



SIKA INTERPLANT SYSTEMS LTD

Regd Office : 3, Gangadhara Chetty Road, Bangalore - 560 042, India

Ph: 91-80-25599086 / 25599144 Fax : 91-80-25599501

email:bsg@sikaglobal.com

NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Company will be held at Hotel Ajantha, 22, M.G.Road, Bangalore 560 001 on Friday, 30th September 2011 at 10.00 A.M., to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Accounts for the year ended 31.03.2011 along with the Reports of the Directors and Auditors thereon.
2. To declare a dividend for the financial year ended 31st March, 2011.
3. To appoint a Director in place of Dr.C.G.Krishnadas Nair, Director, who retires at the Annual General Meeting and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

M/s.Shekar & Yatish, Chartered Accountants, Bangalore, retire at this meeting and being eligible offers themselves for re-appointment.

SPECIAL BUSINESS:-

6.To consider, and if thought fit, to pass with or without modification, the following as a Special Resolution:-

“Resolved that Pursuant to Sec.314 and other applicable provisions, if any, of the Companies Act,1956, the consent of the Company be and is hereby granted for the appointment of Mr.Kunal Sikka as Chief Financial Officer of the Company w.e.f 1st October 2011 on a remuneration as detailed hereunder.

Salary, Scale of pay & Increments within the aforesaid range as may be decided by the Board or any committee thereof, in its absolute discretion from time to time which shall however not result in total remuneration exceeding Rs.2,40,000/- PM or such other limit as may be prescribed by law from time to time, except with the permission of the Central Government.

- (a) Salary : As above which includes the following:
- (i) House Rent Allowance : as per Company rules
 - (ii) Medical reimbursement : Self and family at actual subject to a ceiling of one month salary
 - (iii) Leave Travel Allowance : Self & family once a year actual reimbursement subject to a ceiling of one month salary
 - (iv) Club Fees : Club fees subject to a maximum of two clubs subject to a maximum of Rs.12000/- p.a, which will not include Admission and life membership
 - (v)PF/Superannuation/Gratuity : As per Company rules.
 - (vi) Motor Car : Free use of Car with driver for office use . and Use of Car for personal use to be billed by Company
 - (vii) Telephone : Telephone facility at residence for office use and all personal long distance calls to be billed by the Company.
 - (viii) Earned Leave : As per Company rules and Encashment

For & on Behalf of the Board

Place:Bangalore
Date :01.09.2011

Rajeev Sikka
Chairman & Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and that proxy need not be a member.
2. Proxies to be effective shall reach the registered office of the Company at least 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from 21.09.2011 To 30.09.2011 (Both days inclusive).
4. Explanatory Statement as per Sec.173(2) of the Companies Act, 1956:-

Agenda 6 of Special Business: The Board of Directors recommend the appointment of Mr.Kunal Sikka , s/o. Rajeev Sikka, CMD, as Chief Financial Officer of the Company considering his qualification & experience to strengthen the management team for strong growth in the coming years. Mr.Kunal Sikka has a degree in Business with specialisation in Finance & Management from University of Wisconsin School of business, US and has work experience with Pricewaterhousecoopers Pvt Ltd, Deutsche Bank AG & Goldman, Sachs & co since July 2006, Mr.Kunal Sikka has worked with Goldman Sachs in New York, Singapore & London in various capacities & has experience in Investment Banking, Merchant Banking & fixed income currency & commodities. Mr. Rajeev Sikka may be taken as interested Director in this item of business. None of the other directors are interested. The resolution is recommended for member's approval.

For & on Behalf of the Board

Place: Bangalore
Date :01.09.2011

RAJEEV SIKKA
Chairman & Managing Director

TWENTY FIFTH ANNUAL REPORT

SIKA INTERPLANT SYSTEMS LTD.

BOARD OF DIRECTORS
(As on 20th August, 2011)

1. RAJEEV SIKKA : Chairman & Managing Director
2. Dr.C.G.KRISHNADAS NAIR : Director
3. R.N.CHAWHAN : Director
4. DR.J.M.DEB NATH : Director
5. H.K.RAMESH : Director

AUDITORS : M/s.Shekar & Yathish
Chartered Accountants

BANKERS : Canara Bank,
Industrial Finance Branch
Bangalore.

REGISTERED OFFICE : No.3, Gangadhara Chetty Road
Bangalore - 560 042.

REGISTRAR & SHARE
TRANSFER AGENTS : M/s.Cameo Corporate Services Ltd
'Subramanian Building'
No.1, Club House Road
Chennai 600 002

DIRECTORS REPORT

Dear Shareholders,

Your Directors are pleased to present the Twenty Fifth Annual Report along with Audited Statement of Accounts for the year ended 31st March 2011

FINANCIALS RESULTS

	Rs in lakhs	
	31/3/2011	31/3/2010
Total Income	11,22,00,840	11,06,71,790
Profit (Loss) before tax & depreciation	1,80,02,876	2,83,45,960
Provision for taxes	53,68,273	90,72,000
Depreciation	17,49,682	16,20,695
Profit (Loss) for the year after tax and depreciation	1,08,87,925	1,76,85,953
Earning per share	2.57	4.17

OPERATIONAL REVIEW.

Your company has posted turnover of Rs.1122.00 Lakhs & profit of Rs. 180.02 lakhs before tax & depreciation for the year 2010-11. Profit has been lower during the year due to increase in salaries & expenses. The Company has taken steps to control the same. The Company would be on the growth path in the current year barring unforeseen circumstances.

Your company has completed phase I of the Engineering Complex at Bangalore & Phase II will be completed in the current financial year.

DIVIDEND

Your Directors have recommended a dividend of Rs.0.60 per equity share i.e. total 4240175 equity shares of Rs.10/- each absorbing Rs. 25,44,105/- excluding tax for the year ended 31st March 2011 for the share holders whose name appear in the register of members as on date of book closure.

The Dividend has been kept unchanged as the Company has taken up a expansion program involving financial outlay in the current year. The benefit of the expansion project will be reflected in the performance of the coming years.

SUBSIDIARY COMPANIES

The Company has following subsidiary companies:-

- 1) M/s.Sikka n Sikka Engineers Pvt Ltd
- 2) M/s.EMSAC Engineering Pvt Ltd

Annual report of all subsidiary companies for the year ended 31st March 2011 is attached to the Balance sheet of the Company.

Sikka n Sikka Engineers Pvt Ltd is a 100% subsidiary of the Company.

EMSAC Engineering Pvt Ltd specialized in Servo systems and control systems including specialized design software, application engineering and support, Hardware etc. EMSAC is developing a competent team with specialized training in India and abroad.

During the year Sika UK Ltd has ceased to be a subsidiary company.

As required under the listing agreements with the Stock exchange a consolidated financial statement of the Company and its subsidiaries is attached. The Consolidated Financial Statements have been prepared in accordance with accounting standards 21 issued by the Institute of Chartered Accountants of India.

DIRECTORS

Dr.C.G.Krishnadas Nair, Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The proposals regarding the re-appointment as Director is placed for your approval.

Mr.Sanjeev Sikka has resigned as Managing Director and Director on 31st May 2011. The Directors thankfully acknowledge the contribution, of Mr.Sanjeev Sikka during his tenure as Director.

Mr.H.K.Ramesh, Director retires at the forthcoming Annual General Meeting. The Directors thankfully acknowledge the contribution, of Mr.H.K.Ramesh during his tenure as Director.

CORPORATE GOVERNANCE CODE

As per Clause 49 of the listing agreement with the Stock Exchange, the Company complies with the corporate Governance practices as enunciated in the listing agreement, Corporate Governance report and Management discussions & analysis are annexed, which form part of this report.

OTHER PARTICULARS

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of the employees) Rules 1975 : is NIL.

FIXED DEPOSITS

During the year ended 31st March, 2011, your Company has not accepted any deposits within the meaning of Sec.58A of the Companies Act, 1956, read with companies (Acceptance of Deposits) Rules, 1975.

DIRECTORS RESPONSIBILITY STATEMENT

The Directors responsibility statement, setting out the compliance with the accounting and financials reporting requirements specified under section 217(2AA) of the Companies Act, 1956 is annexed to this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

Under the Companies (disclosure of particulars in the report of Board of Directors) Rules, 1988 is annexed to this report.

AUDITORS

M/s.M/s.Shekar & Yathish, Chartered Accountants & Auditors of the company retire at the conclusion of the ensuing Annual General Meeting and offers themselves for re-appointment.

ACKNOWLEDGEMENT

Your Directors would like to thank all stake holders for their co-operation & continued support and look forward to your continued support for future growth.

For & on Behalf of the Board

Place :Bangalore
Date :20.08.2011

RAJEEV SIKKA
Chairman & Managing Director

ANNEXURE TO DIRECTOR`S REPORT

A) DIRECTORS RESPONSIBILITY STATEMENT.

In accordance with the provision of Sec.217 (2AA) of the Companies Act, 1956, your Directors state:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed;
- b) That your Directors have selected such accounting policies and applied them consistently and made judgment 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 or loss of the Company for that period;
- c) That your Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

That your Directors have arranged the annual accounts on a going concern basis.

B) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

Under the Companies (disclosure of particulars in the report of Board of Directors) Rules, 1988.

A. Conservation of Energy

SIKA has taken steps towards Conservation of Energy in the manufacturing processes as an ongoing process.

B. Technology Absorption, Adaptation and Innovation

SIKA has been successful in absorbing and adopting New Technologies during the year. SIKA has also finalised plans for further upgradation of technology and processes. Technology absorption and adaptation continues to be at the heart of Companies Core strategy and objectives. As the Company continues to take up R&D, the company is taking steps to obtain approval from CSIR.

- C. Foreign Exchange out go is Rs. 3,20,63,056/- (which includes import of raw materials, components, foreign travel expenses) and the Foreign Exchange earned Rs. 3,22,10,027/-.

MANAGEMENT DISCUSSION AND ANALYSIS

The Director's have pleasure in presenting the Management Discussion and analysis report for the year ended March 31, 2011. The shareholders are hereby cautioned that this discussion and analysis mainly comprises statements that involve predictions based on, risk and uncertainties. These are the management perceptions and the actual results may differ materially from those expressed specifically or implied. Therefore as a matter of caution, undue reliance on forward looking statements should not be made. The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and notes thereto.

INDUSTRY OVERVIEW

Indian economy along with the world economy continue to face turbulence and downturn. SIKA's operations are in Aeronautics and Defense and the opportunities are considerable including the opportunities in the offsets programs of Government of India.

BUSINESS OUTLOOK

Long term Business outlook is bright in spite of turbulence & slack economic growth in the short term. Your Company has taken steps to put in place corporate planning and growth strategy for the coming years.

SIKA has taken up modernization and expansion of its facilities in Bangalore (Phase I is completed) to meet the requirements of international companies and domestic projects. Concurrently SIKA has finalizing partnerships which will bring regular business for the Company. The Company is confident of growth barring unforeseen circumstances.

RISKS AND CONCERNS

Your Company believes that it is well positioned to sustain and grow its business as significant growth opportunities exists in its business.

As your Company operates both in the international and domestic markets, there are inherent risks like foreign exchange risk, product warranty etc. These risks are being mitigated through appropriate de-risking strategies.

OPPORTUNITIES AND THREATS

With the growing Indian market in Aerospace and Defence, India is seen as one of the target business markets by the International Aerospace and Defence industry. In this scenario international Aerospace and defence companies want to gain a competitive edge by outsourcing jobs to Indian industry and also provide Indian customers with MRO support in India.

SIKA has excellent network with international Aerospace and defence companies and is well positioned for this potential business.

Currently the offset opportunity is estimated at USD 10 billion and international Aerospace and defence companies are looking for good Indian companies

SIKA would be able to capitalise on these opportunities as it has deep understanding of the international Aerospace and defense market and has network to match the same. Therefore, SIKA would be able to source critical technologies and materials unlike other Indian Companies

INTERNAL CONTROL SYSTEMS

The Company has adequate internal audit and control systems to ensure that all the transactions are authorised, recorded and reported correctly. The Company has audit committee of the Board, the composition and functions of which are given in Corporate Governance report as part of this Annual Report.

SEGMENT WISE PERFORMANCE

The Company is primarily engaged in the business of manufacturing and rendering of services in engineering products, projects and designs. The Company also has activity in supply of Engineering Construction materials.

HUMAN RESOURCES

The company provides employees with a fair and equitable work environment and support to develop their capabilities. We are also focusing on bringing a new talent and competencies in the organization and building on the strength of the employees to move the company to be a key player in the Market.

Annexure – Forming part of the Director’s report for the year ended March 31, 2011

CORPORATE GOVERNANCE REPORT

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE CODE:

The Clause 49 of the Listing Agreement incorporates certain disclosure requirements related to Corporate Governance with the purpose of enhancing statutory compliances and disclosure related thereto, together with a thrust on the Company’s value system.

2. BOARD OF DIRECTORS

The composition and attendance of Directors` s at Board meetings and the AGM held in the year as under:

Sl	Name of Director	Category	No of other directorships	No of committee membership	
				Chairman	Member
1	Mr.Rajeev Sikka	CMD	6	-	1
2	Mr.Sanjeev Sikka	WTD	6	-	-
3	Dr.C.G.Krishnadas Nair	Independent Director	10	1	2
4	Mr.R.N.Chawhan	Independent Director	3	2	1
5	Dr.J.M.Deb Nath	NED	1	-	-
6	Mr.H.K.Ramesh	Independent Director	-	-	3

2A. MEETINGS OF THE BOARD OF DIRECTORS

Sl	Name of Director	No of Meetings	
		Held	Attended
1	Mr.Rajeev Sikka	6	6
2	Mr.Sanjeev Sikka	6	4
3	Dr.C.G.Krishnadas Nair	6	6
4	Mr.R.N.Chawhan	6	6
5	Dr.J.M.Deb Nath	6	6
6	Mr.H.K.Ramesh	6	5

3. THE BOARD COMMITTEE

I) AUDIT COMMITTEE

Sl	Name of Director	Category	Status
1	Mr.R.N.Chawhan	Independent	Chairman
2	Dr.C.G.Krishnadas Nair	Independent	Member
3	Mr.H.K.Ramesh	Independent	Member

During the year under report four meetings of the Committee were held . The attendance at the meetings was under:

Sl	Name of Director	No of meetings held	No of meetings held attended
1	Mr.R.N.Chawhan	4	4
2	Dr.C.G.Krishnadas Nair	4	4
3	Mr.H.K.Ramesh	4	4

At its meetings, the Audit Committee reviewed the quarterly and annual financial results before the Board took the same on record. The Committee also reviewed Internal Audit Reports and Procedure and made recommendations to the Board, where improvements were deemed necessary to strengthen the same. The minutes of the meetings of the Audit committee are regularly placed before the board.

Terms of Reference:

The terms of the Audit committee have been enlarged to include overseeing the Company`s financial reporting process and disclosure of financial information to ensure that the financial statements reflect true and fair position, reporting practices of the Company and its compliances with the legal and regulatory requirements.

Overseeing the audits of the Company`s financial statements, appointments and performances of internal & statutory Auditors, compliance with accounting standards and stock exchange requirements.

II. SHAREHOLDER`S GRIEVANCE/SHARE TRANSFER COMMITTEE

I) COMMITTEE MEMBERS

Sl	Name of Director	Category	Status
1	Dr.C.G.Krishnadas Nair	Independent Director	Chairman
2	Mr.R.N.Chawhan	Independent Director	Member
3	Mr.H.K.Ramesh	Independent Director	Member

During the year under report four meetings of the Committee were held. The attendance at the meetings was under:

Sl	Name of Director	No of meetings held	No of meetings attended
1	Mr.R.N.Chawhan	4	4
2	Dr.C.G.Krishnadas Nair	4	4
3	Mr.H.K.Ramesh	4	4

There were no complaints received during the financial year 2010-11. During the year 14 requests for physical share transfer and 27 requests for dematerializations were received and approved by the Committee.

Terms of reference

To Examine and redress the complaints and grievances of shareholders of the Company relating to transfer of shares, non-receipt of annual reports, non-receipt of dividends.

To ensure prompt redressal of any issue relating to the share transfer, transmission and issue of duplicate shares and related activities.

III. REMUNERATION COMMITTEE

I) COMMITTEE MEMBERS

Sl	Name of Director	Category	Status
1	Mr.R.N.Chawhan	Independent Director	Chairman
2	Dr.C.G.Krishnadas Nair	Independent Director	Member
3	Mr.H.K.Ramesh	Independent Director	Member

During the year no Committee meetings were held.

Terms of reference

The Remuneration committee determines the Company's policy on remuneration packages for Managing Director/Whole time director and any other compensation, benefits related matters and issues within the frame work of provisions and enactments governing the same.

Details of Remuneration paid to Directors:

- 1) Chairmand and Managing Director – Mr.Rajeev Sikka Rs.19,24,089/- consolidated
- 2) Managing director - Mr.Sanjeev Sikka Rs.17,56,432/- consolidated

Details of Remuneration paid to Non- Executive Independent Directors:

- 1) Dr.Krishnadas Nair - Rs.10,000/- towards sitting fees
- 2) Mr.R.N.Chawhan - Rs.10,000/- towards sitting fees
- 3) Mr.H.K.Ramesh - Rs.10,000/- towards sitting fees

4. GENERAL MEETINGS

The particulars of the last three annual General Meetings of the Company are as under:

Financial year	Venue	Date and time	Special resolution passed
2007-08	Hotel Ajantha, M.G.Road, Bangalore 560001	29 th September 2009 11.00 am	1. Revision in remuneration payable to Mr.Rajeev Sikka, Chaiman and Managing Director. 2. Revision in remuneration payable to Mr.Sanjeev Sikka, Whole time Director. 3. Appointment of Mr.R.N.Chawhan as Director
2008-09	Hotel Ajantha, M.G.Road, Bangalore 560001	30 th September 2009 11.00 am	1. Appointement of Mr.Rajeev Sikka, as Chaiman and Managing Director. 2. Appointment of Mr.Sanjeev Sikka, as Managing Director. 3. remuneration to Independent Directors.
2009-10	Hotel Ajantha, M.G.Road, Bangalore 560001	30 th September 2010 11.00 am	No Special resolutions proposed

5. CODE OF CONDUCT

The Company has framed a specified Code of Conduct for the members of the Board of Directors and senior management personnel of the Company pursuant to Clause 49 of the Listing Agreement with the Stock Exchange.

6. MENAS OF COMMUNICATION

The Company regularly publishes its quarterly, half yearly and annual results in due time in National and regional newspapers in compliance with the requirements.

No presentation have been made to institutional Investors/Analyst during the year.

7. GENERAL SHAREHOLDER INFORMATION.

1.Listing on Stock exchange.

Bombay Stock Exchange,Mumbai
1sr floor,New Trading Ring,Rotunda Bldg.
P.J.Towers,Dalal Street,Fort
Mumbai 400 001.

Stock code: 523606

The company has paid listing Fees for 2011-12.

8.DEPOSITORY SYSTEM

Your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both the depositories given below with common ISIN Number NE438E01016:

- a) National Securities Depository Limited (NSDL)
- b) Central Depository Service Limited (CDSL)

9.DEPOSITORY REGISTRAR AND TRANSFER AGENT:

M/s Cameo Corporate Services Limited,
"Subramnian Building"
1,Club House Road
Chennai 600 002

10.COMPLIANCE OFFICER DETAILS

Mr.Sathish.K.S – Manager (Finance)
Email:bsg@sikaglobal.com

MARKET PRICE DATA

Year/Month	BSE market price (in Rs.)	
	High	Low
April 2010	70.05	63.50
May 2010	94.95	52.50
June 2010	57.00	51.85
July 2010	60.75	54.60
August 2010	56.50	48.00
September 2010	51.90	48.00
October 2010	51.00	48.25
November 2010	52.95	39.05
December 2010	50.50	35.30
January 2011	42.00	34.10
February 2011	49.90	36.65
March 2011	40.95	39.90

SHARE HOLDING PATTERN AS ON 31.03.2011

No of shares	No of share holders	% of share holders	No of shares held
1 to 500	2253	9.08	384562
501 to 1000	81	2.07	87800
1001 to 2000	75	2.29	97124
2001 to 3000	21	1.28	54482
3001 to 4000	5	0.42	17880
4001 to 5000	13	1.71	72603
5001 to 10000	10	1.70	71803
10001 & above	16	81.45	3453921
Total	2474	100.00	4240175

DISTRIBUTION SCHEDULE

Category	No of shareholders	No of share held	% of shareholding
Promoters	9	3022126	71.27
Foreign institutions & Bank	0	0	0
Financial institutions & Bank	0	0	0
Bodies Corporate	64	218406	5.15
Indian Public	2397	996374	23.50
Individual Foreign	4	3269	0.08
Clearing Member	0	0	0.00

4074323 shares i.e. 96.08 % of the equity shares were held in Dematerialised form as on 31.03.2011

11. UNCLAIMED DIVIDENDS

As on March , 31 2011 the following dividends remained outstanding:

Sl	For the year ended	Amount in Rs.
1	31 st March 2009	3,08,113
2	31 st March 2010	4,05,937
3	31 st March 2011	4,04,047

12. OUTSTANDING GDRs/ADRs

The company has not issued any GDRs or ADRs or any other convertible instruments.

CERTIFICATE BY CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY.

I Rajeev Sikka, Chairman and Managing Director of the Company do hereby declare that pursuant to provisions of clause 49 of the listing agreement all the members of the Board of Directors and the senior Management personnel have affirmed compliance with the code of conduct of the Company for the year 2010-11

Place: Bangalore

Date: 20-08-2011

For Sika Interplant Systems Ltd

Rajeev Sikka
Chairman and Managing Director

AUDITOR`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 March 31, 2011 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 for 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.

Place: Bangalore
Date : 20-08-2011

for and on behalf of
M/s. Shekar & Yathish
Chartered Accountants
FR No.008964S

Kusuma Yathish
Partner.
Membership Number -209637

Auditors' Report

To
The Members of **M/s.Sika Interplant Systems Limited**

We have audited the attached Balance Sheet of **M/s Sika Interplant Systems Limited** as at 31st March 2011, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These Financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper Books of Accounts as required by law have been kept by the Company so far as appears from our examinations of these books.
3. The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the Books of Accounts
4. In our opinion the Balance Sheet and the Profit and Loss Account comply with the Accounting Standards referred to in Subsection (3C) of Section 211 of the Companies Act, 1956.
5. On the basis of the written representation received from the Directors as on 31-03-2010, and taken on record by the Board of Directors, we report that none of the Directors is prima-facie disqualified as on 31st March, 2011 from being appointed as Directors in terms of clause (g) of sub-section (1) of Section 274 of The Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Significant Accounting Policies and Notes to the Accounts, give the information required by the Act, in the manner so required and also give a true and fair view in conformity with the accounting principles generally accepted in India
 - a) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011.

- b) in the case of the Profit and Loss Account of the Profit for the year ended on that date. And;
 - c) in the case of the cash flow statement, of the cash flows for the year ended on that date
7. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we give below a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- (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.
 - (c) In our opinion and according to the information and explanations given to us, substantial part of the fixed assets has not been disposed off by the Company during the year.
 - (ii)
 - (a) The inventory has been physically verified during the year by the management.
 - (b) 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 an interest free unsecured loan to one company listed in the register maintained Under Section 301 of the Act. The maximum amount involved during the year and the year end balance of such loan is Rs.21,18,339/-.
 - (b) In respect of the interest free unsecured loan given to its subsidiary company no terms of repayment has been prescribed and hence no amounts have become overdue.
 - (c) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act.
 - (d) In view of what is stated in Para (c) above, the matters to be reported vide sub clause (f) and (g) of clause with regard to the rate of interest, terms and conditions of loan being prejudicial to the interests of the company and regular repayment of interest and principal amount of loan are not applicable.

- (iv) There are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets, and the sale of goods. Further, on the basis of our examination of the books and records of the Company, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v)
 - (a) According to the information and explanations given to us, the particulars of transactions or arrangements that were required to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered;
 - (b) In respect of transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time;
- (vi) In view of the Company not having accepted deposits in terms of the provisions of sections 58 A and 58 AA and other relevant provisions of the Companies Act 1956 the compliance requirements as mentioned thereof do not arise.
- (vii) In our opinion based on the information and explanations given to us the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, The Central Government has not prescribed maintenance of cost records under Sec. 209(1) (d) of the Companies Act 1956.
- (ix)
 - (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it and according to the information and explanations given to us no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and Cess were in arrears, as at 31.03.2011 for a period of more than six months from the date they became payable
 - (b) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) 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.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

- (xiii) The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of Clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xiv) In our opinion the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4 (xiii) are not applicable to the company.
- (xv) According to the information and explanations given to us the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) The Company has raised a term Loan during the audit period and has been applied for the purposes for which it was raised
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us the Company had not issued any Debentures during the period under audit.
- (xx) The Company has not made any public issues during the period under audit and consequently the verification of end use of the same does not arise.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported.

for and on behalf of
M/s. Shekar & Yathish
Chartered Accountants
FRNo.008964S

Place: Bangalore
Date : 20/08/2011

Kusuma Yathish
Partner.
Membership Number -209637

SIKA INTERPLANT SYSTEMS LTD
BALANCE SHEET AS AT 31st MARCH 2011

	SCH. NO.	AS AT	
		31.03.2011	31.03.2010
		Rs.	Rs.
SOURCES OF FUNDS			
<u>Share Holders Funds</u>			
Share Capital	1	42,401,750	42,401,750
Reserves & Surplus	2	312,763,349	176,262,000
<u>Loan Funds</u>			
Secured Loans	3	19,295,100	10,239,264
Deferred Tax Liability		529,814	513,577
TOTAL		374,990,013	229,416,591
APPLICATION OF FUNDS			
Fixed Assets	4		
Gross Block		285,362,545	30,054,901
Less Depreciation		13,327,340	11,580,662
Net Block		272,035,205	18,474,239
Capital Work in Progress		46,963,716	20,395,929
		318,998,921	38,870,168
Investments	5	28,066,889	15,761,244
Current Assets , Loans & Advances (A)			
Inventories	6	1,523,000	980,821
Sundry Debtors	7	35,799,632	35,014,925
Cash & Bank Balances:	8	10,468,897	25,247,496
Loans, Advances & Deposits	9	50,384,435	41,425,097
		98,175,964	102,668,339
Less: Current Liabilities & Provisions (B)			
Current Liabilities	10	26,807,667	25,814,772
Provisions	11	43,444,094	38,031,314
		70,251,761	63,846,086
Net Current Assets [(A) - (B)]		27,924,202	38,822,253
Miscellaneous Expenditure (to the extent not written off or adjusted) Amalgamation Reserve	12	-	135,962,925
TOTAL		374,990,013	229,416,591
Significant Accounting Policies	18		
Notes on Accounts	19		
The Schedules referred to above form an integral part of this Balance Sheet As per our report of even date.			
SHEKAR & YATHISH Chartered Accountants FRN - 008964S	RAJEEV SIKKA Chairman & Managing Director	Dr.C.G.Krishnadas Nair Director	
KUSUMA YATHISH Partner Membership No.209637	Dr.J.M.Deb Nath Director	R.N.Chawhan Director	
Place: Bangalore Date: 20/08/2011			

SIKA INTERPLANT SYSTEMS LTD
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	SCH. NO	For the year ended				
		31.03.2011 Rs.	31.03.2010 Rs.			
INCOME						
Sales & Services	13	109,504,693	107,959,058			
Other Income	14	2,696,147	2,712,732			
TOTAL		112,200,840	110,671,790			
EXPENDITURE						
Cost of Materials Consumed, Purchases & Manufacturing Expenses	15	68,076,186	57,978,872			
Administrative/Selling/distribution Expenses	16	25,836,975	23,836,503			
Interest & Financial Charges	17	284,804	510,455			
Depreciation		1,746,678	1,620,695			
TOTAL		95,944,642	83,946,525			
PROFIT BEFORE TAX		16,256,198	26,725,265			
Provision for Taxation						
- Current		5,352,036	9,072,000			
- Deferred Tax (Asset)/Liability		16,237	(32,687)			
		-				
PROFIT AFTER TAX		10,887,925	17,685,952			
APPROPRIATIONS:						
Short Provision of Tax earlier years		-	205,036			
Proposed Dividend on Equity Shares		2,544,105	2,544,105			
Tax on Dividend proposed		422,544	422,544			
Transferred to Reserve		7,921,276	14,514,267			
Face value of Shares Rs. 10/- each						
Weighted average No. of shares for computing earnings per share (Basic & Diluted)		4,240,175	4,240,175			
Earnings per share (Basic & Diluted)		2.57	4.17			
Significant Accounting Policies	18					
Notes on Accounts	19					
<p>The Schedules referred to above form an integral part of this Balance Sheet As per our report of even date.</p>						
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <p>SHEKAR & YATHISH Chartered Accountants</p> <p>FRN - 008964S</p> <p>KUSUMA YATHISH Partner Membership No.209637</p> </td> <td style="width: 33%; vertical-align: top; text-align: center;"> <p>RAJEEV SIKKA</p> <p>Chairman & Managing Director</p> <p>Dr.J.M.Deb Nath Director</p> </td> <td style="width: 33%; vertical-align: top; text-align: center;"> <p>Dr.C.G.Krishnadas Nair</p> <p>Director</p> <p>R.N.Chawhan Director</p> </td> </tr> </table>				<p>SHEKAR & YATHISH Chartered Accountants</p> <p>FRN - 008964S</p> <p>KUSUMA YATHISH Partner Membership No.209637</p>	<p>RAJEEV SIKKA</p> <p>Chairman & Managing Director</p> <p>Dr.J.M.Deb Nath Director</p>	<p>Dr.C.G.Krishnadas Nair</p> <p>Director</p> <p>R.N.Chawhan Director</p>
<p>SHEKAR & YATHISH Chartered Accountants</p> <p>FRN - 008964S</p> <p>KUSUMA YATHISH Partner Membership No.209637</p>	<p>RAJEEV SIKKA</p> <p>Chairman & Managing Director</p> <p>Dr.J.M.Deb Nath Director</p>	<p>Dr.C.G.Krishnadas Nair</p> <p>Director</p> <p>R.N.Chawhan Director</p>				
<p>Place: Bangalore Date: 20/08/2011</p>						

Schedules forming part of the Balance sheet

	31.03.2011	31.03.2010
	Rs.	Rs.
SCHEDULE - 1 SHARE CAPITAL		
<u>Authorised Capital</u>		
5000000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
<u>Issued Subscribed & Paid-up Capital</u>		
42,40,175 Equity Shares of Rs. 10/- each (Previous Year : 42,40,175 Shares of Rs.10- each) (Of the above shares 26,00,000 (Previous year 26,00,000/- lakhs shares) shares are issued for consideration other than cash)	42,401,750	42,401,750
	42,401,750	42,401,750
SCHEDULE - 2 RESERVES & SURPLUS		
From Previous year surplus re-instated to give effect to High Court order General Reserve	4,401,400	
Earlier year surplus profits re-instated	61,797,673	
Current year	7,921,276	
Current year	69,718,949	
Capital reserve	60,676,000	
Share premium account	177,967,000	176,262,000
TOTAL	312,763,349	176,262,000
SCHEDULE - 3 LOAN FUNDS		
Secured Loans		
From Banks - Term Loan	19,260,206	10,151,993
Vehicle Loan	34,894	87,271
TOTAL	19,295,100	10,239,264

SIKA INTERPLANT SYSTEMS LTD

SCHEDULE - 4 - FIXED ASSETS

Particulars	Gross Block			Depreciation				Net Block	
	Balance	Additions/	Balance	Upto	For the	Adjustments	Upto	Balance	Balance
	As On 01-04-2010	(Sales)	As On 31-03-2011	31-03-2010	Year		31-03-2011	As On 31-03-2011	As On 31-03-2010
Freehold land	758,344	-	758,344	-	-	-	-	758,344	758,344
Leasehold land	5,699,479	183,150	5,882,629 *	-	-	-	-	5,882,629	5,699,479
Right to use Land	-	252,445,000	252,445,000 **					252,445,000	-
Plant & Machinery	1,414,829	1,970,000	3,384,829	520,401	117,815	-	638,216	2,746,613	894,428
Office Equipments	3,090,400	88,728	3,179,128	1,395,690	115,104	-	1,510,794	1,668,334	1,694,710
Furniture & Fixtures	4,342,560	326,832	4,669,392	1,174,823	265,820	-	1,440,643	3,228,749	3,167,737
Vehicles	10,129,480	-	10,129,480	5,480,059	774,664	-	6,254,723	3,874,757	4,649,421
Computers	4,619,809	293,934	4,913,743	3,009,689	473,275	-	3,482,964	1,430,779	1,610,120
Total	30,054,901	255,307,644	385,362,545	11,580,662	1,746,678	-	13,327,340	272,035,205	18,474,239
Previous Year	28,336,135	592,821	28,928,956	9,232,786	1,622,000	(894,818)	9,959,968	18,968,989	19,103,349
Capital WIP	20,395,929	26,567,787	46,963,716	-	-	-	-	46,963,716	20,395,929
Previous Year	2,815,821	17,580,108	20,395,929	-	-	-	-	20,395,929	2,815,821
Total	50,450,830	281,875,431	332,326,261	-	-	-	-	318,998,921	38,870,168

Note:

*Leasehold land of Rs.58,82,629/- in respect of land allotted by Karnataka Industrial Area Development Board for Tourism Project.

** acquired on Amagamation

SIKA INTERPLANT SYSTEMS LTD
SCHEDULE - 5 : INVESTMENTS AT COST

SCHEME	BUY NAV	QUANTITY IN NUMBERS		31.03.2011	31.03.2010
	Rs.	31.03.2011	31.03.2010	Rs.	Rs.
Current Investments:					
HDFC Floating STP Gr	17.70	169,507	169,507	3,000,000	3,000,000
ICICI PRU INCOME GROWTH	19.62	208,746	196,290	4,095,595	3,851,221
Reliance STP - GR	10.00	200,000	200,000	4,000,000	4,000,000
Templeton STP Growth	1,917.43	2,086	2086	4,000,000	4,000,000
Long term Investments:					
Quoted:					
Melstar Information Technology	11.90	800	800	9,520	9,520
Investment in Unquoted Companies					
SIKA UK Ltd	100.00	82.74	82.74	8,774	45,503
Investment in Subsidiary & unquoted Companies					
Emsac Engineering Pvt Ltd	1.00	255,000	255,000	255,000	255,000
Sikka n Sikka Engineers Pvt Ltd	100.00	6,000	6,000	12,698,000	600,000
TOTAL				28,066,889	15,761,244
(Market value of quoted Investments is Rs.1,53,47,143/-)					

Schedules forming part of the Balance sheet

	31.03.2011	31.03.2010
	Rs.	Rs.
SCHEDULE -6 INVENTORIES		
Raw Materials	1,523,000	980,821
A	1,523,000	980,821
SCHEDULE - 7 - SUNDRY DEBTORS (Unsecured and considered good)		
Debts outstanding for more than 6 months	80,09,282	170,330
Other Debts	2,77,90,350	34,844,595
B	35,799,632	35,014,925
SCHEDULE 8 - CASH & BANK BALANCES:		
Cash in Hand	14,216	34,084
Balances with Scheduled Banks -		
In Current account	1,245,104	3,939,039
In Fixed Deposit	9,138,746	21,063,225
Interest Accrued	70,830	211,150
C	10,468,897	25,247,498
SCHEDULE 9 - LOANS, ADVANCES & DEPOSITS:		
Advance recoverable in cash or in kind or for value to be received, (Unsecured considered good)		
Advance to Staff	85,919	210,055
Advance to others	1,875,256	1,321,261
Factory Shed advance	328,130	1,057,583
Prepaid Expenses	97,132	1,404,381
Advance Income Tax / TDS	41,683,178	32,340,585
VAT Credit	1,869,721	696,204
Service tax Credit	-	336,587
SIKA UK Ltd	2,118,339	2,003,483
<u>Deposits:</u>		
With Others	2,326,760	2,054,958
D	50,384,435	41,425,097
TOTAL	98,175,964	102,668,339
SCHEDULE - 10 CURRENT LIABILITIES		
Sundry Creditors	17,734,346	19,968,530
Advance from Customers	4,352,000	2,420,000
Unclaimed Dividend	496,642	405,937
Other Current Liabilities	4,224,678	3,020,305
Total (A)	26,807,667	25,814,772
SCHEDULE - 11 PROVISIONS		
Provision for Leave Encashment	228,409	167,665
Provision for Dividend	2,544,105	2,544,105
Tax on Proposed Dividend	422,544	432,371
Provision for Taxation	40,249,036	34,560,000
Total (B)	43,444,094	37,704,141
TOTAL (A) +(B)	70,251,761	63,518,913
SCHEDULE - 12 MISCELLANEOUS EXPENDITURE		
Amalgamation Reserve		
As per Profit and Loss Account	135,962,925	150,477,192
Less : Balance written back for re-instatement of surplus based on High Court Order	135,962,925	14,514,267
	-	135,962,925

Schedules forming part of the Profit & Loss Account

	31.03.2011	31.03.2010
	Rs.	Rs.
SCHEDULE - 13 SALES & SERVICES		
Sales	77,648,336	70,530,604
Services	31,856,357	37,428,454
TOTAL	109,504,693	107,959,058
SCHEDULE - 14 OTHER INCOME		
Interest from Banks [(TDS of Rs.65,016/-), (previous year:Rs.75,088/-)]	830,985	604,154
Foreign Exchange Fluctuation Gains	814,919	-
Profit on Sale of Investments	942,634	2,103,943
Miscellaneous and other Incomes	107,609	4,636
TOTAL	2,696,147	2,712,733
SCHEDULE - 15 COST OF RAW MATERIALS CONSUMED, PURCHASES & MANUFACTURING EXPENSES		
Opening Stock	980,821	1,106,000
Add: Purchases	44,656,394	40,761,075
	45,637,215	41,867,075
Less: Closing Stock	1,523,000	980,821
Raw Materials Consumption	44,114,215	40,886,254
Stores and spares consumed	238,142	89,487
Manufacturing & Other Direct Expenses	7,031,978	3,619,873
	51,384,336	44,595,614
Employee Cost		
Salaries, Wages & Bonus	15,398,606	12,536,490
Contribution to Provident, ESI, Gratuity & other funds	952,818	578,106
Staff Welfare Expenses	340,426	268,662
	16,691,850	13,383,258
TOTAL	68,076,186	57,978,872
SCHEDULE - 16 ADMINISTRATIVE/SELLING/DISTRIBUTION EXPENSES		
Communication Expenses	1,058,448	963,048
Printing & Stationery	592,481	482,117
Rent	1,772,896	1,601,557
Rates and Taxes	436,429	132,941
Professional Charges	6,520,456	5,162,765
Insurance	217,407	97,747
Repairs & Maintenance	1,654,086	1,433,272
Vehicle Maintenance	864,132	967,971
Bank Charges	382,925	166,585
Travelling Expenses	5,283,818	4,066,840
General Expenses	654,674	615,364
Managerial Remuneration	3,710,521	4,009,500
Selling Expenses	2,614,250	1,942,011
Foreign Exchange Fluctuation Loss	-	2,109,302
<u>Auditors Remuneration -</u>		
Audit Fees	55,150	55,150
Tax Audit Fees	19,303	19,303
Certification Etc	-	11,030
TOTAL	25,836,975	23,836,502
SCHEDULE - 17 INTEREST & FINANCIAL EXPENSES		
Interest on Term loan	11,626	27,289
Interest others	76,390	65,637
Bank Guarantee Commission	196,788	417,529
TOTAL	284,804	510,455

Schedule 18

Significant Accounting Policies:

Accounting Convention:

1. The Financial statements are prepared under the historical cost convention, in accordance with generally accepted accounting principals, the mandatory accounting standards prescribed by the Institute of Chartered Accountants India and the provisions of the Companies Act.
- 2 **Fixed Assets and Depreciation:**
 - a Fixed Assets are stated at cost less accumulated depreciation (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 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 reliably measurable are stated at cost.

B Depreciation/Amortisation

Depreciation on assets has been provided at the rates specified in Schedule XIV of the Companies Act, 1956 straight-line method.

Amortisation of intangibles is done based on the benefits derived. Amortisation is not being done in respect of intangibles value, Work-in-Progress is valued at cost.

3 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.

4 Valuation of Investments:

Investments, being current investments, are valued at the lower of cost and market value.

Investment in the equity capital of companies registered outside India is carried in the Balance Sheet at the rate prevailing on the date of transaction.

5 Retirement Benefits:

Company has Group Gratuity policy with Life Insurance Corporation of India and the premiums determined thereon are 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.

6 Revenue Recognition:

1. Revenue from sale of goods is recognized on passing of the property in goods.
2. Services – Revenue from services is recognized on completion of service.
3. Warranties – Revenue from warranties in connection with post sale services is recognized on pro-rata basis over the warranty period.
4. Profit on sale of investments: Profit / loss on sale of investments are recognized on the date of redemption.

7 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.

8 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.

9 Segment Reporting Policies

Primary Business Segments:

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. The Company has also activity in supply of Engineering Construction Materials.

10 ***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.

SCHEDULE – 19

NOTES TO ACCOUNTS AS AT 31.03.2011

1. Contingent Liabilities not provided for in the books of Accounts
In respect of Bank Guarantees:Rs.1,24,29,543/-(Previous Year:Rs.93,45,018/-/-)
2. a) Term loan of Rs 510 lakhs has been sanctioned by Canara Bank for factory expansion at Bommasandra against which Rs 266.33 Lakhs utilized upto 31.3.2011 (Upto 31.3.2010 Rs.100.71/- lakhs). The same is secured on equitable mortgage of land of M/s Sikka and Sikka Engineers Pvt Ltd, a 100% Subsidiary of the company. In addition to above M/s Sikka and Sikka Engineers Pvt Ltd have given corporate guarantee. Loan payable within one year is Rs.28,32,000/- (Previous year Rs.70,80,000/-).
- b) The Secured loan represents the liability towards purchase of motorcars under a financing arrangement with HDFC Bank and is secured by hypothecation of the said vehicle and personal guarantee of Directors. Balance as at March 31, 2011 includes Rs.35,970/- .Payable within one year is Rs.35,970/- (Previous year Rs.86,328 /-).
3. Capital commitments to the extent not provided for in the books of accounts in respect of projects undertaken by the Company is estimated at Rs.34,96,986/- based on definite agreements entered (Previous year Rs.1,49,58,868/-).
4. The cash in the current accounts of scheduled banks of Rs.12,45,104/- includes a balance of Rs. 5,08,763/- being dividend bank account. and the same represents unclaimed dividend. (Previous Year Rs.4,25,010/-).
5. a) 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.
- b) According to the information available with the Company, as at March 31, 2011 there are no outstanding dues to Small Scale Undertakings. (Previous Year: Rs.NIL).
6. Figures of Previous year have been regrouped / rearranged wherever considered necessary.
7. Note on Amalgamation: .
 - a) Pursuant to an order passed by the Hon'ble High Court of Karnataka dated 26.03.2007 approving a Scheme of amalgamation of M/s.Spaceciti Projects Pvt Ltd with the Company all assets and liabilities of M/s.Spaceciti Projects Pvt Ltd including its investments in the form of shares held by it in its subsidiary M/s.Sikka and Sikka Engineers Pvt Ltd became the assets and liabilities of the Company and were recorded in the books of the Company at book value.
 - b) Subsequently, the company considered as appropriate to record the assets and liabilities taken over vide amalgamation at Market value as against the Book Value as the consideration for amalgamation was arrived at based on market value of assets and liabilities of the transferor company and hence approached the Hon'ble High Court of Karnataka seeking amendment of the merger terms allowing them to record the assets and liabilities of the Transferee company at Market Value.
 - c) Pursuant to an application made, seeking the afore said amendment, the Hon'ble High Court of Karnataka has vide its order Dated 1st December 2010 allowed the Company to record the value of assets and liabilities, acquired through merger , at Market value. Accordingly, the Company has incorporated the necessary entries to reflect all the assets and liabilities acquired vide merger of the Transferee Company at market price. The said entries have resulted in the restatement of the values of such assets and liabilities in the Current years' financials and to that extent are not comparable with previous years' figures.

- d) The Amalgamation had resulted in the acquisition by the company of an intangible asset held by the transferor company M/s.Spaceciti Projects P Ltd in the form of a 'Right to Use in Land'. Consideration for amalgamation and the scheme of merger, approved by the shareholders and subsequently approved by the Hon'ble High court of Karnataka, was arrived at based on the valuation, by the management, of the said intangible asset at Rs.25.24 Crores based on the perpetual right of the Company to use the Land for 'n' number of years.
- e) While incorporating the merger entries as per the order dated 1st December 2010 of The Hon;ble High Court of Karnataka Rs.17.08 Lakhs has been added to existing Share Premium being amounts pertaining to Fraction Shares Premium. By restating this item the profitability of the company has not been affected now or earlier.
- f) The company has followed the Purchase method of accounting as prescribed by the ICAI in AS 14 – Accounting for Amalgamations for recording the amalgamation with the Transferor Company M/s.Spaceciti Projects P Ltd and all related assets, liabilities, reserves and surplus, including share premium are restated to reflect the affairs of the company as if the amalgamation amendment order dated 1st December 2010 of The Hon'ble High Court of Karnataka had been the original order approving merger dated 26th March, 2007.

8. The "Right to use of Land" being an intangible asset, in the normal course should have been amortized over the period of use as per AS-26 – Accounting for Intangible assets issued by ICAI. The management is of the opinion that since the Right to use of Land is for perpetuity the question of amortization will not arise. Further no impairment has been identified till date as per AS-28 Impairment of Assets issued by ICAI.

9. Segment Reporting

Sl	Particulars	Amount in Rs in lakhs		
		Engineering Products, projects & Services	Building Materials	Total
1	Revenue	1052.83	69.17	1122.00
2	Results Operative profit-EBITDA	175.19	4.83	180.02
3	Provision for tax	51.92	1.60	53.52
2	Profit after tax	123.27	3.23	126.50

Segments have been identified in line with Accounting Standard on segment reporting (AS - 17).

10. In accordance with the Accounting Standard 22 “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India, the company has provided for deferred tax liability upto 31.3.2011 comprising of the following components.

	2011		2010	
	Assets Rs.	Liabilities Rs.	Assets Rs.	Liabilities Rs.
Depreciation	-	11,17,590	-	10,80,110
Other Items	5,87,776	-	5,66,533	-
Total	5,87,776	11,17,590	5,66,533	10,80,110
Net Deferred Tax Liability		5,29,814		5,13,577

11. Advance Income Tax shown on the current assets includes advance tax and self assessment tax paid, as mentioned below.

Year	Advance Tax	Self Assessment Tax	Total
2006-07	56,50,000	-	56,50,000
2007-08	55,00,000	10,00,000	65,00,000
2008-09	55,00,000	62,00,000	1,17,00,000
2009-10	60,00,000	27,00,000	87,00,000
2010-11	60,00,000	-	60,00,000

12..Related party transactions

Related party disclosure in accordance with AS 18

Amount in Rs. In lakhs

Particulars	Referred to in (a) below		Referred to in (b) below		Referred to in (c) below	
	31.3.2011	31.3.2010	31.3.2011	31.3.2010	31.3.2011	31.3.2010
Purchase:						
Goods and Materials (including service)	-	29,22,736	-	-	-	-
Sales:						
Goods and Materials (including service)	3,30,900	2,64,720				
Expenses:						
a.Remuneration	-	-	38,96,521	39,72,000		
b.Rent	-	-	-	-	2,40,000	2,40,000
c.Service	-	-	-	-	3,00,000	3,00,000
d.Prof charges	-	-	-	-	3,04,800	3,04,800
Outstandings:						
a. Rent					20,000	20,000
b.Maintainance					25,000	25,000
c.Prof Charges					24,000	24,000

Related Party Information

Relationships

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.Sika UK Ltd
4. M/s. Gourmet Estates Pvt Ltd
5. M/s. Ultraweld Engineers Pvt Ltd

b. Key Management Personnel

1. Mr. Rajeev Sikka
2. Mr. Sanjeev Sikka

c. Relatives of Directors

1. Mrs. Anuradha Sikka
2. Mrs. Anita Sikka
3. Mrs. Krishna Sikka

13. Information pursuant to Paragraph 3, 4c of Part II of Schedule VI to the Companies Act, 1956

- A. Particulars of Licensed, installed Capacity and Production – N.A
- B. Value of Raw-materials consumed (As Certified by the Management)

Imported and Indigenous Consumption

Particulars	2010-11		2009-10	
	Rs	% of Consumption	Rs.	% of Consumption
a. Raw Materials & Traded items				
Imported	3,07,43,837	71.20%	2,92,61,092	72.79%
Indigenous	1,24,30,603	28.80%	1,09,35,121	27.20%
Total	4,31,74,440	100.00%	4,01,96,213	100.00%
B. Components				
Imported	5,42,854	69.50%	89,487	100.00%
Indigenous	2,38,142	30.50%		
Total	7,80,996	100.00%	89,487	100.00%

14. Expenditure in Foreign Currency

Particulars (Including Expenses Capitalized)	2010-11	2009-10
Raw Materials & components	5,42,854	1,26,067
Traded Items	3,07,43,837	3,00,69,181
Travelling Expenses	7,76,365	5,48,925
Total	3,20,63,056	3,07,44,173

13. Earnings in Foreign Currency (on FOB basis)

Particulars	2010-11	2009-10
Others (on A/c. of Export sales)	3,22,10,027	3,79,09,369

Signatures to Schedule '1' to '19'

For Shekar & Yathish
Chartered Accountants
FRN: 008964S

Rajeev Sikka
Chairman &
Managing Director

Dr.C.G.Krishnadas Nair
Director

Kusuma Yathish
Partner
M.No- 209637

Dr.J.M.Deb Nath
Director

R.N.Chawhan
Director

Place : Bangalore
Date : 20-08-2011

SIKA INTERPLANT SYSTEMS LTD
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2011

CASH FLOW STATEMENT	31st March 2011	31st March 2010
Cash flow from Operating Activities		
Net Profit before tax and exceptional item	16256198	26725265
Adjustments for		
Other Income	-1773619	-2785523
Depreciation	1746678	1620695
Interest Expenses	284804	510455
Loss on sale of mutual funds	0	72791
Operating Profit before working capital changes	16514061	26143683
	0	
Trade Receivables	-784707	10857744
Other Receivables	383255	-4210568
Inventory	-542179	125179
Trade Payables	-302184	-2530617
Other Payables	1355823	740217
Income Tax Liability	16237	-3052564
Others	-5582996	-367921
Deferred Tax Liability	-16237	-367921
Dividend and Tax on Dividend Paid	-2966649	-2976476
Income Tax paid during the year	-9342593	-9073052
Net cash from Operating activities (A)	4314823	15655625
Cash Flow from Investing Activities		
Net(Redemption / Purchase) current investments	-207645	-1718389
Proceeds on disposal of fixed assets	0	0
Purchase of Fixed Assets	-2862644	-1125945
Change in Capital work in Progress	-26567787	-17580108
Interest and Dividend Income & Others	1773619	2785523
Loss on sale of mutual funds	0	-72791
Net Cash flow from investing activities (B)	-27864457	-17711710
Cash flow from Financing Activities		
Interest on Advances paid	-284804	-510455
Net increase / decrease in Secured loan	9055836	9118096
Net increase / decrease in unsecured loan	0	0
Net cash from Financing Activities '(c)	8771032	8607641
Net increase / decrease in cash and cash equivalents	-14778601	6551556
Cash and Cash equivalents at the beginning of the year	25247497	18695941
cash and cash equivalents at the end of the year	10468896	25247497

SIKA INTERPLANT SYSTEMS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No.	L29190KA1985PLC007363	State Code	08
Balance Sheet Date	31.03.2011		

II Capital raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	3,74,990.01	Total Assets	3,74,990.01
-------------------	-------------	--------------	-------------

Sources of Funds:

Paid up Capital	42,401.75	Reserves & Surplus	3,12,763.35
Secured Loans	19,295.10	Unsecured Loans	-
Deferred tax Liability	529.81	Share Application money	-

Application of Funds:

Net Fixed Assets	2,72,035.21	Investments	28006.89
Net Current Assets	27,924.20	Misc. Expenditure	0.00
Deferred tax	-	Capital Work in Progress	46,963.71

IV Performance of Company (Amount in Rs. Thousands)

Turnover	112,200	Total Expenditure	95,944.64
Profit (Loss) before tax	16256.20	Profit (Loss) after tax	108,87.92
Earning per Share in Rs.	2.57	Dividend rate %	6%

V Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item code No. (ITC Code)	356105008
Product description	a.Handling Equipment b.Engineering projects and Engineering Services a.Design Engineering and Supply. b.Engineering Services.

For and on behalf of
M/s.Sika Interplant Systems Limited

Rajeev Sikka
Chairman and
Managing Director

Dr.C.G.Krishnadas Nair
Director.

R.N.Chawhan
Director

Dr.J.M.Debnath
Director

Date : 20/08/2011.
place : Bangalore

SIKA INTERPLANT SYSTEMS LTD

CONSOLIDATED
ANNUAL REPORT 2010-11

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors
Sika Interplant Systems Ltd
Bangalore

1. We have examined the attached Consolidated Balance Sheet of Sika Interplant Systems Ltd (the parent), and its subsidiaries (together 'the group') as at March 31, 2011, the Consolidated Profit and loss account and the related Consolidated Cash Flow Statement for the year ended on that date, annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the management of Sika Interplant Systems Ltd. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, as notified in the Companies (Accounting Standards) Rules, 2006.
4. On the basis of the information and explanation given to us and on the consideration of the separate audit report on individual audited financial statements of Sika Interplant Systems Ltd and its subsidiaries, we are of the opinion that:
 - a) the consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of the group as at March 31,2011;
 - b) the consolidated Profit and Loss Account gives a true and fair view of the consolidated results of operations of the group for the year ended as at March 31,2011; and
 - c) the consolidated Cash Flow Statement gives a true and fair view of the consolidated Cash Flows of the group for the year ended as at March 31,2011;

For Shekar and Yathish.,
Chartered Accountants

Kusuma Yathish
Partner

Membership Number -209637

Place: Bangalore

Date: 20-08-2011

SIKA INTERPLANT SYSTEMS LTD
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2011

	SCH. NO.	AS AT	AS AT
		31.03.2011	31.03.2011
		Rs.	Rs.
SOURCES OF FUNDS			
<u>Share Holders Funds</u>			
Share Capital	1	42,401,750	42,401,750
Reserves & Surplus	2	311,991,348	180,237,420
Minority Interest of subsidiaries		-	646,600
<u>Loan Funds</u>			
Secured Loans	3	19,295,100	12,057,842
Unsecured Loans		-	9,615,565
Minority Interest of Subsidiary EMSAC		770,934	-
Deferred Tax Liability		753,344	714,720
TOTAL		375,212,476	245,673,897
APPLICATION OF FUNDS			
<u>Fixed Assets</u>			
Gross Block	4	290,262,053	44,276,831
Less Depreciation		14,089,608	15,002,746
Net Block		276,172,445	29,274,085
Capital Work in Progress		46,963,716	20,395,929
		323,136,161	49,670,014
Investments	5	16,582,389	16,337,328
Good Will on Consolidation of Subsidiary SIKKA-N-SIKKA		3,461,330	
Current Assets , Loans & Advances (A)			
Inventories	6	1,523,000	2,495,689
Sundry Debtors	7	36,154,899	38,927,467
Cash & Bank Balances:	8	12,668,151	30,099,084
Loans, Advances & Deposits	9	52,554,914	40,237,537
		102,900,964	111,759,777
Less: Current Liabilities & Provisions (B)			
Current Liabilities	10	27,098,603	31,557,503
Provisions	11	43,789,766	38,445,776
		70,888,369	70,003,279
Net Current Assets [(A) -(B)]		32,012,595	41,756,498
Miscellaneous Expenditure (to the extent not written off or adjusted)	12	-	137,880,056
Amalgamation Reserve			
Preliminary Expenses to the extent not written off or adjusted		20,000	30,000
TOTAL		375,212,476	245,673,897
Significant Accounting Policies	18		
Notes on Accounts	19		

The Schedules referred to above form an integral part of this Balance Sheet
As per our report of even date.

SHEKAR & YATHISH
Chartered Accountants
FRN - 008964S

RAJEEV SIKKA
Chairman & Managing Director

Dr. Krishnadas Nair
Director

KUSUMA YATHISH
Partner
Membership No.209637

Dr. J.M. Deb Nath
Director

R.N. Chawhan
Director

Place: Bangalore
Date: 20/08/2011

SIKA INTERPLANT SYSTEMS LTD
CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2011

	SCH. NO	For the year ended 31.03.2011 Rs.	For the year ended 31.03.2010 Rs.						
INCOME									
Sales & Services	13	115,046,562	131,197,955						
Other Income	14	3,178,330	3,350,810						
TOTAL		118,224,892	134,548,765						
EXPENDITURE									
Cost of Materials Consumed, Purchases & Manufacturing Expenses	15	72,500,295	74,486,203						
Administrative/Selling/distribution Expenses	16	27,642,544	31,487,714						
Interest & Financial Charges	17	313,773	743,007						
Depreciation		1,879,902	3,370,443						
TOTAL		102,336,513	110,087,367						
PROFIT BEFORE TAX		15,888,379	24,461,398						
Provision for Taxation									
- Current		5,529,328	9,891,890						
- Deferred Tax (Asset)/Liability		38,623	(811)						
		-	-						
PROFIT AFTER TAX		10,320,428	14,570,319						
Prior Year Adjustments		-	(51,756)						
Balance Profit or Loss from Last Year		-	(149,060,982)						
			(134,542,419)						
APPROPRIATIONS:									
Add Excess Provision of Taxes earlier years		35,812							
Minority Share of Profit and Loss Account of Subsidiary EMSAC		185,560	370,988						
Proposed Dividend on Equity Shares		2,544,105	2,544,105						
Tax on Dividend proposed		422,544	422,544						
Transferred to Reserve		7,204,031	(137,880,056)						
Face value of Shares Rs. 10/- each									
Weighted average No. of shares for computing earnings per share (Basic & Diluted)		4,240,175	4,240,175						
Earnings per share (Basic & Diluted)		2.43	3.44						
Significant Accounting Policies	18								
Notes on Accounts	19								
The Schedules referred to above form an integral part of this Profit and Loss Account. As per our report of even date.									
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> SHEKAR & YATHISH Chartered Accountants FRN - 008964S </td> <td style="width: 33%; vertical-align: top;"> RAJEEV SIKKA Chairman & Managing Director </td> <td style="width: 33%; vertical-align: top;"> Dr. Krishnadas Nair Director </td> </tr> <tr> <td style="vertical-align: top;"> KUSUMA YATHISH Partner Membership No.209637 </td> <td style="vertical-align: top;"> Dr. J.M. Deb Nath Director </td> <td style="vertical-align: top;"> R.N. Chawhan Director </td> </tr> </table>				SHEKAR & YATHISH Chartered Accountants FRN - 008964S	RAJEEV SIKKA Chairman & Managing Director	Dr. Krishnadas Nair Director	KUSUMA YATHISH Partner Membership No.209637	Dr. J.M. Deb Nath Director	R.N. Chawhan Director
SHEKAR & YATHISH Chartered Accountants FRN - 008964S	RAJEEV SIKKA Chairman & Managing Director	Dr. Krishnadas Nair Director							
KUSUMA YATHISH Partner Membership No.209637	Dr. J.M. Deb Nath Director	R.N. Chawhan Director							
Place: Bangalore Date: 20/08/2011									

Schedules forming part of the Balance sheet

	TOTAL	TOTAL
	31/03/2011	31/03/2010
SCHEDULE - 1 SHARE CAPITAL		
<u>Authorised Capital</u>		
5000000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
<u>Issued Subscribed & Paid-up Capital</u>		
42,40,175 Equity Shares of Rs. 10/- each (Previous Year : 42,40,175 Shares of Rs.10- each) (Of the above shares 26,00,000 (Previous year 26,00,000/- lakhs shars) shares are issued for consideration other than cash)	42,401,750	42,401,750
	42,401,750	42,401,750
SCHEDULE - 2 RESERVES & SURPLUS		
From Previous year surplus reversed as per High Court order		
General Reserve	4,401,400	3,475,420
Earlier year surplus profits	61,742,917	
Current year	7,204,031	
	68,946,948	
Capital reserve	60,676,000	500,000
Share premium account	177,967,000	176,262,000
TOTAL	311,991,348	180,237,420
SCHEDULE - 3 LOAN FUNDS		
Secured Loans		
From Banks - Term Loan	19,260,206	11,970,571
Vehicle Loan	34,894	87,271
TOTAL	19,295,100	12,057,842
Unsecured Loans		
From Shareholders	-	7,914,815
From others	-	1,700,750
Total	-	9,615,565

SIKA INTERPLANT SYSTEMS LTD
SCHEDULE - 4 - FIXED ASSETS - CONSOLIDATED (for the year 2009-10

Particulars	Gross Block			Depreciation				Net Block	
	Balance	Additions/	Balance	Upto	For the	Adjustments	Upto	Balance	Balance
	As On 01-04-2009	(Sales)	As On 31-03-2010	31-03-2009	Year		31-03-2010	As On 31-03-2010	As On 31-03-2009
Freehold land	758,344	-	758,344	-	-	-	-	758,344	758,344
Leasehold land	7,611,425	-	7,611,425	-	-	-	-	7,611,425	7,611,425
Building	2,187,264	-	2,187,264	110,009	73,055	-	183,064	2,004,200	2,077,255
Plant & Machinery	339,496 6,660,396	4,560,401	11,220,797	1,994,445	1,706,453	-	3,700,898	7,519,899	4,825,296
Office Equipments	2,780,467	386,418	3,166,885	1,279,211	124,129	-	1,403,340	1,763,545	1,501,256
Furniture & Fixtures	4,192,468	204,544	4,397,012	929,203	250,973	-	1,180,176	3,216,836	3,263,265
Vehicles	10,129,480	-	10,129,480	4,705,395	774,664	-	5,480,059	4,649,421	5,424,085
Computers	4,272,378	533,246	4,805,624	2,614,040	441,169	-	3,055,209	1,750,415	1,658,338
Total	38,931,718	5,684,609	44,276,831	11,632,303	3,370,443	-	15,002,746	29,274,085	27,119,264
Previous Year	31,147,625	7,784,093	38,931,718	9,611,900	3,095,373	(894,818)	11,812,455	27,119,263	21,535,725
Capital WIP	2,815,821	17,580,108	20,395,929	-	-	-	-	20,395,929	2,815,821
Previous Year	1,538,511	1,277,310	2,815,821	-	-	-	-	2,815,821	1,538,511
Total	41,747,539	23,264,717	64,672,760	-	-	-	-	49,670,014	29,935,085

Note:

Leasehold land of Rs.56,99,479/- in respect of land allotted by Karnataka Industrial Area Development Board for Tourism Project.

SIKA INTERPLANT SYSTEMS LTD
SCHEDULE - 4 - FIXED ASSETS (Current Year) : Last Year given separately.

Particulars	Gross Block			Depreciation				Net Block	
	Balance As On 01-04-2010	Additions/ (Sales)	Balance As On 31-03-2011	Upto 31-03-2010	For the Year	Adjustments	Upto 31-03-2011	Balance As On 31-03-2011	Balance As On 31-03-2010
Freehold land	2,670,290	-	2,670,290	-	-	-	-	2,670,290	2,670,290
Leasehold land	5,699,480	183,150	5,882,630	-	-	-	-	5,882,630	5,699,479
Right to use land	-	252,445,000	252,445,000	-	-	-	-	252,445,000	-
Building	2,187,264	-	2,187,264	183,064	73,055	-	256,119	1,931,145	2,004,200
Plant & Machinery	1,898,374	1,970,000	3,868,374	907,858	140,783	-	1,048,641	2,819,733	990,516
Office Equipments	3,166,885	88,728	3,255,613	1,403,340	118,737	-	1,522,077	1,733,536	1,763,545
Furniture & Fixtures	4,397,012	326,832	4,723,844	1,180,176	269,267	-	1,449,443	3,274,401	3,216,836
Vehicles	10,129,480	-	10,129,480	5,480,059	774,664	-	6,254,723	3,874,757	4,649,421
Computers	4,805,624	293,934	5,099,558	3,055,209	503,395	-	3,558,604	1,540,954	1,750,415
Total	34,954,409	255,307,644	290,262,053	12,209,706	1,879,902	-	14,089,608	276,172,445	22,744,702
Previous Year	31,333,440	2,495,023	33,828,463	9,625,300	1,754,567	(894,818)	10,487,049	19,126,490	21,706,140
Capital WIP	20,395,929	26,567,787	46,963,716	-	-	-	-	46,963,716	20,395,929
Previous Year	2,815,821	17,580,108	20,395,929	-	-	-	-	20,395,929	2,815,821
Total	55,350,338	281,875,431	337,225,769	-	-	-	-	323,136,161	43,140,631

Note:

Leasehold land of Rs.56,99,479/- in respect of land allotted by Karnataka Industrial Area Development Board for Tourism Project.

SCHEDULE - 5 : INVESTMENTS AT COST - CONSOLIDATED

SCHEME	BUY NAV	QUANTITY IN NUMBERS		31.03.2011	31.03.2010
	Rs.	31.03.2011	31.03.2010	Rs.	Rs.
Current Investments:					
HDFC Floating STP Gr	17.70	169,507	277,510	3,000,000	3,000,000
ICICI PRU INCOME GROWTH	168.05	22,918	21,605	4,095,595	3,851,221
Reliance STP - GR	12.08	331,214	172,637	4,000,000	4,000,000
Templeton STP Growth	1,809.16	2,211	0	4,000,000	4,000,000
Government bonds				68500	68500
HDFC income fund	13.61			0	0
PRUICICI short term plant	103.57	6758.43	6758.43	700000	700000
RELIANCE MIP GR	12.43	56314.46	56314.46	700000	700000
Quoted:					
Melstar Information Technology	11.90	800	800	9,520	9,520
Investment in Unquoted Companies					
SIKA UK Ltd	100.00	82.74	82.74	8,774	8,087
TOTAL				16,582,389	16,337,328
(Market value of quoted Investments is Rs.1,53,47,143/-)					

Schedules forming part of the Balance sheet

SCHEDULE -6 INVENTORIES			
Raw Materials		1,523,000	2,495,689
	A	1,523,000	2,495,689
SCHEDULE - 7 - SUNDRY DEBTORS (Unsecured and considered good)			
Debts outstanding for more than 6 months		355,267	3,913,553
Other Debts		35,799,632	35,013,914
	B	36,154,899	38,927,467
SCHEDULE 8 - CASH & BANK BALANCES:			
Cash in Hand		18,022	71,462
Balances with Scheduled Banks -			
In Current account		1,225,573	4,502,357
In Fixed Deposit		11,323,594	25,274,098
Interest Accrued		100,962	251,167
	C	12,668,151	30,099,084
SCHEDULE 9 - LOANS, ADVANCES & DEPOSITS:			
Advance recoverable in cash or in kind or for value to be received, (Unsecured considered good)			
Advance to Staff		85,919	210,055
Advance to others		1,943,756	1,321,261
Factory Shed advance		328,130	1,057,583
Prepaid Expenses		97,132	1,404,381
Advance Income Tax / TDS		42,189,568	33,095,895
VAT Credit		1,869,721	696,204
Service tax Credit		15,064	336,587
SIKA UK Ltd		2,118,339	
<u>Deposits:</u>			
With Others		3,907,285	2,115,571
	D	52,554,914	40,237,537
TOTAL	A+B+ C+D	102,900,964	111,759,777

Schedules forming part of the Balance sheet

	TOTAL	TOTAL
	31/03/2011	31/03/2010
SCHEDULE - 10 CURRENT LIABILITIES		
Sundry Creditors	17,982,955	24,182,401
Bonus Payable	16,260	
Salary Payable	23,893	
PT Payable	375	
PF Payable	1,799	
Advance from Customers	4,352,000	3,735,550
Unclaimed Dividend	496,642	405,937
Other Current Liabilities	4,224,678	3,233,615
Total (A)	27,098,603	31,557,503
SCHEDULE - 11 PROVISIONS		
Audit Fee Payable	22,060	
Certification Charges Payable	11,030	
TDS Payable	36,590	
Outstanding Liabilities	98,700	
Provision for Leave Encashment	228,409	167,665
Provision for Dividend	2,544,105	2,544,105
Tax on Proposed Dividend	422,544	422,544
Provision for Taxation	40,426,328	35,311,462
Total (B)	43,789,766	38,445,776
TOTAL (A) +(B)	70,888,369	70,003,279
SCHEDULE - 12 MISCELLANEOUS EXPENDITURE		
Amalgamation Reserve		
As per Profit and Loss Account	135,962,925	
Less : Amalgamation reserve	135,962,925	
	-	-
Preliminary and Pre-operative Expenses		
As per last balance sheet	30,000	
Less : Written off during the year	10,000	

Schedules forming part of the Profit & Loss Account

	31/03/2011	31/03/2010
	Rs.	Rs.
SCHEDULE - 13 SALES & SERVICES		
Sales	82,169,836	70,530,604
Services	32,876,726	37,428,454
TOTAL	115,046,562	107,959,058
SCHEDULE - 14 OTHER INCOME		
Interest from Banks [(TDS of Rs.65,016/-),(previous year:Rs.75,088/-)]	963,484	604,154
Foreign Exchange Fluctuation Gains	1,134,603	-
Profit on Sale of Investments	942,634	2,103,943
Miscellaneous and other Incomes	137,609	4,636
TOTAL	3,178,330	2,712,733
SCHEDULE - 15 COST OF RAW MATERIALS CONSUMED, PURCHASES & MANUFACTURING EXPENSES		
Opening Stock	980,821	1,106,000
Add: Purchases	48,028,919	40,761,075
	49,309,740	41,867,075
Less: Closing Stock	1,523,000	980,821
Raw Materials Consumption	47,486,740	40,886,254
Stores and spares consumed	238,142	89,487
Manufacturing & Other Direct Expenses	7,031,978	3,619,873
	54,756,861	44,595,614
Employee Cost	-	-
Salaries, Wages & Bonus	16,450,190	12,536,490
Contribution to Provident, ESI, Gratuity & other funds	952,818	578,106
Staff Welfare Expenses	340,426	268,662
	17,743,434	13,383,258
TOTAL	72,500,295	57,978,872

Schedules forming part of the Profit & Loss Account

	31/03/2011	31/03/2011
	Rs.	Rs.
Communication Expenses	1,058,448	963,048
AGM Expenses	-	
Business Promotion	9,686	
Freight Charges	6,188	
Printing & Stationery	603,308	482,117
Rent	1,946,304	1,601,557
Rates and Taxes	532,804	132,941
Professional Charges	6,854,649	5,162,765
Insurance	220,631	97,747
Repairs & Maintenance	1,658,767	1,433,272
Vehicle Maintenance	864,132	967,971
Bank Charges	382,925	166,585
Travelling Expenses	5,801,662	4,066,840
General Expenses	654,674	615,364
Managerial Remuneration	3,710,521	4,009,500
Miscellaneous Expenses	7,855	
Office Expenses	14,112	
Security Charges	110,309	
Selling Expenses	2,614,250	1,942,011
Hire of Plant & Machinery	-	
Foreign Exchange Fluctuation Loss	-	2,109,302
Postage, Telephone & Telegraph	35,749	
Preliminary Expenses Written Off	10,000	
Salaries & Wages	371,988	
Software & Computer Maintenance	24,569	
Subscription & Membership	6,500	
Water & Electricity Charges	18,426	
<u>Auditors Remuneration -</u>	-	
Audit Fees	93,755	55,150
Tax Audit Fees	19,303	19,303
Certification Etc	11,030	11,030
TOTAL	27,642,544	23,836,502
SCHEDULE - 17 INTEREST & FINANCIAL EXPENSES		
Interest on Term loan	11,626	27,289
Interest & Bank Charges	17,087	
Interest on Income Tax	11,882	
Interest others	76,390	65,637
Bank Guarantee Commission	196,788	417,529
TOTAL	313,773	510,455

Schedule 18

Significant Accounting Policies:

Accounting Convention:

1. a) The Financial statements are prepared under the historical cost convention, in accordance with generally accepted accounting principles, the mandatory accounting standards prescribed by the Institute of Chartered Accountants India and the provisions of the Companies Act.

2. **Fixed Assets and Depreciation:**

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

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

- B **Depreciation/Amortisation**

Depreciation on assets has been provided at the rates specified in Schedule XIV of the Companies Act, 1956 using the straight-line method.

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

3. **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.

4. **Valuation of Investments:**

Investments, being current investments, are valued at the lower of cost and market value.

Investment in the equity capital of companies registered outside India is carried in the Balance Sheet at the rate prevailing on the date of transaction.

5. **Retirement Benefits:**

Company has Group Gratuity policy with Life Insurance Corporation of India and the premiums determined thereon are 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.

6. **Revenue Recognition:**

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

6. Services – Revenue from services is recognized on completion of service.

7. Warranties – Revenue from warranties in connection with post sale services is recognized on pro-rata basis over the warranty period.

8. Profit on sale of investments: Profit / loss on sale of investments are recognized on the date of redemption.

7. **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.

8. **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 Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

9. **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 a single geographical segment.

10. **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 that the carrying amount exceeds the recoverable amount.

SIKA INTERPLANT SYSTEMS LIMITED

SCHEDULE – 19

NOTES TO ACCOUNTS AS AT 31.03.2011

1. Contingent Liabilities not provided for in the books of Accounts
In respect of Bank Guarantees:Rs.1,24,29,543/-(Previous Year:Rs.93,45,018/-/-)

2. a) Term loan of Rs 510 lakhs has been sanctioned by Canara Bank for factory expansion at Bommasandra against which Rs 266.33 Lakhs utilized upto 31.3.2011 (Upto 31.3.2010 Rs.100.71/- lakhs). The same is secured on equitable mortgage of land of M/s Sikka and Sikka Engineers Pvt Ltd, a 100% Subsidiary of the company. In addition to above M/s Sikka and Sikka Engineers Pvt Ltd have given corporate guarantee. Loan payable within one year is Rs.28,32,000/- (Previous year Rs.70,80,000/-).

- b) The Secured loan represents the liability towards purchase of motorcars under a financing arrangement with HDFC Bank and is secured by hypothecation of the said vehicle and personal guarantee of Directors. Balance as at March 31, 2011 includes Rs.35,970/- .Payable within one year is Rs.35,970/- (Previous year Rs.86,328 /-).

3. Capital commitments to the extent not provided for in the books of accounts in respect of projects undertaken by the Company is estimated at Rs.34,96,986/- based on definite agreements entered (Previous year Rs.1,49,58,868/-).

4. The cash in the current accounts of scheduled banks of Rs.12,25,573/- includes a balance of Rs. 5,08,763/- being dividend bank account. and the same represents unclaimed dividend. (Previous Year Rs.45,02,357/-).

5. a) 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.

- b) According to the information available with the Company, as at March 31, 2011 there are no outstanding dues to Small Scale Undertakings. (Previous Year: Rs.NIL).

6. Figures of Previous year have been regrouped / rearranged wherever considered necessary.

7. During the year Sika UK Ltd has ceased to be a subsidiary company. Hence previous figures are not comparable

8. Note on Amalgamation: -
 - g) Pursuant to an order passed by the Hon'ble High Court of Karnataka dated 26.03.2007 approving a Scheme of amalgamation of M/s.Spaceciti Projects Pvt Ltd with the Company all assets and liabilities of M/s.Spaceciti Projects Pvt Ltd including its investments in the form of shares held by it in its subsidiary M/s.Sikka n Sikka Engineers Pvt Ltd became the assets and liabilities of the Company and were recorded in the books of the Company at book value

 - h) Subsequently, the company considered as appropriate to record the assets and liabilities taken over vide amalgamation at Market value as against the Book Value as the swap ratio arrived basing on market value of assets. Hence decided to approach the Hon'ble

High Court of Karnataka seeking amendment of the merger terms allowing them to record the assets and liabilities of the Transferee company at market price.

- i) Pursuant to an application made, seeking the afore said amendment, the Hon'ble High Court of Karnataka has vide its order Dated 1st December 2010 allowed the Company to record the value of assets and liabilities, acquired through merger, at Market value. Accordingly, the Company has incorporated the necessary entries to reflect all the assets and liabilities acquired vide merger of the Transferee Company at market price. The said entries have resulted in the restatement of the values of such assets and liabilities in the Current years' financials and to that extent are not comparable with previous years' figures.
- j) The company has followed the Purchase method of accounting as prescribed by the ICAI in AS 14 – Accounting for Amalgamations for recording the amalgamation with the Transferee Company M/s.Spaceciti Projects P Ltd and all related assets, liabilities, reserves and surplus, including share premium are restated to reflect the affairs of the company as if the amalgamation amendment order dated 1st December 2010 of The Hon'ble High Court of Karnataka had been the original order approving merger dated 26th March, 2007.
- k) The Amalgamation had resulted in the acquisition by the company of an intangible asset held by the transferor company M/s.Spaceciti Projects P Ltd in the form of a 'Perpetual Right to Use. Purchase consideration was arrived at considering the "Right to Use of Land" for which the value arrived was Rs.25.24 Crores based on the market value of Land and further the value arrived was based on the prospective use of the land for "n" number of years in perpetuity. While incorporating the merger entries as per the verdict dated 1st December 2010 of The Honourable High Court of Karnataka RS.17,08,000/- has been added to existing Share Premium being amounts pertaining to Fraction shares Premium.

9. The "Right to use of Land" being an intangible asset in the normal course should have been amortized over the period of use as per AS-26 – Accounting for Intangible assets issued by ICAI. The management is of the opinion that since the Right to use of Land is for perpetuity the question of amortization will not arise. Further no impairment has been identified till date as per AS-28 Impairment of Assets issued by ICAI.

10. Segment Reporting

Amount in Rs in lakhs				
Sl	Particulars	Engineering Products, projects & Services	Building Materials	Total
1	Revenue	1052.83	69.17	1122.00
2	Results Operative profit-EBITDA	175.19	4.83	180.02
3	Provision for tax	51.92	1.60	53.52
2	Profit after tax	123.27	3.23	126.50

Segments have been identified in line with Accounting Standard on segment reporting (AS - 17).

11. In accordance with the Accounting Standard 22 “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India, the company has provided for deferred tax liability upto 31.3.201 comprising of the following components.

	2011		2010	
	Assets Rs.	Liabilities Rs.	Assets Rs.	Liabilities Rs.
Depreciation	-	13,41,120	-	12,81,253
Other Items	5,87,776	-	5,66,533	-
Total	5,87,776	13,41,120	5,66,533	12,81,253
Net Deferred Tax Liability		7,53,344		7,14,720

12..Related party transactions

Related party disclosure in accordance with AS 18

Amount in Rs. In lakhs

Particulars	Referred to in (a) below		Referred to in (b) below		Referred to in (c) below	
	31.3.2011	31.3.2010	31.3.2011	31.3.2010	31.3.2011	31.3.2010
Purchase:						
Goods and Materials (including service)	-	-	-	-	-	-
Sales:						
Goods and Materials (including service)	-	-				
Expenses:						
a.Remuneration	-	-	38,96,521	39,72,000		
b.Rent	-	-	-	-	2,40,000	2,40,000
c.Service	-	-	-	-	3,00,000	3,00,000
d.Prof charges	-	-	-	-	3,04,800	3,04,800
Outstandings:						
a. Rent					20,000	20,000
b.Maintainance					25,000	25,000
c.Prof Charges					24,000	24,000

Related Party Information

Relationships

c. Where significant influence exists(Affiliates)

1. M/s. Sikka N Sikka Engineers Pvt Ltd
2. M/s. Emsac Engineering Pvt Ltd
3. M/s.Sika UK Ltd
4. M/s. Gourmet Estates Pvt Ltd
5. M/s. Ultraweld Engineers Pvt Ltd

d. Key Management Personnel

1. Mr. Rajeev Sikka
2. Mr. Sanjeev Sikka

c. Relatives of Directors

1. Mrs. Anuradha Sikka
2. Mrs. Anita Sikka
3. Mrs. Krishna Sikka

13. Information pursuant to Paragraph 3, 4c of Part II of Schedule VI to the Companies Act, 1956

- A Particulars of Licensed, installed Capacity and Production – N.A
- B. Value of Raw-materials consumed (As Certified by the Management)

Imported and Indigenous Consumption

Particulars	2010-11		2009-10	
	Rs	% of Consumption	Rs.	% of Consumption
a. Raw Materials & Traded items				
Imported	3,07,43,837	71.20%	2,92,61,092	72.79%
Indigenous	1,24,30,603	28.80%	1,09,35,121	27.20%
Total	4,31,74,440	100.00%	4,01,96,213	100.00%
B. Components				
Imported	5,42,854	69.50%	89,487	100.00%
Indigenous	2,38,142	30.50%		
Total	7,80,996	100.00%	89,487	100.00%

14. Expenditure in Foreign Currency

Particulars (Including Expenses Capitalized)	2010-11	2009-10
Raw Materials & components	5,42,854	1,26,067
Traded Items	3,07,43,837	3,00,69,181
Travelling Expenses	7,76,365	5,48,925
Total	3,20,63,056	3,07,44,173

15. Earnings in Foreign Currency (on FOB basis)

Particulars	2010-11	2009-10
Others (on A/c. of Export sales)	3,22,10,027	3,79,09,369

Signatures to Schedule '1' to '19'

For Shekar & Yathish
Chartered Accountants
FRN: 008964S

Rajeev Sikka
Chairman &
Managing Director

Dr.C.G.Krishnadas Nair
Director

Kusuma Yathish
Partner
M.No- 209637

Dr.J.M.Deb Nath
Director

R.N.Chawhan
Director

Place : Bangalore
Date : 20-08-2011

CONSOLIDATED CASH FLOW STATEMENT

	31st MARCH 2011	31ST MARCH 2010
Cash flow from Operating Activities		
Net Profit before tax and exceptional item	15888379	24847937
Adjustments for		
Other Income	-1906118	-2574950
Depreciation	1879902	3252964
Interest Expenses	313773	703535
Preliminary expenses written off	10000	10000
Loss on sale of mutual fund investment	-	72971
Operating Profit before working capital changes	16185936	26312457
Trade Receivables	2772568	10983176
Other Receivables	-	-3460556
Inventory	972689	-358652
Trade Payables	-5582996	2200912
Other Payables	1124096	-2553376
Deffered Tax Liability	-	434417
Merger Entries	51047958	-
Others	-20564	-
Dividend and Tax on Dividend Paid	-229124	-2976476
Decrease in income tax provision	378650	-
Increase in other loans & advances	-3223704	-
Income Tax paid during the year	-9093673	-13191421
Net cash from Operating activities (A)	51365187	17390481
Cash Flow from Investing Activities		
Redemption / Investment of current investments	-245061	-2043324
Proceeds on disposal of fixed assets	-6459778	0
Purchase of Fixed Assets	-	-5252704
Change in Capital work in Progress	-26567787	-17580108
Interest and Divided Income & Others	1196118	2574950
Loss on sale of mutual fund investment	-	-72971
Net Cash flow from investing activities (B)	31366508	-22374157
Cash flow from Financing Activities		
Interest on Advances paid	-313773	-703535
Net increase / decrease in Secured loan	7237258	8947961
Net increase / decrease in unsecured loan	-9615565	4554491
Net increase / decrease in Minority Interest	124334	314491
Net cash from Financing Activities '(c)	-2567746	13113408
Net increase / decrease in cash and cash equivalents	17430933	8129732
Cash and Cash equivalents at the beginning of the year	30099084	21969352
cash and cash equivalents at the end of the year	12668151	30099084

SIKKA n SIKKA ENGINEERS PVT LTD

ANNUAL REPORT 2010-11

SIKKA n SIKKA ENGINEERS PVT LTD.

BOARD OF DIRECTORS
(As on 18th August, 2011)

1. KRISHNA SIKKA : Chairman & Managing Director
2. RAJEEV SIKKA : Director

AUDITORS : M/s.Shekar & Yathish
Chartered Accountants

REGISTERED OFFICE : D.Shivsagar Estate,
Dr.Annie Basant road
Worli, Mumbai 400018

DIRECTORS REPORT

Directors have pleasure in presenting their Annual Report along with the Audited Accounts for the year ended 31st March 2011.

FINANCIALS RESULTS

	Rs in lakhs	
	31/3/2011	31/3/2010
Total Income	1,74,417	6,33,524
Profit (Loss) before tax & depreciation	(8,76,336)	(3,72,800)
Provision for taxes	25,020	24,560
Depreciation	1,01,963	1,01,963
Profit (Loss) for the year after tax and depreciation	(7,99,392)	(4,99,323)
Earning per share	-	-

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS DURING THE YEAR.

Under the Companies Disclosure of the particulars in the Report of Board of Directors Rules, 1956.

The Company has made efforts towards conservation of Energy in its manufacturing process. There was a no foreign earning during the year and previous year is also nil.

PARTICULARS OF EMPLOYEES

The Company has no person drawing a salary in excess of the limits prescribed in the Companies (Particulars of Employees) rules 1975 as amended, read with Sec 217 (2A) of the Companies Act, 1956.

FIXED DEPOSIT

The Company has not accepted deposits from the public hence the provisions of Sec. 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.

AUDITORS

Shekar & Yathish, Chartered Accountants, retire at this Annual General Meeting and offer themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provision of Sec.217 (2AA) of the Companies Act, 1956, your Director state:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed;
- b) That your Directors have selected such accounting policies and applied them consistently and made judgment 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 or loss of the Company for that period;
- c) That your Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of your Company and for preventing and detecting fraud and other irregularities;

That your Directors have arranged the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors would like to thank all our employees and business associates for their contribution to the growth and well being.

By Order of the Board
For SIKKA N SIKKA ENGINEERS PVT LTD

Sd/-
RAJEEV SIKKA
DIRECTOR

Place: Bangalore
Date: 18.08.2011

AUDITOR'S REPORT

To
The Members
Sika N Sikka Engineers Pvt Ltd
Bangalore

We have audited the attached Balance Sheet of M/s Sikka N Sikka Engineers Pvt Ltd as at 31st March 2011, and the Profit and Loss Account for the year ended on that date annexed thereto. These Financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion :

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper Books of Accounts as required by law have been kept by the Company so far as appears from our examinations of these books.
3. The Balance Sheet and the Profit and Loss Account dealt with by this Report are in agreement with the Books of Accounts and is in compliance with the Accounting Standard referred to in Section 211 (3C) of the Companies Act, 1956.
4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and also give a true and fair view :
 - a) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011 and
 - b) in the case of the Profit and Loss Account of the Profit for the year ended on that date.

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5. As required by the Companies (Auditor's Report) Order 2003 , issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956 we give below a statement on the matters specified in paragraphs 4 and 5 of the said Order.
6. (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
- (c) The Company has not disposed off any substantial part of Fixed Assets during the year.
- (ii) (a) The Company does not have any inventories. Accordingly the clauses 4(ii) a to c of the Order are not applicable to the Company.
- (iii) (a) The Company has not taken any loan from other companies covered in the register maintained under section 301 of the Companies Act 1956.
- (b) In view of what is stated in Para (a) above, the rate of interest and other terms and conditions on which loans have been taken from / granted to companies , firms or other parties listed in the register maintained under section 301 of the Companies Act 1956 are not applicable.
- (c) In view of what is stated in Para (a) above, the question of regular repayment of principal amounts and other conditions do not arise.
- (d) In view of what is stated in Para (a) above, the question of overdue amounts of loans are not applicable.
- (iv) In our opinion and according to the information and explanations given to us , there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory , fixed assets , and the sale of goods. During the course of our audit, we have observed no major continuing failure to correct major weaknesses in internal controls
- (v) (a) According to the information and explanations given to us, no transactions to be entered in the register maintained under section 301 of the Companies Act , 1956 have been made
- (b) In view of what is stated in Para (a) above, this clause does not apply

.....3/-

- (vi) Since the Company has not accepted deposits in terms of the provisions of section 58 A and 58 AA of the Companies Act 1956 and the Companies (Acceptance of Deposits) Rules 1975 the requirements in regard to the acceptance of deposits does not arise
- (vii) In our opinion , the Company has an internal audit system commensurate with the size and nature of its business
- (viii) The Central Government has not prescribed maintenance of records under Sec 209(1)(d) of the Companies Act 1956 in respect of the Company
- (ix)
 - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax , Sales Tax , Wealth Tax , Customs Duty , Excise Duty , Cess other statutory dues with Appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March 2010 for a period more than six months from the date they became payable..
 - (b) We have further been informed that there are no dues in respect of Income- Tax, Cess and other statutory dues which are disputed.
- (x) The Company has no accumulated losses and has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (xi) 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.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities but has not granted advances to suppliers on bank guarantees and to employees on hypothecation of vehicles.
- (xiii) The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of Clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the requirement to maintain proper records for dealing in shares and other investments is not applicable to the company.
- (xv) The Company has not given any guarantees for loans taken by others from banks or financial institutions
- (xvi) The Company has not borrowed term Loans.

- (xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the Company , we report that no funds raised on short-term basis have been used for long-term investment, No long-term funds have been used to finance short-term assets.
- (xviii) According to the information and explanations given to us the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report , the Company had not issued any Debentures.
- (xx) The Company has not made any public issues.
- (xxi) According to the information and explanations given to us , no fraud on or by the Company has been noticed or reported during the course of our audit.

for Shekar & Yatish
Chartered Accountants
FRN -0089545S

Kusuma Yathish
Partner
Membership Number -209637

Place: Bangalore
Date : 18.08.2011

SIKKA N SIKKA ENGINEERS PVT LTD
BALANCE SHEET AS AT 31ST MARCH 2011

	SCH. NO.	31.03.2011 Rs.	31.03.2010 Rs.
SOURCES OF FUNDS			
<u>Share Holders Funds</u>			
Share Capital	1	600,000	600,000
Reserves & Surplus	2	7,458,552	8,227,648
Deferred Tax Liability/(Asset)		193,378	168,358
TOTAL		8,251,930	8,996,006
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	3	4,695,690	4,695,690
Less: Depreciation		684,691	582,728
Net Block		4,010,999	4,112,962
Investments	4	1,468,500	1,468,500
Current Assets, Loans & Advances			
Sundry Debtors	5	355,267	355,267
Cash & Bank Balances	6	2,492,742	3,136,209
Loans, Advances & Deposits	7	204,714	342,215
		3,052,723	3,833,691
Less: Current Liabilities & Provisions			
Current liabilities	8	280,291	295,586
Provisions	9	-	123,561
		280,291	419,147
Net Current Assets		2,772,431	3,414,544
TOTAL		8,251,930	8,996,007
Significant Accounting Policies & Notes on Accounts	13		
As per our report of even date.			
M/s.SHEKAR & YATHISH Chartered Accountants FRN - 008964S			
KUSUMA YATHISH Partner Membership.No.209637		KRISHNA SIKKA MANAGING DIRECTOR	
		RAJEEV SIKKA DIRECTOR	
Place : Bangalore Date:18/08/2011			

SIKKA N SIKKA ENGINEERS PVT LTD
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 2011

	SCH. NO	31.03.2011 Rs.	31.03.2010 Rs.
INCOME			
Sales & Services		-	-
Other Income	10	1,74,417	633,524
TOTAL		1,74,417	633,524
EXPENDITURE			
Administrative Expenses	11	844,937	988,146
Financial Expenses	12	7,404	18,177
Depreciation		101,963	101,963
TOTAL		954,305	1,108,286
Net Profit/(loss) before tax		(779,887)	(474,762)
Provision for Taxation			
- Current		-	-
- Deferred		25,020	24,561
Fringe Benefit Tax			-
Net Profit after/(loss) tax		(799,392)	(499,323)
Appropriations:			
Add: Excess provision of taxes earlier years		35,812	153,279
Balance B/f from Previous Year		6,264,987	6,611,031
Balance carried to Balance Sheet		5,501,407	6,264,987
Face value of Shares Rs. 100/- each			
Weighted average No. of shares for computing earnings per share (Basic & Diluted)		6,000	6,000
Earnings per share (Basic & Diluted)		(134.15)	(83.22)
Significant Accounting Policies & Notes on Accounts	13		

The Schedules referred to above form an integral part of this Profit and Loss Account.
As per our report of even date.

M/s.SHEKAR & YATHISH
Chartered Accountants
FRN - 008964S

KUSUMA YATHISH
Partner
Membership.No.209637

KRISHNA SIKKA
MANAGING DIRECTOR

RAJEEV SIKKA
DIRECTOR

Place : Bangalore
Date:18/08/2011

Schedules forming part of Balance Sheet

	31.03.2011	31.03.2010
	Rs.	Rs.
SCHEDULE - 1 - SHARE CAPITAL		
<u>AUTHORISED</u>		
24000 Equity Shares of Rs. 100/- each	2,400,000	2,400,000
<u>ISSUED, SUBSCRIBED AND PAID UP</u>		
6000 Equity Shares of Rs. 100/- each	600,000	600,000
SCHEDULE - 2 - RESERVES & SURPLUS		
Capital Reserve	500,000	500,000
General Reserve	1,462,661	1,462,661
Profit and Loss Account	5,501,407	6,264,987
TOTAL	7,464,068	8,227,648
SCHEDULE - 5 SUNDRY DEBTORS		
Debts outstanding for more than 6 months	355,267	355,267
Other Debts	-	-
A	355,267	355,267
SCHEDULE - 6 CASH & BANK BALANCES		
Cash in Hand	57	1,028
Balance with Scheduled Banks:	150,549	
In Current Accounts		560,315
Interest accrued on Fixed Deposits	157,288	40,018
Fixed Deposits	2,184,848	2,534,848
B	2,469,742	3,136,209
SCHEDULE - 7 LOANS AND ADVANCES		
Unsecured, Considered good (Recoverable in Cash or in kind or for value to be received)		
Advance Income Tax	141,101	281,602
Other receivables	-	-
Advance to Others	60,613	60,613
C	204,714	342,215
TOTAL	A+B+C	3,833,691
SCHEDULE - 8 CURRENT LIABILITIES		
Sundry Creditors	237,964	243,548
TDS payable	-	8,052
Bonus payable	16,260	15,120
Electricity charges payable		4,306
Salary payable	23,893	22,420
PT payable	375	775
PF payable	1,799	1,365
A	280,291	295,586
SCHEDULE - 9 PROVISIONS		
Provision for Taxation		123,561
B	-	123,561
TOTAL	A+B	419,147

SCHEDULE - 3 - FIXED ASSETS

Particulars	Gross Block			Depreciation				Net Block	
	Balance	Additions/	Balance	Upto	For the	Adjustments	Upto	Balance	Balance
	As On 01.04.2010	(Sales)	As On 31.03.2011	31.03.2010	Year	for assets sold	31.03.2011	As On 31.03.2011	As On 31.03.2010
Land	1,911,946		1,911,946	-	-		-	1,911,946	1,911,946
Building	2,187,264		2,187,264	183,064	73,055		256,119	1,931,145	2,004,200
Plant & Machinery	483,545		483,545	387,457	22,968		410,425	73,120	96,088
Furniture & Fixture	36,450		36,450	4,557	2,307		6,864	29,586	31,893
Office Equipments	76,485		76,485	7,650	3,633		11,283	65,202	68,835
			-				-	-	-
Total	4,695,690	-	4,695,690	582,728	101,963	-	684,691	4,010,999	4,112,962
Previous Year	2,811,490	1,884,200	4,695,690	379,114	101,651	-	480,765	-	2,432,376

SCHEDULE - 4 INVESTMENTS AT COST

SCHEME	BUY NAV	QUANTITY IN NUMBERS		31.03.2011	31.03.2010
		31.03.2011	31.03.2010	Rs.	Rs.
Government bonds				68500	68500
HDFC income fund	13.61			0	0
PRUICICI short term plant	103.57	6758.43	6758.43	700000	700000
RELIANCE MIP GR	12.43	56314.46	56314.46	700000	700000
				0	0
TOTAL				1468500	1468500
(Market value of above Investment is Rs.14,96,938/-)					

Schedules forming part of Profit & Loss Account

	31.03.2011	31.03.2010
	Rs.	Rs.
SCHEDULE - 10 OTHER INCOME		
Profit on sale of Investments	-	418,016
Other Income	-	1,150
Interest Received (Interest including TDS of Rs.21437/-)	174,417	214,358
TOTAL	174,417	633,524
SCHEDULE - 11 ADMINISTRATIVE EXPENSES		
Water & Electricity Charges	18,426	84,240
Salaries & Wages	371,988	330,983
Rent	87,408	87,408
Rates and Taxes	4,705	2,145
Travelling & Conveyance	159,710	151,866
Professional Charges	21,000	101,000
Postage, Telephone & Telegraph	27,860	36,051
Advertisement & Business Promotion	5,515	3,000
Printing & Stationery	2,395	2,835
Repairs & Maintenance	4,681	2,895
Office Expenses	12,055	7,552
Security Charges	110,309	151,153
Miscellaneous Expenses	2,340	10,473
<u>Auditors remuneration</u>		
Audit Fees	16,545	16,545
TOTAL	844,937	988,146
SCHEDULE -12 FINANCIAL EXPENSES		
Interest & Bank Charges	7,404	18,177
TOTAL	7,404	18,177

SCHEDULE – 13

NOTES TO ACCOUNTS AS AT 31.03.2011

1.

i). Information pursuant to provisions of para 3,4c of Part - II of Schedule VI to the Companies Act 1956 does not apply to this company since the company had not carried on any Trading or Manufacturing activities during the year.

ii) Expenditure in Foreign Currency: Nil (Nil)

iii Earnings in foreign currency Nil (Nil)

2 Comparative figures relating to the previous year have been reclassified wherever necessary to conform to current year's classification and the amounts in brackets represents corresponding amount pertaining to previous year.

4. Significant Accounting Policies

a) Accounting Convention:

The Financial statements are prepared under the historical cost convention, in accordance with generally accepted accounting principals, the mandatory accounting standards prescribed by the Institute of Chartered Accountants of India and the provisions of the Companies Act.

b) Fixed Assets and Depreciation:

Fixed Assets are stated at cost. The Company has capitalized all costs relating to the acquisition and installation of fixed assets. Depreciation on assets has been provided at the rate specified in Schedule XIV to the Companies Act, 1956 under the straight-line method on a pro-rata basis.

c) Valuation of Investments:

Investments, being current investments are valued at the lower of cost and market value.

e) Revenue Recognition:

1. Services – Revenue from services is recognized on completion of service.
2. Profit on sale of investments: Profit/loss on sale of investments is recognized on the date of redemption.

f) **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.

g) **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.

5) **Taxes On Income**

a) In compliance with the Accounting Standard –AS 22 relating to “Accounting for Tax on Income” issued by the Institute of Chartered Accountants of India, there is no Deferred Tax recognized in the Profit and Loss Account during this year.

b) Major components of deferred tax assets and liabilities arising on account of timing differences are:

	2011		2010	
	Assets Rs.	Liabilities Rs.	Assets Rs.	Liabilities Rs.
Depreciation	-	1,93,378		168,358
Total	-	-		
Net Deferred Tax Asset / Liability	-	1,93,378		168,358

6 **Calculation of Number of shares used for calculating Earnings per Share**

		2010-11	2009-10
(a)	Net Profit after Tax, available for Equity Shareholders (Rs.)	(loss) Rs. 7,99,392	(loss) Rs.5,38,525
(b)	Weighted average number of Equity Share of Rs.100/- each outstanding during the year (No.of Shares)	6000	6000
(c)	Basic/Diluted Earnings per Share Rs.100/- each	(134.15)	(83.22)
(d)	Adjusted Earnings Per Share	(134.15)	(83.22)

For Shekar & Yathish
Chartered Accountants
FRN: 008964S

Kusuma Yathish
Partner

Krishna Sikka
Managing Director

Rajeev Sikka
Director

Place : Bangalore
Date : 18.08.2011

SIKKA N SIKKA ENGINEERS PRIVATE LIMITED
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No.	U28900MH1971PTC014993	State Code
Balance Sheet Date	31.03.2011	

II Capital raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Rights Issue	M
Bonus Issue	NIL	Private Placement	M

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	8251.93	Total Assets	8251.9
Sources of Funds:			
Paid up Capital	600.00	Reserves & Surplus	745
Secured Loans	-	Unsecured Loans	
Deferred tax Liability	193.37	Share Application money	
Application of Funds:			
Net Fixed Assets	4010.99	Investments	1468
Net Current Assets	2772.43	Misc. Expenditure	-
Deferred tax Asset	-		

IV Performance of Company (Amount in Rs. Thousands)

Turnover	174.41	Total Expenditure	954
Profit (Loss) before tax	(774.37)	Profit (Loss) after tax	(7
Earning per Share in Rs.	(134.15)	Dividend rate %	-

V Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item code No. (ITC Code)	356105008	
Product description	a.Technical Consultants	
	b.Business Services	
		Rajeev Sikka
		Krishna Sikka

Managing Director Director

Date : 18/08/2011

place : Bangalore

EMSAC ENGINEERS PVT LTD

ANNUAL REPORT 2010-11

EMSAC ENGINEERS PVT LTD.

BOARD OF DIRECTORS

(As on 18th August, 2011)

1. DR.C.G.KRISHNADAS NAIR : Chairman
2. Mr.TED HOPPER ; Managing Director
3. RAJEEV SIKKA : Director

AUDITORS

: M/s.Yuvaraj & Associates
Chartered Accountants

REGISTERED OFFICE

:No.3,Gangadharchetty Road
Bangalore 560042

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Third Annual Report on activities of the company for the year ended 31st March 2011.

FINANCIAL RESULTS:

The company has achieved a total turnover of Rs.62.90 Lakhs and earned net profit of Rs5.53 Lakhs after providing Depreciation of Rs.0.31 Lakhs ., Your directors are taking various alternatives to improve the profitability of the company.

The company has not declared any dividend during the year.

AUDITORS:

M/s N N Yuvaraj & Associates, Chartered Accountants, Bangalore, is reappointed as Statutory Auditors of the company till the conclusion of the Annual General Meeting. The Auditors, being eligible, have indicated their consent to act as the Statutory Auditors of the company.

FIXED DEPOSIT

The Company has not accepted deposits from the public hence the provisions of Sec. 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE AND OUTGO:

Your company recognizes its role in health and safety, as well as its responsibility towards environment and society. Safety and environmental control is on top priority and the company is continuously upgrading its capability to meet with required stringent conditions to maintain safeguards.

The foreign exchange inflow during the period is Rs 13.29 Lakhs and outflow during the period under review is Rs. 33.61 Lakhs

There is no absorption of any technical know-how during the year.

PARTICULARS OF EMPLOYEES:

There were no employees, who were in receipt of remuneration exceeding the limits specified under section 217(2A) of the Companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT:

As required under section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- In preparation of these annual accounts, the applicable accounting policies and standards have been followed.
- The accounting policies are consistently applied and reasonable, prudent, judgement and estimates are made 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 or loss of the Company for that year.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- These annual accounts have been prepared on a 'going concern' basis.

ACKNOWLEDGEMENT

Your Directors would like to thank all our employees and business associates for their contribution to the growth and well .

For and on behalf of the Board

(Dr.C.G.Krishnadas Nair)
Chairman

(Ted Hooper)
Managing Director

Place: Bangalore.

Date : 18.08.2011

AUDITOR'S REPORT

To the members of **EMSAC ENGINEERING PRIVATE LIMITED.,**

We have audited the attached Balance sheet of **EMSAC ENGINEERING PRIVATE LIMITED.,** as at 31st March 2011 and the profit and Loss account of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the management of the Company. Our responsibility is to express opinion on these financial statements based on our audit.

We have conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, is not applicable to the company
2. Further to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b) In Our opinion, the Company has kept proper books of account as required by Law so far as appears from our examination of the books.
- c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet and the Profit and Loss Account comply with the Accounting standards referred to in sub-section (3C) of Sections 211 of the Companies Act, 1956.
- e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and fair view in conformity with the accounting principles generally accepted in India.

i) In the case of Balance Sheet, of the state of affairs of the company as at 31st March 2011

and

ii) In the case of Profit and Loss account, of the profit for the year ended on that date.

For N N Yuvaraj & Associates
Chartered Accountants.
ICAI FRN 005137 S

PLACE: BANGALORE
DATE :18.08.2011

(U.D.Prithviraj)
Partner
M.NO-214307

EMSAC ENGINEERS PVT LTD
BALANCE SHEET AS AT 31st MARCH 2011

PARTICULARS	Sch. No.	As at 31.03.2011	As at 31.03.2010
<u>SOURCES OF FUNDS:</u>			
1. Shareholders Funds:			
Share Capital	1	500,000.00	500,000.00
Reserves & Surplus	2	1,073,334.00	694,640.00
Deferred Tax Liability	3	30,152.00	32,786.00
TOTAL		1,603,486.00	1,227,426.00
<u>APPLICATION OF FUNDS:</u>			
1. Fixed Assets			
Gross Block	4	203,817.00	203,817.00
Less : Depreciation		77,576.00	46,316.00
Net Block		126,241.00	157,501.00
		-	-
2. Current Asset, Loans & Advances:			
Current assets, loans & Advances	5	1,979,893.00	2,149,733.00
Sundry Debtors	6	-	2,127,284.00
Cash & Bank balances	7	(166,331.00)	15,134.00
Total Current Assets		1,813,562.00	4,292,151.00
Less : Current Liabilities & Provisions:	8	356,317.00	3,252,226.00
Net Current Assets		1,457,245.00	1,039,925.00
3. Miscellaneous Expenditure			
(to the extent not written off or adjusted)	9		
Preliminary & Pre-Operative Expenditure		20,000.00	30,000.00
TOTAL		1,603,486.00	1,227,426.00

"Notes to Accounts" form integral parts of the
Annual accounts
For Emsac Engineering Pvt Ltd.,

13

As per our report of even date
for N N Yuvaraj & Associates
Chartered Accountants

(Dr. C.G.Krishnadas Nair)
Chairman

(Ted Hopper)
Managing Director

(U D Prithviraj)
Partner

Place: Bangalore
Date : 18.08.2011

EMSAC ENGINEERS PVT LTD
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

PARTICULARS	Sch. No.	As at 31.03.2011	As at 31.03.2010
INCOME:			
Sales		4,521,500.00	8,053,946.00
Service charges	10	1,320,369.00	1,853,938.00
Other income	11	449,049.00	4,554.00
TOTAL		6,290,918.00	9,912,438.00
EXPENDITURE:			
Purchases		3,672,525.00	6,643,768.00
Manpower cost		1,051,584.00	1,134,215.00
Administrative Expenses	12	972,197.00	1,189,916.00
Preliminary Expenses Written off		10,000.00	10,000.00
Depreciation	4	31,260.00	30,916.00
		5,737,566.00	9,008,815.00
Profit or (Loss) Before Taxation		553,352.00	903,623.00
Less : Provision for Taxation			
Current Tax		177,292.00	284,101.00
Deferred Tax (Asset)/Liability		(2,634.00)	7,316.00
Profit or (Loss) After Taxation		378,694.00	612,206.00
Balance carried to Balance sheet		378,694.00	612,206.00

"Notes to Accounts" form integral parts of the
Annual accounts
For Emsac Engineering Pvt Ltd.,

13

As per our report of even date
for N N Yuvaraj & Associates
Chartered Accountants

(Dr. C.G.Krishnadas Nair)
Chairman

(Ted Hopper)
Managing Director

(U D Prithviraj)
Partner

Place: Bangalore
Date : 18.08.2011

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st March, 2011

PARTICULARS	Sch. No.	As at 31.03.2011	As at 31.03.2010
SHARE CAPITAL :	1		
Authorised Capital			
500,000 Equity Shares of Rs. 1/- each		500,000.00	500,000.00
Issued, Subscribed & Paid-up Capital			
500,000 Equity Shares of Rs. 1/- each fully Paid-up		500,000.00	500,000.00
TOTAL		500,000.00	500,000.00
RESERVES & SURPLUS			
Opening Balance:	2	694,640.00	82,434.00
Add: transferred during the year		378,694.00	612,206.00
TOTAL		1,073,334.00	694,640.00
CURRENT ASSETS, LOANS & ADVANCES:	5		
(Unsecured considered goods, recoverable in cash or in kind or for value to be received)			
Advances		7,887.00	-
Deposits		1,580,525.00	1,676,025.00
Advance Income tax		200,000.00	460,000.00
Fringe Benefit tax		-	207.00
Service Tax		15,064.00	-
TDS Receivable		12,400.00	
IT Refund due		164,017.00	13,501.00
TOTAL		1,979,893.00	2,149,733.00

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31st March, 2011

PARTICULARS	Sch. No.	As at 31.03.2011	As at 31.03.2010
<u>SUNDRY DEBTORS</u>	6		
(Unsecured & considered goods)			
Debts outstanding for a period exceeding 6 months		-	
Other Debts		-	2,127,284.00
TOTAL		-	2,127,284.00
CASH & BANK BALANCES:	7		
Cash at bank		(170,080.00)	3,003.00
Cash in hand		3,749.00	12,131.00
TOTAL		(166,331.00)	15,134.00
CURRENT LIABILITIES AND PROVISIONS:	8		
Sundry Creditors		10,645.00	1,497,364.00
Advances From Customers		-	1,315,550.00
Advance To Staff		-	991.00
Total(A)		10,645.00	2,813,905.00
Provisions:		-	-
Audit fee payable		22,060.00	22,060.00
Certification charges payable		11,030.00	11,030.00
Provision for Tax		177,292.00	284,101.00
TDS Payable		36,590.00	6,800.00
Outstanding Liabilities		98,700.00	114,330.00
Total (B)		345,672.00	438,321.00
Total (A)+(B)		356,317.00	3,252,226.00
MISCELLANEOUS EXPENDITURE:	9		
(to the extent not written off or adjusted)			
Preliminary & Pre-Operative Expenditure		30,000.00	40,000.00
Less: Written off during the year		10,000.00	10,000.00
TOTAL		20,000.00	30,000.00

Schedules forming part of Profit & Loss Account

PARTICULARS	Sch. No.	As at 31.03.2011	As at 31.03.2010
Income:	10		
Service Charges received		1,320,369.00	1853938.00
Total		1,320,369.00	1853938.00
Other income	11		
Exchange fluctuation account		319,684.00	0.00
Interest received		99,365.00	4554.00
Misc income		30,000.00	
Total		449,049.00	4554.00
Administrative Expenses	12		
Business promotion		9,686.00	315,098.00
Bank Charges		8,132.00	10,580.00
Audit fee		22,060.00	22,060.00
Certification charges		11,030.00	11,030.00
Rates & taxes		91,670.00	5,000.00
Insurance charges		3,224.00	2,998.00
Postage & Courier		6,074.00	4,009.00
Printing & Stationery		8,432.00	62,440.00
Professional & Consultancy Charges		313,193.00	286,500.00
Office expenses		2,057.00	7,667.00
Travelling expenses		358,134.00	288,767.00
Telephone Charges		1,815.00	11,498.00
Subscription & membership		6,500.00	-
Freight Charges		6,188.00	
Exchange fluctuation account		-	47,672.00
Rent Paid		86,000.00	75,125.00
Interest Paid		1,551.00	-
Interest on Income Tax		11,882.00	39,472.00
Software & Computer Maintenance		24,569.00	
TOTAL		972,197.00	1,189,916.00

SCHEDULE - 4

SCHEDULE OF FIXED ASSETS AS AT 31.03.2011 AS PER COMPANIES ACT, 1956.

NATURE OF ASSETS	GROSS BLOCK			Rate of Deprn	DEPRECIATION			NET BLOCK	
	Cost As on 01.04.2010	Additions during the year	Total Cost As on 31.03.2011		Depn. Upto 31.03.2010	Depn. For the Year	Depn. Upto 31.03.2011	W.D.V. As at 31.03.2011	W.D.V. As at 31.03.2010
Furniture & Fixtures	18,002.00	-	18,002.00	6.33%	796.00	1,140.00	1,936.00	16,066.00	17,206.00
Computers	185,815.00	-	185,815.00	16.21%	45,520.00	30,120.00	75,640.00	110,175.00	140,295.00
TOTAL	203,817.00	-	203,817.00		46,316.00	31,260.00	77,576.00	126,241.00	157,501.00
Previous Year	185,815.00	18,002.00	203,817.00		15,400.00	30,916.00	46,316.00	157,501.00	170,415.00

BALANCE SHEET ABSTRACT AND COMPANY'S BUSINESS PROFILE

I	Registration Details	
	Registration No.	44963
	State Code	08
	Balance Sheet Date	31.03.2011
II	Capital Raised during the year	
	Public Issue	- NIL -
	Rights Issue	- NIL -
	Bonus Issue	- NIL -
	Private Placement	- NIL -
III	Position of Mobilisation and Development of Funds	Rs. In '000
	Total Liabilities	1,603
	Total Assets	1,603
	Sources of Funds	
	Paid - up Capital	500
	Share Application Money	-
	Reserves & Surplus	1,073
	Secured Loans	
	Unsecured Loans	-
	Deferred Tax Liability	30
	Application of Funds	
	Net Fixed Assets	126
	Investments	-
	Net Current Assets	1,457
	Miscellaneous Expenditure	20
	Accumulated Losses	-
IV	Performance of Company	
	Turnover	6,291
	Total Expenditure	5,738
	Profit/Loss Before Tax	553
	Profit/Loss After Tax	379
	Earnings per Share in Rs.	-
	Dividend Rate %	-

SIKA INERPLANT SYTEMS LTD

Dear Shareholder,

Sub: Green Initiative-Sending Annual Report by E-Mail.

Ministry of Corporate Affairs (MCA), Government of India, has launched “Green Initiative in the Corporate Governance” by allowing paperless compliances by Companies. MCA has issued circular nos: 17/2011 dated 21-4-2011 & 18/2011 dated 29-04-2011 stating that the service of a notice / document by a Company to it’s shareholders can now be made through electronic mode. We welcome this eco friendly move since it will benefit the society at large through reduction in paper consumption and contributes towards a Greener Environment. It will also ensure prompt receipt of communication, avoid loss in postal transit.

In view of the above, your Company proposes to henceforth send Annual Report (Audited Financial Statements, Director’s Report etc.) and documents such as the Notice of the Annual General Meeting, to the shareholders in Electronic Form to the email address registered with their Depository Participants.

We request you to update and register your email address to enable our registrars to send all future Annual Reports/Communication by email. However in case you wish to continue to receive in physical form please inform us to updated details like name, address, PAN, DP ID and client ID.

Thanking you,

Yours faithfully,
For Sika Interplant Systems Ltd,

Sd/-
Compliance Officer

SIKA INTERPLANT SYSTEMS LIMITED
3 Gangadharchetty Road, Bangalore – 560042 India

Dear Shareholder,

SEBI, vide its letter No.DCC/FITTCIR-3/2001 dated 15th October 2001, has advised that all companies should mandatory use Electronic Clearing Service (ECS) facility for distributing dividends or other cash benefits to the investors wherever available. In the absence of availability of ECS facility, the companies may use warrants for distributing the Dividends.

Currently, ECS facility is available at locations specified by RBI, we request all the shareholders to give their bank details so that all future Dividend payments can be remitted through ECS In case of shareholders staying at locations not currently covered by ECS, the bank account details will be used for suffixing along with the name of the shareholder on the dividend warrants issued in future.

Sd/-
Compliance Officer

ECS MANDATE FORM
(For use by Shareholders holding Shares in physical mode only)

Sika Interplant System Limited,
3 Gangadharchetty Road
Bangalore – 560 042

Dear Sirs,

Change in mode of payments to Electronic Cleaning Service (ECS)

I hereby consent to have the amount of Dividend on my equity shares credited through the Electronic Clearing Service (Credit Cleaning) (ECS). The particulars are:

1. Folio No. : _____
(Folio No. given in equity share certificate(s))
2. Member's Name: Mr./Ms. : _____
3. Member's address : _____
4. Particulars of the Bank A/C:
 - * Bank name : _____
 - * Branch name : _____
 - * Mention the 9-digit code number of the bank and branch appearing on the MICR cheque issued by the bank : _____

(Please attach a photocopy of a cheque or a blank issued by your bank for verifying the accuracy of the code number)

- * Account type (please) savings Current Cash Credit
- * Account number (as appearing on the cheque book) : _____

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information for any reasons, I would not hold the Company responsible. I also undertake to advise changes, if any, in the particulars of my account to facilitate updation of records for purposes of credit of Dividend amount through ECS.

Signature of the first named/sole Member

Note:

1. Please complete the form and send it to the Company if you are holding shares certificate(s) in physical form.
2. IN CASE YOUR SHARES ARE IN DEMATRAILISED FORM, INFORM/UPDATE YOUR INFORMATION DIRECTLY WITH THE DEPOSITORY PARTICIPANT (DP) WITH WHOM YOU ARE MAINTAINING DEMAT ACCOUNT AND NOT TO THE COMPANY.
3. In case of more than one Folio please complete the details on separate sheets.
4. Payments through ECS is subject to the rules and regulations of the Scheme of ECS of the Reserve Bank of India from time to time.

PROXY

SIKA INTERPLANT SYSTEMS LTD

I/We.....ofin the District of beinga member/members of above named Company hereby appoint Mr./Mrs..... of in the District of or failing him Mr./Mrs ofin the District of as my / our proxy to vote for me / us on my / our behalf at the twenty fifth Annual General Meeting of the Company to be held Friday the 30th September 2011.

Signed this..... day of2011

NOTE : The Proxy must be deposited at the Registered Office of the Company not /less than 48 hours before the time of holding the Meeting.

ATTENDANCE SLIP

Folio No..... D.P.ID client No..... No. of shares held.....

Please complete this attendance slip and hand it over at the entrance of the Hall. I hereby record my presence at the twenty fifth Annual General Meeting of the Company to be held at Hotel Ajantha on Friday the 30th September 2011

Full Name of the Member/ProxySignature

Note : Only Shareholders of the Company or their authorised proxy will be allowed to attend the Meeting.

ELECTRONIC CLEARING SERVICE MANDATE FORM

1. Name of the shareholder..... No. of shares held.....

2. Regd. Folio No./DP Client ID.....

3. Particulars of bank account of shareholder

a) Bank Nameb) Branch Name.....

Address:.....

c) 9-Digit code number of the bank and branch appearing on the MICR cheque issued by the bank

d) Account Number
(as appearing on the cheque book/passbook)

e) Account type (Savings / Current / NRE / NRO)

I/We shall not hold the Company responsible if the ECS could not be implemented or the Bank discontinues the ECS, for any reason.

Date :

Place:

Signature of the shareholder

Certified that the particulars furnished above are correct as per our records.

Bank's Stamp

Date : Signature of the Authorised Officer from the bank.

Note:

1. Please complete the form and send it to the Company if you are holding shares certificate(s) in physical form.
2. In case your shares are in dematralised form, inform/update your information directly with the depository participant (DP) with whom you are maintaining demat account and not to the company.
3. In case of more than one Folio please complete the details on separate sheets.

4. Payments through ECS is subject to the rules and regulations of the Scheme of ECS of the Reserve Bank of India from time to time.

