

**SOUTH INDIA
PROJECTS LIMITED**

***THIRTY FOURTH ANNUAL REPORT
2014- 2015***

SOUTH INDIA PROJECTS LIMITED

CIN: L45209WB1981PLC034342

BOARD OF DIRECTORS

<i>SHRI JAI PRAKASH TANTIA</i>	-	<i>DIRECTOR</i>
<i>SHRI AKASH TANTIA</i>	-	<i>DIRECTOR</i>
<i>SHRI PRADEEP CHHOTARIA</i>	-	<i>INDEPENDENT DIRECTOR</i>
<i>SHRI AMITABH KEJRIWAL</i>	-	<i>INDEPENDENT DIRECTOR</i>
<i>SHRI PREMJEET SINGH</i>	-	<i>INDEPENDENT DIRECTOR</i>
<i>SHRI SANJAY KUMAR MOHTA</i>	-	<i>INDEPENDENT DIRECTOR</i>
<i>SMT. NITA AGRWAL</i>	-	<i>INDEPENDENT WOMAN DIRECTOR</i>
<i>SHRI HIMANSHU MAHESWARI</i>	-	<i>COMPANY SECRETARY</i>

AUDITORS

M/S. S. K. SONI & CO.
Chartered Accountants,
36, Strand Road,
Kolkata- 700 001

REGISTERED OFFICE

5 & 6, Fancy Lane, 8th Floor,
Kolkata - 700 001

Email- Id: southindiaprojectslimited@gmail.com

Website: www.southindiaprojectslimited.in

REGISTRAR AND SHARE TRANSFER AGENTS
M/S. NICHE TECHNOLOGIES PRIVATE LIMITED,
71, B. R. B Basu Road, D-511, Bagree Market,
Kolkata- 700 001

DIRECTORS' REPORT

Dear Members,

The Board of Directors of South India Projects Limited are pleased to present the Thirty Fourth Annual Report for the Financial Year ended 31st March, 2015, together with the Auditors' Report and Audited Accounts for the Financial Year 2014- 2015.

FINANCIAL RESULTS :

The summarized performance of the Company for the Financial Years 2014- 2015 and 2013- 2014 are as under:

	(Amount Rs. in lacs)	
	Year ended 31 st March, 2015	Year ended 31 st March, 2014
Total Revenue	187.73	76.29
Profit /Loss before Finance Cost, Depreciation & Taxation	164.32	59.91
Less: Finance Cost	0.11	0.30
Less: Depreciation	0.00	1.71
Less: Provision for Taxation	34.65	15.78
Profit/(Loss) for the Year	129.56	42.12

FINANCIAL PERFORMANCE:

During the year under review, your Company achieved revenue from operations of Rs. 186.92 Lacs as against Rs. 70.62 Lacs in the Previous Year and recorded Profit before Finance Cost, Depreciation and Taxation of Rs. 164.32 Lacs as against Rs. 59.91 Lacs in the Financial Year 2014- 2015. The financial year 2014-15 was a significant year for the Company in terms of growth in profitability, the net profit during the year has grown around by 207.60% over the previous financial year.

DIVIDEND & RESERVES:

The Board of Directors of your Company has decided not to declare any Dividend during the Financial Year so as to retain the earnings for better working in the future. During the Financial Year under review, your Company transferred a sum of Rs. 79.25 lakhs to Special Reserve as per Section 45-IC of RBI Act, 1934 for the Financial Year ended 31.03.2008 to ended 31.03.2013 and for the Financial Year ended 31.03.2015, as the Company inadequately did not transferred the required surplus reserves figures to the aforementioned Special Reserve.

CHANGES IN SHARE CAPITAL:

During the Financial Year 2014-15, the total issued and paid-up Capital of the Company has increased from Rs. 1,99,56,500/- to Rs. 3,03,33,880/- of face value of Rs. 10/- each pursuant to allotment 10,37,738 bonus shares of face value of Rs. 10/- each on 21.05.2014 at a ratio of 13:25 (i.e thirteen equity shares for every twenty five equity shares already held) to the members of the Company.

PUBLIC DEPOSITS:

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

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

Your Company do not have any Subsidiary Company, Joint Venture Or Associate Companies as on the date of the Balance Sheet.

LISTING:

The Company received the listing approval from the BSE Limited vide their Notice No. 20150119-19 dated 19th January, 2015 for the enlistment of entire equity and paid-up share capital of 30,33,388 equity shares of the face value of Rs. 10/- each of the Company on the BSE Limited. Thus, the equity shares of the Company are presently listed on both The Calcutta Stock Exchange Ltd. ["CSE"] and BSE Limited ["BSE"] and the listing fees for the Financial Year 2015- 2016 have already been paid to the CSE and for the BSE it is yet to be paid.

STATE OF THE COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

The Company is solely concentrating in the Non- Banking Financial Company segment and there has been no change in the business of the Company during the financial year ended 31st March, 2015.

INDUSTRY SCENARIO:

NBFCs play a vital role in the financial sector of our economy along with other financial institutions. Over the years, due to their strategic management practices and refined operational techniques coupled with lower costs of delivery, lower restrictions on customers etc., have led to it being an alternate choice and at times the first choice for several customers, who need financing. While the RBI has made regulations stringent for the NBFCs, it has also recognized the utility of the NBFCs and thereby made them eligible to set up Banks and also act as an extension of Banks, where the Banks cannot reach. Due to the increase in finance space by NBFCs, the RBI's surveillance has increased. Through its various regulatory measures NBFCs are brought under stricter supervisory regime of RBI. While several steps are being taken to increase the role that the NBFCs play, norms are being strengthened to ensure that there is a strong, transparent and robust non banking financial sector.

MATERIAL CHANGES AND COMMITMENTS:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report except for the below-mentioned information therein:

- Open Offer for acquisition of equity shares of the Company: Mr. Joseph Sudheer Reddy Thumma and Mr. Jagan Mohan Reddy Thumma (the "Acquirers") have entered into Share Purchase Agreement dated 08.04.2015 with the Present Promoters/ Promoter Group of the Company to acquire in aggregate 12,29,346 equity shares of Rs. 10/- each representing 40.53% of the total equity and voting share capital of the Company at a price of Rs. 25/- per fully paid-up equity share, requiring them to make an Open Offer for 26.00% of the equity and voting share capital of the Company in compliance with SEBI (Substantial Acquisition

of Shares and Takeover) Regulations, 2011. However, the Open Offer is subject to RBI, SEBI and other Statutory approvals and hence the approval have not yet been received.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, no case of sexual harassment was reported.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Since your Company does not fall under the threshold laid down in section 135 of the Companies Act, 2013, the provision of section 134(3)(o) of the Companies Act, 2013 is not applicable and no disclosure is required by the Board.

GENERAL RESULTS:

During the year under review the funds of the Company were deployed in the Stock Market and other fixed interest bearing instruments which have been reflected in the Accounts.

CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT: Pursuant to the allotment of 10,37,738 bonus shares on 21.05.2014, the Corporate Governance is applicable to the Company w.e.f Financial Year 2014-15. Accordingly, your Company is committed to maintain the highest standards of ethics and governance, resulting in enhanced transparency for the benefit of all stakeholders. Further, the SEBI vide circular no. CIR/CFD/POLICY CELL/7/2014 dated 15th September 2014 has prescribed certain requirement for paid up share capital and its net-worth as compliance for clause 49 of the listing agreement. Since the paid up share capital of your Company and its net-worth was below the prescribed limit w.e.f. 01.10.2014; the compliance of clause 49 of the listing agreement is not mandatory on the Company in the financial year 2014-2015. Accordingly, a separate section on Management Discussion and Analysis on Corporate Governance, a Report on the composition of the Committee for Corporate Governance (as applicable for the part of the year) are annexed to this report as Annexure A & Annexure B. The Company has adopted Code of Conduct, which is applicable to the Board members and senior management, in accordance with the recently enacted statutory changes as applicable to the Company w.e.f Financial Year 2014-15.

DIRECTORS:

At the ensuing Annual General Meeting, Shri Aakash Tantia, Director retire by rotation in terms of the Articles of Association of the Company and being eligible, offers himself for reappointment.

During the Year, the Board of Directors appointed Mr. Sanjay Kumar Mohta and Mrs. Nita Agarwal as Independent Director of the Company on 05.02.2015 and 20.03.2015 respectively as an Additional Directors of the Company. In terms of Section 149 of the Companies Act, 2013 (to the extent notified) the Board proposes appointment of Mr. Sanjay Kumar Mohta and Mrs. Nita Agarwal who are Independent Directors as Non Rotational Directors for a period of five years at the ensuing Annual General Meeting.

A brief resume of Director(s) retiring by rotation seeking appointment/ re- appointment at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and names of companies in which they hold Directorship and/or Membership/Chairmanship of Committees of Board, as stipulated under the then clause 49 of the Listing Agreement with the Stock Exchanges, shall be accompanied to the notice for the ensuing 34th Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 of the Companies Act, 2013 the Board of Directors here by state and confirm that:-

- ❖ In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ❖ The Directors had selected such accounting policies and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31.03.2015 and of the profit of the Company for the year ended 31.03.2015;
- ❖ The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- ❖ The Directors had prepared the annual accounts on a going concern basis;
- ❖ The Directors, had laid down Internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- ❖ The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS:

Mr. Amitabh Kejriwal, Mr. Pradeep Chhotaria, Mr. Premjeet Singh, Mr. Sanjay Kumar Mohta and Mrs. Nita Agarwal are Independent Directors on the Board of your Company. These Non-Executive Independent Directors fulfill the conditions of Independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet with the requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. A format letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Agreement has been issued and disclosed on the website of the Company viz. www.southindiaprojectslimited.in. Further, the Independent Directors of your Company, comprising of Mr. Amitabh Kejriwal, Mr. Pradeep Chhotaria and Mr. Premjeet Singh in the meeting held on 18.02.2015 has reviewed performance evaluation of Non-Independent Directors of the Company and other agendas in line with the requirement of Clause 49 of the Listing Agreement read with applicable provisions of Schedule IV of the Companies Act, 2013 were transacted thereat.

STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS:

In the last AGM held on 29.09.2014, M/s. S. K. Soni & Co., Chartered Accountants, have been appointed as the Statutory Auditors of the Company for a period of three years. Ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM. Further, the report of the Statutory Auditors along with notes to Schedules is enclosed to this report. The Auditors' Report is self-explanatory and therefore does not call for any further comments.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM SYSTEM:

The Company as per the section 177 of the Companies Act, 2013 and applicable clause of the Listing Agreement formulated the Vigil (Whistle Blower) Mechanism which aims to provide a channel to the Directors and employees to report to the management instances of unethical behavior, actual or unsuspected fraud or violation of the Company's code of conduct. The policy provides adequate safeguard against victimization of employees and Directors who avail of Whistle Blower/Vigil Mechanism and also provide for direct access to the Chairman of the Audit Committee etc.

EXTRACT OF ANNUAL RETURN:

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is enclosed as Annexure C.

SECRETARIAL AUDIT:

In terms of Section 204 of the Act and Rules made there under, M/s. RBM & Associates, represented by Radhaballav Mandal , Practicing Company Secretary, had been appointed Secretarial Auditor of the Company. The Secretarial Audit Report, enclosed as Annexure D is self-explanatory and does not call for any further comments.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Loans and advances balances are subject to confirmation by the respective parties and the details of guarantees and/or security in connection with loans to other body corporates or persons are given in notes to the Financial Statements.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year ended 31st March, 2015 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the Financial Year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required, marked as "Annexure E".

PARTICULARS OF EMPLOYEES:

During the year under review, None of the employees has received a remuneration exceeding the limit specified under Section 197 of the Companies Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 .

PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION

In accordance with Section 178 of the Companies Act, 2015, the Board of Directors have adopted a Policy on Board Diversity, Director Attributes and the Remuneration. The Policy of Nomination and Remuneration Committee has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonably sufficient to attract, retain and motivate them to successfully run the Company. The Details of Remuneration paid by the Company is given in MGT- 9 of the Annual Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations

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

The Company is a Non Banking Financial Company and therefore information relating to Conservation of Energy and Technology Absorption are not applicable.

The Company has neither earned nor used any foreign exchange during the Financial Year under review.

Prevention of Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, Officers and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors, Officers and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation of the contribution of employees at all levels. Your Directors also take this opportunity to thank the Company's Bankers, Shareholders and all others concerned for their valuable support and co-operation extended to the Company.

For and on behalf of the Board

ANNEXURE - A TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

In FY 2014-15, the Indian economy emerged as one of the few large economies with a promising outlook on the back of controlled inflation, rise in domestic demand, increase in investments, decline in oil prices and the boost to reforms among others. According to the IMF, India is set to become the world's fastest-growing major economy by 2016 ahead of China. India is expected to grow at 6.3 percent in 2015, and 6.5 percent in 2016 by when it is likely to cross China's projected growth rate, according to the IMF said its World Economic Outlook, January 2015. In January 2015, the government revised base year from FY 2004-05 to FY 2011-12. It unveiled a new statistical method to calculate the national income with a broader framework that turned up a pleasant surprise: GDP in FY 2013-14 grew 6.9 percent instead of the earlier 4.7 percent. The easing of interest rate cycle has begun with repo rate being reduced by 50 basis points in 2015 as steep fall in global crude oil prices aided in reducing inflation and shrinking the current account deficit. The current account deficit has narrowed consequent to the fall in trade deficit and increase in invisibles. However, even as the trade deficit has shrunk to 17 months low in February 2015, it was accompanied by deterioration in exports growth.

THE INDIAN NBFC SECTORAL PERFORMANCE REPORT:

India started the year on a positive note with a significant improvement in market and business sentiment, following the general elections. Thereafter, the economy was supported by a fall in crude prices. According to the new series, the Indian economy grew by 7.5% in FY2015, compared to 6.9% in FY2014. The growth was fairly broad based, barring agriculture, mining, trade and transport. Inflation, as measured by Consumer Price Index (CPI), showed a substantial decline and was below 6% for the better part of the year. The disinflationary momentum was also evident in the WPI which averaged 2.1% in FY2014 and has remained in negative territory since November 2014. (Source: RBI's Annual Report 2013-14)

The NBFC sector has been gaining systemic importance in the recent years and the share of NBFC has steadily grown from 10.7 percent of banking assets in 2009 to 14.3 percent of banking assets in 2014. NBFCs typically have several advantages over banks due to their focus on niche segment, expertise in the specific asset classes, deeper penetration in the rural and unbanked markets. However, on the flip side, they depend to a large extent on bank borrowings, leading to high cost of borrowings and face competition from banks which have lower cost of funds. rising delinquencies resulting in higher provisioning thereby impacting profitability. However, comfortable capitalization levels and conservative liquidity management continue to provide comfort to the credit profile of NBFCs in spite of the impact on profitability. The rising importance of NBFCs and their growing interconnectedness with banks as well as issues like risk management framework for the sector, regulatory gaps and arbitrages, compliance and governance issues have led to the RBI making certain regulatory changes. The 'Revised Regulatory Framework for NBFCs', released on November 10, 2014, broadly aims at strengthening the structural profile of NBFC sector, wherein focus is more on safeguarding of the depositors money and regulating NBFCs which have increased their asset-size over time and gained systemic importance.

The key changes introduced in the regulatory frameworks are NPA recognition to 90 days overdue from 180 days at present and increased provisioning on standard assets which can impact profitability. However, early adoption of these changes will facilitate disciplined approach in asset monitoring and will intensify collection effort in the early delinquency buckets to reduce NPAs thus minimizing the impact. The increase in disclosure requirement and corporate governance norms will increase transparency and the accountability of management and the Board and also improve investor awareness.

Due to subdued economic growth, the last two years have been a challenging period for the NBFCs with moderation in rate of asset growth and rising delinquencies resulting in higher provisioning thereby impacting profitability. However, comfortable capitalization levels and conservative liquidity management continue to provide comfort to the credit profile of NBFCs in spite of the impact on profitability

COMPANY OVERVIEW:

At South India Projects Limited ('SIPL' or 'the Company'), we strongly believe in building a strong financial community. Our ethos and promise of true financial inclusion in the country makes us one of India's prime NBFCs. We not only provide 'credit' to people but also 'confidence' who do not have access to organized financial services. We believe in providing loans not for consumption, but primarily for income generation. The economic slowdown had a significant bearing on the functioning and profitability of NBFCs in the medium term. But it has been estimated that in the long run there are vast opportunities for NBFCs. Hence, the Company is expecting to improve its performance and profitability in years to come.

BUSINESS OUTLOOK:

During Financial Year 2015- 2016, your Company intends to grow its loan book, income and profits through the following initiatives:

1. Deepening reach in existing regions;
2. Continuing its key focus on under-penetrated markets and segments Strong asset growth supported by sound risk management framework;
3. Accessing low cost and diversified fund sources;
4. Optimising operating costs and efficiency through process changes;
5. Mobilising debt at attractive rates;
6. Transmitting cost efficiency and remaining competitive in pricing of products Improving recovery ratio and containing NPAs;
7. Leveraging technology to positively impact the working and customer experience.

STRENGTHS:

At SIPL we provide financial services through simple processes and simple procedures in sanction and disbursement of credit as well as timely, friendly and flexible terms of repayment aligned to the unique features of its clientele. Easy and fast appraisal and disbursements make the Company the preferred choice for many of its customers Customer Insight.

CHALLENGES:

Newer regulatory updates pose a constant challenge for smooth operations of the Company. With constant updates governing the functional aspects of financial institutions, there lie unseen challenges in the coming years. Focus on a particular market segment might affect the Company's portfolio & sustainability.

OPPORTUNITIES:

Business opportunities for finance companies are enormous as the new areas and segments are being explored. A larger segment of customers remain un-served by Banks and large sized Finance Companies. Your Company on its part is also well poised to seize new opportunities as they come. A rural middle income boom has led to rise in rural incomes. This has been fuelled by increased support prices and welfare schemes initiated by the government. Per capita Gross Domestic Product has grown faster in India's rural areas than in its urban centers. New opportunities like home equity, personal finance, and a foray into factoring and bill payment for the rural hard-to-reach customer may take the Company to new scales of success.

DEMOGRAPHIC PATTERN AND RISING RURAL PROSPERITY:

India has one of the youngest populations in the world, and this means that there will be a large number of people seeking employment and livelihood. The aspirations in rural India are rising, and opportunities for those wanting to be entrepreneurs are increasing. Rural prosperity is also on the rise, fuelled by increased support prices and welfare schemes initiated by the government. Per capita Gross Domestic Product has grown faster in India's rural areas than in its urban centre's.

MAKE IN INDIA INITIATIVE:

The Government's "Make in India" initiative, which seeks to make India a manufacturing hub, will have a rub-off effect on the key sectors. It seeks to invite the world's top companies to explore investment possibilities in India. The central objective of the initiative is to take the economy to a sustainable high growth path and follow a new model of urbanisation by the creation of various industrial corridors.

RISING PER CAPITA INCOME:

Increase in per capita income leads to creation of increasing wealth and positively impacts disposable incomes. This results in a significant investment multiplier effect on the Indian economy, further leading to increasing consumerism and wealth creation and positively impacting savings. Rising per capita income and stability in economic growth have played a role in increasing the pace of urbanization in the country. One of the notable factors behind the growth in the housing industry has been easy availability of finance. Availability of low interest rate finance has increased disbursement of loans among several financial players.

THREATS:

The major threat being faced by finance companies are regulatory changes, interest rates hiked by RBI, high inflation etc. The Company is also facing stiff competition from banks / financial institutions due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate. Higher cost of funds might lead to reduced bottom line for the Company. Also, a lesser interest spread, or higher cost of lending might lead to customers turning away to cheaper source of funds. Asset quality deterioration may not only wipe the profits out of the Company but eat into its net worth. The Company must ensure it maintains minimal delinquency levels.

WEAKNESS:

The Company does not have strong network & link at remote areas of villages. The Company has significant business presence in the state of West Bengal only. The Company does not have all India based network and establishments to reach out to large segment of people in the country in both semi-urban and rural areas whereas more than 90% of the unorganized sector has no link with banks and 60% of the rural consumers do not have bank accounts.

RISKS & CONCERNS:

As a NBFC, your Company's growth and profitability are dependent on the functioning of Capital Markets. The Company is exposed to several market risks like credit risk, liquidity risk and interest rate risk. The volatility of the capital markets in which your Company operates is also a major cause of concern to the Company. Risk is managed by using a set of credit norms and policies, as approved by the Board. SIPL has a structured and standardized process including customer selection criteria, comprehensive credit risk assessment, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower.

INTERNAL CONTROL SYSTEM AND ADEQUACY:

Internal control systems and procedures in the Company are commensurate with the size and the nature of Company's business and are regularly reviewed and updated by incorporating changes in regulatory provisions in order to safeguard the assets and to ensure reliability of financial reporting.

HUMAN RESOURCES:

The Company continues to give priority to its human assets. The Company provides a fair and equitable work environment to all its employees. The Company is continuously working to create and nurture an atmosphere which is highly motivated and result oriented.

FINANCIAL PERFORMANCE:

During the year under review, your Company achieved revenue from operations of Rs. 186.92 Lacs as against Rs. 70.62 Lacs in the Previous Year and recorded Profit before Finance Cost, Depreciation and Taxation of Rs. 164.32 Lacs as against Rs. 59.91 Lacs in the Financial Year 2014- 2015. The financial year 2014-15 was a significant year for the Company in terms of growth in profitability, the net profit during the year has grown around by 207.60% over the previous financial year.

Place: Kolkata	Sd/-	Sd/-	For and on behalf of the Board	
Date: 28 th May, 2015	Jai Prakash Tantia Director	Akash Tantia Director	Premjeet Singh Director	Amitabh Agarwal Director

ANNEXURE - B TO THE DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE:

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically. In accordance with requirement of the Listing Agreements with the Stock Exchanges on Corporate Governance, following 3 committees have become operational for the Financial Year 2014-2015 pursuant to the applicability of the Corporate Governance and Companies Act, 2013 on the Company:

1. BOARD OF DIRECTORS:

As on March 31, 2015, the Company's Board of Directors consisted of seven members. The Chairman of the Board is an Executive Promoter Director. In addition, the Board comprises of six other Directors, one of them being a Non-Executive Promoter Director and remaining five are Non - Executive Independent Directors. None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five Committees across all companies in which they are Directors.

The Board meets regularly to review the strategic, operational and financial matters of the Company. The Board has also delegated its powers to the Committees. The Agenda of the meeting is circulated to all the Directors in advance and all material information is provided to facilitate meaningful and focused discussion at the meeting. The Board reviews the compliance of the applicable laws in the Board meeting. The Board is also given presentation covering the financial and other aspects of the Company before taking on record the quarterly/annual financial results of the Company. The requisite information as required is provided to the Board.

During the Financial Year under review, there were 10 (Ten) Board Meetings were held during the year ended 31st March, 2015. These were held on 08.04.2014; 21.05.2014; 30.05.2014; 25.07.2014; 13.08.2014; 12.11.2014; 19.12.2014; 05.02.2015; 18.02.2015 and 20.03.2015 and its details are as follows:

Name of Directors	No.of Board Meeting(s) attended
Mr. Jai Prakash Tantia	10/10
Mr. Akash Tantia	10/10
Mr. Pradeep Chhotaria	7/10
Mr. Amitabh Kejriwal	8/10
Mr. Premjeet Singh	10/10
Mr. Sanjay Mohta	2/10
Mrs. Nita Agarwal	1/10

The Company has duly complied with the provisions related to Notice, Minutes and Meetings as prescribed under the Companies Act, 2013 and Rules made thereunder, if any.

2. AUDIT COMMITTEE:

The Company has constituted the Audit Committee comprising two Non-Executive Independent Directors and an Executive Non-Independent Director. The Composition of the Audit Committee was in compliant with section 177 of the Companies Act, 2013 and the then applicable clause 49 of the Listing Agreement as follows:

S. No.	Members of the Audit Committee	Status whether Independent/ Non Independent	No. of Meetings attended
1.	Amitabh Kejriwal (Chairman)	Non-Executive Independent	4/4
2.	Premjeet Singh	Non-Executive Independent	4/4
3.	Jay Prakash Tantia	Executive Non-Independent	4/4

Role of Audit Committee:

The terms of reference of the Audit Committee are given below:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the Management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.

- Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing, and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 13. Discussion with internal auditors any significant findings and follow up there on.
 14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 17. To review the functioning of the Whistle Blower mechanism, in case if the same is existing.
 18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 19. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
 20. Mandatorily reviews the important information of the Company.
 21. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document. In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

3. NOMINATION AND REMUNERATION COMMITTEE:

The Company has constituted Nomination & Remuneration Committee comprising two Non-Executive Independent Directors and a Non-Executive Non-Independent Director in compliance with section 178 of the Companies Act, 2013 and other applicable provisions of the listing agreement. The object of remuneration committee is to recommend/ review the remuneration of Managing Directors/whole-time Directors. The remuneration policy of the Company is directed towards rewarding performance and attracting new talents/retaining them. While deciding the remuneration, the Committee shall take into account the financial position of the Company, trend in the Industry, Appointee's qualification, experience, past performance, past remuneration etc.

The Composition of the Nomination & Remuneration Committee was as follows:

S No.	Name of the Director	Status whether Independent/ Non Independent
1.	Amitabh Kejriwal (Chairman)	Non-Executive Independent
2.	Premjeet Singh	Non-Executive Independent
3.	Akash Tantia	Non- Executive Non-Independent

During the year under review, no meeting of Nomination & Remuneration Committee held. Hence no details provided.

4. STAKEHOLDERS RELKATIONSHIP COMMITTEE:

The Share Transfer And Investor Grievance Committee was renamed and reconstituted as the Stakeholders Relkationship Committee to redress investors complaints such as:

- Transfer/ transmission of Shares/ Debentures,
- Issue of duplicate Share Certificate,
- Review of shares dematerialised of investor's grievances,
- All other matter relating to Shares/ Debentures.

The Composition of the Committee is as follows:

S No.	Name of the Director	Status whether Independent/ Non Independent
1.	Pradeep Chhotaria (Chairman)	Non-Executive Independent
2.	Premjeet Singh	Non-Executive Independent
3.	Akash Tantia	Non- Executive Non-Independent

During the year under review, since no investors grievances noted, no meeting of Stakeholders Relkationship Committee held. Hence no details provided.

5. ANNUAL GENERAL MEETING:

The details of date, time and location of Annual General Meetings (AGM) and Extraordinary General Meeting (EGM) held in previous three years are as under:

AGM/EGM	Date	Time	Venue
AGM:			
2014- 2015	29.09.2014	11:00 a.m.	5 & 6 Fancy Lane, 8th Floor Kolkata - 700 001
2013- 2014	24.09.2013	11:30 a.m.	-Do-
2012- 2013	24.09.2012	10:00 a.m.	-Do-
EGM:			
2014- 2015	05.05.2014	11:00 a.m.	5 & 6 Fancy Lane, 8th Floor Kolkata - 700 001

6. POSTAL BALLOT:

No Resolution has been passed during last three Financial Years through Postal Ballot Rules. At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal ballot. No Court-convened Meetings were held during the last three years.

7. MEANS OF COMMUNICATION:

The quarterly/half yearly/ Annual Financial Results of the Company are announced within the stipulated period and are normally published in English and Bengali newspapers.

8. GENERAL SHAREHOLDERS MEETING:**a. ANNUAL GENERAL MEETING**

Day, Date & Time : Friday, the 30th September, 2015 at 11:00 A.M.
Venue : 5 & 6 Fancy Lane, 8th Floor Kolkata - 700 001
(The Registered Office of the Company)

b. Book Closure Date : 24th September to 30th September, 2015.
(both days inclusive.)

c. Dividend Payment Date : Not applicable since dividend not recommended/declared.

d. Financial Calender
Year Ending : 31st March.
Annual General Meeting : September, 2015.

e. Listing on Stock Exchanges : The equity shares of the Company are presently listed at both BSE Limited and The Calcutta Stock Exchange Ltd.

9. Stock Market Information:

-Stock Code & ISIN : Scrip Code- 29373 (CSE), 538891 (BSE),
ISIN- INE613C01018

10. Market price

:The equity shares of the Company were lastly traded on The Calcutta Stock Exchange Limited on 23.08.2001 at Rs. 2/- per share and for the high and low market price during each month during the F.Y. 2014- 2015 on BSE Limited (since listing, i.e., 21-01-2015) is as follows:

Month	Month`s High Price [In Rs.]	Month`s Low Price [In Rs.]
January, 2015	19.99	19.99
February, 2015	35.25	20
March, 2015	49.15	29.8

11. Registrar & Transfer Agents

: Niche Technologies Private Limited
71, B. R. B Basu Road, D-511, Bagree Market, Kolkata- 700 001
Tel no: (033) 2235 7271/7270, Fax no: (033) 2215 6823
E-mail: nichetechpl@nichetechpl.com

12. Share Transfer System: The power to transfer the shares is delegated to the aforementioned Registrar and Share Transfer Agent. Shares in the physical form with duly executed transfer deed can be sent to them for transfer and shares in the demat form can be sent through DP. If the documents are found correct and valid, the Shares are transferred, and if not found so, it is returned to the shareholder/D.P. within prescribed time.

13. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH' 2015.

DISTRIBUTION OF EQUITY SHARES (AS ON: 31/03/2015)
Distribution Of Holding (NO.OF SHARES)

Sr1	NO. OF SHARES	No. of % to	Total Holders	% to Total	Shares	Total
1.	1 -	500	519	88.4157	10,188	0.3359
2.	501 -	1,000	5	0.8518	3,800	0.1253
3.	1,001 -	5,000	10	1.7036	21,529	0.7097
4.	5,001 -	10,000	9	1.5332	66,570	2.1946
5.	10,001 -	50,000	32	5.4514	10,12,363	33.3740
6.	50,001 -	1,00,000	6	1.0221	3,72,681	12.2860
7.	1,00,001 -	And Above	6	1.0221	15,46,257	50.9746
Totals			587	100.0000	30,33,388	100.0000

a) Shareholding Pattern as on 31.03.2015:

Categories	No. of Shares	% of Shareholding
Promoters:	1229346	40.527
Institutional Public Shareholders:	Nil	-
Non- Institutional Public Shareholders:	Nil	-
- Bodies Corporate	139583	4.602
- Individuals	1500965	49.481
Any Other:		
- NRI	Nil	-
- Clearing Member	163494	5.390
Total	3033388	100.000

14. DEMATERIALISATION OF SHARES & LIQUIDITY:

The Equity Shares are registered for dematerialization with the National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). Approximately 99.72% shares are dematerialized till 31.03.15. The equity shares of the Company are listed with both the BSE Limited and The Calcutta Stock Exchange Ltd. only.

15. ADDRESS FOR CORRESPONDENCE BY INVESTORS :-

The investors may make correspondence related to transfer, subdivision etc. directly to the Registrar and Transfer Agent mentioned in point no. 10 above. Otherwise, they may address it to the registered office of the Company.

16. Code of Conduct: The Company has adopted the Code of Conduct for all the Board members and Senior Management Personnel of the Company. This Code of Conduct is posted on the Company's website. Further, all the Board members and Senior Management Personnel have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by the Director forms part of this report

17. Outstanding GDRS/ADRS/Warrants or Other Convertible Instruments:

The Company has no outstanding GDRs/ADRs/Warrants or other Convertible Instruments Shareholders should address all their correspondence related to company's shares to the Registrar and Share Transfer Agents, at the address mentioned above.

Place: Kolkata

Date: 28th May, 2015

Sd/-

Jai Prakash Tantia
Director

Sd/-

Akash Tantia
Director

For and on behalf of the Board

Sd/-

Premjeet Singh
Director

Sd/-

Amitabh Agarwal
Director

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31.03.2015

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L45209WB1981PLC034342
ii	Registration Date	04.12.1981
iii	Name of the Company	South India Projects Limited
iv	Category/Sub-category of the Company	Company Limited By Shares
v	Address of the Registered office & contact details	5& 6, Fancy Lane, 8th Floor, Kolkata- 700 001, Tel No.: 033-4006 9762/9740, Fax No.: 033-4006 9740, Email Id- southindiaprojectslimited@gmail.com , Website: www.southindiaprojectslimited.in
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Private Limited, D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata - 700 001, Tel No.: (033) 2235 7271/ 7270, Fax No.: (033) 2215 6823, E-mail-Id: nichetechpl@nichetechpl.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Loans & advances & investments in shares & securities		100%

PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE

III COMPANIES

SI No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Nil					

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1283587	-	1283587	64.319	905358	-	905358	29.846	(29.46)
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	213150	-	213150	10.681	323988	-	323988	10.681	52.00
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	1496737	-	1496737	75.000	1229346	-	1229346	40.527	(17.86)
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1496737	-	1496737	75.000	1229346	-	1229346	40.527	(17.86)
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Cenntal govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(2) Non Institutions									
a) Bodies corporates	182150	150	182300	9.135	139355	498	139583	4.602	(23.43)
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	84089	5524	89613	4.490	80671	8403	89074	2.936	-0.60
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	149000	-	149000	7.466	141891	-	141891	46.545	(4.77)
c) Others (Clearing Member)	78000	-	78000	3.909	163494	-	163494	5.390	109.61
SUB TOTAL (B)(2):	493239	5674	498913	25.00	1795411	8631	1804042	59.473	261.59
Total Public Shareholding (B)= (B)(1)+(B)(2)	493239	5674	498913	25.00	1795411	8631	1804042	59.473	261.59
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	1989976	5674	1995650	100.00	3024757	8631	3033388	100.00	52.00

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	AKI Investments Private Limited	213150	10.681	NIL	323988	10.681	NIL	52.00%
2	Akash Tantia	92667	4.643	NIL	48753	1.607	NIL	-47.39%
3	Jai Prakash Tantia	246460	12.350	NIL	374619	12.350	NIL	52.00%
4	Kailash Tantia	944460	47.326	NIL	481986	15.889	NIL	-48.97%
	Total	1496837	75.000	NIL	2275039	75.00	NIL	51.99%

(iii) CHANGE IN PROMOTERS' SHAREHOLDING:

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AKI Investments Pvt.Ltd.				
	At the beginning of the year	213150	10.68	213150	10.68
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	110838	3.65%	323988	10.68
	At the end of the year	323988	10.68	323988	10.68
2	Akash Tantia				
	At the beginning of the year	92667	4.643	92667	4.643
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	48186	1.59	140853	4.643
	Decrease in shareholding pursuant to sale of equity shares on BSE Ltd. platform	92100	3.036	48753	1.607
	At the end of the year	48753	1.607	48753	1.607
3	Jai Praksh Tantia				
	At the beginning of the year	246460	12.35	246460	12.35
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	128159	4.22%	374619	12.35
	At the end of the year	374619	12.35	374619	12.35
4	Kailash Tantia				
	At the beginning of the year	944460	47.33	944460	47.33
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	491119	16.19	1435579	47.33
	Decrease in shareholding pursuant to sale of equity shares on BSE Ltd. Platform	953593	31.44	481986	15.89
	At the end of the year	481986	15.89	481986	15.89

(iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):				
Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	AKI Investments Pvt.Ltd.				
	At the beginning of the year	213150	10.68	213150	10.68
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	110838	3.65%	323988	10.68
	At the end of the year	323988	10.68	323988	10.68
2	Kailash Tantia				
	At the beginning of the year	944460	47.33	944460	47.33
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	491119	16.19	1435579	47.33
	Decrease in shareholding pursuant to sale of equity shares on BSE Ltd. Platform	953593	31.44	481986	15.89
	At the end of the year	481986	15.89	481986	15.89
3	Bonaza Portfolio Ltd.				
	At the beginning of the year	0	0.00	0	0.00
	Increase in the shareholding pursuant to open market acquisitions on BSE Ltd. Platform	131100	4.322	131100	4.322

	At the end of the year (or on the date of separation, if separated during the year)	131100	4.322	131100	4.322
4	ITI Financial Services Ltd.				
	At the beginning of the year	0	0.00	0	0.00
	Increase in the shareholding pursuant to open market acquisitions on BSE Ltd. Platform	112964	3.724	112964	3.724
	At the end of the year (or on the date of separation, if separated during the year)	112964	3.724	112964	3.724
5	Komal Chandak				
	At the beginning of the year	58000	2.91	58000	2.91
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	30160	0.99	88160	2.91
	At the end of the year (or on the date of separation, if separated during the year)	88160	2.91	88160	2.91
6	Pramod Hirabhai Parmar				
	At the beginning of the year	0	0.00	0	0.00
	Increase in the shareholding pursuant to open market acquisitions on BSE Ltd. Platform	64109	2.113	64109	2.113
	At the end of the year (or on the date of separation, if separated during the year)	64109	2.113	64109	2.113
7	Shweta Pramod Parmar				
	At the beginning of the year	0	0.00	0	0.00
	Increase in the shareholding pursuant to open market acquisitions on BSE Ltd. Platform	58250	1.92	58250	1.92
	At the end of the year (or on the date of separation, if separated during the year)	58250	1.92	58250	1.92
8	Vijay Kumar Chandak HUF				
	At the beginning of the year	80000	4.009	80000	4.009
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	41600	1.371	121600	4.009
	At the end of the year (or on the date of separation, if separated during the year)	121600	4.009	121600	4.009
9	Dikshit Patel				
	At the beginning of the year	0	0.00	0	0.00
	Increase in the shareholding pursuant to open market acquisitions on BSE Ltd. Platform	55272	1.822	55272	1.822
	At the end of the year (or on the date of separation, if separated during the year)	55272	1.822	55272	1.822
10	Shreya Chandak				
	At the beginning of the year	32000	1.603	32000	1.603
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	16640	0.549	48640	1.603
	Increase in the shareholding pursuant to open market acquisitions on BSE Ltd. Platform	5000	0.165	53640	1.768
	At the end of the year (or on the date of separation, if separated during the year)	53640	1.768	53640	1.768

(v)	Shareholding of Directors & KMP				
Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
	For Each of the Directors & KMP	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Jai Prakash Tantia				
	At the beginning of the year	246460	12.350	246460	12.350
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	128159	4.225	374619	12.350
	At the end of the year	374619	12.350	374619	12.350
2	Akash Tantia				
	At the beginning of the year	92667	4.643	92667	4.643
	Increase in shareholding pursuant to allotment of Bonus shares in the ratio of 13:25 on 21.05.2014	48186	1.59	140853	4.643
	Decrease in shareholding pursuant to sale of equity shares on BSE Ltd. platform	92100	3.036	48753	1.607
	At the end of the year	48753	1.607	48753	1.607
3	Pradeep Chhotaria				
	At the beginning of the year	0	0.00	0	0.00

	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
4	Amitabh Kejriwal				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
5.	Premjeet Singh				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
6.	Sanjay Kumar Mohta				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
7.	Nita Agrwal				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
8.	Himanshu Maheswari				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

V. Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	NIL	15513366	NIL	15513366
ii) Interest due but not paid	NIL		NIL	
iii) Interest accrued but not due	NIL		NIL	
Total (i+ii+iii)	NIL	15513366	NIL	15513366
Change in Indebtedness during the financial year				
Additions	NIL	NIL	NIL	NIL
Reduction	NIL	12994410	NIL	12994410
Net Change	NIL	12994410	NIL	12994410
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	2518956	NIL	2518956
ii) Interest due but not paid	NIL		NIL	
iii) Interest accrued but not due	NIL		NIL	
Total (i+ii+iii)	2518956	2518956	NIL	2518956

The balance of unsecured loan amounts as given under "Current Liabilities" Note - 4 'Short Term Borrowings' and as given in Note 12 in the Notes to the Financial Statements forming parts of the Balance Sheet.

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager/Executive Director	Total Amount (in Rs.)
1	Gross salary	Mr. Jai Prakash Tantia	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	3,00,000/-	3,00,000/-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-

2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit	-	-
5	Others, please specify	-	-
	Total (A)	3,00,000/-	3,00,000/-

B. Remuneration to other Directors:

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount (in Rs.)
1	Independent Directors	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non Executive Directors	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-

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

Sl.No	Particulars of Remuneration	Key Managerial Personnel	
1	Gross salary	CEO/ CFO/ Company Secretary (Mr. Himanshu Maheswari)	Total Amount (in Rs.)
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	1,20,000/-	1,20,000/-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit	-	-
5	Others, please specify	-	-
	Total (A)	1,20,000/-	1,20,000/-

PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

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

To,
The Members,
South India Projects Ltd.
5 & 6, Fancy Lane, 8th Floor,
Kolkata - 700 001

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by South India Projects Limited ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Limited (CSE), BSE Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Kolkata
Dated: 28th May, 2015
Name of Company Secretary in practice: Radhaballav Mandal
FCS No.: F8182
C P No.: 8659

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	N.A.
2.	Nature of contracts/arrangements/transaction	N.A.
3.	Duration of the contracts/arrangements/transaction	N.A.
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
5.	Justification for entering into such contracts or arrangements or transactions'	N.A.
6.	Date of approval by the Board	N.A.
7.	Amount paid as advances, if any	N.A.
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

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

SL. No.	Particulars	Details 1	Details 2
1.	Name (s) of the related party & nature of relationship	AKI Investment Pvt. Ltd.	Payment of salary to Mr. Jai Prakash Tantia as the Executive Director
2.	Nature of contracts/arrangements/transaction	Sale of equity shares	N.A
3.	Duration of the contracts/arrangements/transaction	N.A.	N.A
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Entire transaction money of Rs. 89,17,250/-	N.A
5.	Date of approval by the Board	N.A.	14.08.2014
6.	Amount paid as advances, if any	N.A.	N.A

Form shall be signed by the people who have signed the Board's Report.

Place: Kolkata

Date: 28th May, 2015

Sd/-

Jai Prakash Tantia
Director

Sd/-

Akash Tantia
Director

For and on behalf of the Board

Sd/-

Premjeet Singh
Director

Sd/-

Amitabh Agarwal
Director

DECLARATION OF CODE OF CONDUCT

To

The Members of South India Projects Limited,

This is to confirm that the Board has laid down a code of conduct for all Board Members and Senior Management Personnel of the Company.

It is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company w.e.f. Financial year 2014- 2015 as envisaged in the then Clause 49 of the Listing Agreement with Stock Exchanges.

For and on behalf of the Board

Sd/-

Jai Prakash Tantia
Director

Place: Kolkata

Date: 28th May, 2015

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
SOUTH INDIA PROJECTS LIMITED.

Report on the Financial Statements -

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

Management's Responsibility for the Financial Statements -

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies

(Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility -

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion -

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements -

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place : Kolkata
Dated : 28th May, 2015.

For S.K. Soni & Co.
Chartered Accountants
(Firm's Registration No.: 307168E)
Sd/-
(S.K. Soni)
Proprietor
Membership No.: 012800.

South India Projects Limited.

Annexure to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of even date.

- (i) In respect of its fixed assets:
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The company has a program of verification of fixed assets to cover all the items in a phased manner over a reasonable interval which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, fixed assets were physically verified by the management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to / from companies, firms or any other parties covered in the register maintained under section 189 of the Companies Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any major weaknesses in such internal control system.
- (v) According to the information and explanations given to us, the company has not accepted any deposit during the year .
- (vi) The provisions of clause 3 (vi) of the Order are not applicable to the Company as the services rendered by the Company are not covered by the Companies (Cost Records and Audit) Rules, 2014.
- (vii) According to the information and explanations given to us in respect of statutory dues:
 - (a) The company has been regular in depositing undisputed statutory dues, including Income Tax, and other material statutory dues applicable to it with the appropriate authorities.
 - (b) As per the information given to us, provident fund, employees' state insurance, sales-tax, wealth tax, duty of customs, duty of excise, value added tax, cess are not applicable to the Company.
 - (c) There was no undisputed amounts payable in respect of Income Tax and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - (d) There are no amounts which were required to be transferred to investor education and protection fund by the company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The company does not have any accumulated losses as at 31st March 2015 and it has not incurred cash losses in the current and in the immediately preceding financial year.
- (ix) Based on our audit procedure and on the basis of information and explanation given to us , the Company has not taken any loan from any financial institution and banks.
- (x) According to the information and explanations given to us, no guarantee is given by the Company, for loans taken by others from banks or financial institutions during the year.
- (xi) According to the information and explanations given to us, the Company has not taken any term loan during the year.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

Place : Kolkata
Dated : 28th May, 2015

For S.K. Soni & Co.
Chartered Accountants
(Firm's Registration No.: 307168E)
Sd/-
(S.K. Soni)
Proprietor
Membership No.: 012800.

South India Projects Limited

Balance Sheet as at 31st March' 2015

	Note No.		As at 31.03.2015 (Rs.)		As at 31.03.2014 (Rs.)
-		-		-	
EQUITY AND LIABILITIES -					
<u>Shareholders' Funds -</u>					
Share Capital	3	3,03,33,880		1,99,56,500	
Reserves and Surplus	4	5,12,67,502	8,16,01,382	4,95,53,779	6,95,10,279
<u>Non Current Liabilities -</u>					
Deferred Tax Liability (Net)			30,406		30,406
<u>Current Liabilities -</u>					
Short Term Borrowings	5	-		1,94,440	
Other Current Liabilities	6	3,47,301		25,539	
Short term Provisions	7	9,41,621	12,88,922	32,668	2,52,647
<i>Total</i>			8,29,20,710		6,97,93,332
ASSETS -					
<u>Non Current Asset -</u>					
<u>Fixed Assets -</u>					
Tangible Assets	8	52,604		52,604	
Non Current Investments	9	7,72,27,730	7,72,80,334	4,60,46,664	4,60,99,268
<u>Current Assets -</u>					
Other Current Assets	10	23,43,971			
Cash and Bank Balances	11	7,77,449		81,80,698	
Short Term Loans and Advances	12	25,18,956	56,40,376	1,55,13,366	2,36,94,064
<i>Total</i>			8,29,20,710		6,97,93,332
Summary of significant accounting policies	2.1				
The accompanying notes are an integral part of the Financial Statements					

As per our report of even date annexed

FOR S.K. Soni & Co.
Chartered Accountants
(Firm Regn. No.- 307168E)
Sd/-
(S.K. Soni)
Proprietor
Membership No. : 012800

For and on Behalf of the
Board
Sd/-
J. P. Tania
Director

For and on Behalf of the
Board
Sd/-
Akash Tania
Director

Place: Kolkata.
Date : 28th May, 2015

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

<u>Particulars</u>	<u>Note No.</u>	<i>For the Year ended 31.03.2015 (Rs.)</i>	<i>For the Year ended 31.03.2014 (Rs.)</i>
<u>INCOME -</u>			
Revenue from Operations	13	1,86,92,425	70,62,389
Other Income	14	81,113	5,66,583
Total Revenue		<u>1,87,73,538</u>	<u>76,28,972</u>
<u>EXPENSES -</u>			
Loss on sale of Investments and Assets	15	-	5,11,822
Employee benefit Expenses	16	4,14,459	3,84,510
Finance Cost	17	11,037	30,238
Depreciation and amortization expenses	8	-	1,71,109
Other Expenses	18	19,26,800	7,41,611
Total Expenses		<u>23,52,296</u>	<u>18,39,290</u>
Profit before Tax		1,64,21,242	57,89,682
<u>Tax expense:</u>			
- Current Tax		34,65,000	15,25,000
- Deferred Tax		-	52,873
		<u>34,65,000</u>	<u>15,77,873</u>
Profit for the Year		<u>1,29,56,242</u>	<u>42,11,809</u>
Earnings per Equity Share (Basic & Diluted)		4.27	2.11
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date annexed

*FOR S.K. Soni & Co.
Chartered Accountants
(Firm Regn. No.- 307168E)
Sd/-
(S.K. Soni)
Proprietor
Membership No. : 012800*

*Place: Kolkata.
Date : 28th May, 2015*

*For and on Behalf of the Board
Sd/-
J. P. Tania
Director*

*For and on Behalf of the Board
Sd/-
Akash Tania
Director*

South India Projects Limited

CASH FLOW STATEMENT for the year ended 31st March, 2015

		For the year ended 31st March, 2015 (Rs. in lacs)	For the year ended 31st March, 2014 (Rs. in lacs)	
A.	CASH FLOW FROM OPERATING ACTIVITIES:			
	Profit Before Tax	164.21	57.89	
	Adjustments for :			
	Depreciation	-	1.71	
	Interest Expenses	0.11	0.30	
	Loss On Sale Of Investments	-	4.88	
	Irrecoverable Debts, Deposits and Advances written off	-	0.24	
	Dividend Income	(0.52)	(5.66)	
	Interest Income	(27.63)	(19.59)	
	Profit on Sale on Investment	(159.59)	(51.02)	
	Operating Profit before working capital changes	(23.42)	(11.25)	
	Movement in Working Capital for:			
	(Increase)/Decrease in Trade Receivables	(23.44)	-	
	(Increase)/Decrease in Loans and Advances	129.94	58.87	
	(Increase)/Decrease in Other Assets	-	-	
	(Increase)/Decrease in Inventories	-	-	
	Increase/(Decrease) in Trade Payables	3.33	-	
	Increase/(Decrease) in Other Liabilities	(0.11)	(0.74)	
	Increase/(Decrease) in Provisions	-	-	
	Cash generated from Operations	86.30	46.88	
	Income Tax Paid/Refund	34.21	14.05	
	Net Cash from Operating Activities		52.09	32.83
B.	CASH FLOW FROM INVESTING ACTIVITIES			
	Diminution in value of Investments			
	Sale of Investments (Net)	-	22.24	
	Sale of Tangible Fixed Assets	-	4.84	
	Loss on Sale of Investments	-	(4.88)	
	Purchase of Investments (Net)	(152.22)	-	
	Purchase of Fixed Assets	-	(0.08)	
	Interest received	27.62	19.59	
	Dividends received	0.52	5.66	
	Net cash used in investing activities		(124.08)	47.37
C.	CASH FLOW FROM FINANCING ACTIVITIES			
	Repayment of Borrowings	(1.94)	(1.28)	
	Interest Paid	(0.11)	(0.30)	
	Net cash used in financing activities		(2.05)	(1.58)
	Net (Decrease)/Increase in Cash and Cash equivalents (A+B+C)		(74.04)	78.62
	Cash and Cash equivalents as at the beginning of the year		81.81	3.19
	Cash and Cash equivalents as at the end of the year *		7.77	81.81

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3" Cash Flow Statements:.

2* **Components of Cash and Cash equivalents**

Cash on hand	1.44	0.03
With Scheduled Banks on Current Account	6.33	81.77
Cash and bank balances (Note 9)	7.77	81.81

As per our report of even date annexed

For S. K. Soni & Co.
Firm registration number: 307168E
Chartered Accountants

Sd/-

S.K.SONI

PROPRIETOR

Membership No. 012800

Date : 28th May, 2015

Place: Kolkata

For and on behalf of Board of Directors

Sd/-

J. P. Tantia

Director

Sd/-

Akash Tantia

Director

South India Projects Limited

NOTES TO THE FINANCIAL STATEMENTS -

	As at 31.03.2015 (Rs.)	-	As at 31.03.2014 (Rs.)
NOTE - 3			
SHARE CAPITAL -			
a) AUTHORISED -			
40,00,000 (P.Y. 20,00,000) Equity Shares of Rs.10/- each	4,00,00,000		2,00,00,000
b) ISSUED, SUBSCRIBED & FULLY PAID-UP -			
10,000 Equity Shares of Rs.10/- each fully paid-up issued in terms of the Memorandum of Association of the Company	1,00,000		1,00,000
30,23,388 (P.Y. 19,85,650) Equity Shares of Rs.10/- each fully paid-up	3,02,33,880		1,98,56,500
c) Reconciliation of number of Equity Shares			
At the Beginning of the Year	19,85,650	19,85,650	
Add : Issue of Bonus Shares	10,37,738	-	
At the close of the Year	30,23,388	19,85,650	
	3,03,33,880		1,99,56,500
d) Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below :			
Name of the Shareholder	Number of Shares	%	Number of Shares
			%
1) Akash Tantia	-	-	92,667
2) Jay Prakash Tantia	3,74,619	12.35	2,46,460
3) Kailash Tantia	4,81,986	15.89	9,44,460
4) AKI Investments Pvt. Ltd.	3,23,988	10.68	2,13,150

e) Terms/Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any is proposed by the Board of Directors and is subject to the approval of The shareholders in the ensuing Annual General Meeting. In the event of liquidation of Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE - 4			
RESERVE & SURPLUS -			
General Reserve -			
Opening Balance	4,19,00,000		4,19,00,000
Less: Utilised towards issue of fully paid Bonus Shares	1,03,77,380	3,15,22,620	4,19,00,000
Closing Balance	3,15,22,620		4,19,00,000
Special Reserve u/s.45IC of RBI Act, 1934 -			
Opening Balance	8,42,362		-
Add : Transfer from Surplus in statement of Profit & Loss	79,25,352		8,42,362
Closing Balance	87,67,714		8,42,362
Surplus/(Deficit) in statement of Profit & Loss -			
Opening Balance	68,11,417		(18,66,648)
Profit for the Year	1,29,56,242		42,11,809
	1,97,67,659		23,45,161
Less: Tax Adjustments of Earlier Years (Net)	8,65,139		-
	1,89,02,520		23,45,161
Diminution in Investments written-back	-		56,10,989
	1,89,02,520		79,56,150
Less: Transfer to Special Reserve u/s.45IC of RBI Act, 1934 (See Note - 24)	79,25,352		8,42,362
: Diminution in value of Investments	-		3,02,371
Closing Balance	1,09,77,168		68,11,417
Total	5,12,67,502		4,95,53,779

NOTE - 5			
<u>Short Term Borrowings -</u>			
<u>Secured -</u>			
From Bank- Car Loan (Secured against Vehicle)	-		1,94,440
	-		1,94,440

NOTE - 6			
<u>Other Current Liabilities -</u>			
Other Liabilities	3,47,301		25,539
	3,47,301		25,539

NOTE - 7			
<u>Short term Provisions -</u>			
Provision for Tax (Net of Advance Tax)	9,41,621		32,668
	9,41,621		32,668

NOTE - '8'

FIXED ASSETS -

CLASSIFICATION OF ASSETS	GROSS - BLOCK				DEPRECIATION				NET-BLOCK	
	As at 01.04.14	Additions	Sale / Adjustment	As at 31.03.15	Upto 31.03.14	For the Year	Adjustment on sale	Upto 31.03.15	As at 31.03.15	As at 31.03.14
TANGIBLE										
Land	52,604	-	-	52,604	-	-	-	-	52,604	52,604
	52,604	-	-	52,604	-	-	-	-	52,604	52,604
Previous - Year	11,20,592	7,833	10,75,821	52,604	3,97,364	1,71,109	5,68,473	-	52,604	-

NOTE - 9

INVESTMENTS	No. of Shares / Units	As at 31.03.2015 (Rs.)	No. of Shares / Units	As at 31.03.2014 (Rs.)
<u>Non Current Investments -</u>				
In Fully Paid-up Equity Shares/Units of Rs.10/- each unless otherwise stated				
QUOTED :				
Nageshwar Investment Ltd.	50,400	3,33,984	50,400	3,33,984
Tata Steel Ltd.	-	-	50	25,305
JSW Steel Ltd.	-	-	50	52,600
Cipla Ltd.	300	2,10,180	1,850	7,52,520
Jubilant Life Ltd.	-	-	8,000	15,30,474
Axis Bank Ltd.	400	2,18,988	-	-
Bayer Cropscience Ltd	1,397	46,74,369	-	-
Blue Star Ltd.	3,000	9,25,938	-	-
Capital First Ltd	3,217	13,81,852	-	-
Cummins India Ltd	2,201	19,79,384	-	-
Edelweiss Financial Services Ltd	15,493	10,49,979	-	-
Exide Industries Ltd	500	91,240	-	-
Greaves Cotton Ltd.	5,300	7,74,876	-	-
Haldyn Glass Ltd	800	20,208	-	-
HCC Ltd.	1,63,367	55,50,933	-	-
HDFC Ltd.	1,100	14,24,036	-	-
HDFC Bank Ltd	1,000	10,07,025	-	-
Honeywell Automation India Ltd	115	10,55,633	-	-
ICICI Bank Ltd.	12,000	38,56,720	-	-
IDFC Ltd.	3,500	5,77,040	-	-
ILFS Transportation Networks Ltd	15,000	32,80,133	-	-
Ingersoll-Rand (India) Ltd	1,250	12,54,702	-	-
Kennametal India Ltd	199	1,75,805	-	-
Larsen Toubro Ltd	1,195	19,54,476	-	-

Lumax Industries Ltd	5,850	20,32,599	-	-
Max India Ltd	1,800	8,36,483	-	-
Huhtamaki PPL Limited	2,700	6,28,241	-	-
Persistent Systems Ltd	300	2,13,297	-	-
SKF India Ltd	100	1,45,232	-	-
State Bank of India	4,200	11,56,230	-	-
Sundaram Finance Ltd	400	6,31,666	-	-
Taneja Aerospace Aviation Ltd	16,400	9,06,804	-	-
Tata Elxsi Ltd	2,521	27,72,950	-	-
Tatat Motors Ltd	4,000	14,47,870	-	-
Zydus Wellness Ltd.	200	2,07,704	-	-
		4,27,76,577		26,94,883

UNQUOTED :				
AVS Stock Broking Pvt. Ltd.	10,000	30,00,000	-	-
AKI Investments Pvt. Ltd.	-	-	33,750	16,97,749
		4,57,76,577		43,92,632
	No. of Shares / Units		No. of Shares / Units	
MUTUAL FUND -				
Kotak Secuties Ltd. -				
Kotak Floater Long Term - Growth	-	-	7,78,607.935	1,58,53,859
HDFC Cash Management Fund	-	-	9,50,320.332	2,61,02,544
ICICI Prudential Real Estate	1,95,505.600	55,50,560	-	-
Kotak Bond Fund Plan	5,57,332.214	2,19,00,593	-	-
Zodius Technology Fund	4,00,000.000	40,00,000	-	-
		7,72,27,730		4,63,49,035
Less: Net Diminution in Market Value of Quoted Shares				3,02,371
		7,72,27,730		4,60,46,664
<i>Aggregate Market Value of Quoted Shares</i>	4,14,17,582	4,40,14,930

NOTE - 10			
Other Current Assets (Considered good, unless stated otherwise) -			
Other Receivables		23,43,971	-
		23,43,971	-

NOTE - 11			
Cash and Cash Equivalents -			
a) Cash - in - hand		1,44,161	3,491
b) <u>Balance with Banks</u> - In Current Accounts		6,33,288	81,77,207
		7,77,449	81,80,698

SCHEDULE - 12			
Short Term Loans and Advances - (Considered good, unless stated otherwise)			
Loans to Others		25,00,000	1,54,94,410
Advances recoverable in Cash or in kinds		1,500	1,500
or for value to be received		17,456	17,456
Security Deposits		25,18,956	1,55,13,366

		<i>For the year ended</i>	<i>For the year ended</i>
-	-	31-Mar-15	31-Mar-14
-	-	(Rs.)	(Rs.)
Note - 13			
Revenue from Operations -			
Profit on sale of Investments (Net)		1,59,58,631	51,02,826
Interest Received (TDS- Rs.2,73,379/-)		27,33,794	19,59,563
		1,86,92,425	70,62,389

Note - 14		
<u>Other Income -</u>		
Interest on Income Tax Refund	29,292	-
Dividend	51,821	5,66,583
	81,113	5,66,583

Note - 15		
<u>Loss on sale of Investment and Assets -</u>		
Loss in F&O	-	4,88,474
Loss on sale of Tangible Assets	-	23,348
	-	5,11,822

Note - 16		
<u>Employee benefit Expenses -</u>		
Salary & Other Benefits to Staff	1,14,459	84,510
Director's Remuneration	3,00,000	3,00,000
	4,14,459	3,84,510

Note - 17		
<u>Finance Cost -</u>		
Finance Charges	11,037	30,238
	11,037	30,238

	<i>For the year ended 31-Mar-15 (Rs.)</i>	<i>For the year ended 31-Mar-14 (Rs.)</i>
-	-	-
-	-	-
Note - 18	-	-
<u>Other Expenses -</u>		
Advertisement	56,605	5,544
Printing & Stationery	15,708	21,191
Rent	-	24,000
Subscription	-	5,618
Professional Tax	2,500	5,000
Professional & Service Charges	86,948	40,365
Demat Charges	18,043	26,235
General Expenses	6,376	26,205
Bank Charges	56	1,055
Listing Fees	7,87,919	-
Accounting Charges	-	9,900
Computer Charges	-	11,034
Postage & Telegram	12,778	2,060
Travelling & Conveyance	2,605	9,641
Books & Periodicals	-	590
Medical Expenses	-	27,818
Business Promotion	8,450	48,965
Rates & Taxes	1,65,240	12,132
Depository Fees	34,832	13,763
Management Fees (PMS)	5,61,800	1,12,360
Insurance	7,986	9,605
Telephone Charges	48,703	77,117
Vehicle Maintenance	14,115	2,26,977
Share Related Charges	48,636	-
Annual Maintenance Charges	-	10,936
<u>Auditor's Remuneration and expenses -</u>		
As Audit Fees	9,000	9,000
As Tax Audit Fees	4,500	4,500
For Limited Review	4,000	-
For Other Services	12,000	-
For Reimbursement of Expenses	18,000	13,500
	47,500	-
	19,26,800	7,41,611

19. Related Party Disclosures (Where transactions exist)

As per Accounting Standard 18 on 'Related Party Disclosures' as notified under the Accounting Standards specified under Section 133 of the 2013 Act read with Rule 7 of the Companies (Accounts) Rules, 2014, the related parties of the Company are as follows:

Associates -

AKI Investment Pvt. Ltd.
Century Business Ltd.

Key Management Personnel -
Sri Jay Prakash Tantia - Director

The nature and volume of transactions of the Company with the above mentioned related parties are as summarised below:

<u>Particulars</u>	<u>Key Management Personnel</u>	<u>Associate</u>	<u>Total</u>
Expenditure			
Remuneration Paid	3,00,000/-	--	3,00,000/-;
Sale of AKI Investment Pvt. Ltd. Eq. Shares	89,17,250/-	--	89,17,250/-;

20. Earnings Per Equity Share ('EPS')

<u>Particulars</u>	<u>For the year ended March 31, 2015</u>	<u>For the year ended March 31, 2014</u>
Basic EPS		
Net Profit considered for basic EPS calculation	1,20,91,103.00	42,11,809.00
Weighted average number of equity shares	3033388	1995650
Nominal value per equity share (in Rs)	10.00	10.00
Earning per equity share - Basic (in Rs)	3.99	2.11
Diluted EPS		
Net Profit considered for basic EPS calculation	1,20,91,103.00	42,11,809.00
Weighted average number of diluted equity shares	3033388	1995650
Nominal value per equity share (in Rs)	10.00	10.00
Earning per equity share - Diluted (in Rs)	3.99	2.11

21. No amount is payable to 'Suppliers' registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / payable by the Company during the year to the 'Suppliers' covered under the Micro, Small and Medium Enterprises Development Act, 2006.

22. Segment Reporting

Since the Company has only one reportable business segment "Financing / Investment in Shares and Securities" as primary segment and it operates in a single geographical segment within India, no disclosure is required to be given as per Accounting Standard - 17 'Segmental Reporting' as notified under Section 133 of the Companies Act, 2013 ('the Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

23. Contingent Liabilities

There is no contingent Liabilities as on 31.03.2015

24. Transfer to Special Reserve u/s.45IC of RBI Act, 1934-Year wise details of Transfer of Untreated Special Reserve under the head of earlier as well as for the year are as under -

<u>Financial Year</u>	<u>Profit/(Loss) for the Year (Rs. P.)</u>	<u>Special Reserve @ 20% (Rs. P.)</u>
2007-2008	9,30,627.00	1,86,125.40
2008-2009	42,72,677.00	8,54,535.40
2009-2010	124,31,003.00	24,86,200.00
2010-2011	59,51,215.00	11,90,243.00
2011-2012	(907,367.00)	--
2012-2013	30,85,003.00	6,17,000.00
2013-2014	42,11,809.00	(Already transferred)
2014-2015	129,56,242.00	<u>25,91,248.40</u>
	TOTAL	<u>79,25,352.20</u>

25. Figures for previous year have been regrouped and/or reclassified wherever considered necessary, to conform to current year's classification.

For S.K. Soni & Co.
Chartered Accountants
(Firm's Registration No.: 307168E)
Sd/-
(S.K. Soni)
Proprietor
Membership No.: 012800.

For and on behalf of the Board
Sd/-
J. P. Tantia
Director

For and on behalf of the Board
Sd/-
Akash Tantia
Director

Place : Kolkata.
Dated : 28th May, 2015.

SOUTH INDIA PROJECTS LIMITED

Notes forming part of the Financial Statements FOR THE YEAR ENDED MARCH 31, 2015

1. CORPORATE INFORMATION

South India projects Limited (the 'Company' or 'SIPL') is a public Company domiciled in India and incorporated on December 4, 1981 under the provisions of the Companies Act, 1956. The Company has received a Certificate of Registration from the Reserve Bank of India ('RBI') on December 5, 2001 to commence/carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the 2013 Act / Companies Act, 1956 ('the 1956 Act') as applicable. The financial statements have been prepared on the accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year unless stated otherwise.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles ("IGAAP") requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Cash and cash equivalents

Cash and cash equivalents for the purpose of the Cash Flow Statement comprise cash on hand and cash in bank.

(c) Cash flow statement

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

(d) Investments

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

Current investments are carried in the financial statements at fair value determined on an individual investment basis.

Unquoted investments in units of mutual funds are stated at net asset value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss."

(e) Tangible fixed assets

Fixed assets are stated at cost of acquisition, including any cost attributable for bringing the asset to its working condition, less accumulated depreciation. Profit or loss arising from de-recognition of fixed assets are measured as difference between the net disposal proceeds and the cost of the assets less accumulated depreciation upto the date of disposal and are recognised in the Statement of Profit and Loss.

(f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Internally generated intangible assets, excluding capitalised development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. Intangible assets are amortized on a straight-line basis over the estimated useful economic life.

(g) Depreciation on Tangible asset/Amortization of Intangible asset

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

(h) Loans

Loans are stated at the amount advanced, as reduced by the amounts received up to the balance sheet date and loans assigned.

(i) Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at the pre tax discount rate reflecting current market assessment of time value of money and risks specific to asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(j) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(k) Borrowing costs

Borrowing costs consists of interest and other ancillary cost that an entity incurs in connection with borrowing of funds.

Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the tenor of borrowings.

(l) Taxes on Income

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

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the Balance Sheet date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability. Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

(m) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(n) Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and 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.

(o) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchanges

1.	Name of the Company	South India Projects Limited
2.	Annual Financial statements for the year ended	31 st March, 2015
3.	Type of Audit Observation	No Adverse Observation
4.	Frequency of Observation	No such Observations
5	To be signed by- <ul style="list-style-type: none"> • Managing Director/Executive Director • Director • CFO • Auditor of the company • Audit Committee Chairman • Company Secretary 	<p>Sd/- Mr. Jai Prakash Tantia</p> <p>Sd/- Mr. Akash Tantia</p> <p>Nil</p> <p>For S. K. Soni & Co., Chartered Accountants, Sd/- S. K. Soni Proprietor Membership No. 012800 FRN: 307168E</p> <p>Sd/- Mr. Amitabh Kejriwal</p> <p>Sd/- Mr. Himanshu Maheswari</p>