwill on Consolidation		2,215,251	2,769,064
(b) Non-Current Investments	13	6,120,457	910,423
(c) Deferred Tax Asset	14	11,488	
(c) Long Term Loans and Advances	15	2,558,819	1,940,481
(2) Current Assets			
(a) Inventories	16	14,830,576	13,227,132
(b) Trade Receivables	17	16,432,801	41,881,815
(c) Cash and Cash Equivalents	18	49,628,018	36,004,689
(d) Short-Term Loans and Advances	19	1,866,252	2,557,211
(e) Other Current Assets	20	2,226,840	1,091,880
Total		438,109,483	438,631,021

Significant Accounting Policies and Notes on Accounts

1 to 40

Notes referred to above form an integral part of this Balance Sheet

As per our report of even date.

For M/s. Shekar & Yathish

Chartered Accountants

FRN 008964S

Kusuma Yathish

Partner

Membership No.209637

Bangalore

29/05/2015

Rajeev Sikka
Chairman & Managing Director
DIN : 00902887

Kunal Sikka
Whole Time Director
& Chief Financial Officer
DIN : 05240807

For and on behalf of the board

R.N. Chawhan
Director
DIN : 00568833

Sreee Aneetha M
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

Particulars	Note No	Figures for the year ended for current Reporting Period	Figures for the year ended for previous Reporting Period
I. Revenue From Operations	21	300,699,121	218,980,318
II. Other Income	22	9,727,375	6,147,281
III. Total Revenue (I +II)		310,426,496	225,127,599
IV. Expenses:			
Cost of Materials Consumed	23	23,988,105	46,270,820
Purchases of Stock in Trade	24	199,733,391	75,658,299
Changes in Inventories of finished goods, Work in Progress	25	1,621,292	19,925,736
Employee Benefit Expense	26	22,820,791	23,005,746
Finance Costs	27	2,875,218	3,815,844
Depreciation and Amortization Expense	12	5,153,130	3,531,108
Amortization of Goodwill		553,813	692,266
Other Expenses	28	30,041,378	31,714,565
Total Expenses		286,787,118	204,614,384
V. Profit Before Tax (III - IV)		23,639,378	20,513,215
VI. Tax Expense:			
(1) Current Tax expense for Current year		6,761,019	5,565,513
Less: MAT Credit Entitlement		(230,740)	-
(2) Current Tax Expense / (Income) for Earlier years		351,858	-
(3) Deferred Tax Expense / (Income)		633,754	1,447,543
VII. Profit before share of profit of associates and Minority Interest (V-VI)		16,123,488	13,500,159
VIII. Minority Interest		62,647	58,356
IX. Profit/(Loss) for the year (VII - VIII)		16,060,841	13,441,803
X. Earning Per Equity Share:			
(1) Basic	29	3.79	3.17
(2) Diluted	29	3.79	3.17

Significant Accounting Policies and Notes on Accounts

1 to 40

Notes referred to above form an integral part of this Statement of Profit and Loss

As per our report of even date
For M/s. Shekar & Yathish
Chartered Accountants
FRN 008964S

For and on behalf of the board

Rajeev Sikka
Chairman & Managing Director
DIN : 00902887

R.N. Chawhan
Director
DIN : 00568833

Kusuma Yathish
Partner
Membership No.209637

Kunal Sikka
Whole Time Director
& Chief Financial Officer
DIN : 05240807

Sreee Aneetha M
Company Secretary

Bangalore
29/05/2015

Consolidated Cash Flow Statement For The Year Ended 31st March 2015

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
A] <u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net Income before Taxation and Extraordinary items	23,639,378	20,513,215
<u>Add/(Less) : Adjustments for :-</u>		
Depreciation and Amortization	5,706,943	4,223,374
Profit on sale of Fixed Assets	(71,090)	(210,283)
Loss on Sale of Fixed Assets	7,194	2,103
Finance Cost	2,875,218	3,815,844
Net Gain on Sale of Investments	(31,221)	-
Interest on Deposits	(3,329,552)	(2,230,264)
Dividend Received	(349,230)	(48,079)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	28,447,640	26,065,911
<u>Changes in Working Capital</u>		
<u>Adjustments for (increase)/decrease in operating assets</u>		
Trade Receivables	25,449,014	(15,381,830)
Inventories	(1,603,444)	17,472,597
Short-term Loans & Advances	690,959	1,134,713
Long-term Loans & Advances	(736,223)	1,929,867
Other Current Assets	(1,134,960)	(25,473)
<u>Adjustments for increase/(decrease) in operating liabilities</u>		
Trade Payables	(7,487,307)	5,025,507
Other Current Liabilities	(1,812,017)	(30,373,132)
Short-Term Provisions	3,646,182	1,155,446
Long-Term Provisions	53,855	(13,298)
Other Long term Liabilities	(1,154,130)	1,154,130
Cash generated from operations	44,359,569	8,144,438
Less : Tax Adjustment (paid)/refund	(6,882,137)	(5,565,513)
NET CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES	37,477,432	2,578,925
B] <u>CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES</u>		
Capital Expenditure on Fixed Assets	(10,940,932)	(5,565,110)
Proceeds from Sale of Fixed Assets	251,186	2,079,805
Interest on Bank Deposits	3,329,552	2,230,264
Net Gain on Sale of Investments	31,221	-
Sale of Non Current Investments	107,350	-
Dividend Received	349,230	48,079
Purchase of Non Current Investments	(5,317,384)	(48,079)
NET CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES	(12,189,777)	(1,255,042)

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
C] CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds from issue of Equity Shares		
Finance Cost	(2,875,218)	(3,815,845)
Repayment of Long Term Borrowings	(3,248,617)	(4,685,901)
Repayment of Short Term Borrowings	(1,431,809)	-
Proceeds from Short Term Borrowings	-	12,419,181
Dividends Paid	(3,392,141)	(3,392,141)
Tax on Dividend	(716,541)	(576,495)
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES	(11,664,326)	(51,201)
D] NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	13,623,331	1,272,682
Add: Cash and Cash Equivalents at beginning of the year	36,004,687	34,732,005
Cash and Cash Equivalents at end of the year*	49,628,018	36,004,687
* Comprises:		
(a) Cash on hand	128,672	41,662
(b) Balances with banks		
- In current accounts	13,937,260	15,839,634
(c) Deposits considered as part of cash and cash equivalents	35,562,086	20,123,391
	49,628,018	36,004,687

As per our report of even date
For M/s. Shekar & Yathish
Chartered Accountants
FRN 008964S

For and on behalf of the board

Kusuma Yathish
Partner
Membership No.209637

Rajeev Sikka
Chairman & Managing Director
DIN : 00902887

R.N. Chawhan
Director
DIN : 00568833

Bangalore
29/05/2015

Kunal Sikka
Whole Time Director
& Chief Financial Officer
DIN : 05240807

Sriee Aneetha M
Company Secretary

1. Principles of Consolidation & Significant Accounting Policies:

I. Principles of Consolidation:

- a. The consolidated financial statements relate to Sika Interplant Systems Limited (parent company), its subsidiaries. The consolidated financial statements have been prepared on the following basis.
- The financial statements of the parent company and its Subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of incomes, expenses, assets and liabilities, after eliminating the intra group balances, intra group transactions and unrealized profits or losses in accordance with Accounting Standard 21 on "consolidated Financial Statements". The share of Minority interest in the subsidiaries has been disclosed separately in the "Consolidated Financial Statements".
 - The Consolidated financial statements have been prepared using uniform accounting policies for the like transactions and events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements.
 - The excess of cost to the parent company of its investment in the respective subsidiary company is recognized in the financial statements as goodwill.
- b. The Consolidated Financial Statements include the results of the following entities.

Sl. No.	Name of the Company	Relation	Ownership Interest
1	Sikka N Sikka Engineers Pvt Ltd	Subsidiary	100%
2	Emsac Engineering Pvt Ltd	Subsidiary	51%
3	Sika Tourism Pvt Ltd	Subsidiary	99.00%

II. Significant Accounting Policies:

- a. Significant Accounting Policies of the parent company and its subsidiaries are similar in nature except for accounting of retirement Benefits in accordance with AS 15 in Sikka N Sikka Engineers Pvt Ltd. However impact of the same is not material and the accounting policies of the parent company are enclosed as Annexure 1.

Annexure 1

a) Accounting Convention:

The financial statements are prepared under the historical cost convention on an accrual basis, in accordance with the Generally Accepted Accounting Principles in India (" Indian GAAP") and mandatory Accounting Standards as prescribed under Section 133

of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the act to the extent notified..

b) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation and impairment (if any). All costs relating to the acquisition and installation of fixed assets have been capitalized.

Capital work in progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes land, related acquisition expenses, development /construction costs, borrowing costs and other direct expenditure including advances to contractors and others.

Intangibles having the characteristic of assets, capable of generating future economic benefits and are reliably measurable are stated at cost.

Depreciation/Amortisation

Depreciation on assets has been provided at the rates specified in Schedule II of the Companies Act, 2013 on straight-line method.

Amortisation of Intangibles is done based on the benefits derived. Amortization is not being done in respect of intangibles which are available for use to the company in perpetuity.

c) Valuation of Inventories:

Stock of spare parts, raw materials and stock in trade are valued at lower of cost and net realizable value. Work-in-progress is valued at cost.

d) Valuation of Investments:

Current investments are valued at the lower of cost and market value. Long Term Investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in carrying value of each investment.

e) Retirement Benefits:

Company has Group Gratuity policy with Life Insurance Corporation of India and the premiums determined there at is charged to revenue. The Company has provided for Leave Encashment based on accumulated un-availed leave by the employees as on the date of Balance Sheet.

f) Revenue Recognition:

- i. Revenue from sale of goods is recognized on passing of the property in goods.

- ii. Services – Revenue from services is recognized on completion of service.
- iii. Profit on sale of investments: Profit / loss on sale of investments are recognized on the date of redemption.

g) Foreign Currency Transactions:

Transactions in foreign currency are recorded using the spot rate at the transaction date and exchange differences resulting from settled transactions are adjusted in the profit and loss account. At the balance sheet date, monetary items denominated in foreign currencies are converted into rupee equivalents at exchange rates as at the balance sheet date. Those relating to acquisition of fixed assets are adjusted to the cost of assets.

h) Provisions:

A provision is recognized when outflow of resources will be required to settle a present obligation as a result of past events. Accordingly provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

l) Provision for Warranty :

The estimated liability for the product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective action on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically up to three years.

As per the terms of contracts, the company provides post contract services/ warranty support to some of its customers. The company accounts for the post-contract support / provision for warranty on the basis of the information available with the management duly taking into account the current and past technical estimates.

j) Segment Reporting Policies

Primary Business Segments:

The Company is primarily engaged in the business of manufacturing and rendering of services in engineering products and designs. For all purposes the company is organized into one operating activity of Engineering products and services. Accordingly the Company is of the view that it has only one business segment. The Company has no activity outside India except for export of Engineering Services. Thereby there is no geographical segment.

k) Impairment of Assets

At each Balance Sheet date the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, the Company estimates the recoverable

amount and if this is lower than the carrying amount of the asset, an impairment loss is recognized in the Profit and Loss account to the extent the carrying amount exceeds the recoverable amount.

l) Taxation

Current Taxation and Deferred Taxation:

Provision for current income tax is made on the assessable income at the rates applicable to the relevant assessment year.

Deferred Tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversing in one or more subsequent periods.

Deferred tax assets on unabsorbed depreciation and carry forward of losses are recognized only to the extent there is a virtual certainty of its realization.

m) Earning Per Share.

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the Purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares are outstanding during the period are adjusted for events including a bonus issue, bonus element in a rights issue to existing share holders, share split and reverse share split.

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
2. SHARE CAPITAL		
Equity Shares with Voting Rights Authorised		
5,000,000 Equity Shares of Rs. 10/- each (Previous Year 5,000,000 Equity Shares of Rs.10 /- each)	50,000,000	50,000,000
Equity Shares with Voting Rights Issued and Subscribed		
42,40,175 Equity Shares of Rs. 10/- each (Previous Year 42,40,175 Equity Shares of Rs.10 /- each) (Of the above shares, 26,00,000 shares are issued for consideration other than cash)	42,401,750	42,401,750
Equity Shares with Voting Rights Paid Up		
42,40,175 Equity Shares of Rs. 10/- each (Previous Year 42,40,175 Equity Shares of Rs.10 /- each)	42,401,750	42,401,750
TOTAL	42,401,750	42,401,750

Details of Shareholders holding more than 5% shares

Name of the Shareholder	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
Equity Shares with Voting Rights Ultraweld Engineers Private Limited		
No of Shares	2,972,315	2,970,613
% held	70.10%	70.06%

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

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
Opening Balance	4,240,175	4,240,175
Add. Issued during the year	-	-
Less. Bought back during the year	-	-
Closing Balance	4,240,175	4,240,175

Notes on Consolidated Financial Statements for the year ended 31st March, 2015

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
3.RESERVES AND SURPLUS		
General Reserve		
Opening Balance	4,401,400	4,401,400
Add:Transferred from surplus in Statement of Profit and Loss		
Less:Utilised/Transferred during the year		
Closing Balance	4,401,400	4,401,400
Capital Reserve		
Opening Balance	60,676,001	60,676,001
Add:Additions during the year		
Less:Utilised/Transferred during the year		
Closing Balance	60,676,001	60,676,001
Securities Premium Account		
Opening Balance	177,967,000	177,967,000
Add:Premium on shares issued during the year		
Less:Utilised during the year		
Closing Balance	177,967,000	177,967,000
Surplus/(Deficit) as per Statement of Profit/Loss		
Opening Balance	91,955,286	82,558,077
Add :Transferred from Statement of Profit and Loss	16,060,841	13,441,802
	108,016,127	95,999,879
Less:		
(1) Effect on depreciation due to change in estimate	1,747,743	-
(2) Proposed Dividend (Dividends Proposed to be Distributed to Equity Shareholders (Re.80 paise per share))	3,392,141	3,392,140
(3) Tax On Proposed Dividend*	716,541	576,494
	4,108,682	3,968,634
Less: Stock Reserve (Refer note 36)	-	(75,960)
Closing Balance	102,159,702	91,955,285
TOTAL	345,204,103	334,999,686

* Tax on Proposed dividend includes an amount of Rs.22,012/- , being provision relating to an earlier year.

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
NON CURRENT LIABILITIES		
4. LONG TERM BORROWINGS		
Secured		
A. Loans from Banks		
Term Loan (Term Loan 1 - sanctioned of Rs.3,44,05,043/- is Secured by book debts, stock and Land at Bommasandra)	4,286,588	8,279,608
(Term Loan 2 - sanctioned amount Rs. 74,00,000, Amount availed as on 31 March 2015 Rs. 17,81,980 is secured by Machineries / Office Equipments / Computers Purchased out of the amounts availed.)		
B. From Other Parties		
Long Term Maturities of Finance Lease Obligations (Loans from Others are secured by Vehicles acquired out of the above Loans) (Refer Note No.37)	1,352,118	607,716
TOTAL	5,638,706	8,887,324
	Loan Tenure	Rate of Interest
1. Term Loan from Bank	3 years	Base rate+Floating rate of 2.25% currently at 12.75%
2. Term Loan from Bank	5 years	Base rate+Floating rate of 2.25% currently at 13.20%
3. Vehicle Loan from Bank	3 years	10.50%
4. Two Vehicle Loans from NBFC are borrowed for a tenure of 3 years with rate of interest of 10.45% and 10.30%		
Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
5. DEFERRED TAX LIABILITY		
The accumulated impact of deferred tax arising on account of timing differences and expected to be reversed during forthcoming years is recognised as an adjustment to balance of Profit and Loss Account as prescribed in AS 22. The composition of accumulated deferred tax liability is as under:		
-Deferred Tax liability Related to Fixed Assets- Depreciation	3,906,680	3,226,984
-Deferred Tax Asset Related to expenditure allowed under the Income Tax Act, 1961 on payment basis	213,985	179,531
-Deferred Tax liability (Net)	3,692,695	3,047,453

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
6. OTHER LONG TERM LIABILITIES		
Other Payables		
Security Deposit	500,000	1,654,130
TOTAL	500,000	1,654,130

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
'7. LONG-TERM PROVISIONS		
Provision For Employee Benefits		
Leave Encashment (Unfunded)	154,942	101,087
TOTAL	154,942	101,087

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
8. SHORT TERM BORROWINGS		
Loans/Advances repayable on demand from Banks		
Secured		
Working Capital Loans from Banks (Working Capital loans are secured by book debts, stock and Land at Bommasandra)	15,854,039	17,285,848
TOTAL	15,854,039	17,285,848

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
9. TRADE PAYABLES		
Trade Payables-Micro, Small and Medium Enterprises	-	-
Trade Payables-Others	5,011,537	12,498,844
TOTAL	5,011,537	12,498,844

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
10. OTHER CURRENT LIABILITIES		
Current Maturities of Long term Debt		
Secured		
Loans from Banks		
Term Loan from Bank	5,775,000	4,560,000
Vehicle Loan from Bank	-	219,007
Current Maturities Finance Lease Obligation		
Secured		
Loans from Others		
Vehicle Loan from NBFC	1,239,420	773,157
Others Payables		
Statutory Remittances	771,060	1,051,216
Unclaimed Dividends	590,079	594,147
Payables to Related Parties	280,304	139,638
Payable to Employees	1,047,241	1,347,776
Advances From Customer for Supplies / Services	179,381	2,951,315
Other	495,284	553,530
TOTAL	10,377,769	12,189,786

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
11. SHORT TERM PROVISIONS		
Provision For Employee Benefits		
Leave Encashment (Unfunded)	31,241	21,272
Bonus	627,888	601,652
Provision For Others		
Provision for Proposed Dividend	3,392,140	3,392,140
Provision for Tax on Proposed Dividend	694,529	576,494
Provision for Income Tax	3,366,453	-
Provision for Warranty	125,489	-
TOTAL	8,237,740	4,591,558

12 - Fixed Assets and Depreciation Schedule

Particulars	Gross Block				Accumulated Depreciation				Net Block		
	Balance as at 1st April 2014	Additions	Deduction/ Adjustments	Balance as at 31st March 2015	Balance as at 1st April 2014	Depreciation for the year	Accumulated Depreciation on disposal of Assets	Adjustments	Balance as at 31st March 2015	As at 31st March 2015	As at 31st March 2014
(i) Tangible Assets											
Freehold Land	255,140,290	-	-	255,140,290	-	-	-	-	-	255,140,290	255,140,290
Leasehold Land at Mysore	5,882,629	-	-	5,882,629	-	-	-	-	-	5,882,629	5,882,629
Building	62,392,044	-	-	62,392,044	1,709,936	1,271,664	-	-	2,981,600	59,410,444	60,682,108
Plant and Machinery	3,410,304	2,836,676	-	6,246,980	1,087,032	293,807	-	-	1,380,839	4,866,140	2,323,272
Office Equipments	3,653,332	224,229	-	3,877,561	1,268,641	672,126	-	1,014,896	2,955,663	921,898	2,384,691
Furniture & Fixtures	4,892,209	2,420,967	-	7,313,176	2,304,699	755,093	-	96,551	3,156,343	4,156,833	2,587,510
Vehicles	11,492,613	3,660,892	1,319,278	13,834,227	5,510,868	1,630,478	1,131,989	290,641	6,299,998	7,534,229	5,981,745
Computers	4,490,514	-	-	4,490,514	3,488,465	292,367	-	3,45,654	4,126,486	364,028	10,02,049
Total	351,353,935	9,142,764	1,319,278	359,177,421	15,369,641	4,915,535	1,131,989	1,747,742	20,900,929	338,276,491	335,984,294
Previous Year	306,765,982	51,153,550	6,565,597	351,353,935	16,661,908	3,401,705	4,693,972	-	15,369,641	335,984,294	290,104,074
(ii) Intangible Assets											
Software	879,703	552,084	-	1,431,787	227,382	237,595	-	-	464,977	966,810	652,321
Total	879,703	552,084	-	1,431,787	227,382	237,595	-	-	464,977	966,810	652,321
Previous Year	772,717	106,986	-	879,703	97,979	129,403	129,403	-	227,382	652,321	674,738
(iii) Capital Work In progress											
Factory at Bommasandra Unit	-	-	-	-	-	-	-	-	-	-	-
Tourism - Project	1,611,711	1,246,084	-	2,857,795	-	-	-	-	-	2,857,795	1,611,711
Total	1,611,711	1,246,084	-	2,857,795	-	-	-	-	-	2,857,795	1,611,711
Capital WIP Previous Year	47,307,135	652,797	46,348,221	1,611,711	-	-	-	-	-	1,611,711	47,307,135

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
13 . NON CURRENT INVESTMENTS		
Other Investments (At cost)		
Quoted		
Investment in Equity Instruments		
Melstar Information Technologies Ltd (Market Value 1,600/-, Previous Year Rs.2,456/-)	9,520	9,520
Current Year-800 Shares of Rs.10/- each (Previous Year-800 Shares of Rs. 10/- each)		
Sterling Technologies Pte Ltd Current Year - 90 Shares of Re.47.63(1SGD) each (Previous Year - NIL)	4,287	
Investment in Mutual Funds		
Birla Dynamic Bond Fund		
Current Year-13,805.290 units of Rs.21.22 each (Previous year-13,805.290 units of Rs.18.1090 each) (Market Value-Rs.2,92,948/-,Previous Year-Rs.2,73,897/-)	250,000	250,000
Reliance Liquid Fund		
Current Year-982.229 units of Rs.1114.15 each (Previous year-Nil) (Market Value-Rs.10,94,350.44 Previous Year-Rs.Nil)	1,094,340	-
Tauris Liquid Fund		
Current Year-3,128.531 units of Rs.1000.2620 each (Previous year-Nil) (Market Value-Rs.31,29,350.50 Previous Year-Rs.Nil)	3,129,351	
Franklin India Ultra Short Bond Fund		
Current Year-1,04,205.497 units of Rs.10.0793 each (Previous year-Nil) (Market Value-Rs.10,50,318.47 Previous Year-Rs.Nil)	1,046,984	
Birla Sunlife	237,144	218,113
(Current Year - 21,719.454 units of Rs. 10.9185/- each; PY - 20532.184 units of Rs.10.2512/- each) (Market Value, CY-Rs 2,37,143.86/-, PY -Rs 2,10,479.52/-)		
Birla (Floating)	231,782	216,741
(Current Year - 2311.115 units of Rs.100.2903 each ; PY - 2166.450 units of Rs.100.2011 each) (Market Value, CY-Rs. 231782.42 PY -Rs.2,17,080.67)		
IDFC Mutual Fund	-	107,350
(Previous Year -10,603.014 units of Rs.10.0740 each) (Market Value, Pr.Yr. -Rs.1,06,814.76)		

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
Templeton India	116,549	108,199
(Current Year - 11099.672 units of Rs.10.5002 each ; PY - 10,603.014 units of Rs.10.469) (Market Value, CY-Rs.116548.78, PY - Rs.1,08,821.67)		
Unquoted		
Government Securities	500	500
TOTAL	6,120,457	910,423
Note: a) Aggregate amount of quoted investments	6,119,957	909,923
b) Aggregate amount of unquoted investments	500	500
c) Aggregate market value of listed and quoted investments	6,200,451	937,745

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
14. DEFERRED TAX ASSET		
In view of the accumulated impact of deferred tax arising on account of timing differences and expected to be reversed during forthcoming years is recognised as an adjustment to balance of Profit and Loss Account as prescribed in AS 22. The composition of accumulated deferred tax asset is as under:		
- Deferred Tax Asset		
Related to Fixed Assets- Depreciation	11,488	-
TOTAL	11,488	-

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
15. LONG TERM LOANS AND ADVANCES		
Unsecured and Considered Good		
Related Parties	301,617	-
Security Deposits	2,375,087	1,940,481
TOTAL	2,676,704	1,940,481

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
CURRENT ASSETS		
16. INVENTORIES (At lower of cost and net realisable value)		
Raw Materials	9,858,604	6,709,828
Work in Progress	4,971,972	4,341,000
Finished Goods		2,252,264
Less: Closing Stock Reserve (Refer note 36)	-	(75,960)
TOTAL	14,830,576	13,227,132

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
17. TRADE RECEIVABLES		
Unsecured and Considered Good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	520,042	4,767,321
Other Trade Receivables	15,912,759	37,114,494
TOTAL	16,432,801	41,881,815

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
18. CASH AND CASH EQUIVALENTS		
Cash on Hand	125,672	41,662
Balance with Banks		
In Current Accounts	9,326,930	7,605,099
In EEFC Accounts	4,014,038	7,634,231
In Unpaid Dividend Account	596,292	600,305
In Demand Deposit Accounts	35,562,086	20,123,391
TOTAL	49,628,018	36,004,689

Notes:

i) Balances with bank include deposits with remaining maturity of more than 12 months from the balance sheet date

3,563,554 100,000

ii) Balances with banks held as Margin Money deposits against guarantees

1,097,492 1,556,372

Cash and Cash equivalents as of March 31, 2015 and March 31, 2014 include restricted cash and bank balances of INR16,93,784/- and INR21,56,677/- , respectively. The restrictions are on account of deposits held as Margin deposits against guarantees and bank balances in Dividends.

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
19. SHORT TERM LOANS AND ADVANCES		
Unsecured and Considered Good		
Advance Income Tax (Net of Provisions)	489,462	688,877
Balances with Government Authorities	797,753	757,267
Advance Given to Employees	278,000	81,829
Advance Given To Suppliers	133,069	793,984
Other Loan and Advance	-	980
Prepaid Expenses	167,968	234,274
TOTAL	1,866,252	2,557,211

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
20. OTHER CURRENT ASSETS		
Unamortised Expenses		
Interest Accrued on deposits	1,982,063	860,922
Other	244,777	230,958
TOTAL	2,226,840	1,091,880

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
21. REVENUE FROM OPERATIONS		
Sale of Engineering Systems	17,647,678	88,802,635
Sale of Engineering Products	234,514,983	82,875,993
Sale of Engineering Services	48,385,873	47,279,473
Other Operating Income	150,587	22,217
TOTAL	300,699,121	218,980,318

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
22. OTHER INCOME		
Interest from banks		
-From Deposits	3,329,552	2,230,264
Interest from others	3,488	-
Rental Income*	3,847,100	577,065
Dividend Received	349,230	48,079
Net Gain due to Foreign Exchange Difference	1,292,973	2,963,004
Net Gain on Sale of Fixed Asset	71,090	210,283
Net Gain on sale of Investments	31,221	-
Other Income	802,721	118,586
TOTAL	9,727,375	6,147,281

*The company has entered into commercial property leases on its investment property portfolio, consisting of the company's surplus office .

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
23. COST OF MATERIAL CONSUMED		
Imported	9,621,302	19,737,501
Indigeneous	14,366,803	26,533,319
TOTAL	23,988,105	46,270,820

Percentage of Consumption	2014-15	2013-14
Imported	40.11%	42.66%
Indigeneous	59.89%	57.34%

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
23.1. Particulars of Materials consumed		
Mechanical Components	7,789,012	22,192,961
Electrical Components	11,470,064	10,453,620
Others	4,729,029	13,624,239
TOTAL	23,988,105	46,270,820

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
24. PURCHASES OF STOCK IN TRADE		
Purchase of Products	199,733,391	75,658,299
TOTAL	199,733,391	75,658,299

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
24.1. PURCHASES OF STOCK IN TRADE		
Mechanical Components	173,077,357	65,463,496
Electrical Components	24,268,587	8,721,612
Others	2,387,447	1,473,191
TOTAL	199,733,391	75,658,299

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
25. CHANGES IN INVENTORY OF WORK IN PROGRESS		
Inventory at the end of the year		
Finished Goods	-	2,252,264
Work in Progress	4,971,972	4,341,000
Total	4,971,972	6,593,264
Inventory at the beginning of the year		-
Finished Goods	2,252,264	984,000
Work in Progress	4,341,000	25,535,000
Total	6,593,264	26,519,000
Net (Increase)/Decrease	1,621,292	19,925,736

Particulars	Figures as at the end of the current Reporting Period	Figures as at the end of the previous Reporting Period
26. EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	21,274,684	21,656,710
Staff welfare expenses	498,810	432,345
Contribution to Provident & Other Funds(Refer Note No.36)	1,047,297	916,691
TOTAL	22,820,791	23,005,746

Particulars	Figures for the year ended for current Reporting Period	Figures for the year ended for previous Reporting Period
27. FINANCE COSTS		
Interest Expense	2,875,218	3,815,844
TOTAL	2,875,218	3,815,844

Particulars	Figures for the year ended for current Reporting Period	Figures as at the end of the previous Reporting Period
28. OTHER EXPENSES		
Manufacturing Expenses		
Electricity and Water Charges	635,757	471,481
Net Loss due to Foreign Exchange Differences	-	149,547
Repairs & Maintenance- Building	2,042,688	1,675,988
Staff Training and Education	27,000	374,489
Rates and Taxes	88,581	173,590
Retainership Fees	1,469,762	3,198,406
Selling and Distribution Expenses		
Advertisement Expenses	158,788	209,537
Business Promotion Expenses	3,270,966	3,046,909
Seminar and Exhibition Charges	2,169,298	1,419,689
Establishment Expenses		
Electricity Charges	280,230	261,359
AGM Expenses	40,460	33,620
Bank Charges	712,648	912,293
Commission and Brokerage	-	192,100
Communication Expenses	614,816	675,551
Discounts, Bad Debts and Write offs	954,952	1,524,810
Charity and Donations	83,000	40,000
Insurance	263,051	231,587
Loss on Sale of Fixed Asset	7,194	2,103
Office Expenses	433,014	188,513
Preliminary Expenses written off	-	45,375
Rates and Taxes	265,437	363,275
Printing & Stationery	397,075	491,079
Rent	1,019,470	1,090,364
Legal and Professional Charges	5,526,222	4,490,455
Sitting Fees	77,500	22,500
Travel and Conveyance Expense	7,088,283	8,131,533
Miscellaneous Expenses	4,347	11,310
Repairs & Maintenance - Office	2,009,645	1,969,966
Payment to Auditors		
-As Auditors - Statutory Audit	348,316	264,046
-As Auditors - Tax Audit	28,090	28,090
Certification and Consultation Fees	25,000	25,000
TOTAL	30,041,378	31,714,565

Particulars	Figures for the year ended for current Reporting Period	Figures for the year ended for previous Reporting Period
29.EARNINGS PER SHARE		
I. Net Profit As Per Profit And Loss Account Available For Equity Shareholders	16,060,841	13,441,803
II. Weighted Average Number of Equity Shares for Earnings Per Share Computation		
a. For Basic Earnings per Share	4,240,175	4,240,175
b. For Diluted Earnings per Share	4,240,175	4,240,175
III. Earnings Per Share (Face Value of Rs.10/- each)		
Basic	3.79	3.17
Diluted	3.79	3.17

Particulars	Figures for the year ended for current Reporting Period	Figures for the year ended for previous Reporting Period
30. CONTINGENT LIABILITY AND COMMITMENTS		
- Bank Guarantee	7,974,918	10,788,534
- Capital Commitments to the extent not provided in the books	1,163,480	-
TOTAL	9,138,398	10,788,534

31. The information required to be disclosed under the Micro, Small, Medium enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. There are no over dues to parties on account of principal amount and / or interest and accordingly no additional disclosures have been made.

32. Capital Reserve and Securities Premium have arose pursuant to a scheme of merger approved by the Honourable High Court of Karnataka.

33. Expenditure in Foreign Currency!

(Amounts in INR)

Particulars	2014-15	2013-14
Raw Materials & components, Software	12,385,472	22,384,182
Purchases & services	198,231,256	77,774,986
Travelling Expenses	2,218,320	4,027,500
Total	212,835,048	104,186,668

34. Sale by class of goods!

(Amounts in INR)

Particulars	2014-15	2013-14
1. Finished Engineering systems		
(a) Handling Systems	13,052,511	83,982,721
(b) Others	4,595,167	48,19,914
Total	17,647,678	88,802,635
2. Engineering Products!		
(a) Servo Products	234,298,403	82,125,473
(b) Software & others	367,167	750,520
Total	234,665,570	82,875,993
3. Sale of Engineering Services		
(a) Designs and Drawings	47,600,111	32,911,786
(b) Others	789,660	14,367,687
Total	48,389,771	47,279,473

35. Earnings in Foreign Currency (on FOB basis)!

(Amounts in INR)

Particulars	2014-15	2013-14
Others (on A/c. of Export Services and Sales)	48,242,382	34,021,154

36 Related party transactions

(Amounts in INR)

Particulars	Referred to in (a) below		Referred to in (b) below		Referred to in (c) below	
	31.3. 2015	31.3. 2014	31.3. 2015	31.3. 2014	31.3. 2015	31.3. 2014
Expenses:						
a. Remuneration	-	-	2,822,284	1,935,646	-	-
b. Professional Charges	-	-	-	-	9,24,000	9,24,000
c. Salary Paid	-	-	661,500	1,372,916	-	-
Other Transactions						
a. Loans Given	315,506	-	-	-	-	-
Outstanding:						
a. Prof Charges / Remuneration	-	-	280,304	139,638	77,000	77,000
b. Loans Receivable	301,617	-	-	-	-	-

Related Party Information

Relationship

a. Where significant influence exists(Affiliates)

1. M/s. Sikka N Sikka Engineers Pvt Ltd
2. M/s. Emsac Engineering Pvt Ltd
3. M/s. Ultraweld Engineers Pvt Ltd
4. M/s. Gourmet Estates Pvt Ltd
5. M/s. Sterling Technologies Pte Ltd

b. Key Management Personnel

1. Mr. Rajeev Sikka
2. Mr. Kunal Sikka

c. Relatives of Key Management Personnel

1. Mrs. Krishna Sikka
2. Mrs. Anuradha Sikka

37. In respect of fixed assets acquired on terms loans from bank the minimum payment outstanding are as follows:

(Amounts in INR)

Particulars	Minimum Payments Outstanding		Future Interest on Outstanding Payments (Interest)		Present Value of Minimum Payments(Principal)	
	As at 31st Mar 2015	As at 31st Mar 2014	As at 31st Mar 2015	As at 31st Mar 2014	As at 31st Mar 2015	As at 31st Mar 2014
Within One year	6,717,039	5,930,000	942,039	1,370,000	5,775,000	4,560,000
> 1 year and < 5 Years	4,510,762	9,282,000	223,902	1,003,000	4,286,860	8,279,000
> 5 Years	-	-	-	-	-	-
Total	11,227,801	15,212,000	1,165,941	2,373,000	10,061,860	12,839,000

38. In respect of fixed assets acquired on finance lease, the minimum payment outstanding are as follows:

(Amounts in INR)

Particulars	Minimum Payments Outstanding		Future Interest on Outstanding Payments (Interest)		Present Value of Minimum Payments(Principal)	
	As at 31st Mar 2015	As at 31st Mar 2014	As at 31st Mar 2015	As at 31st Mar 2014	As at 31st Mar 2015	As at 31st Mar 2014
Within One year	1,453,755	1,103,056	214,336	110,896	1,239,419	992,160
> 1 year and < 5 Years	1,444,123	674,659	78,442	66,943	1,365,681	607,716
> 5 Years	-	-	-	-	-	-
Total	2,897,878	1,777,715	292,778	177,839	2,605,100	1,599,876

The amounts stated under Future Interest on Outstanding Lease Payments is based on the existing rates of interest and the amounts are subject to change in rate of interest/ any lumpsum payments made by the Company towards principal portion of the Loan Outstanding as on 31/03/2015.



39. Emsac Engineering (P) Ltd (Subsidiary company) had rendered the services to Sika Interplant Systems (holding company), being upward transaction, stock reserve on the same has been reduced from Reserves & Surplus and the effect of the same is not given to Minority Interest
40. Previous year's figures have been recast / restated, wherever necessary, to make them comparable with those of the current year.

For M/s. Shekar & Yathish
Chartered Accountants
FRN 008964S

Kusuma Yathish
Partner
Membership No.209637

Bangalore
Date : 29/05/2015

For and on behalf of the board

Rajeev Sikka
Chairman & Managing Director
DIN : 00902887

Kunal Sikka
Whole Time Director
& Chief Financial Officer
DIN : 05240807

R.N. Chawhan
Director
DIN : 00568833

Sriee Aneetha M
Company Secretary





SIKA INTERPLANT SYSTEMS LIMITED

CIN: L29190KA1985PLC007363

Registered Office: 3 Gangadharchetty Road, Bangalore 560 042

Tel: 080 49299144 E-mail: corpaffairs@sikaglobal.com Website: www.sikaglobal.com

ATTENDANCE SLIP

29th ANNUAL GENERAL MEETING ON FRIDAY, 25th September 2015 AT 10.00 A.M.

At Hotel Ajantha, 22 M.G. Road, Bangalore 560 001

Folio No. _____ DP ID No. _____ Client ID No. _____

Name of the Member _____ Signature _____

Name of the Proxy holder _____ Signature _____

1. Only Member/ Proxy holder can attend the Meeting.
2. Member/ Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

SIKA INTERPLANT SYSTEMS LIMITED

CIN: L29190KA1985PLC007363

Registered Office: 3 Gangadharchetty Road, Bangalore 560 042

Tel: 080 49299144 E-mail: corpaffairs@sikaglobal.com Website: www.sikaglobal.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s):	E-mail ID:
Registered Address :	
Folio No./Client ID No.:	DP ID No.....

I/ We, being the Member(s) of Shares of Sika Interplant Systems Limited, hereby appoint

1. Name: E-mail ID:
Address:
..... Signature: or failing him
2. Name: E-mail ID:
Address:
..... Signature: or failing him
3. Name: E-mail ID:
Address:
..... Signature: or failing him

As my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 29th Annual General Meeting of the Company to be held on Friday, 25th September 2015 at 10:00 a.m. at 3, Hotel Ajantha, 22 M.G. Road, Bangalore 560 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Audited Financial Statements for the year ended 31st March 2015 together with the Reports of the Board of Directors and the Auditors thereon
2. Declaration of dividend for the financial year 2014-15 on Equity Shares
3. Appointment of Statutory Auditors
4. Appointment of Mrs. Krishna Sikka as a Director



Signed this _____ day of _____ 2015.

Signature of Member _____ Signature of Proxy holder(s) _____

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

If undelivered, please return to:

SIKA INTERPLANT SYSTEMS LTD

Regd. Office : 3 Gangadharchetty Road | Bangalore 560 042 | INDIA
Tel: +91 (80) 49299144 | Fax: +91 (80) 2559 9501
corpaffairs@sikaglobal.com