



**38<sup>TH</sup> ANNUAL REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**SIKA INTERPLANT SYSTEMS LIMITED**

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<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>		
Integrated Registry Management Services Private Limited No.30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore 560 003 Tel: 080 23460815 E-mail: giri@integratedindia.in Website: www.integratedindia.in		
<b>CORPORATE IDENTITY NUMBER</b>		
L29190KA1985PLC007363		

## NOTICE

**NOTICE** is hereby given that the **Thirty-Eighth** Annual General Meeting (the Meeting or AGM) of **SIKA INTERPLANT SYSTEMS LIMITED** (the Company) will be held through Video Conferencing (VC)/Other Audio Visual Means (OAVM) on Friday, 20<sup>th</sup> September 2024 at 11:30 a.m. IST to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2024, together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2024, together with the Report of the Auditors thereon.
3. To declare dividend of ₹ 10/- per equity share for the Financial Year ended 31<sup>st</sup> March 2024.
4. To appoint a director in place of Mrs. Anuradha Sikka (DIN: 00902914), who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

#### 5. Ratification of Remuneration of Cost Auditor

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 60,000/- (Rupees Sixty thousand) plus applicable taxes payable to Mr. M Thimmarayaswamy, Cost Accountant (Membership No. F20731), who has been appointed by the Board of Directors as Cost Auditor of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending 31<sup>st</sup> March 2025.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this Resolution."

#### 6. Sub-division/Split of Equity Shares of the Company

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 61(1)(d) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and subject to the provisions of the Memorandum and Articles of Association of the Company other such approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the appropriate statutory authority (ies), the approval of the Members of the Company be and is hereby accorded for sub-division/split of 1 (One) fully paid-up equity share having face value of ₹ 10/- (Rupees Ten) each, into 5 (Five) fully paid-up equity shares having face value of ₹ 2/- (Rupees Two) each, with effect from the 'Record Date' to be determined by the Board of Directors for this purpose."

**RESOLVED FURTHER THAT** the sub-divided/split equity shares having face value ₹ 2/- (Rupees two) each shall rank *pari passu* in all respects with each other and carry the same rights as to the existing fully paid-up equity shares of face value ₹ 10/- (Rupees Ten) each of the Company.

**RESOLVED FURTHER THAT** upon sub-division/split of the equity shares as aforesaid and with effect from the Record Date:

- a) for the equity shares held in physical form, the existing share certificate(s) in relation to the said shares shall be deemed to have been automatically cancelled and shall be of no effect, and the Board, without requiring the Members to surrender their existing share certificate(s), may issue new share certificate(s) of the Company; and
- b) for the equity shares held in the dematerialized form, the sub-divided/split equity shares shall be credited proportionately into the respective beneficiary accounts of the Members held with the Depository Participants, in lieu of the existing credits present in their respective beneficiary demat accounts.

**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things including to fix and announce the Record Date, to make appropriate adjustments on account of sub-division of Ordinary (equity) Shares, to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the sub-division/split of equity shares, in accordance with the statutory requirements as well as to delegate all or any of its/their powers herein conferred to any other Officer(s)/Authorised Representative(s) of the Company, to give such directions as may be necessary or desirable, to apply for necessary approvals, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters in relation or consequential to the sub-division/split of equity shares including execution and filing of all relevant documents with the Registrar of Companies, Stock Exchange, Depositories and/or other appropriate authorities, if any, in due compliance of the applicable rules and regulations, without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

#### 7. Alteration of Memorandum of Association of the Company:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V with the following new Clause V:

V. The Authorised Share Capital of the Company is Rs. 5,00,00,000/- (Rupees Five Crores only), divided into 2,50,00,000 (Two Crore Fifty Lakhs) Equity Shares of Rs. 2/- (Rupees Two only) each.

**RESOLVED FURTHER THAT** the Board of Directors and/or any person authorized by the Board, be and is hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### 8. Appointment of Mr. Parasuramachetty Jayapal as an Independent Director:

To consider and if thought fit, to pass the following resolution as **Special Resolution**:

**“RESOLVED that** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modification(s), amendment(s), or re-enactment(s) thereof, for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), as amended from time to time, Mr. Parasuramachetty Jayapal (DIN: 10589149), who meets the criteria for independence as provided in Section 149(6) of the Act read along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI LODR and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, and whose appointment is recommended by the Board Nomination and Remuneration Committee, and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 20<sup>th</sup> September 2024 to 19<sup>th</sup> September 2029.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this Resolution.”

#### 9. Appointment of Mr. Sushil Chander Khanna as an Independent Director:

To consider and if thought fit, to pass the following resolution as **Special Resolution**:

**“RESOLVED that** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modification(s), amendment(s), or re-enactment(s) thereof, for the time being in force), the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), as amended from time to time, Mr. Sushil Chander Khanna (DIN: 01419591), who meets the criteria for independence as provided in Section 149(6) of the Act read along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI LODR and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, and whose appointment is recommended by the Board Nomination and Remuneration Committee, and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 20<sup>th</sup> September 2024 to 19<sup>th</sup> September 2029.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this Resolution.”

#### NOTES:

- Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 and General Circular No. 10/2022, General Circular No. 11/2022, dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 and all other relevant circulars issued from time to time (collectively referred to as “MCA Circulars”), MCA has permitted holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

Central Depository Services (India) Limited (CDSL) will provide facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained below.

2. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
3. The Company encourages the Members of the Company under the category of Institutional Members to attend and participate in this AGM through VC/OAVM.
4. Since this AGM is being held through VC/OAVM pursuant to MCA Circulars and SEBI Circulars, physical attendance of the Members has been dispensed with and accordingly, the facility for appointment of proxies by the Members is not available for this AGM. Hence Proxy Form, Attendance Slip and route map are not attached hereto.
5. As per the provisions of Clause 3.A.III. of the General Circular No. 20/2020 dated 5th May 2020, the matters of Special Business listed in the accompanying Notice, are considered to be unavoidable by the Board and hence form part of this Notice.
6. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, the proceedings of this AGM will be deemed to be conducted at the Registered Office of the Company situated at No.3, Gangadhar Chetty Road, Bangalore, Karnataka-560042.
7. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice calling AGM along with Annual Report for the financial year 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. The Notice calling the AGM and Annual Report have also been uploaded on the website of the Company a [www.sikaglobal.com](http://www.sikaglobal.com) . The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) . The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com) .
8. The Register of Members and Share Transfer Books of the Company will be closed from September 13, 2024, to September 20, 2024 (both days inclusive) in connection with Annual General Meeting scheduled to be held on September 20, 2024.
9. The Board has recommended a Final Dividend of ₹ 10 /- i.e. 100 % per share of ₹10/- each for the financial year 2023-24 and the same will be paid on or after September 20, 2024, if approved by the Members at 38<sup>th</sup> AGM. The dividend if declared, shall be payable to all those Members whose names appear in the Register of Members or the beneficial owners as per the records of depositories, as at the closing of business hours on September 06,2024.
10. Unpaid/Unclaimed dividend/shares:  
In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") (including any statutory modification(s) or re-enactment(s) thereof or the time being in force) any share or unpaid or unclaimed dividends for seven years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund established by the Central Government. The shares and dividends transferred to the IEPF can be claimed back by the concerned Members from IEPF Authority after complying with the procedure prescribed under the IEPF Rules.
11. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date of September 13, 2024.
12. In the case of joint holders, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
14. Members holding shares in electronic form are requested to update their E-mail ID with their respective depository participants and Members holding shares in physical form are requested to update their E-mail ID with the Company's registrar and transfer agent (RTA) to enable dispatch of the communications in electronic form from time to time.
15. Members holding shares in electronic form are requested to update their Bank Details with their respective depository participants and Members holding shares in physical form are requested to update their Bank Details with the Company's registrar and transfer agent (RTA) to receive the dividends by bank transfers.
16. Rule 3 of Companies (Management and Administration) Rules, 2014 (as amended) prescribes that Register of Members should include details pertaining to e-mail, PAN/CIN, UIDAI, Occupation, Status and Nationality. We request all the Members of the Company to update the said details with their respective depository participants in case of shares held in electronic form and with the Company's Registrar and Transfer Agents in the case of physical holding.
17. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and other related documents, will be available for inspection electronically. Members seeking to inspect such documents during the AGM can send their request at the mail Id [comp.sec@sikaglobal.com](mailto:comp.sec@sikaglobal.com)

18. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the matters of Special Business listed in the accompanying Notice
19. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN). Members holding shares in electronic form are, therefore, requested to submit the PAN details to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar & Transfer Agent.
20. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), securities of listed companies can be transferred only in dematerialised form with effect from 1st April 2019, except in case of transmission or transposition of securities. Further, SEBI vide its Circular dated 25th January 2022, has mandated that securities shall be issued only in dematerialised mode while processing duplicate/ unclaimed suspense/ renewal/ exchange/ endorsement/ sub-division/ consolidation/ transmission/ transposition service requests received from physical securities holders. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Members can contact the Company or Company's Registrars & Transfer Agents for assistance in this regard.
21. The relevant details, pursuant to 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/ re-appointment at this AGM is also annexed.
22. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members electronically by writing an e-mail to [comp.sec@sikaglobal.com](mailto:comp.sec@sikaglobal.com)
23. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, the Members are requested to refer to the Finance Act, 2020 and amendments thereof. The Members are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with the Depository Participants (in case of shares held in Demat mode).

A Resident individual Member with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source.

Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident Members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents.

The Company with M/s. Integrated Registry Management Services Private Limited, Company's Registrar and Transfer Agent has provided the web portal for submission of tax exemption forms/ requested documents. Shareholders can submit their tax exemption forms and supporting documents directly on portal for purposes of tax deduction at source by Clicking the below link and selecting 'SIKA INTERPLANT SYSTEMS LTD' in the company drop down: <https://www.integratedregistry.in/TaxExemptionRegistration.aspx> The company had already sent a communication in this regard We once again request shareholders to upload the relevant documents at aforementioned link on or before September 06, 2024. No communication on the tax determination/deduction received post September 06, 2024 shall be considered for payment of dividend.

24. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
  - a. For shares held in electronic form: to their Depository Participants (DPs)
  - b. For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 & SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37

The Company has already sent communication to shareholders in this regard.

25. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal / Exchange of securities certificate, Endorsement, Sub-division / Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission, Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed hard copy of Form ISR – 4 to the Company's Registrar and Transfer Agents, Integrated Registry Management Services Private Limited No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru – 560003. It may be noted that any service request can be processed only after the folio is KYC Compliant.

26. SEBI vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Integrated Registry Management Services Private Limited for any assistance in this regard.

#### 27. Voting through electronic means

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 of Companies (Management and Administration) Rules, 2014, and Regulation 44 of the listing Regulation, the Company is pleased to provide Members, the facility to exercise their right to vote in respect of resolutions which are being considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Ltd (CDSL). The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

Mrs. Gauri Balankhe, Practicing Company Secretary (Membership FCS No.7786 and COP No.8588), has been appointed as the scrutinizer for remote e-voting and e-voting at the AGM in a fair and transparent manner.

A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. September 13, 2024, only shall be entitled to avail the facility of remote e-voting / voting at AGM and a person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

#### Procedure / Instructions for Members voting electronically and attending the AGM through VC/OAVM are as under:

(i) The remote e-voting facility will be available during the following period:

**Start** of remote e-voting: From 9:00 a.m. (IST) on September 17, 2024

**End** of remote e-voting: Up to 5:00 p.m. (IST) on September 19, 2024

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of aforesaid period. Members who have already voted prior to the meeting date would not be entitled to vote at the meeting.

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of SEBI Listing Regulations, listed entities are required to provide remote e-voting facility to its members, in respect of all Members' resolutions.

In order to increase the efficiency of the voting process, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the e-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process. Members are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

#### Pursuant to above said SEBI Circular, Login method for e-Voting and for joining virtual meetings for Individual Members holding securities in Demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasinew/Home/Login">https:// web.cdslindia.com/myeasinew/Home/Login</a> or visit HYPERLINK "<a href="http://www.cdslindia.com/www.cdslindia.com">http://www.cdslindia.com/www.cdslindia.com</a> and click on Login icon and select New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https:// web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded</li> </ol>

	in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at the above-mentioned website.

#### Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Members holding securities in Demat mode with CDSL	Members facing any technical issue in logging in, can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Members holding securities in Demat mode with NSDL	Members facing any technical issue in logging in can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-4886 7000 and 022-2499 7000

Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for e-Voting and joining virtual meetings for Members other than individual Members & Members holding shares in physical form.
- (ii) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (i) Click on “Shareholders” module.
  - (ii) Now enter your User ID



- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iii) Next enter the Image Verification as displayed and Click on Login.
- (iv) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (v) If you are a first-time user follow the steps given below:

Financial Year	For Members holding shares in Demat Form and Physical Form
PAN	XXXXXXXXXX
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of **SIKA INTERPLANT SYSTEMS LIMITED** on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (iii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [comp.sec@sikaglobal.com](mailto:comp.sec@sikaglobal.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (iv) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to HYPERLINK "mailto:helpdesk.evoting@cdslindia.com"helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.
- (v) Any person, who acquires shares of the Company and become a member after dispatch of the notice and holding shares as on the cut-off date i.e., September 13, 2024, may follow the same procedure as mentioned above for e-Voting.

**PROCESS FOR THOSE MEMBERS WHOSE EMAIL ADDRESSES / MOBILE NO. ARE NOT REGISTERED WITH THE DEPOSITORIES / COMPANY FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company on [comp.sec@sikaglobal.com](mailto:comp.sec@sikaglobal.com)/RTA on [giri@integratedindia.in](mailto:giri@integratedindia.in)
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER :**

The procedure for attending Meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.

The link for VC/OAVM to attend Meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at [www.evotingindia.com](http://www.evotingindia.com) under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Facility of joining the AGM through VC / OAVM shall open 30 (thirty) minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
3. Members may note that the VC / OAVM Facility, provided by CDSL, allows participation of at least 1,000 Members on a first-come-first-served basis. The large Members (i.e. Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship & Grievance Committee, Auditors, etc. can attend the 38th AGM without any restriction on account of first-come-first-served principle.
4. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further Members will be required to allow Camera access and use Internet with a good speed to avoid any disturbance during the Meeting.
6. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connections via Mobile Hotspot

may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [comp.sec@sikaglobal.com](mailto:comp.sec@sikaglobal.com) from September 06, 2024 (9:00 am IST) to September 13, 2024 (5:00 pm IST). The Members who do not wish to speak during the AGM but have queries may send their queries in advance i.e. up-to September 13, 2024 mentioning their name, demat account number/folio number, email id, mobile number at [comp.sec@sikaglobal.com](mailto:comp.sec@sikaglobal.com). Members who will participate in the AGM through VC/OAVM can also pose question / feedback through question box option. These queries will be replied by the Company suitably depending on the availability of time at the AGM. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.
8. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

#### INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM ARE AS UNDER :

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any votes are cast by the Members through the e-voting available during the AGM and if the same Members i.e. have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.
4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
28. The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website, i.e. [www.sikaglobal.com](http://www.sikaglobal.com) and on the website of CDSL within 2 working days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
29. Corporate/ Institutional Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM on their behalf and cast votes through remote e-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board Resolution / Authorization letter to the Company at [comp.sec@sikaglobal.com](mailto:comp.sec@sikaglobal.com), authorizing its representative(s) to attend and vote through VC/OAVM on their behalf or at the Meeting, pursuant to section 113 of the Act.

## EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013 (the "Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 5 to 9 of the accompanying Notice:

#### Item No. 5:

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 (the "Rules"), each as amended from time to time, the Company is required to undertake the audit of its cost records for products covered under the Rules. Such cost audit shall be conducted by a Cost Accountant in practice.

In compliance with the above, the Board, on the consideration and recommendation of the Audit Committee of the Company, has approved the appointment of Mr. M Thimmarayaswamy, Cost Accountant (Registration No. F20731), as the Cost Auditor of the Company for the financial year ending March 31, 2025, for a remuneration of ₹ 60,000/- plus applicable taxes per annum.

In making the decision on the appointment and remuneration of the Cost Auditor, the Audit Committee considered the Cost Auditor's experience, the size of the Company's operations and corresponding scope of audit applicable, and market standards.

In accordance with the provisions of Section 148(3) of the Act read with the Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by Board of Directors, must be ratified by the Members of the Company.

The consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 5 of the notice for ratification of the remuneration payable to the Cost Auditor of the Company for the financial year ending March 31, 2025.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested (financially or otherwise) in the Resolution as set out in Item No.5 of the Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the Notice for the approval of the Members.

#### Item Nos. 6 & 7:

The equity shares of the Company are listed and traded on BSE Limited. The Company's strong performance over the years and faith of the investors has led to the significant rise in the market price of its equity shares. In order to improve the liquidity of the Company's equity shares in the capital market through widening the shareholder base and to make it more affordable for small investors, it is proposed to sub-divide/split 1 (One) fully paid-up equity share of face value of ₹ 10/- (Rupees Ten) each into 5 (Five) fully paid-up equity shares of face value of ₹ 2/- (Rupees Two) each pursuant to the provisions of Section 61(1)(d) of the Act, the rules made thereunder and other applicable provisions.

The record date for the aforesaid sub-division/split of equity shares shall be fixed by the Board (including any Committee thereof) after the approval of the Members is obtained for the proposed sub-division/split.

In the opinion of the Board, the proposed sub-division/split of the equity shares is in the best interest of the Company and its investors, and therefore the Board at its meeting held on 9<sup>th</sup> August 2024 approved the aforesaid sub-division/split subject to requisite approval of the Members. There will not be any change in the amount of authorised, issued, subscribed and paid-up share capital of the Company on account of the proposed sub-division/split of equity shares. Additionally, such sub-division/split shall not be construed as reduction in the share capital of the Company.

The Pre and post equity share capital of the Company will be as under:

Type of Capital	Pre-Split / Sub-Division of Equity Shares			Post-Split / Sub-Division of Equity Shares		
	No of Shares	Face Value	Total	No of Shares	Face Value	Total
Authorized Share Capital (Equity Shares)	50,00,000	₹ 10 per share	₹ 5,00,00,000	2,50,00,000	₹ 2 per share	₹ 5,00,00,000
Issued, Subscribed and Paid-up Share Capital (Equity Shares)	42,40,175	₹ 10 per share	₹ 4,24,01,750	2,12,00,875	₹ 2 per share	₹ 4,24,01,750

The sub-division/split of equity shares proposed under Item No. 6 of this Notice shall also require a consequential amendment to the existing Clause V (Capital Clause) of the Memorandum of Association of the Company as set out in Item No. 7 of this Notice to reflect change in the face value of equity shares of the Company.

In terms of the provisions of Sections 13 and 61 of the Act, consent of the Members is sought by way of passing Ordinary Resolutions for sub-division/split of equity shares as set out in Item No. 6 and consequential alteration to Capital Clause (Clause V) of the Memorandum of Association of the Company as set out in Item No. 7.

A draft copy of the modified Memorandum of Association is available for inspection by the Members of the Company. They may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item Nos. 6 and 7 of the Notice, except to the extent of their shareholding in the Company.

The Board of Directors recommends the Resolutions set forth in Item Nos. 6 and 7 of the Notice for the approval of the Members.

The Board recommends the Resolutions set forth in Item Nos. 6 and 7 for the approval of the Members.

#### Item Nos. 8 & 9:

The Board of Directors of the Company, pursuant to the recommendation of the Nomination and Remuneration Committee, has proposed the appointments of Mr. Parasuramachetty Jayapal (DIN: 10589149) and Mr. Sushil Chander Khanna (DIN: 01419591) as Independent Directors (each a "Proposed Director") of the Company, not liable to retire by rotation, who shall hold office for a term of five consecutive years commencing from 20<sup>th</sup> September 2024 to 19<sup>th</sup> September, 2029, in accordance with the provisions of Section 149 read with Schedule IV of the Act.

The Company has received notices in writing from a Member under section 160 of the Act proposing the candidature of each of the Proposed Directors for the office of Director of the Company.

Each Proposed Director has consented to act as Director of the Company and has given his declaration to the Board that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR. In terms of Regulation 25(8) of the SEBI LODR, each Proposed Director has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Each

Proposed Director has also confirmed that he is not debarred from holding the office of a Director by virtue of any SEBI Orders or any such Authority pursuant to circular dated 20<sup>th</sup> June 2018 issued by BSE Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, each Proposed Directors are not disqualified from being appointed as Director in terms of Section 164 of the Act. Each Proposed Director has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, each of the Proposed Director fulfils the conditions for independence specified in the Act read with the Rules thereunder and the SEBI LODR for his appointment as an Independent Non- Executive Director of the Company and is independent of the Management. With regard to their qualifications, experience and knowledge, the Board considers that both Proposed Directors' association would be of immense benefit to the Company, and it is desirable to avail the services of both Proposed Directors as Independent Directors.

A copy of the draft letter for appointment of each of the Independent Directors setting out the terms and conditions of their appointment, respectively, will be available for inspection by the Members. Members who wish to inspect the same can send a request to the e-mail address mentioned in the notes to the Notice.

The brief profile and specific areas of expertise of each Proposed Director forms part of this Notice. In compliance with the provisions of Section 149 read with Schedule IV of the Act, Regulation 17 of the SEBI LODR and other applicable regulations, the appointment of each of the Proposed Directors as an Independent Director for five consecutive years commencing from 20<sup>th</sup> September 2024 is now placed for the approval of the Members by a Special Resolution.

Each Proposed Director would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof. In addition, the Proposed Directors would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

The Board recommends the Special Resolutions set out in Item Nos. 8 and 9 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the Resolutions set out at Item Nos. 8 and 9 of the accompanying Notice.

The Proposed Directors are not related to any other Director or KMP of the Company.

## ANNEXURE TO NOTICE

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, following are details of Directors seeking appointment / re-appointment at the Annual General Meeting:

Name of Director	Mrs. Anuradha Sikka	Mr. Parasuramachetty Jayapal	Mr. Sushil Chander Khanna
Director Identification Number (DIN)	00902914	10589149	01419591
Date of Birth	January 25, 1955	May 31, 1959	November 28, 1956
Age	69	65	67
Date of First Appointment on the Board	September 30, 2021	September 20, 2024*	September 20, 2024*
Qualification	Graduate	Master degree in Aero Engineering	Chartered Accountant
Brief Profile	Experience in Administration, Management, Corporate Relations / Communications, including with respect to conceptualising and advising on participation in domestic and international trade shows, engagement with strategic partners, etc.	Extensive experience through the entire lifecycle of numerous prestigious Indian aerospace/ aeronautical programs encompassing design, development, testing, qualification and certification, having retired as the Chief Executive (Airworthiness) of the Centre for Military Airworthiness & Certification (CEMILAC), a regulatory body under the Defence R&D Organisation (DRDO), Ministry of Defence.	Qualified Chartered Accountant and seasoned finance professional with over three decades of experience. Having worked at large companies, including the Indian units of multi-national companies, areas of expertise include business finance, risk management, internal audit, and compliance, as well as contributing to these companies' strategic financial decisions.
Nature of expertise in specific functional area/ skills and capabilities	Experience in Administration, Management, Corporate Relations / Communications	Experience in preliminary design through to certification and airworthiness clearances of aerospace systems/ platforms	Experience in business finance, internal audit, risk management, compliance and strategic finance
Directorships in other Companies	Nil	Nil	Nil
Memberships of Committees in other Companies	Nil	Nil	Nil
Number of Board meetings of the Company attended during FY 2023-24	4	NA	NA
Remuneration sought to be paid	Sitting fees	Please refer to the Explanatory Statement pertaining to Item No. 8 of the Notice	Please refer to the Explanatory Statement pertaining to Item No. 9 of the Notice
Last drawn remuneration	NA	NA	NA
Listed entities from which director has resigned as Director in past 3 years	Nil	Nil	Nil
No. of Shares held in the Company, including shareholding as a beneficial owner	Nil	Nil	Nil
Disclosure of inter-se relationships between Directors and Key Managerial Personnel	Mrs. Anuradha Sikka is wife of Mr. Rajeev Sikka (Executive Chairman) and mother of Mr. Kunal Sikka (Managing Director & CEO)	NA	NA

On behalf of the Board of Directors  
Sika Interplant Systems Limited

Rajeev Sikka  
Executive Chairman  
DIN: 00902887

Date: August 09, 2024  
Place: Bengaluru

## Board's Report

To the Members of Sika Interplant Systems Limited,

The Directors are pleased to present the Thirty-Eighth Annual Report of the Company and the Audited Financial Statements for the year ended 31<sup>st</sup> March 2024.

### FINANCIAL HIGHLIGHTS

Particulars	(₹ in Lakhs)			
	Standalone		Consolidated	
	FY 2024	FY 2023	FY 2024	FY 2023
Total Income	11139.44	6302.10	11140.25	6304.36
Profit (Loss) before Tax and Depreciation	2634.90	1303.70	2624.09	1292.90
Depreciation	(78.57)	(68.29)	(86.96)	(77.90)
Provision for Taxes	(601.33)	(335.85)	(601.33)	(336.07)
Profit (Loss) for the Year After Tax and Depreciation (including other Comprehensive Income)	1956.27	911.29	1937.07	894.00
Earnings per share (in ₹)	46.14	21.49	45.65	20.73

### COMPANY'S PERFORMANCE

During the year under review, your Company achieved Total Income of ₹ 11139.43 Lakhs on a Standalone basis as compared to ₹ 6302.10 Lakhs during the previous Financial Year. After considering Interest, Depreciation, Foreign Exchange (Loss) / Gain and Tax, the Company has Net Profit of ₹ 1956.27 Lakhs for the current Financial Year as against Net Profit of ₹ 911.29 Lakhs in the previous Financial Year.

On a Consolidated basis, your Company achieved Total Income of ₹ 11140.24 Lakhs during the year under review as compared to ₹ 6304.36 Lakhs during the previous Financial Year. After considering Interest, Depreciation, Foreign Exchange (Loss) / Gain and Tax, the Company has Net Profit of ₹ 1937.07 Lakhs for the current Financial Year as against Net Profit of ₹ 894.00 Lakhs in the previous Financial Year.

### DIVIDEND

Based on the Company's performance, your directors are pleased to recommend, for approval of the members, Dividend of ₹ 10 /- per equity share of face value of ₹ 10 each (i.e. @ 100%) payable to those members whose names appear in the Register of Members as on the Record Date i.e. September 06, 2024.

The dividend pay-out is subject to the approval of members at the ensuing Annual General Meeting (AGM).

### TRANSFER TO GENERAL RESERVE

No amount is proposed to be transferred to the general reserve for the year under review.

### SUBSIDIARY & ASSOCIATE COMPANIES

The Company has 3 wholly owned subsidiaries and 1 Subsidiary as on March 31, 2024. There has been no material change in the nature of the business of the subsidiaries/associates during the period under review.

During the year, the Board of Directors ("the Board") reviewed the affairs of the subsidiaries/associate. In accordance with Section 129(3), consolidated financial statements of the Company have been prepared, which forms a part of this Annual Report. Further, a statement containing salient features of the financial statement of the Company's subsidiaries/associate is appended to the Board's report. Please refer the details in Annexure - I for AOC-1 Form.

### DETAILS OF DIRECTORS AND KMP APPOINTMENT/ RE-APPOINTMENT

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013 (the "Act") that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and expenses incurred for attending meetings of the Company.

Mrs. Anuradha Sikka (DIN: 00902914), will be liable to retire by rotation and being eligible, offers herself for re appointment at the 38<sup>th</sup> Annual General Meeting of the Company scheduled to be held on September 20, 2024.

The Board proposed to the Members of the Company, the appointments of Mr. Parasuramachetty Jayapal (DIN: 10589149) and Mr. Sushil Chander Khanna (DIN: 01419591) as Independent Directors on the Board of the Company, not liable to retire by rotation, who shall hold office for a term of five consecutive years commencing from 20<sup>th</sup> September 2024 to 19<sup>th</sup> September 2029.

Sad demise of Mr. Santhanam Srinivasan (DIN: 02685291), Independent Director of the Company, aged 70 years, during the early hours of Tuesday, 27<sup>th</sup> February 2024. Mr. Santhanam, who was appointed on the Board of the Company on 29<sup>th</sup> March 2014 as an

Independent Director, had nearly 40 years of experience in a range of roles in the banking sector. The Company immensely benefitted from his vision and leadership during his tenure both as a Member of the Board of Directors and as a member of various Board Committees especially as Chairman of the Corporate Social Responsibility Committee. The Company deeply mourns Mr. Santhanam's passing. The Board of Directors and employees of the Company convey their heartfelt sympathy, sorrow and sincere condolences to his family

Mr. Barun Pandey had resigned from the position of Company Secretary and Compliance Officer effective from June 24, 2024. Subsequently Mr. Suraj Kumar Sahu was appointed as Company Secretary and Compliance Officer effective from August 09, 2024

#### BOARD MEETING

There were 4 meetings of the Board of Directors held during the financial year. For further details, please refer report on Corporate Governance section of this Annual Report

#### CHANGE IN NATURE OF BUSINESS

During the year under review, there were no changes in the nature of business.

#### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There have been no material changes and commitments for the likely impact affecting financial position between the end of the financial year and the date of the Report.

#### AUDIT COMMITTEE AND OTHER BOARD COMMITTEES

The details pertaining to the composition of the Audit Committee and its role are included in the Corporate Governance Report, which is a part of this Annual Report. In addition to the Committees mentioned in the Corporate Governance Report, the Company has a Corporate Social Responsibility Committee, the details of which are covered in **Annexure-III** to this Report.

#### DIRECTORS RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013

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

#### BOARD EVALUATION

SEBI Listing Regulations mandates that the Board shall monitor and review the Board evaluation framework. The structure includes the evaluation of directors on various parameters such as board dynamics and relationships, information flow, decision making, relationship with stakeholders, company performance, tracking board and committees' effectiveness, and peer evaluation.

As per the provisions of the Act including Schedule IV, the evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance report. The Board approved the evaluation results as collated by the nomination and remuneration committee.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the SEBI on January 5, 2017. In a separate Meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors

Web link where familiarisation programmes imparted to Independent Directors is as below:

The details of familiarisation programmes for Independent Directors can be accessed at [www.sikaglobal.com/uploads/sikaad/30.pdf](http://www.sikaglobal.com/uploads/sikaad/30.pdf)

#### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and their remuneration, which is stated in the corporate governance report that forms part of this report. The same has been disclosed on the Company's website at [www.sikaglobal.com/uploads/sikaad/NRC%20%20Policy.pdf](http://www.sikaglobal.com/uploads/sikaad/NRC%20%20Policy.pdf)



## AUDIT AND AUDITORS:

### a. Statutory Auditors

At the 37<sup>th</sup> AGM, Messrs. Rao & Emmar (Firm Registration No. 003084S) ("R&E") were appointed as Statutory Auditors of the Company for their first term, as defined in the Act, for a period of five consecutive years from the conclusion of the 37<sup>th</sup> AGM till the conclusion of the 42<sup>nd</sup> AGM. As per the provisions of Section 139 of the Act. R&E have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Board at their meeting held on 9th August 2023, on the recommendation of the Audit Committee, has recommended the appointment of M/s. Rao & Emmar (Firm Registration No. 003084S) (R&E) as the Statutory Auditors of the Company, which was approved by the Members at the 37<sup>th</sup> AGM of the Company for a term of five consecutive years from the conclusion of 37<sup>th</sup> AGM till the conclusion of the 42<sup>nd</sup> AGM to be held in the year 2028, on such remuneration as may be mutually agreed between the Board and the Statutory Auditors. As per the provisions of Section 139 of the Act. R&E have confirmed that they are not disqualified from continuing as Auditors of the Company.

### b. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs. N. K. Hebbar & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as an Annexure -IV and forms part of this Report.

### c. Statutory Auditor's Report & Secretarial Auditor's Report

The Statutory Auditor's Report and Secretarial Auditor's Report for the financial year 2023-24, which are annexed hereto as part of the financial statements and Secretarial Audit report as Annexure IV to this report respectively, do not contain any qualifications, reservations or adverse remarks.

### d. Details of frauds reported by the Auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government -

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee, any instances of fraud committed against the Company by its officers or employees.

### e. Internal Auditors

The Board had appointed Messrs Bharath & Co., Chartered Accountants, Bangalore as the Internal Auditors of the Company to conduct the audit on basis of a detailed internal audit plan which is reviewed each year in consultation with the management and the Audit Committee. On a quarterly basis also, Internal Auditors give presentations and provide a report to the Audit Committee of the Company.

### f. Cost Audit

As per Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of Mr. M Thimmarayaswamy, Cost Accountant (Membership No. F20731), as the Cost Auditors of the Company to conduct cost audits for relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the year ending March 31, 2025. The Board on recommendations of the Audit Committee have approved the remuneration payable to the Cost Auditor subject to ratification of their remuneration by the Members at the forthcoming AGM. Mr. M Thimmarayaswamy, Cost Accountant (Membership No. F20731), has, under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility and consent for appointment

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy of the Company is aligned with the Act and is available on the website of the Company at [www.sikaglobal.com/uploads/sikaad/CSR%20Policy.pdf](http://www.sikaglobal.com/uploads/sikaad/CSR%20Policy.pdf)

Your company have spent ₹12.41Lakhs towards CSR projects, the CSR obligation for the Financial Year 22-23 of ₹ 30.71 Lakhs transferred to "Separate Unspent CSR Account" for ongoing projects. The Annual Report on CSR activities is appended as **Annexure-III** to the Board's report.

## INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the preservation of the accounting records, and the timely preparation of reliable financial disclosures.

## RISK MANAGEMENT

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

The development and implementation of risk management policy has been covered in the Management Discussion and Analysis which is a part of this report.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are disclosed in note 38 of the Financial Standalone Statements forming part of this report. The same was given to a wholly owned subsidiary of the Company for meeting its statutory requirements.

During the year, the Company provided loans to M/s. Aerotek Sika Aviosystems Private Limited as approved at the 32<sup>nd</sup> AGM and to its wholly owned subsidiary M/s. Sika Tourism Private Limited for meeting statutory dues which is at arm length basis.

#### **RELATED PARTY TRANSACTIONS**

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

All Related Party Transactions are placed before the Audit Committee as also the Board for approval, wherever required. Prior omnibus approvals of the Audit Committee were obtained for the transactions of repetitive nature, as applicable. None of the Directors have any pecuniary relationships or transactions vis-à-vis with the Company. Information on transactions with related parties which were in the nature for professional and consultancy services, pursuant to section 134 (3)(h) of the Companies (Accounts) Rules, 2014 are annexed herewith in Form AOC-2 and the same forms part of this report as **Annexure-II**

#### **EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92 and 134 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company on the following link: <https://www.sikaglobal.com/investors.html>

#### **DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. During the financial year 2023-24, the Company had received zero complaints on sexual harassment, and accordingly no complaints remain pending as of 31<sup>st</sup> March 2024.

#### **PARTICULARS OF EMPLOYEES**

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in the Corporate Governance report that forms a part of the Report.

#### **PUBLIC DEPOSITS**

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

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

##### **Conservation of Energy:**

The operations of the Company are not energy intensive. However, adequate measures have been taken to conserve and reduce the energy consumption. Initiatives to integrate energy efficiency into overall operations are undertaken through design considerations and operational practices. The key initiatives towards energy conservation were:

- a) Improved monitoring of energy consumption;
- b) Creating awareness within the Company on energy conservation;
- c) Increased focus on procurement of energy efficient equipment; and
- d) Exploring options towards utilisation of renewable energy.

##### **Technology Absorption, Adaptation and Innovation**

- a) Technology absorption and adaptation continues to be at core of the Company's objectives and associated strategy. The Company continues to use the latest technologies for improving productivity and the quality of its products and services. During the year the Company has made continued efforts in developing new designs to meet requirements of customers.
- b) The research and development efforts of the Company are customer need based and hence it is a continuous process. Because of its in-house R&D efforts the Company was able to deliver the best solutions to the customers in a cost-effective manner, including for participation in import substitution programs for aerospace and defence projects capitalising on new business opportunities and improvement of existing designs.
- c) The Company has not imported any technology during the last three years.
- d) The expenditure incurred on Research and Development during the year was ₹ 102.03 lakhs.

### Foreign Exchange Earning and Outgo

During the year under review, the Company earned ₹111.84 Lakhs in foreign exchange and spent ₹4253.20 Lakhs.

### SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118 of the Act, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs (MCA).

### OTHER DISCLOSURE REQUIREMENTS

- a. As per SEBI Listing Regulations, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate on corporate governance are appended, which form part of this report.

- b. **DISCLOSURE OF ACCOUNTING TREATMENT**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Act.

- c. **Disclosure regarding Issue of Equity Shares with Differential Voting Rights**

During the financial year under review, the Company has not issued Shares with Differential Voting Rights.

### ACKNOWLEDGEMENTS

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

**For and on behalf of the Board of Directors  
Sika Interplant Systems Limited**

**Rajeev Sikka  
Executive Chairman  
DIN: 00902887**

**Date: August 09, 2024  
Place: Bangalore**

**Annexure - I  
AOC-1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures for the 31<sup>st</sup> March 2024:

**Part A – Subsidiaries(s)**

(₹ in lakhs)					
1	Name of the subsidiary	Sikka N Sikka Engineers Private Ltd.	EMSAC Engineering Private Ltd.	Aerotek Sika Aviosystems Private Ltd	Sika Tourism Private Ltd.
2	Share Capital	6.00	5.00	150.00	1.00
3	Reserves & Surplus	110.44	(1.48)	(89.99)	(5.12)
4	Total Assets	116.54	3.62	345.11	1.63
5	Total Liabilities	0.10	0.10	285.11	4.28
6	Investments	39.61	0	0	0
7	Turnover	.69	0.05	0.06	-
8	Profit before taxation	0.37	(0.21)	(18.84)	(0.50)
9	Provision for taxation	0	0	0	0
10	Profit after taxation	0.37	(0.21)	(18.84)	(0.50)
11	Proposed Dividend	-	-	-	-
12	% of Shareholding	100.00	100.00	30.86	100.00

**Notes:**

- a) Reporting periods and reporting currencies of the above subsidiaries are the same as that of the Company.  
b) Part B of the Annexure is not applicable as there are no associate companies/joint ventures of the Company as on 31<sup>st</sup> March 2024.

For and on behalf of the Board of Directors  
Sika Interplant Systems Limited

Rajeev Sikka  
Executive Chairman  
DIN: 00902887

R.N.Chawhan  
Director  
DIN: 00568833

Kunal Sikka  
Managing Director & CEO  
DIN: 05240807

Sathish KS  
CFO

Suraj Kumar Sahu  
Company Secretary & Compliance Officer

**Place: Bangalore  
Date: August 09, 2024**

**Annexure – II  
AOC-2**

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Act including certain arms-length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: -  
The Company has not entered into any material contracts or arrangement or transactions with its related parties which is not at arm's length and hence not applicable.
2. Details of contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements /transactions	Duration of the contracts / arrangements /transactions, if any	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
Anuradha Sikka	Office of Profit	Mutual consent as per terms of contract	Consultancy on Corporate Relations / Communication	09-02-2019	NA
Aerotek Sika Aviosystems Private Limited	Loan	NA	Loan to Associate Company	17-05-2023	NA
Sika Tourism Private Limited	Loan	NA	Loan to subsidiary Company	17-05-2023	NA

**On behalf of the Board of Directors  
Sika Interplant Systems Limited**

**Rajeev Sikka  
Executive Chairman  
DIN: 00902887**

**Date: August 09, 2024  
Place: Bengaluru**

## ANNEXURE- III - ANNUAL REPORT ON CSR ACTIVITIES

## 1. Brief outline of the Company's CSR policy:

- The objective of the policy is to actively contribute to the social, environmental, and economic development of the society in which we operate.
- The CSR Committee has decided to spend amounts under CSR for:
  - a) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
  - b) Providing healthcare, including preventive healthcare and initiatives associated with mental health.
  - c) Supporting environment sustainability through various interventions.

## 2. Composition of the CSR Committee:

Sno	Name	DIN	Designation
1.	* Mr. Santhanam Srinivasan	02685291	Chairman till 27 <sup>th</sup> May 2024
2	Mr. GVS Bhaskar	08181557	Chairman from 20 <sup>th</sup> May 2024
3.	Mrs. Anuradha Sikka	00902914	Member
4.	Mr. Kunal Sikka	05240807	Member

\*Mr. Santhanam demised on 27<sup>th</sup> February 2024, the Company will appoint the Chairman of the Committee on due course.

3. Web-link where the Composition of the CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: [www.sikaglobal.com/uploads/sikaad/CSR%20Policy.pdf](http://www.sikaglobal.com/uploads/sikaad/CSR%20Policy.pdf)
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. : N/A
5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹16,85,55,583.00(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 33,71,112.00  
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil  
(d) Amount required to be set-off for the financial year, if any; NIL  
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 33,71,112.00
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 3,00,000.00  
(b) Amount spent in Administrative Overheads: Nil  
(c) Amount spent on Impact Assessment, if applicable: NA  
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ ₹ 3,00,000.00  
(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
3,00,000.00	30,71,112.00	30-04-2024	Nil	Nil	

6. (f) Excess Amount for Set Off, if any: NIL

Sl. No.	Particulars	Amount(in Rs.)
(1)	(2)	(3)
(i)	Two Percent of Average Net Profit of the Company as per Sub-Section (5) of Section 135	
(ii)	Total Amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial year[(ii)-(i)]	
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the Previous Year, if any	
(v)	Amount available for Set Off in succeeding Financial Years [(iii)-(iv)]	

## 7. Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (In Rs.)	Balance Amount in Unspent CSR Account under Sub Section 6 of Section 135(in Rs.)	Amount spent in the Financial Year (In Rs.)	Amount transferred to any fund specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135, if any		Amount remaining to be spent in succeeding financial years (In Rs.)	Deficiency, if any
					Amount (In Rs)	Date of transfer.		
1.	2021-2022	31,65,808	31,65,808	3,00,000	0.00	N/a	28,65,808	
2.	2020-2021	20,76,534	12,93,534	6,41,000	0.00	N/a	6,52,534	

## 8. Whether any Capital Assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year- If Yes, enter the number of the Capital Assets created/acquired- N/A

Furnish the details relating to Capital Asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year- N/A

## 9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Sub-Section (5) of Section 135 –

I hereby declare that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.”

On behalf of the Board of Directors  
Sika Interplants Systems Limited

Kunal Sikka  
MD & CEO  
DIN: 05240807

GVS Bhaskar  
Chairman of CSR Committee,

Place: Bengaluru  
Date: August 09, 2024

## Annexure-IV

## Form No. MR-3

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2024**

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

To,  
The Members,  
Sika Interplant Systems Limited, Bengaluru

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sika Interplant Systems Limited (CIN: L29190KA1985PLC007363) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and based on the representations received from the management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2024 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - d. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- v. The management has represented that there are no laws applicable specifically to the Company, other than the general laws.

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

- (i) 'Listing Agreement' entered into by the Company with BSE Limited.
- (ii) Secretarial Standards with respect to Board and General Meetings issued by the Institute of Company Secretaries of India.

During the year under review (audit period), the Company has generally complied with provisions of the Act, rules, regulations and guidelines, etc mentioned above.

I further report that, there were no actions/events in pursuance of-

- a. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

requiring compliance thereof by the Company during the audit period.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Based on the representation made by the management, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that, based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit, in my opinion, there are adequate systems and processes in the Company commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I report further that, during the audit period there were no other specific events/actions in pursuance of the above referred laws, rules, regulations and guidelines, etc. having a major bearing on the Company's affairs.

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

Place: Bengaluru  
Date: 09-08-2024  
UDIN: A026717F000992451

For **N K Hebbar & Associates,**

Company Secretaries  
Nityanand Hebbar

Proprietor  
ACS No.26717  
C P No. 9618

## MANAGEMENT DISCUSSION AND ANALYSIS

### COMPANY OVERVIEW

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

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

Your Company is one of the select private enterprises to have held design approval from the Center for Military Airworthiness and Certification (CEMILAC) continuously from 1999 through 2020, when the issue of such approvals was discontinued. SIKA has also been granted an Industrial License for Defence production from the Government of India, which enables it to undertake these projects and also qualifies the Company for offset programs. A number of international OEMs have significant offset obligations outstanding, and so the opportunity from offsets in the coming years is expected to continue to be considerable, with avenues likely to be available both in manufacturing and services.

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

In the past year, your Company has received recognition on multiple fronts. Your Company has been recognised by The Economic Times as one of India's 'Growth Champions' for 2023. Separately, SIKA has also been recognised by The Financial Times, the globally renowned business news publication, in the 2023 edition of its 'High-Growth Companies Asia-Pacific.'

In recent years your Company has been focused on building advanced facilities to expand its operational base to keep pace with the fast-paced development of the AD&S sector in India, and SIKA is well positioned to meet the requirements of both potential international partners and domestic projects.

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

### THE ECONOMY

After a year marked by global uncertainties and volatility, the global economy achieved greater stability in 2023. While uncertainty stemming from adverse geopolitical developments remained elevated, global economic growth was surprisingly robust. According to the International Monetary Fund (IMF), the global economy registered a growth of 3.2% in 2023, though marginally lower than in 2022 but higher compared to the projection of 2.8% a year prior. The context in which the growth in 2023 has been achieved is markedly different compared to the previous decade – inflationary pressures have been significantly higher on account of the persistence of core inflation. Global trade moderated due to rising geopolitical tensions, cross-border restrictions and slower growth in advanced economies (AEs).

The escalation of the Red Sea crisis amid heightened geopolitical tensions in the Middle East in October 2023 led to supply chain disruptions, sending ripples to global trade and operations. The attacks on commercial shipping in the Red Sea led to increased global transportation costs, reflecting the rerouting of cargo.

Both emerging market economies (EMEs) and AEs achieved higher growth in 2023 than projected a year prior. Almost all major economies surpassed their pre Covid-19 pandemic GDP levels in 2023. However, growth has been diverse across countries, raising prospects of increasing divergences. Among AEs, the US witnessed continued growth momentum. However, economic activity remains subdued in the Euro area due to high inflation and rising interest rates, although the magnitude of the downturn has eased.

The stark difference in the economic performance of countries has been on account of domestic structural issues, uneven exposure to geopolitical conflicts and the impact of monetary policy tightening. The economic shocks resulting from the Russia-Ukraine conflict had an outsized impact on Europe, leading to subdued growth in large countries like Germany and France.

In 2023, global inflation moderated to 6.3%, a noticeable decline from the peak of 8.7% in 2022. This reduction was largely attributed to easing supply chain disruptions, stabilising energy prices, and aggressive monetary tightening by central banks across the world. However, inflationary pressures remained persistent due to geopolitical tensions and the continued impact of climate-related disruptions on food prices.

As the supply chain pressures eased and energy and food price shocks triggered by the Russia-Ukraine conflict faded out, headline inflation across countries declined. After peaking in 2022, inflationary pressures declined considerably in 2023. However, inflation remained above the target in many countries. Core inflation, excluding volatile food and energy prices, remained sticky reflecting underlying pressures in services sectors and a strong labour market, especially in most AEs. The persistence of core inflation prompted many central banks to maintain policy rates at a high level or further increase them in 2023, except in China, where the government focussed on providing policy stimulus to invigorate its economy.



Global inflation is expected to further ease to around 5.0% in 2024 as central banks continue to maintain tight monetary policies, and supply chain efficiencies improve. However, the return to target inflation levels (around 2% in most AEs) may still take until 2025 or beyond. Persistent risks such as energy market volatility, geopolitical uncertainties, and potential climate impacts on agriculture could moderate the pace of inflation's decline. Many central banks have hinted at the peaking of the interest rate hike cycle in recent monetary policy review meetings. The European Central Bank (ECB) became the first major central bank to cut its policy rate, invoking the first rate cut in nearly five years.

In contrast to several AEs, the Indian economy demonstrated remarkable resilience in 2023 amidst global challenges. India's economy carried forward the momentum it built in FY23 into FY24 despite a gamut of global and external challenges. The Economic Survey for FY 2023-24 estimates India's GDP growth at 8.2%, supported by strong domestic demand and robust capital expenditure. This follows a 7% growth rate in FY 2022-23, reflecting India's ability to maintain economic momentum despite global headwinds.

The government's focus on infrastructure development and asset creation has been pivotal in sustaining economic activity. India's manufacturing sector, buoyed by the Production-Linked Incentive (PLI) Scheme, has also shown promising growth, attracting significant investments from multinational corporations seeking cost efficiency and supply chain resilience in the post-pandemic era. In EMEs like India, inflation is projected to moderate to 5.2% in 2024, supported by strong policy measures and a favourable base effect, although food price volatility remains a key risk factor.

Looking ahead, India is poised to sustain its growth trajectory, underpinned by a favorable demographic profile, strong consumption patterns, and continued policy support. However, the country must remain vigilant against external risks, including fluctuations in global commodity prices and potential disruptions in international trade.

## INDUSTRY STRUCTURE AND DEVELOPMENT

India's geopolitical scenario and compulsions, real or perceived, are continuing to drive the development of its A&D industry. The stand-offs seen in recent years on the Indo-China border have renewed the urgency to build capability and capacity for India's defence industry. The geopolitical situation in South Asia and the Indian Ocean region, as well as the wider theatre of Southeast Asia and South China Sea, has important implications for the defence sector.

The last decade has seen India emerge as one of the most attractive A&D markets in the world given the Ministry of Defence's (MoD) continued emphasis on modernisation of the armed forces, which is expected to result in capital expenditure of about USD 250 billion over the next 10 years. There is a broad acknowledgement that while the man behind the machine remains motivated, some machines being manned need an upgrade.

With the world's third largest armed forces, the Government of India's (GoI) increase in the defence budget for 2023-24 to USD 74 billion also makes India the world's third largest defence spender, behind the US and China. This amounts to nearly 2% of GDP, or 13% of government spending.

The budgetary allocation for 2023-24 (excluding pensions) has seen an increase of 11% over the previous year. The overall allocation between capital and revenue expenditure remains the same compared to the Interim Budget. Focus on defense modernisation continues with a 5.78% increase in the capital expenditure allocated over FY 23- 24 (BE). Increase of 4.68% in revenue expenditure over FY 23-24 (BE) indicates a nominal increase in allocation for stores and spares, repairs, and other services.

The allocation towards R&D in the 2024-25 (BE) stands at INR13,208 crore, which is 3% higher than 2023-24 (BE). Moreover, support for prototype development under the 'Make' Procedure has risen by approximately 46% for 2023-24 (BE). There is a substantial increase of 30% in allocation towards Border Roads Organisation (BRO) to maintain momentum on the gearing up of border infrastructure.

Important to note that despite the government's "Agnipath" initiative, personnel costs constitute well over half of the overall defence budget. The outgo on pay and allowances adds up to 32.5% of the defence budget, while pensions account for another 22.5%, taking the overall cost of personnel to 55%. Defence already accounts for around 13% of central government spending and is the government's largest expenditure after debt servicing, and so it cannot afford to spend both on modernising the military and paying for pensions. Multi-pronged moves will be required to address this issue, and the "Agnipath" scheme is a step in that direction.

Although resources allocations for national defence may appear somewhat deficient, a larger picture of cumulative resources devoted toward meeting all spectrum security challenges paint a different story. Resources for national defence (MoD), internal security (Ministry of Home Affairs), resources for military and security dimensions for atomic energy and space together account for a quarter of central government expenditure. Allocations for Jammu & Kashmir and Ladakh over the last couple of years have added new dimensions as a reasonable amount of these will be spent for security purposes.

As India continues to be one of the top defence spending countries in the world, a dire need to reduce import dependency and enhance domestic production has been made a priority by the GoI. Moreover, India has one of the highest numbers of active military personnel in the world. Equipping such a large force with the latest technology is one of the key challenges that the military planners face today.

The GoI, over the past few years, has demonstrated its commitment towards the development of indigenous defence manufacturing capabilities by launching and promoting the 'Make in India' initiative in defence sector. It has been highly encouraging to see the strides being made towards this goal through a series of policy amendments and reforms that on one side lower entry barriers and ease the process of teaming between foreign OEMs and Indian entities, and promote Indigenously Designed, Developed and Manufactured (IDDM) products and marching towards level playing field across segments of Indian Industry.

## OPPORTUNITIES AND THREATS

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

The need for a self-reliant Defence sector and a sharp focus on minimising dependence on imports is seeing the continued opening up of the sector for private participation. In 2001, the government opened this sector to private and foreign investors and set a challenging target of achieving 70% indigenisation. This focus on indigenisation should continue to gather pace, with the current government continually re-emphasising the importance of this endeavour, including with respect to the bigger picture of 'Make in India.'

In line with this, the defence sector has continued to witness several policy reforms over the last few years. Building on the Prime Minister's call to build an *Aatmanirbhar Bharat*, has resulted in several initiatives from the GoI / MoD:

- Defence Acquisition Procedure (DAP) 2020, released and made effective since October 2020, provided a comprehensive overhaul of the existing procurement policy framework. DAP 2020 has overhauled a number of procedural aspects with a view to improving the procurement cycle time while continuing to provide for significantly increasing the share of local purchases through prioritisation of clauses like "Buy IDDM," "Buy Indian," "Buy & Make (Indian)," and "Strategic Partnerships" (SP) ahead of global procurement options.
- The sequential "positive indigenisation" lists, announced in ten phases thus far, pertaining to import of both equipment/platforms as well as systems/sub-systems has underlined the 'Atmanirbhar' goal of the government as the cornerstone of defence procurement policy.
- Implementation of important policies such as restriction on global tenders for government procurement up to INR 200 Cr, separate budget for domestic capital procurement, liberalisation of foreign direct investment procedures, and rationalisation of General Staff Qualitative Requirements and testing requirements will add further fillip to the participation of the Indian industry including MSMEs.
- Earmarking 75% of the capital procurement budget for the domestic industry, as well as 25% of the defence R&D budget for private industry.
- Private industry is also being encouraged for design and development of defence platforms and equipment in collaboration with government-owned defence organisations through the SPV (special purpose vehicle) route.
- To spur innovation and development of next-generation technologies, the MoD has established the iDEX, or Innovation for Defence Excellence, program.

It is estimated that during the next decade India will buy close to USD 250 billion worth of fighter aircraft, radars, missiles and warships. Though it is difficult to reach a clear estimate on the value of offsets which will be involved with this huge Defence Import, nevertheless the offsets figures could well be above USD 30 billion. The implementation of this value of offsets is both a challenge and an opportunity for the Indian Defence industry.

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

For example, on the fiscal front, with respect to the allocation for capital expenditure in the budget, a significant proportion of that is devoted to existing obligations and committed liabilities, leaving little room for new procurements. A Business Standard analysis of defence capital allocations during the preceding decade reveals that defence capex has risen by barely 5% annually in real terms; this rise is further eroded when accounting for inflation and currency fluctuations.

Similarly, three surprising aspects of the revamped offset policy as in the draft DAP 2020 are the exemption of procurements under the intergovernmental agreements (IGAs) from the application of the offset provisions and omission of offset banking, even as the list of eligible offsets avenues appears truncated, all of which are likely to have a negative impact on future opportunities through offsets.

Further, given the nature of the A&D business, the products and systems involved are typically of complex advanced technologies, often resulting in the approval and certification cycle extending for materially longer than originally planned. This can result in delays in production orders and consequent deliveries, affecting the timing of revenues.

## OUTLOOK

The overall outlook for next Financial Year (2024-25) is optimistic even considering the impact of the aforementioned uncertainties in the global economy. As discussed above, we expect that the combination of a continued increase in domestic defence spending and the opportunity from offsets aided by the 1.5x multiplier made available for MSMEs coupled with the balancing investments made in expanding your Company's operating base will provide us with a solid platform for sustained and consistent growth in our business over the medium term.

## RISKS AND CONCERNS

Any delays from the MoD in the execution of AD&S projects associated with it, shortfalls in planned Defence outlays, adverse changes to government policy, etc. could directly have a direct impact on the activities of the Company and consequently on its revenues. Further, as many of these projects are initiated by the MoD driven by its own policies and priorities, the continued

progression of these into long-term programs with a definitive quantum of orders depends largely on the government's decisions. This results in an uneven and skewed pattern of sales for the Company, which is beyond the control of the Company.

Similarly, any material rejig of the government's spending priorities could have a knock-on effect on the activities of the Company and consequently on its revenues.

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

#### INTERNAL CONTROL SYSTEMS AND ADEQUACY

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

#### SEGMENT WISE PERFORMANCE

The Company is primarily engaged in the business of manufacturing and rendering of services in engineering products, engineering projects/systems, and services. (Core-Business).

Over the years, the management has evaluated proposals for engaging in other businesses, not necessarily being an extension of the Core Business. With the intention of exploring tourism, etc. (i.e., a Non-Core Business) as a business vertical, the Company has previously received project sanction from the Karnataka government for a tourism project. Further, the Company also owns undeveloped/partially developed land in Indiranagar and Bommasandra, the latter partly being used for its Core Business. To enable focused growth of its Core Business, the Company is continuing to evaluate segregation of its Non-Core Business.

#### HUMAN RESOURCES

Human Resources (HR) remained a key focus area for your Company during the year under review. Various HR initiatives are taken to align the HR policies to the requirement of the business. The Company provides employees with a fair and equitable work environment and support to develop their capabilities. We are also focused on bringing in new talent and competencies to aid the Company's growth strategy.

#### COMPANY PERFORMANCE

As can be seen from the financial results forming part of this report, both the Company's turnover and net profit increased year on year. The return of your Company on a robust growth trajectory was driven by the positive returns from a continued sharp focus on customers combined with strong program management resulting in the timely execution of major orders.

#### DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

1. Debtors turnover ratio of the Company improved to 9.05 times (FY 2022-23: 6.22 times) on account largely due to the combination of an increase in turnover together with a continued focus on recovering trade receivables.
2. Inventory turnover ratio of the Company improved to 22.43 times (FY 2022-23: 10.84 times) primarily due to the combination of a relatively higher execution of short-dated projects combined with completion of some projects that had in the previous experienced execution delays driven by slower-than-expected customer / regulatory authority project-specific approvals.
3. Interest coverage ratio of the Company improved to 194.19 times (FY 2022-23: 58.54 times) largely due to the combination of an increase in turnover and correspondingly profit together with decreased financing costs during the year under review.
4. The debt equity ratio of the Company improved slightly to 0.18 times (FY 2021-22: 0.20 times).
5. Operating profit margin of the company improved to 23.12% (FY 2022-23: 20.23%) due largely to an overall improvement in performance of the company that resulted in higher profitability.
6. Net Profit margin of the company improved to 17.56% (FY 2022-23: 14.51%) on account of overall improvement in performance of the company that resulted in higher profitability.
7. Return on Net Worth of the Company improved to 18.92% (FY 2022-23: 10.70%) on account of material increase in profitability and overall improvement in performance of the company that resulted in higher return on net worth.

#### CAUTIONARY STATEMENT

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

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

## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

The Company has adopted a Code of Conduct for its senior management, including the Managing Director and Whole-time Director, and also a Code of Conduct for its Non-Executive Directors, both of which are available on the Company's website.

### 2. BOARD OF DIRECTORS

As on 31<sup>st</sup> March 2024 the Company had seven Directors, comprising five Non-Executive Directors and two Executive Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other public companies as on 31<sup>st</sup> March 2024 are given herein below. Other Directorships do not include Alternate Directorships and directorships in private limited companies, foreign Companies and companies under Section 8 of the Act. Chairmanships / Memberships of Board Committees only include Audit Committee and Shareholders' Relationship Committee.

Name of the Director	Category	No. of Board Meetings Attended	Attended Last AGM	No. of other Directorships and Committee positions held in other Listed companies		
				Director	Committee Member	Committee Chairman
Dr C G Krishnadas Nair (DIN:00059686)	Independent non-executive	4	Yes	1*	2	1
Mr GVS Bhaskar (DIN:08181557)	Independent non-executive	4	Yes	-	-	-
Mr R N Chawhan (DIN:00568833)	Independent non-executive	4	Yes	-	-	-
Late Mr S Santhanam** (DIN:02685291)	Independent non-executive	3	Yes	-	-	-
Mrs. Anuradha Sikka ** (DIN: 00902914)	Non-Executive	4	Yes	-	-	-
Mr Rajeev Sikka, *** Executive Chairman (DIN:00902887)	Executive	4	Yes	-	-	-
Mr Kunal Sikka, *** Managing Director & CEO (DIN:05240807)	Executive	4	Yes	-	-	-

\* Dr C G Krishnadas Nair serves as an Independent Director on the Board of M/s. Global Vectra Helicorp Limited.

\*\* Sad demise of Mr. S Santhanam on 27<sup>th</sup> February 2024.

\*\* Mrs. Anuradha Sikka was re-appointed as Director at the 37<sup>th</sup> AGM

\*\*\*Mr. Rajeev Sikka was re-appointed as Executive Chairman on 29<sup>th</sup> September 2023

\*\*\*\*Mr. Kunal Sikka was re-appointed as MD & CEO on 29<sup>th</sup> September 2023

None of the Directors on the Board hold directorships in more than eight public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a director.

Mrs. Anuradha Sikka, Mr. Rajeev Sikka and Mr. Kunal Sikka are the Directors on the Board who are related to each other.

Four Board meetings were held during the financial year 2023-24. The Board meetings were held 17<sup>th</sup> May 2023, 09<sup>th</sup> August 2023, 8<sup>th</sup> November 2023, and 13<sup>th</sup> February 2024. The information and declarations as required in terms of Listing Regulations is being regularly placed before the Board.

As on 31<sup>st</sup> March 2024, Non-Executive Directors Dr. C.G. Krishnadas Nair holds 80,000 share and Mr. R.N. Chawhan's Relative holds 51 shares of the Company. None of the other Non-Executive Director's hold shares in the Company.

The details of the familiarization programs for Independent Directors are available on the website of the Company <https://www.sikaglobal.com/uploads/sikaad/30.pdf>

#### Skills / Expertise / Competence identified by the Board of Directors:

The Board has identified the following skills/ expertise/ competencies as required for the effective functioning of the Company which are currently available with the Board:

Name of the Director	Area of skills / expertise / competence						
	Strategy	Finance	Leadership	Technical	HR	Governance	Business Development
Mr Rajeev Sikka	√	√	√	√	√	√	√
Dr C G Krishnadas Nair	√	√	√	√	√	√	√
Mr R N Chawhan	√	√	√	-	√	√	-
Mr S Santhanam	√	√	√	-	√	√	-
Mr GVS Bhaskar	√	-	√	√	√	√	√
Mrs Anuradha Sikka	√	-	√	-	√	√	-
Mr Kunal Sikka	√	√	√	√	√	√	√

## 1. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act. The Audit Committee assists the board in the dissemination of financial information and in overseeing the financial and accounting processes in the company.

The terms of reference of the Audit Committee cover all matters specified in Regulation 18(3) Part C of SEBI Listing Regulations and in concurrence with Section 177 of the Act 2013. The terms of reference broadly include review of internal audit reports and action taken on reports, assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the Company. The Audit Committee reviews the compliance with legal and statutory requirements, the quarterly and annual financial statements and related party transactions and reports its findings to the Board. The Committee also recommends the appointment of an internal and statutory auditor. The Audit Committee takes note of any default in the payments to creditors and debtors. The Committee also looks into those matters specifically referred to by the Board.

The Audit Committee invites such executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

During the year, Audit Committee had four meetings i.e., 17<sup>th</sup> May 2023, 09<sup>th</sup> August 2023, 8<sup>th</sup> November 2023 and 13<sup>th</sup> February 2024. The composition of the Audit Committee and the details of meetings attended by its members are as follows:

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

## 2. NOMINATION AND REMUNERATION COMMITTEE

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

The broad terms of reference of the Nomination and Remuneration Committee are to recommend to the Board the setup and composition of the Board and its committees, the appointment or reappointment of Directors, the appointment of KMP, and the remuneration payable to Directors, considering criteria such as industry benchmarks, financial performance of the Company, performance of the respective Director, etc.

During the year Nomination and Remuneration Committee had three meetings i.e. 17<sup>th</sup> May 2023, 8<sup>th</sup> August 2023, and 13<sup>th</sup> February, 2024. The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are as follows:

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

### Performance Evaluation criteria for Independent Directors:

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of performance and judgment.

### Nomination & Remuneration Policy:

The Nomination & Remuneration policy in the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The remuneration policy inter alia provides for the following:

- attract, recruit, and retain good and exceptional talent;
- Formulate the criteria for determining the qualifications, positive attributes and independence of the directors of the Company;
- ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;

- (d) motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- (e) ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- (f) Fulfil the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

The Company pays remuneration by way of salary, benefits, perquisites, allowances, contribution to provident / superannuation fund (fixed component) and performance incentive (variable component) to its Executive Directors. Annual increments are decided by the Nomination and Remuneration Committee with the salary scale approved by the members. Details of Remuneration paid to Directors in the financial year 2023-2024 are provided below.

Sl. No	Particulars of Remuneration	Rajeev Sikka	Kunal Sikka
		Executive Chairman	Managing Director & CEO
1	Gross Salary: a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	96,00,000	90,00,000
	b) Value of Perquisites u/s.17(2) of Income Tax Act, 1961	2,86,317	32,146
	c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	14,88,680	14,88,680
2	Stock Options	-	-
3	Sweat Equity	-	-
4	Commission	-	-
5	Others	-	-
	Total	<b>1,21,74,997</b>	<b>1,12,70,826</b>

The Executive Directors are entitled for such remuneration by way of Performance Incentive, in addition to Salary and Perquisites, as may be recommended by the Nomination and Remuneration Committee and decided by the Board from time to time, as per Sections 196 and 197 of the Act. The criteria for this incentive is based on the profitability of the Company.

The contracts with Executive Directors may be terminated by either party giving the other party six months' notice or the Company paying six months' remuneration in lieu thereof. Severance fees, as applicable, would be as mutually agreed between the Company and the concerned Executive Director.

The Company does not have a stock option plan. Accordingly, none of our directors hold stock options as on 31<sup>st</sup> March 2024.

During the financial year 2023-24, the Company paid sitting fees to each of its Non-Executive Directors for attending meetings of the Board and Committees of the Board. In addition, the Company paid a Performance Incentive of 0.70% of net profit to each Independent Directors. The Company has not had any pecuniary relationship or transaction with any of the Non-Executive Directors during the year under review.

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of remuneration of each Director to the median remuneration of the employees of the Company during the financial year

Name of the Director	Ratio
Dr C G Krishnadas Nair	0.991
Mr R N Chawhan	0.991
Mr S Santhanam	0.991
Mr. G V S Bhaskar*	NM
Mrs. Anuradha Sikka	02.40
Mr Rajeev Sikka	26
Mr Kunal Sikka	25

b. The percentage increase in remuneration of each Directors and KMPs in the financial year:

Name	% change
Dr C G Krishnadas Nair	48.17
Mr R N Chawhan	48.17
Mr S Santhanam	48.17
Mrs. Anuradha Sikka	Nil
Mr. GVS Bhaskar	NA
Mr Rajeev Sikka, Chairman & Managing Director	NIL
Mr Kunal Sikka, Whole Time Director & CFO	NIL
**Mr Barun Pandey, Company Secretary	7.20
Mr. Sathish KS	10.00

c. The percentage increase in the median remuneration of employees in the financial year: 19.13%

d. The number of permanent employees on the rolls of Company as on 31<sup>st</sup> March 2024: 52

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the FY 2023-24 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The change in Managerial Remuneration is based on the recommendations of the Nomination and Remuneration Committee considering the performance of the Company in FY 2023-24.

f. Affirmation that remuneration is as per the Remuneration Policy of the Company:

The Company affirms remuneration is as per the Remuneration Policy of the Company

## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Act.

The broad terms of reference of the Stakeholders' Relationship Committee are to look into the redressal of investors' complaints in connection with transfer of shares, non-receipt of annual reports, non-receipt of declared dividends, etc. In addition, the Committee also looks into matters which can facilitate services and relations with the investors.

During the year the Stakeholders' Relationship Committee met 4 times i.e. 17<sup>th</sup> May 2023, 9<sup>th</sup> August 2023, 8<sup>th</sup> November 2023 and 13<sup>th</sup> February, 2024. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are as follows:

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

Mr. Suraj Kumar Sahu, Company Secretary, is the Compliance Officer of the Company, and shareholders may contact him for any clarification / complaint at the Registered Office of the Company.

There were no shareholders' complaints outstanding as on 1<sup>st</sup> April 2023 and as on 31<sup>st</sup> March 2024. During the year all the requests for dematerializations were approved by the Company. No valid transfer / transmission of shares was pending as of 31<sup>st</sup> March 2024.

## 7. GENERAL BODY MEETINGS

a) Particulars of the last three Annual General Meetings held:

Financial Year	Day & Date	Time	Venue	No. of Special Resolutions passed
2022-2023	Friday, 29 <sup>th</sup> September 2023	11:30 am	Video Conference / Other Audio-Visual Means	2
2021-2022	Wednesday, 28 <sup>th</sup> September 2022	11:30 am	Video Conference / Other Audio-Visual Means	1
2020-2021	Thursday, 30 <sup>th</sup> September 2021	11.30 am	Video Conference / Other Audio-Visual Means	3

b) No Extra-Ordinary General Meeting of the shareholders was held during the financial year 2023-24.

c) No Postal Ballot was conducted during the financial year 2023-24.

d) As on the date of the Report, special resolutions are proposed to be placed before the AGM.

## 8. MEANS OF COMMUNICATION

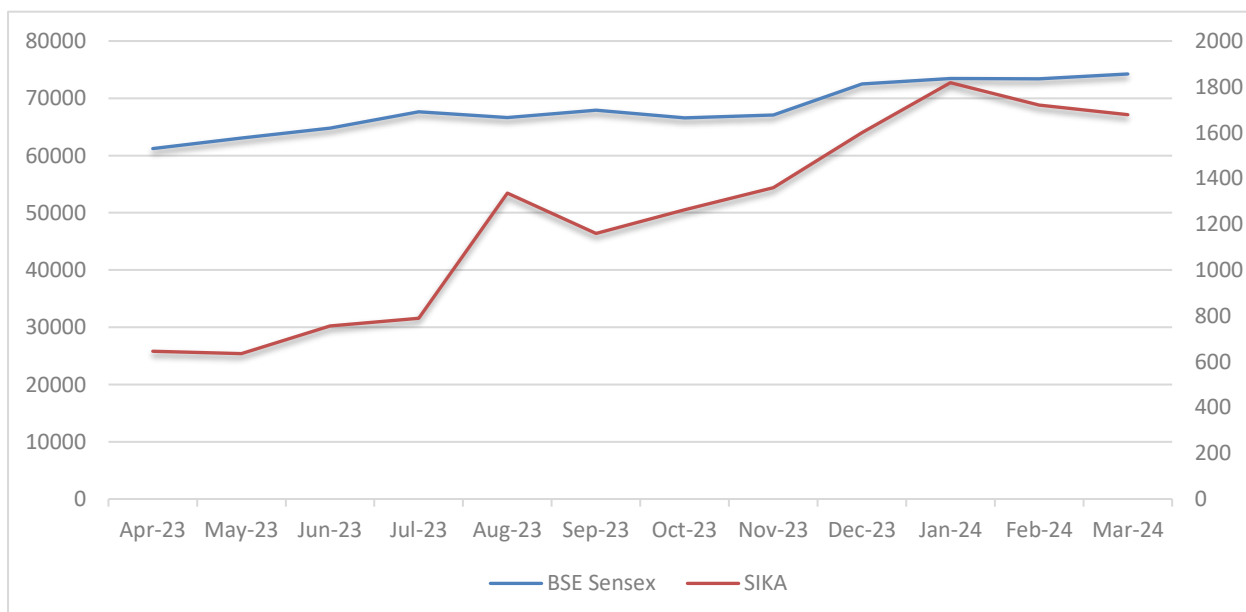
The notices of the meetings, quarterly, half-yearly and annual results, and press releases (if any) of the Company are published in leading newspapers including regional language. The same are displayed on the Company's website [www.sikaglobal.com](http://www.sikaglobal.com) as well as on the official website of BSE Limited [www.bseindia.com](http://www.bseindia.com). The Company does not have any presentation to institutional investors.

## 9. GENERAL SHAREHOLDER INFORMATION

- a. Annual General Meeting:** The AGM is scheduled to be held on Friday, 20<sup>th</sup> September 2024, 11:30 am through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").
- b. Financial Year:** 01<sup>st</sup> April to 31<sup>st</sup> March
- c. Book Closure** Friday, 13<sup>th</sup> September 2024 to Friday, 20<sup>th</sup> September 2024 (both days inclusive)
- d. Dividend Payment Date:** Within 30 days from the date of AGM, subject to Members' approval at the AGM.
- e. Listing of Equity Shares on Stock Exchange:** BSE Limited
- f. Listing Fees:** Listing fee as applicable have been paid.
- g. Stock Code:** BSE - 523606
- h. Market Price Data – high, low during each month in 2023-24:**

Month	High (₹)	Low (₹)
April'23	645.00	539.15
May'23	634.90	526.00
June'23	755.00	570.00
July'23	789.70	661.00
August'23	1336.30	690.85
September'23	1160.00	892.00
October'23	1263.60	964.00
November'24	1360.05	1142.30
December'23	1600.00	1190.00
January'24	1818.00	1266.00
February'24	1720.70	1370.00
March'24	1678.70	1230.00

- i. Performance of the share price of the Company in comparison to BSE Sensex in for FY 2023-24:**





j. Registrars & Transfer Agents  
 Integrated Registry Management Services Private Limited  
 No.30, Ramana Residency, 4<sup>th</sup> Cross, Sampige Road, Malleswaram,  
 Bangalore 560 003. Ph.no.080-23460815, Fax-080-23460819  
 Email: giri@integratedindia.in, Website: [www.integratedindia.in](http://www.integratedindia.in)

k. Share Transfer System:

98.48% of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. As regards the transfer of shares held in physical form the transfer documents can be lodged with the RTA. Transfer of shares in physical form is normally processed within ten to fifteen days from the date of receipt, if the documents are complete in all respects. All requests for dematerialization of shares are processed, if found in order and confirmation is given to the respective depositories within 15 days.

l. Distribution of Shareholding as on 31<sup>st</sup> March 2024:

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 5,000	7481	99.72	7,76,099	18.30
5,001 - 10,000	09	0.12	66,003	1.56
10,001 - 20,000	6	0.08	88,132	2.08
20,001 - 30,000	0	0.00	0	0.00
30,001 - 40,000	1	0.01	31,228	0.74
40,001 - 50,000	1	0.01	49,896	1.18
50,001 - 1,00,000	2	0.03	1,44,508	3.41
1,00,001 and above	2	0.03	30,84,309	72.74
<b>Total</b>	<b>7,502,299</b>	<b>100</b>	<b>42,40,175</b>	<b>100</b>

Shareholding Pattern of the Company as on 31<sup>st</sup> March 2024:

Category	No. of Shareholders	No. of Shares Held	Percentage
Promoters	5	30,41,217	71.72
Bodies Corporate	29	26,393	0.62
Individuals	7,319	9,87,220	23.29
Foreign Portfolio Investor	1	1,11,994	2.64
Clearing Member	1	02	0.00
IEPF	1	49,896	1.18
NRI	146	23,453	0.55
<b>Total</b>	<b>7,502</b>	<b>42,40,175</b>	<b>100.00</b>

m. Dematerialization of Shares and Liquidity: Trading in equity shares of the Company is permitted only in dematerialized form. As on 31<sup>st</sup> March 2024, 98.48% of the Company's equity shares were held in dematerialized form with National Securities Depository Ltd., (NSDL) and Central Depository Services (India) Ltd. (CDSL). Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE438E01016.

Outstanding GDRs / ADRs / Warrants / Convertible Instruments	: None
Stock Option Scheme	: None
Equity Shares in the Suspense Account	: The Company does not have any unclaimed shares and hence there are no disclosures to be made.
Plant location	: Sika Technology Centre, 21 <sup>st</sup> KM Hosur Road, Bommasandra Industrial Area, Bangalore 560 099
Address for Correspondence	: Registered Office: No.3 Gangadharchetty Road, Bangalore 560 042
CIN	: L29190KA1985PLC007363
Credit Rating	: None

Transfer of Unclaimed / Unpaid Dividends to Investor Education and Protection Fund ("IEPF") pursuant to the provisions of Section 124 of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the "Rules"), the Company has transferred dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the IEPF. Further, in accordance with the Rules, the Company has also transferred shares on which dividend has not been paid or claimed for seven consecutive years or more to the IEPF.

During the year under review, the Company has credited Rs. 59,404/- being the unpaid Dividend for the financial year 2015-16 lying in the unclaimed dividend account to the IEPF. The Details of unclaimed dividends have been updated in the Company's website, members who have not yet encashed their dividend warrant(s) pertaining to the financial year 2016-17 and onwards are requested to make their claims without any delay to the RTA.

Financial Year	Date of Declaration	Amount Rs.	Due Date for transfer to IEPF
2016-2017	27-09-2017	72,513.60	28-09-2024
2017-2018	27-09-2018	75,052.20	28-09-2025
2018-2019	21-09-2019	46,492.80	22-09-2026
2019-2020	24-09-2020	55,039.60	25-09-2027
2020-2021	30-09-2021	2,01,295.00	01-10-2028
2021-2022	28-09-2022	1,77,696.00	29-10-2029
2022-2023	29-09-2023	1,86,744.00	30-09-2030

## 10. OTHER DISCLOSURES:

### a) Related Party Transactions

All transactions entered into with related parties as defined under the Act and Regulation 23 of SEBI Listing Regulations during the financial year were in the ordinary course of business. These have been approved by the Audit Committee. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

### b) Disclosure of Accounting Treatment

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (IND AS) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

### c) Vigil Mechanism

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company.

### d) Details of Non-Compliance

There have been no instances of non-compliance on any matter as regards the rules and regulations prescribed by the Stock Exchange, SEBI or any statutory authority relating to capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

### e) Reconciliation of Share Capital Audit

The Company conducts a Reconciliation of Share Capital Audit by a Practicing Company Secretary on a quarterly basis in accordance with SEBI requirements. The Reconciliation of Share Capital Audit Reports of the Practicing Chartered Secretary, which were submitted to the stock exchange within the stipulated period, inter alia confirm that the equity shares of the Company held in dematerialized form and in physical form tally with the issued and paid-up equity share capital of the Company.

### f) Compliance with Mandatory and Non-Mandatory Requirements

The Company has complied with mandatory requirements and based on a need basis, adopted non-mandatory requirements. The Company has fulfilled the following discretionary requirements:

- The auditors' report on statutory financial statements of the Company is unqualified.
- The Internal Auditors of the Company make presentations to the Audit Committee on their reports.
- Since the Financial Results are published in newspapers having wide circulation and simultaneously also uploaded on the website of the Company and Stock Exchanges, only the Annual Reports for the financial year 2022-23 are sent through electronic mode to all the Members.

### g) Code of Conduct

The members of the board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended March 31, 2024. A certificate by the Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management is contained in this annual report.

### h) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company's foreign exchange exposures are typically of short term in nature, and in some cases provide a natural hedge with respect to import and export payments. Given the typically short-term nature of the Company's foreign exchange exposures, no

hedging by way of derivative financial instruments has been used as the cost of such instruments has been found to be high compared with historical foreign exchange movements over such periods.

**i) Disclosure on Website**

The Company's website has been updated with relevant disclosures and policies as per SEBI (LODR) Regulations 2015.

**j) Compliance with Regulation 39(4) of the SEBI Listing Regulations**

The Company does not have any unclaimed shares and hence there are no disclosures to be made pursuant to Regulation 39(4) of the SEBI Listing Regulations.

**k) Prevention of Insider trading**

The Company has adopted an insider trading policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This policy also includes practices and procedures for fair disclosure of unpublished price-sensitive information.

**l) Details of utilization of funds raised through preferential allotment or qualified institutions placement.**

The Company has not raised any funds through preferential allotment or qualified institutions placement.

**m) Certificate from Practicing Company Secretary**

A certificate has been obtained from a Practicing Company Secretary confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

**n) Confirmation by the Board of Directors' acceptance of recommendations of Committees**

During financial year 2023-24, the Board has accepted all recommendations received from all Committees of the Board.

**o) Fees paid to Statutory Auditor**

A total fee of Rs.4.25 Lakhs was paid by the Company and its subsidiaries, on a consolidated basis, for all services by the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

**p) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

During financial year 2023-24, the Company had received zero complaints on sexual harassment, and accordingly no complaints were required to be disposed during the year, and no complaints remain pending as of 31<sup>st</sup> March 2024.

**For and on behalf of the Board of Directors  
Sika Interplant Systems Limited**

**Rajeev Sikka  
Executive Chairman  
DIN: 00902887**

**Date: August 09, 2024**

**Place: Bengaluru**

**INDEPENDENT AUDITORS'S COMPLIANCE CERTIFICATE****To the Members of Sika Interplant Systems Limited.**

1. We have examined the compliance of the conditions of Corporate Governance by Sika Interplant Systems Limited ("the Company") for the year ended 31<sup>st</sup> March 2024 as stipulated in Regulations 17 to 27, clause (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (LORD) Regulations, 2015.
2. The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C and D of Schedule V of the SEBI Listing Regulations as applicable.

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

For Rao and Emmar  
Chartered Accountants  
Firm Registration No. 004084S

**S B SUBHASH**  
Partner  
Membership No. 212948

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that, all the Directors and Senior Management personnel have affirmed compliance to their respective Codes of Conduct for the year ended March 31, 2024.

On behalf of the Board of Directors of  
Sika Interplant Systems Limited

Kunal Sikka  
Managing Director & CEO

Place: Bengaluru  
Date: 09.08.2024

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF M/s. SIKA INTERPLANT SYSTEMS LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of **M/s. SIKA INTERPLANT SYSTEMS LIMITED** (hereinafter referred to as "the Company"), which comprise the standalone balance sheet as at 31st March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its Profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

➤ **Revenue Recognition**

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.</p> <p>Revenue from sale of services is recognized upon completion of service.</p> <p>Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.</p> <p>There is a risk of revenue being overstated due to fraud, including through manipulation of rebates and discounts, resulting from pressure the management may feel to achieve performance targets at the reporting period end.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> <li>We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards.</li> <li>We tested the design, implementation and operating effectiveness of management's general IT controls and key application controls over the Company's IT systems which govern revenue recognition, including access controls, controls over program changes, interfaces between different systems and key manual internal controls over revenue recognition to assess the completeness of the revenue entries being recorded in the general ledger accounting system.</li> <li>We tested the design, implementation and operating effectiveness of Internal Financial Controls.</li> <li>We performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents, which included goods dispatch notes, shipping documents and details with respect to percentage of completion of service projects.</li> <li>We inspected, on a sample basis, key customer contracts to identify terms and conditions relating to goods acceptance and rebates and assessing the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards.</li> <li>We performed cut-off testing for samples of revenue transactions recorded before and after the financial year end date by comparing with relevant underlying documentation, which included goods dispatch notes, shipping documents and details with respect to percentage of completion of service projects, to assess whether the revenue was recognized in the correct period.</li> </ul>

➤ **Provisions for taxation, litigation and other significant provisions**

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Accrual for tax and other contingencies requires the Management to make judgements and estimates in relation to the issues and exposures arising from a range of matters relating to direct tax and other eventualities arising in the regular course of business.</p> <p>The key judgement lies in the estimation of provisions where they may differ from the future obligations. By nature, provision is difficult to estimate and includes many variables. Additionally, depending on timing, there is a risk that costs could be provided inappropriately that are not yet committed.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>We tested the effectiveness of controls around the recognition of provisions.</li> <li>We used other subject matter experts to assess the value of material provisions in light of the nature of the exposures, applicable regulations and related correspondence with the authorities.</li> <li>We examined the assumptions and critical judgements made by management which impacted their estimate of the provisions required, considering judgements previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Company's advisors and assessing whether there was an indication of management bias.</li> <li>We discussed the status in respect of significant provisions with the Company's Management and legal advisors.</li> <li>We performed retrospective review of management judgements relating to accounting estimate included in the financial statement of prior year and compared with the outcome.</li> </ul>

➤ **Assessment of contingent liabilities relating to litigations, warranty claims and Bank guarantees issued.**

The key audit matter	How the matter was addressed in our audit
<p>The Company is periodically subject to challenges/scrutiny on the matters relating to direct tax. Further, potential exposures may also arise from general legal proceedings in course of business.</p> <p>Assessment of contingent liabilities disclosure requires Management to make judgements and estimates in relation to the issues and exposures. Whether the liability is inherently uncertain, the amounts involved are potentially significant and application of accounting standards to determine the amount, if any, to be provided as liability, is inherently subjective.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• We tested the effectiveness of controls around the recording and re-assessment of contingent liabilities.</li> <li>• We discussed the status and potential exposures in respect of significant litigation and claims with the Company's management including their views on the likely outcome of each litigation and claim and the magnitude of potential exposure and sighted any relevant opinions given by the Company's advisors.</li> <li>• We assessed the event occurring after the reporting period and the adequacy of disclosures made.</li> </ul> <p>Refer Note 32 to the Financial Statements</p>

**Information other than the Consolidated Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factor in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Companies Act, 2013.
  - e. On the basis of written representations received from the directors as on March 31<sup>st</sup> 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31<sup>st</sup> 2024, from being appointed as a director in terms of section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements;
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - (iv)
      - I. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall :
        - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
        - b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
      - II. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall :
        - a. Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("Ultimate Beneficiaries").
        - b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - III. Based on the audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (I) and (II) contain any material misstatement.
    - IV. Based on our examination, which included test checks, the company has used accounting software for maintain its books of account for the financial year ended March 31,2024 which has a feature of recording audit trail(edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
 

As proviso to Rule 3(1) of the Companies (Accounts) Rules,2014 is applicable from April 1,2023, reporting under Rule 11(g) of the companies (Audit and Auditors) Rules ,2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31,2024.
    - V. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

3. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act, in our opinion and according to the information and explanation given to us, the remuneration paid during the year by the Company to its directors is in accordance with the provisions of Section 197 of the Act.

**For Rao and Emmar**  
Chartered Accountants  
Firm Reg. No. 003804S

**S B Subhash**  
Partner  
Membership No. 212948  
UDIN: 24212948BKAQPZ8632

Place: Bengaluru  
Date: 20<sup>th</sup> May 2024

## Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2024, we report that:

### i) Property, Plant and Equipment

#### a) Maintenance of Records

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

- b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals; Which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

Pursuant to the program, certain property, plant and equipment 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.

- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or Intangible assets or both during the year.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, paragraph 3(i)(e) of the Order is not applicable.

### ii) Inventory

- a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate, having regard to the size of the Company and the nature of its operations. No discrepancies in excess of 10% or more in aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

- b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned/withdrawn any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, paragraph 3(ii)(b) of the Order is not applicable.

#### iii) Investment in or guarantee or granted loans or advances in nature of loans.

The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

- a) A. The Company has provided loans, during the year and details of which are given below:

Number of parties	Maximum Amount Involved during the year	Amount as at 31.03.2024
2	Rs. 1,28,05,327/-	Rs. 1,28,05,327/-

- B. According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not provided any loans or advances and guarantees or securities to parties other than Subsidiaries, Associates and Joint Ventures.
- b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the Company's interest.
- c) According to the information and explanations given to us and based on the audit procedures performed by us, there is no stipulation of schedule of repayment of principal and payment of interest on loans granted by the company. We are, therefore, unable to make specific comment on the regularity of repayment of principal and payment of interest.
- d) According to the information and explanations given to us and based on the audit procedure performed by us, there is no stipulation of schedule of repayment of principal and payment of interest on loans given by the company. We are, therefore unable to comment whether an amount is overdue and whether any reasonable steps /ought to have been taken by the company for recovery of principal and interest.



- e) According to the information and explanations given to us and based on the audit procedure performed by us, there is no stipulation of schedule of repayment of principle or payment of interest, accordingly we are unable to comment whether a particular loan is overdue. However, based on our examination of records, no renewal, extension, or fresh loans were granted to settle the overdue of exiting loans given to same parties.
- f) In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the company has granted following loans and advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

Parties	Promoters	Related Parties
Aggregate amount if loans/advances in nature of loans		
- Agreement does not specify any terms or period of repayment	-	Rs. 1,28,05,327/-
<b>TOTAL</b>	-	Rs. 1,28,05,327/-
Percentage of loans/advances in nature of loans to the total loans	-	100%

**iv) Loans/Investments/Guarantees/Security**

According to the information and explanations given to us and on the basis of our examination of the records, The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

**v) Acceptance of Deposits**

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.

**vi) Cost records**

The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

**vii) Statutory Dues**

- a) According to the records of the Company, Company is regular in depositing with appropriate authorities Undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Services tax, cess and other material statutory dues applicable to it.
- b) According to the records of the Company, there are no dues of Income tax or Sales tax or Service tax or Goods and Services tax or duty of customs or duty of excise or value added tax or any other material statutory dues which have not been deposited on account of any dispute.

**viii) Surrender or disclosure of transactions not disclosed in books of accounts**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

**ix) Repayment of Loans**

- a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

**x) Diversion of Funds**

- a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer during the year. Accordingly, clause 3(x) (a) of the Order is not applicable
- b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x) (b) of the Order is not applicable.

**xi) Frauds noticed / Detected**

- a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable.
- b) Since there is no fraud by the company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3(xi)(b) of the Order is not applicable.
- c) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.

**xii) Nidhi Company**

The company is not a Nidhi Company and accordingly, Paragraph 3(xii) of the Order is not applicable.

**xiii) Related Party Transactions**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of the transactions have been disclosed in the Financial Statements as required by the Indian accounting standards and The Companies Act, 2013.

**xiv) Internal Audit System**

- In our opinion the Company has an adequate internal audit systems commensurate with the size and the nature of its business
- We have considered the internal audit reports of the company issued till date, for the period under audit.

**xv) Non-cash transactions**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Consequently, no comment is required under paragraph 3(xv) of the Order.

**Certification for Non-Banking Financial Institution**

The company is not a Non-Banking Financial Institution, hence registration under section 45-IA of the Reserve Bank of India Act, 1934 is not required. Hence, no comment is required under paragraph 3(xvi) of the Order.

**xvi) Cash losses**

The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

**xvii) Resignation of Statutory Auditors**

There has been no resignation of the statutory auditors of the Company during the year. Accordingly, no comment is required under paragraph 3(xviii) of the Order.

**xviii) Material Uncertainty**

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities indicating that the Company is capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the date of balance sheet.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**xix) Transfer of Unspent Amount**

The Company has not fully spent the required amount towards Corporate Social Responsibility (CSR) and there is unspent CSR amount for the year requiring to be transferred to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, the amount of unspent amount is as below.

Financial Year	Amount unspent on Corporate Social Responsibility activities "Ongoing Projects"	Amount Transferred to Special Bank account as referred under section 135(6) within 30 days from the end of the Financial Year	Amount Transferred after the due date
2023-24	33,71,612	33,71,612	-
2022-23	38,47,842	38,47,842	-

**For Rao and Emmar.,**  
Chartered Accountants  
Firm Reg.No. 003084S

**S B Subhash**  
Partner  
Membership No.212948

Place: Bengaluru  
Date: 20<sup>th</sup> May 2024

**Annexure B to Auditors' report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **M/s. SIKA INTERPLANT SYSTEMS LIMITED** ("the Company") as of March 31st, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

**For Rao and Emmar,**  
Chartered Accountants  
Firm Reg.No.0030845

**S B Subhash**  
Partner  
Membership No.212948

Place: Bengaluru  
Date:20<sup>th</sup> May 2024

SIKA INTERPLANT SYSTEMS LIMITED  
CIN -L29190KA1985PLC007363  
NO.3, GANGADHAR CHETTY ROAD, BANGALORE – 560042

## BALANCE SHEET AS AT 31st MARCH, 2024

(Rs. In Lakhs)

Particulars	Note No.	31st March 2024	31st March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a)Property, Plant and Equipment	2(a)	4,191.97	3,465.49
(b)Capital work-in-progress	2(c)	28.58	28.58
(c)Investment Property		-	-
(d)Goodwill		-	-
(c)Other Intangible assets	2(b)	1.92	1.71
(f)Intangible assets under development		-	-
(g)Biological Assets other than bearer plants		-	-
(d)Financial Assets			
i.Investments	3	3,211.63	2,153.91
ii.Trade receivables		-	-
iii.Loans	4	128.05	119.72
(i)Deferred tax assets (net)	5	27.02	-
(e)Other non-current assets	6	374.39	54.01
<b>Current assets</b>			
(a)Inventories	7	241.21	704.26
(b)Financial Assets		-	-
i.Investments		-	-
ii.Trade receivables	8	1,088.25	1,255.39
iii.Cash and Cash equivalents	9(a)	66.62	81.64
iv.Bank balances other than (ii) above	9(b)	2,377.94	2,303.29
v. Loans		-	-
vi.others	10	390.95	89.19
(c)Current Tax Assets(Net)	19	-	7.15
(d)Other current assets	11	27.01	19.31
<b>Total Assets</b>		<b>12,155.55</b>	<b>10,283.64</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a)Equity Share Capital	12	424.02	424.02
(b)Other Equity	13	9,913.14	8,126.48
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
(a)Financial Liabilities			
i.Borrowings		-	-
ii.Trade payables	0	-	-
iii.Other financial Liabilities	0	-	-
(b)Provisions	14	319.73	267.28
(c)Deffered tax Liabilities(Net)	5	-	4.58
(d)Other non-current liabilities	15	16.70	16.70
<b>Current Liabilities</b>			
(a)Financial Liabilities			
i.Borrowings		-	-
ii.Trade payables	16	-	-
(A) total outstanding dues of micro enterprises and small enterprises; and		19.36	31.41
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		815.02	813.74
iii.Other financial Liabilities		-	-
(b)Other current Liabilities	17	586.83	539.99
(c)Provisions	18	57.19	59.44
(d)Current Tax Liabilities(Net)	19	3.56	-
<b>Total Equity and Liabilities</b>		<b>12,155.55</b>	<b>10,283.64</b>

Significant accounting policies  
Notes to accounts

1  
2-51

The notes referred to above form an integral part of the financial statements.  
This is the Balance Sheet referred to in our report of even date.

**For Rao and Emmar**  
Chartered Accountants  
FRN: 004084S

**For and on behalf of the Board of Directors**

**S B Subhash**  
Partner  
Membership No.212948

**Rajeev Sikka**  
Executive  
Chairman  
DIN: 00902887

**Kunal Sikka**  
Managing Director & CEO  
DIN: 05240807

Place: Bengaluru  
Date:20-05-2024

**R N Chawhan**  
Director  
DIN: 00568833

**Barun Pandey**  
Company Secretary  
M No. A39508

**Sathish KS**  
Chief financial Officer  
PAN: AZZPS1377G

IKA INTERPLANT SYSTEMS LIMITED  
CIN -L29190KA1985PLC007363  
NO.3, GANGADHAR CHETTY ROAD, BANGALORE – 560042

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2024		(Rs. In lakhs)	
Particulars	Note No.	31st March 2024	31st March 2023
<b>REVENUE</b>			
Revenue from Operations	20	10,603.38	6,001.16
Other income	21	536.06	300.94
<b>Total Revenue</b>		<b>11,139.44</b>	<b>6,302.10</b>
<b>EXPENSES</b>			
Cost of material, consumables and products	22	6,795.39	4,022.88
Changes in inventory of work-in-progress	23	329.09	(382.92)
Employee benefits expense	24	765.97	706.01
Finance costs	25	12.63	21.47
Depreciation and amortisation expense	26	78.58	68.30
Other Expenses	27	718.88	630.96
<b>Total Expenses</b>		<b>8,700.52</b>	<b>5,066.70</b>
<b>Profit/(Loss) before exceptional &amp; extraordinary items &amp; tax</b>		<b>2,438.92</b>	<b>1,235.41</b>
Exceptional items	28	117.42	-
<b>Profit/(Loss) before extraordinary items &amp; tax</b>		<b>2,556.33</b>	<b>1,235.41</b>
Extraordinary items		-	-
<b>Profit/(Loss) before tax</b>		<b>2,556.33</b>	<b>1,235.41</b>
Less: Tax expenses			
Current tax		629.00	312.00
Tax expense for earlier years		4.38	3.83
Deferred tax		(32.04)	27.67
		-	-
<b>Profit/(Loss) after tax before other Comprehensive Income</b>		<b>1,954.99</b>	<b>891.91</b>
<b>Other Comprehensive Income, Net off Income Tax</b>			
A. (i) Items that will not be reclassified to Profit & Loss		-	-
- Actuarial (Loss)/Gain-Gratuity		1.71	20.14
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.43)	(5.07)
B. Items that will be reclassified to Profit & Loss			
<b>Total Comprehensive Income, Net of Income Tax</b>		<b>1.28</b>	<b>15.07</b>
<b>Profit/(Loss) for the period</b>		<b>1,956.27</b>	<b>906.98</b>
<b>Earnings per equity share</b>			
Basic and Diluted		46.14	21.39
Weighted no of shares		42,40,175	42,40,175
Diluted		-	-
Weighted no of shares		-	-
Significant accounting policies	1		

The notes referred to above form an integral part of the financial statements.  
This is the Statement of Profit & Loss referred to in our report of even date.

**For Rao and Emmar**  
Chartered Accountants  
FRN: 004084S

**For and on behalf of the Board of Directors**

**S B Subhash**  
Partner  
Membership No. 220210

**Rajeev Sikka**  
Executive Chairman  
DIN: 00902887

**Kunal Sikka**  
Managing Director & CEO  
DIN: 05240807

Place: Bengaluru  
Date: 20-05-2024

**R N Chawhan**  
Director  
DIN: 00568833

**Barun Pandey**  
Company Secretary  
M No. A39508

**Sathish KS**  
Chief financial Officer  
PAN: AZZPS1377G

SIKA INTERPLANT SYSTEMS LIMITED  
CIN -L29190KA1985PLC007363  
NO.3, GANGADHAR CHETTY ROAD, BANGALORE - 560042

CASH FLOW STATEMENT FOR THE YEAR ENDED

(Rs. In Lakhs)

	Particulars	31st March 2024		31st March 2023	
<b>A</b>	<b>Cash flows from operating activities</b>				
	Net Profit Before Taxation	2,556.33		1,235.41	
	<b>Adjustments for:</b>	-			
	Depreciation	78.58		68.30	
	Financial expenses (Considered under Financial Activities)	12.63		21.47	
	Interest Income (Considered under Investment Activities)	(205.90)		(172.24)	
	Profit on sale of Asset (Considered in Investment Activities)	(117.46)		(5.32)	
	Dividend Income (Considered in Investment Activities)	-		(0.02)	
	(Gain)/Loss on sale of Investments	(26.86)		(29.14)	
	Revaluation of Investments	(109.16)		(27.82)	
	<b>Operating Profit Before Working Capital Changes</b>		<b>2,188.16</b>		<b>1,090.62</b>
	(Increase)/ Decrease in Current Assets, Loans & Advances	327.87		(879.69)	
	Increase/(Decrease) in Current Liabilities	87.99		(203.23)	
	Working Capital changes		415.86		(1,082.91)
<b>Cash Generated from operations</b>		<b>2,604.02</b>		<b>7.71</b>	
Income Tax		(629.82)		(308.17)	
<b>Net cash from operating activities</b>		<b>1,974.20</b>		<b>(300.46)</b>	
<b>B</b>	<b>Cash flows from Investment activities</b>				
	Additions to Fixed Assets	(812.86)		(59.29)	
	Sale of Fixed Asset	125.04		5.32	
	Change in investments	(921.71)		(998.29)	
	Investment in Fixed Deposits at NBFCs	(328.70)		1,362.05	
	Change in Long term Loans & Advances	(328.70)		(7.62)	
	Dividend Income	-		0.02	
	Interest Income	205.90		172.24	
<b>Net cash from Investing activities</b>		<b>(1,806.97)</b>		<b>474.44</b>	
<b>C</b>	<b>Cash flows from financing activities</b>				
	Repayment of Loans, Deposits & Overdraft	-		-	
	Acceptance of Term Loans	-		-	
	Acceptance of Security Deposit	-		-	
	Finance Cost	(12.63)		(21.47)	
	Dividend Paid	(169.61)		(169.61)	
	Tax on Dividend	-		-	
<b>Net cash from Financing activities</b>		<b>(182.23)</b>		<b>(191.08)</b>	
<b>Net Increase / Decrease in cash and cash equivalents</b>		<b>(15.01)</b>		<b>(17.10)</b>	
Cash and cash equivalents at beginning of period	-	81.64	-	98.74	
<b>Cash and cash equivalents at end of period</b>		<b>66.62</b>		<b>81.64</b>	

**Notes to the cash flow statement:**

- 1 Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 : "Statement of Cash Flows" as specified in Section 133 of the Companies Act, 2013.

2 Component of Cash and Cash Equivalents as per Ind AS is as under:

Particulars	31-Mar-24	31-Mar-23
Cash in Bank	0.18	0.13
<b>Balance in banks</b>		
Current Accounts	11.46	6.17
EEFC Accounts	2.16	26.56
Demand Deposit Accounts	39.59	37.16
<b>Bank Overdraft</b>		
Canara Bank OCC 033	13.24	11.62
<b>Total</b>	<b>66.62</b>	<b>81.64</b>

3 Cash and cash equivalents at the end of the year 2023-24 represent cash and bank balances and include unrealized loss of 12,849/- Previous year ( for the F.Y.2022-23 of Rs. 21,906/- unrealized loss) on account of translation of foreign currency bank balances.

4 The previous year's figure have been recast, restated wherever necessary to confirm to the current presentation.

5 This is the Cash Flow Statement referred to in our Audit report of even date.

**For Rao and Emmar**  
Chartered Accountants  
FRN: 004084S

**S B Subhash**  
Partner  
Membership No. 220210

Place: Bengaluru  
Date:20-05-2024

**For and on behalf of the  
Board of Directors**

**Rajeev Sikka**  
Executive Chairman  
DIN: 00902887

**Kunal Sikka**  
Managing Director & CEO  
DIN: 05240807

**R N Chawhan**      **Barun Pandey**  
Director              Company Secretary  
DIN: 00568833      M No. A39508

**Sathish KS**  
Chief financial Officer  
PAN: AZZPS1377G

## SIKA INTERPLANT SYSTEMS LIMITED

CIN -L29190KA1985PLC007363

NO.3, GANGADHAR CHETTY ROAD BANGALORE - 560042

NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>st</sup> MARCH , 2024

## NOTE :3 -Non - Current Investments

(Rs. In Lakhs)

Particulars	31st March 2024	31st March 2023
<b>Investments (At cost)</b>		
<b>Investments in equity instruments in Subsidiaries</b>		
<b>Unquoted, Fully paid up</b>		
Investment in EMSAC Pvt Ltd. [Current Year- 5,00,000/- Equity Shares of Re. 1/- Each (Previous Year- 5,00,000 equity shares of Re.1/-Each)]	2.68	2.68
Investment in Sika Tourism Pvt Ltd., [Current Year- 1,00,000 Equity Shares of Re. 1/- Each (Previous Year- 1,00,000 equity shares of Re.1/-Each)]	1.00	1.00
Sikka N Sikka Engineers Pvt. Ltd [Current Year- 6,000 Equity Shares of Rs. 100/- Each (Previous Year- 6,000 equity shares of Rs 100/-Each)]	126.98	126.98
Investment in Aerotek Sika Aviosystems Pvt Ltd., [Current Year- 46,290 Equity Shares of Rs. 100/- Each (Previous Year- 46,290 Equity Shares of Rs. 100/- Each)]	46.75	46.75
<b>Investments in Mutual Fund</b>		
Avendus Capital Public Markets Alternate Strategies (Investment Value Rs. 5,00,00,000/-)		525.93
Birla Dynamic Bond Fund (Current year - 13,805.290 units of Rs. 38.6857) (Previous year - 13,805.290 units of Rs. 36.1244 )	5.75	5.34
UNIFI AIF (Current year - 1,93,667.32 units of Rs. 229.918 each) (Previous year - 1,93,667.32 units of Rs. 215.32 each)	475.62	445.28
HDFC Banking & PSU Debt Fund RP Growth (Current year -20,61,656.939 units of Rs. 19.4009 each)	429.42	399.98
ICICI Banking PSU Debt Fund - RP Growth (Current year -14,51,991.146 units of Rs. 27.5470 each)	430.60	399.98
KOTAK Banking & PSU Debt Fund RP - Growth (Current year - 3,63,094.666 units of Rs. 55.0793 each)	214.80	199.99
Aditya Birla Sun Life Liquid Fund - Gr (Current year - 3,83,241.867 units of Rs.385.6632 each)	1,478.02	-
<b>Total</b>	<b>3,211.63</b>	<b>2,153.91</b>

## Note:

a) Aggregate amount of quoted investments	2,558.60	1,531.22
b) Aggregate amount of unquoted investments	653.03	622.69
<b>Total</b>	<b>3,211.63</b>	<b>2,153.91</b>
c) Aggregate market value of listed and quoted investments		
d) Aggregate Provision for diminution in value of investments		

## Note 4 - Non Current Loans and advances

Particulars	31st March 2024	31st March 2023
(Unsecured, considered good) Loans to related parties	128.05	119.72
<b>Total</b>	<b>128.05</b>	<b>119.72</b>

## Note 5 - Deferred Tax Asset / (Liability) (Net)

Particulars	31st March 2024	31st March 2023
The Accumulated impact of deferred tax arising on account of timing differences and expected to be reversed during the forthcoming years is recognised as an adjustment to balance of profit and loss as prescribed in Ind AS 12. The composition of accumulated deferred tax liability is as follows.		
<b>Deferred tax Liability</b>		
Related to Fixed Assets- Depreciation	79.04	80.47
On Account of (Gain)/Loss on Investment	(27.47)	(7.00)
	-	-
<b>Deferred Tax asset</b>		
Related to expenditure temporarily disallowed under the Income Tax Act, 1961	79.02	73.95
On Account of Actuarial Loss	(0.43)	(5.07)
<b>Deferred Tax Asset / (Liability) (Net)</b>	<b>27.02</b>	<b>(4.58)</b>



**Note 6 - Other Non Current Assets**

Particulars	31st March 2024	31st March 2023
Advance for Investment	320.00	-
Security Deposits	48.68	48.31
Rental Deposits	5.71	5.71
<b>Total</b>	<b>374.39</b>	<b>54.01</b>

**NOTE 7-Inventories**

Particulars	31st March 2024	31st March 2023
Raw material (Valued at landed cost which includes freight)	28.72	162.68
Work-in-Progress-Goods (Valued at cost)	205.74	531.29
Work-in-Progress-Services (Valued at cost)	6.75	10.29
<b>Total</b>	<b>241.21</b>	<b>704.26</b>

**NOTE 8-Trade Receivables**

Particulars	31st March 2024	31st March 2023
(Unsecured, considered good)		
Trade Receivables - Related parties	-	-
Trade Receivables - Others	1,088.25	1,255.39
<b>Total</b>	<b>1,088.25</b>	<b>1,255.39</b>

**(Refer Note No - 38)\*****NOTE :9(a)-Cash & Bank Balances**

Particulars	31st March 2024	31st March 2023
<b>Cash on hand</b>	0.18	0.13
<b>Balances with Banks</b>		
Current Accounts	11.46	6.17
EEFC Accounts	2.16	26.56
Demand Deposit Accounts	39.59	37.16
Canara Bank OCC 033 (Working capital loans are secured by primary charge over book debts, stock and pari passu charge land at Bommsandra)	13.24	11.62
<b>Total</b>	<b>66.62</b>	<b>81.64</b>

**NOTE :9(b)-Bank balances other than cash and cash equivalents**

Particulars	31st March 2024	31st March 2023
<b>Balances with Banks</b>		
held as margin money	142	119.53
balance in unclaimed dividend account	8	7.24
Demand Deposit Accounts	2,192	2,162.94
CSR Account	36	13.58
<b>Total</b>	<b>2,377.94</b>	<b>2,303.29</b>

**Note 10 - Financial Assets - Others**

Particulars	31st March 2024	31st March 2023
(Unsecured, considered good)		
Balances with Government Authorities	67.17	26.34
Advances to Creditors	318.23	56.62
Advance given to Employees	5.55	6.23
Deposits with NBFCs	-	-
<b>Total</b>	<b>390.95</b>	<b>89.19</b>

**NOTE 11-Other current assets**

Particulars	31st March 2024	31st March 2023
(Unsecured, considered good)		
Income Tax refund receivable	11.11	8.34
Other receivables	0.40	0.06
Prepaid Expenses	15.50	10.91
Receivables from Related Parties		
<b>Total</b>	<b>27.01</b>	<b>19.31</b>

**NOTE:12-Share Capital**

Particulars	31st March 2024	31st March 2023
Authorized Share Capital (50,00,000 Equity Shares of Rs.10/- each) (Previous Year 50,00,000 Equity Shares of Rs. 10/- each)	500.00	500.00
<b>Equity Shares with Voting Rights</b> Issued, Subscribed & Paid Up Share Capital (42,40,175 Equity Shares of Rs.10/- each fully paid up) (previous year 42,40,175 shares of Rs. 10/- each ) (Of the above shares 26,00,000 shares are issued for consideration other than cash)	424.02	424.02
<b>Total</b>	<b>424.02</b>	<b>424.02</b>

**(a) Reconciliation of number of Shares outstanding at the beginning & at the end of the reporting period**

Particulars	31st March 2024	31st March 2023
Shares outstanding at the beginning	42,40,175	42,40,175
Shares Issued during the period	-	-
Capital Reduction during the Period	-	-
Shares outstanding at the end	42,40,175	42,40,175

(b) The Company has only one class of shares ("Equity Shares"), having a face value of Rs 10 each.

(c) Shares in company held by each shareholders holding > 5% shares specifying number of shares held

Particulars	31st March 2024	31st March 2023
Ultraweld Engineers LLP		
No of shares	29,72,315	29,72,315
% Held	70.10	70.10
<b>Total</b>	<b>29,72,315.00</b>	<b>29,72,315.00</b>

(d) No shares are reserved for issue under options or contracts/commitments for the sale of shares/ dis-investment.

(e) There are no calls unpaid by directors or officers of the company.

(f) Details of Shares held by Promoter Holding Company

Particulars	31st March 2024	31st March 2023
Ultraweld Engineers LLP		
No of shares	29,72,315	29,72,315
% Held	70.10	70.10
% Change during the year	-	-
<b>Total</b>	<b>29,72,315.00</b>	<b>29,72,315.00</b>

**NOTE:14- Long-Term Provisions**

Particulars	31st March 2024	31st March 2023
<b>Provision for employee benefits</b>		
Leave Encashment (Unfunded)	258.05	225.13
Gratuity	61.68	42.15
<b>Total</b>	<b>319.73</b>	<b>267.74</b>

**NOTE :15-Other Non current liabilities**

Particulars	31st March 2024	31st March 2023
Security Deposits	16.70	16.70
<b>Total</b>	<b>16.70</b>	<b>16.70</b>

**NOTE :1-Current Borrowings**

Particulars		31st March 2023
<b>Loans Repayable on Demand</b> Canara Bank OCC 033 (Working capital loans are secured by primary charge over book debts, stock and pari passu charge land at Bommsandra)		-
<b>Total</b>		-

**NOTE :16-Trade Payables**

Particulars	31st March 2024	31st March 2023
<b>Dues to</b> Micro and Small Enterprises Trade Payables- Others	19.36 815.02	31.41 813.74
<b>Total</b>	<b>834.38</b>	<b>845.14</b>

(Refer Note No - 39)\*

**NOTE :17-Other Current Liabilities**

Particulars	31st March 2024	31st March 2023
<b>Other payables</b> Statutory Remittances Payables to related parties Unclaimed Dividend Salary Payables to Employees Advances from Customer for Supplies/Services Professional fee Payable Advance Rent Other payables	28.21 26.04 8.14 26.52 470.53 8.44 17.29 1.66	19.25 20.39 7.24 23.82 448.20 4.62 16.46 1.28
<b>Total</b>	<b>586.83</b>	<b>541.27</b>

**NOTE :18-Current Provisions**

Particulars	31st March 2024	31st March 2023
<b>Provision for employee benefits</b> Leave Encashment Provision for Bonus Gratuity Provision	18.60 13.42 25.17	16.95 12.76 29.73
<b>Total</b>	<b>57.19</b>	<b>59.44</b>

**NOTE :19-Current Tax Asset / (Liabilities) (Net)**

Particulars	31st March 2024	31st March 2023
Income tax Refund / (Payable)	(3.56)	7.15
<b>Total</b>	<b>(3.56)</b>	<b>7.15</b>

**NOTE :20-Revenue From Operations**

Particulars	2023-24	2022-23
Sale of Engineering Products Sale of Engineering Systems Sale of Services	6,231.26 4,314.87 57.24	3,661.63 2,047.59 291.95
<b>Total</b>	<b>10,603.38</b>	<b>6,001.16</b>

**NOTE:21-Other Income**

Particulars	2023-24	2022-23
Interest Income Rental Income Gain on sale of Investment Other income LD Received Profit on sale of Assets Revaluation of Investments at Fair Value Foreign Exchange Gain(Net) Dividend Income	205.90 67.56 26.86 0.19 100.91 0.04 109.16 25.45 -	172.24 66.15 29.14 0.24 - - 27.82 - -
<b>Total</b>	<b>536.06</b>	<b>295.60</b>

**NOTE:22-Cost of material, consumables and products**

Particulars	2023-24	2022-23
Opening Stock	162.68	244.77
Purchases	6,661.42	3,940.80
Closing Stock	28.72	162.68
<b>Total</b>	<b>6,795.39</b>	<b>4,022.88</b>

**NOTE:23-Changes in inventory of work-in-progress**

Particulars	2023-24	2022-23
<b>Goods</b>		
Inventory at the end of the year	205.74	531.29
Inventory at the beginning of the year	531.29	154.90
<b>Services</b>		
Inventory at the end of the year	6.75	10.29
Inventory at the beginning of the year	10.29	3.76
<b>Net (Increase)/Decrease</b>	<b>329.09</b>	<b>(382.92)</b>

**NOTE:24-Employee Benefits Expense**

Particulars	2023-24	2022-23
Salaries & Wages	656.37	610.81
Bonus & Ex-Gratia	64.23	49.71
Contribution to provident & Other Funds	31.60	31.69
Staff Welfare Expenses	13.77	13.80
<b>Total</b>	<b>765.97</b>	<b>706.01</b>

**NOTE:25-Finance Costs**

Particulars	2023-24	2022-23
Bank Guarantee/Letter of Credit, Commission	11.82	13.34
Interest Expense	0.48	0.11
Processing Charges	0.32	8.02
<b>Total</b>	<b>12.63</b>	<b>21.47</b>

**NOTE:26-Depreciation And Amortisation Expense**

Particulars	2023-24	2022-23
Tangible Asset	77.83	67.78
Intangible Asset	0.74	0.52
<b>Total</b>	<b>78.58</b>	<b>68.30</b>

**NOTE:27-Other Expenses**

Particulars	2023-24	2022-23
<b>Manufacturing &amp; Operating Expenses</b>		
Electricity and Water Charges	12.98	10.57
Repairs & Maintenance - Factory, Building, etc	92.94	108.33
Professional Fees	48.02	36.37
Contract Labour	25.08	51.51
<b>Administration Expenses</b>		
Advertisement Expenses	1.60	0.93
AGM Expenses	0.03	0.44
Bank Charges	5.59	4.36
Business promotion Expenses	27.19	21.42
Communication Expenses	3.08	3.03
CSR Expenses	12.41	6.25
Commission & Brokerage	32.75	-
Capital Loss	0.57	-
Donations	0.20	0.32
Electricity and Water Charges	4.13	4.15
Foreign Exchange Loss (Net)	-	24.67
Insurance	6.35	7.10
LD Charges	48.37	19.36
Legal & Professional Charges	89.49	86.21
Listing fees	3.25	3.00
Membership & Subscription Charges	10.08	8.52
Office Expenses	20.55	14.42
Payment to Auditors	5.00	3.25
Postage & Courier Charges	0.53	2.42
Printing and Stationary	3.27	3.13
Rates & Taxes	2.36	5.24
Rent	17.64	17.64
Repair & Maintenance	13.37	11.16
Seminar & Exhibition Charges	7.99	18.86
Service Contract Charges	12.02	9.82
Sitting Fee and Incentive to Independent Director	1.90	2.30
Travelling & Conveyance	186.41	138.84
Transaction Fees	13.50	-
Vehicle Maintenance	10.21	7.36
<b>Total</b>	<b>718.88</b>	<b>630.96</b>

**NOTE:28-Exceptional items**

Particulars	2023-24	2022-23
Profit on Sale of asset	117.42	5.32
<b>Total</b>	<b>117</b>	<b>5.32</b>

**Note 29 - Corporate social responsibility Expenditure**

Details of Amount spent towards CSR given below

Particulars	2023-24	2022-23
1. Amount required to be spent by the company during the year	78.30	50.84
2. Amount of expenditure incurred on: (i) Construction/acquisition of any asset (ii) On purpose other than (i) above	- 6.11	- 6.25
3. Shortfall at the end of the year	72.19	44.59
4. Total of previous years shortfall	72.19	44.59
5. Reason for shortfall	Running Project	Running Project
6. Nature of CSR activities	Supporting Health Initiatives	Supporting Health Initiatives
7. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :	-	-

Particulars	2023-24	2022-23
Contribution /Acquisition of any asset On purpose other than mentioned above	- 6.11	- 6.25

Particulars	2023-24	2022-23
Opening Balance With Company In separate Bank account	- 44.59	- 19.18
Amount required to be spent during the year	33.72	31.66
Amount spent during the year From Company's Bank account From Separate CSR unspent account	- - 6.11	- - 6.25
Closing Balance With Company In separate Bank account	- - 72.19	- - 44.59

**Note 30 - Payments to Auditors during the year**

Particulars	2023-24	2022-23
As Auditor For Tax Auditor	3.50 0.75	2.50 0.75
<b>Total</b>	<b>4.25</b>	<b>3.25</b>

**Note 31 - Contingent Liability and Commitments**

Particulars	2023-24	2022-23
Bank Guarantee	632.60	716.61
<b>Total</b>	<b>632.60</b>	<b>716.61</b>

**Note 32 - Disclosures in respect of Micro and Small Enterprises:**

The amount due as at 31st March, 2023 to suppliers under requiring disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is Rs.19.36 Lakhs. The disclosures pursuant to the said Act are as under -

Particulars	2023-24	2022-23
Principal amount due to suppliers under MSMED Act, 2006	19.36	30.67
Interest accrued, due to suppliers under MSMED Act on the above amount and unpaid		
Payment made to suppliers (other than interest) beyond the appointed day during the year		
Interest paid to suppliers under MSMED Act (other than Section 16)		
Interest paid to suppliers under MSMED Act (Section 16)		
Interest due and payable towards suppliers under MSMED Act for payments already made		
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act		

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

**Note 33** - Capital Reserve and Securities Premium have arisen pursuant to a scheme of merger approved by the Honourable High Court of Karnataka.

**Note 34 - Sale by class of goods and services**

Particulars	2023-24	2022-23
1. Engineering Systems		
a. Handling Systems	2,106.28	977.01
b. Aerospace system	1,918.79	869.91
b. Others	150.83	200.66
2. Engineering Products		
a. Servo Products	3,928.09	1,668.12
b. Aircraft parts	2,058.90	1,364.80
b. Others	367.50	628.71
3. Sale of Engineering Services		
a. Design and Drawings	64.51	282.99
b. Others	8.47	8.96
<b>Total</b>	<b>10,603.37</b>	<b>6,001.16</b>

**Note 35 - Expenditure in Foreign Currency**

Particulars	2023-24	2022-23
Stock in Trade, Raw Materials and Components	4,253.20	2,806.65
Travelling Expenses	69.90	45.68
<b>Total</b>	<b>4,323.10</b>	<b>2,852.33</b>

**Note 36 - Earnings in Foreign Currency (FOB Basis)**

Particulars	2023-24	2022-23
Export of Services	57.24	291.95
Export of Goods	54.60	81.10
<b>Total</b>	<b>111.84</b>	<b>373.05</b>



SIKA INTERPLANT SYSTEMS LIMITED  
CIN - L29190KA1985PLC007363

NOTE:2-FIXED ASSETS

Description	Life Span of Assets in Years	GROSS BLOCK ( AT COST)			DEPRECIATION			NET BLOCK	
		As at 01/04/2023	Additions	Deletions	As at 31/03/2024	Additions	Deletions	As at 31/03/2024	As at 31/03/2023
<b>a) Tangible Assets</b>									
Freehold Land at Bommasandra		2,543.82	-	-	2,543.82	-	-	2,543.82	2,543.82
Freehold Land at Thimmanahalli		7.58	-	7.58	-	-	-	-	7.58
Land- Indiranagar			801.01	-	-	-	-	801.01	-
Lease Hold land at Mysore*									
Building	30	58.83	-	-	58.83	-	-	58.83	58.83
Roads	10	745.85	-	-	745.85	-	-	745.85	585.90
Plant and Machinery	15	20.65	-	-	20.65	-	-	20.65	6.19
Furniture and Fixtures	10	190.72	1.08	-	191.80	0.88	-	114.37	92.10
Vehicles	8	94.07	0.88	-	94.95	0.88	-	79.01	21.97
Office Equipment	5	259.00	-	-	259.00	-	-	158.09	132.38
Computers	3	81.72	4.68	0.29	86.10	4.68	0.29	73.79	12.84
Servers and Networking	6	48.82	4.25	-	53.07	4.25	-	47.90	3.88
		5.32	-	-	5.32	-	-	5.32	-
<b>Subtotal (a)</b>		<b>4,056.38</b>	<b>811.90</b>	<b>7.88</b>	<b>4,059.40</b>	<b>77.83</b>	<b>0.29</b>	<b>668.44</b>	<b>4,191.97</b>
<b>Previous year Figures</b>		<b>35,87,13,760.00</b>			<b>2,05,82,399.00</b>			<b>2,05,82,399.00</b>	<b>33,81,31,361.00</b>
<b>b) Intangible Assets</b>									
Software	6	17.69	0.96	-	18.65	0.96	-	16.73	1.92
<b>Subtotal (b)</b>		<b>17.69</b>	<b>0.96</b>		<b>18.65</b>	<b>0.96</b>		<b>16.73</b>	<b>1.92</b>
<b>Previous year Figures</b>		<b>14,31,787.00</b>			<b>4,64,977.00</b>	<b>2,57,917.00</b>		<b>7,22,894.00</b>	<b>9,66,810.00</b>
<b>c) Capital Work In Progress - Tourism Project</b>									
		28.58	-	-	28.58	-	-	-	28.58
<b>Subtotal (c)</b>		<b>28.58</b>			<b>28.58</b>			<b>28.58</b>	<b>28.58</b>
<b>Previous year Figures</b>									
<b>Total (a+b+c)</b>		<b>4,102.66</b>	<b>812.86</b>	<b>7.88</b>	<b>4,106.63</b>	<b>78.88</b>	<b>0.29</b>	<b>685.17</b>	<b>4,222.47</b>
<b>Previous Year</b>		<b>4,058.94</b>	<b>59.29</b>	<b>15.57</b>	<b>4,102.66</b>	<b>68.30</b>	<b>15.57</b>	<b>606.88</b>	<b>3,495.77</b>

(i) The recoverable amount of all assets exceeds the carrying amount as at 31st March 2024, hence the Company has not recognized any impairment losses.

(ii) During the year, the Company has reviewed the useful life of all category/subcategory of the Fixed Assets, in the context of useful life prescribed under Schedule II of the Companies Act, 2013.

(iii) The Depreciation is charged on Straight Line basis over the useful life of the assets as per Schedule II of the Companies Act, 2013.

(iv)\* Kamataka Industrial Area Development Board ( KIADB) had allotted land aggregating to 8.33 acres to the Company for Rs.58,82,629/- on a lease-cum-sale agreement basis for Tourism Project in Mysore

**Capital Work-in-Progress Ageing Schedule**

Particulars	Amount in CWIP for a period of			TOTAL
	Less than 1 year	1 - 2 years	2 - 3 years	
<b>Projects in Progress</b>	-	-	-	-
<b>Projects temporarily suspended</b>	-	-	-	-
Project I - Mysore Tourism Project	-	-	28.58	28.58
<b>TOTAL</b>	-	-	-	<b>28.58</b>

SIKA INTERPLANT SYSTEMS LIMITED CIN - L29190KA1985PLC007363 No.3, Gangaadhar Chetty Road, Bangalore 560042														
Note-13-Statement of Changes in Equity for the year ended 31st March, 2024														
A) Equity Share Capital														
Balance at the beginning of the reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period						Balance at the end of the current reporting period				
424.02	-	-	-	424.02						-				
B) Other Equity														
	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings								
Balance at the beginning of the reporting period	-	-	606.76	1,779.67	44.01	5,696.03	-	-	-	-	-	-	-	8,126.48
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	(169.61)	-	-	-	-	-	-	(169.61)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	1,956.27	-	-	-	-	-	-	-	1,956.27
Balance at the end of the reporting period	-	-	606.76	1,779.67	44.01	7,482.70	-	-	-	-	-	-	-	9,913.14



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Note-13-Statement of Changes in Equity for the year ended 31st March, 2023

A) Equity Share Capital

Balance at the beginning of	Changes in Equity Share	Restated balance at the beginning	Changes in equity share capital	Balance at the end of the
424.02	-	-	-	424.02

B) Other Equity

	Share application money pending	Equity component of compound financial	Reserves and Surplus				Debt instruments through Other	Equity Instruments through Other	Effective portion of Cash Flow	Revaluation Surplus	Exchange differences on translating the financial	Other items of Other Comprehensive	Money received against share	Total
			Capital Reserve	Securities Premium	General Reserve	Retained Earnings								
Balance at the beginning of the reporting period	-	-	606.76	1,779.67	44.01	4,951.01	-	-	-	-	-	-	-	7,381.45
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends retained earnings	-	-	-	-	-	(169.61)	-	-	-	-	-	-	-	(169.61)
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	914.63	-	-	-	-	-	-	-	914.63
Balance at the end of the reporting period	-	-	606.76	1,779.67	44.01	5,696.03	-	-	-	-	-	-	-	8,126.48

**SIKA INTERPLANT SYSTEMS LIMITED**  
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**Note- 37 - Ageing Schedule for Trade Receivables**

a As of 31st March, 2024 (Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	<6 Months	6m-1 Year	1-2 Years	2-3 Years	>3 Years	
<u>(I) Considered Good - Secured</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(II) Considered Good - Unsecured</u>						
a) Undisputed Trade receivables	1,085.32	2.93	-	-	-	1,088.25
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(III) Trade Receivables which have significant increase in credit risk</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(IV) Trade Receivables – credit impaired</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,085.32</b>	<b>2.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,088.25</b>

b As at 31st March, 2023 (Rs. In lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	<6 Months	6m-1 Year	1-2 Years	2-3 Years	>3 Years	
<u>(I) Considered Good - Secured</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(II) Considered Good - Unsecured</u>						
a) Undisputed Trade receivables	1,255.39	-	-	-	-	1,255
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(III) Trade Receivables which have significant increase in credit risk</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(IV) Trade Receivables – credit impaired</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,255.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,255.39</b>

**SIKA INTERPLANT SYSTEMS LIMITED**  
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**Note - 38- Ageing Schedule for Trade Payables**

(Rs. In lakhs)							
<b>a As at 31st March, 2024</b>							
Particulars	Unbilled Payables	Not Due	Outstanding for following periods from due date of payment				Total
			< 1 Year	1-2 Years	2-3 Years	> 3 Years	
<u>(i) Dues to Micro, Small and Medium Enterprise (MSME)</u>							
a) Disputed Dues	-	-	-	0.72	-	-	0.72
b) Undisputed Dues	-	-	18.64	-	-	-	18.64
<u>(ii) Dues to Others</u>							
a) Disputed Dues	-	-	-	-	-	-	-
b) Undisputed Dues	-	-	783.57	31.45	-	-	815.02
<b>TOTAL (i+ii)</b>	-	-	<b>802.21</b>	<b>32</b>	-	-	<b>834.38</b>
<b>b As at 31st March, 2023</b>							
Particulars	Unbilled Payables	Not Due	Outstanding for following periods from due date of payment				Total
			< 1 Year	1-2 Years	2-3 Years	> 3 Years	
<u>(i) Dues to Micro, Small and Medium Enterprise (MSME)</u>							
a) Disputed Dues	-	-	-	-	-	-	-
b) Undisputed Dues	-	-	31.40	-	-	-	31.40
<u>(ii) Dues to Others</u>							
a) Disputed Dues	-	-	-	-	-	-	-
b) Undisputed Dues	-	-	813.74	-	-	-	813.74
<b>TOTAL (i+ii)</b>	-	-	<b>845.14</b>	-	-	-	<b>845.14</b>

**Note- 39- Disclosure of borrowings obtained on basis of security of current assets****F.Y. 2023-24**

The Company has not utilised any of its available overdraft facility/cash credit during the year. Hence, no submission relating to the securities were given to the Bank/ Financial institutions.(Same as CY)

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

The Company has utilised all its borrowed fund for the purpose for which it was obtained.

**Note - 40 - Disclosure pursuant to Ind AS 1 "Presentation of financial statements":**

1 Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

Particulars	Note	As at 31-03-2024			As at 31-03-2023		
		Within Twelve months	After Twelve months	Total	Within Twelve months	After Twelve months	Total
Current Assets							
(a)Inventories	7	241.21	-	241.21	704.26	-	704.26
(b)Financials Assets		-	-	-	-	-	-
i.Investments		-	-	-	-	-	-
ii.Trade receivables	8	1,088.25	-	1,088.25	1,255.39	-	1,255.39
iii.Cash and Cash equivalents	9(a)	66.62	-	66.62	81.64	-	81.64
iv.Bank balances other than (iii) above	9(b)	2,377.94	-	2,377.94	2,303.29	-	2,303.29
v. Loans		-	-	-	-	-	-
vi.others	10	390.95	-	390.95	89.19	-	89.19
(c) Current Tax Assets (Net)		-	-	-	7.15	-	7.15
(d)Other current assets	11	27.01	-	27.01	19.31	-	19.31
<b>Total</b>		<b>4,191.99</b>	<b>-</b>	<b>4,191.99</b>	<b>4,460.22</b>	<b>-</b>	<b>4,460.22</b>

2 Current Liabilities expected to be paid within twelve months and after twelve months from the reporting date:

Particulars	Note	As at 31-03-2024			As at 31-03-2023		
		Within Twelve months	After Twelve months	Total	Within Twelve months	After Twelve months	Total
Current Liabilities							
(a)Financial Liabilities							
i.Borrowings	17	-	-	-	-	-	-
ii.Trade payables	18	834.38	-	834.38	845.14	-	845.14
(b)Other current Liabilities	19	586.83	-	586.83	539.99	-	539.99
(c)Provisions	20	57.19	-	57.19	59.44	-	59.44
(d)Current Tax Liabilities(Net)	21	3.56	-	3.56	-	-	-
<b>Total</b>		<b>1,481.96</b>	<b>-</b>	<b>1,481.96</b>	<b>1,444.58</b>	<b>-</b>	<b>1,444.58</b>

**Note - 41- Operating Segment Information**

The Company's operations predominantly consist of manufacturing/trading of Aerospace and Defence equipments and other sales does not contribute to 10% or more of the Company's total sales. Hence there are no reportable segments under Ind AS-108 'Segment Reporting'.

The Executive chairman and Managing directors of the company has been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

**Note-42** The disclosure as per Indian Accounting Standard 19 "Employee Benefits" are given below

**a) Defined Contribution Plans**

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

Particulars	2023-24	2022-23
Employer's Contribution to Provident Fund	25.04	23.37
Employer's Contribution to Pension Scheme	4.73	6.22
<b>Total</b>	<b>29.77</b>	<b>29.59</b>

**b) Defined Benefit Plans**

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

Particulars	Gratuity	
	2023-24	2022-23
<b>Components of Employer Expenses</b>		
Current Service cost	11.40	10.90
Past service cost - Plan Amendment	-	-
Interest on Obligations	22.58	21.97
Expected Return on Plan Assets	(17.18)	(12.79)
Net actuarial loss/ (gain) recognized during the year	(1.71)	(20.13)
<b>Total Expenses recognised in the Statement of Profit &amp; Loss</b>	<b>15.09</b>	<b>(0.05)</b>
<b>Net asset/ (liability) recognised in the Balance Sheet</b>		
Present Value of defined benefit Obligation	329.66	301.35
Fair value of plan assets	242.80	229.47
Funded status[Surplus/(deficit)]	(86.85)	(71.87)
Unrecognised past service costs	-	-
<b>Change in defined benefit obligations(DBO) during the year</b>		
Present Value of DBO at beginning of the year	0.00	-
Current Service Cost	11.40	10.90
Interest Cost	22.58	21.97
Prior Service Costs	-	-
Actuarial(Gains)/Losses	(3.64)	(22.29)
Benefits Paid	(2.04)	(2.80)
Present Value of DBO at end of the year	0.00	0.00
<b>Change in fair value of assets during the year</b>		
Plan Assets at Beginning of the year	0.00	-
Expected Return on Plan Assets	17.18	12.78
Employer Contribution	0.12	100.33
ActuarialGains/(Losses)	(1.93)	(2.16)
Benefits Paid	(2.04)	(2.80)
Plan Assets at End of the Year	0.00	0.00
Actual Return on Plan Assets	15.25	10.63
<b>Actuarial assumptions</b>		
Discount Rate	7.52%	7.52%
Expected Return on Plan Assets	0.50%	7.52%
Salary Escalation	11.00%	11.00%
Attrition rate	5.00%	5.00%

The discount rate is based on the prevailing market yields of Government of India securities as the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
The Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by LIC of India. Under the plan the eligible employees are entitled to Gratuity under a defined benefit plan.

Particulars	Leave Encashment	
	2023-24	2022-23
<b>Changes in Defined Obligations</b>		
Obligations at period beginning - Current	-	-
Obligations at period beginning - Non Current	242.08	233.02
Service Cost	38.46	33.65
Interest on Defined benefit obligation	18.17	17.47
Benefits settled	(0.94)	(1.16)
Actuarial (gain)/loss	(21.12)	(40.90)
<b>Obligations at period end</b>		
Current Liability (within 12 months)	18.60	16.95
Non Current Liability	258.05	225.13
<b>Changes in Plan Assets</b>		
Plans assets at period beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	-	-
Benefits settled	-	-
Plans assets at period end, at fair value	-	-
<b>Funded Status</b>		
Closing PBO	276.65	242.08
Closing Fair value of plan assets	-	-
Closing Funded status	-	-
Net Asset/(Liability) recognized in the Balance Sheet	(276.65)	(242.08)
<b>Expenses recognized in the P&amp;L account and Other Comprehensive Income</b>		
Service cost	38.46	33.65
Interest cost	18.16	17.47
Benefits paid	-	-
Actuarial (Gain)/Loss	(21.12)	(40.90)
<b>Net gratuity / leave cost</b>		
Experience Adjustment on Plan Liabilities		
Experience Adjustment on Plan Assets		
<b>Assumptions</b>		
Discount factor	7.22%	7.52%
Estimated rate of return on plan assets	0.00%	0.00%
Salary increase	11.00%	11.00%
Attrition rate	5.00%	5.00%

#### **FINANCIAL RISK MANAGEMENT**

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial asset includes loan, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

#### **MARKET RISK MANAGEMENT**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

##### **i. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows:

(Rs. In Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023
Floating rate borrowings	-	-	-
Fixed rate borrowings	-	-	-
<b>Total Borrowings</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at the end of reporting period, the company had the following variable rate borrowings.

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Weighted Avg Interest rate	Balance	% of Total Loans	Weighted Avg Interest rate	Balance	% of Total Loans
Cash Credit & Overdraft limit					-	
Vehicle Loan	-	-	-	-	-	-
<b>Net exposure to cash flow interest rate risk</b>		<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>

#### Sensitivity

A hypothetical 50 basis point shift in respective currency MIBORs and other benchmarks on the unhedged loans would result in a corresponding increase/decrease in interest cost for the Company on a yearly basis as follows:

Particulars	Impact on Profit and Loss after Tax		Impact on Equity	
	2023-24	2022-23	2023-24	2022-23
Interest rates -increase by 0.5% in INR interest rate*	-	-	-	-
Interest rates -Decrease by 0.5% in INR interest rate*	-	-	-	-

\*Holding all other variables constant

#### ii. Liquidity Risk Management:

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth project. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(Rs. In Lakhs)

As at March 31, 2024	Carrying Amount	On Demand	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings - Vehicle loan	-	-	-	-	-	-
Trade Payables	834.38	-	802.21	32.17	-	834.38
Other Current Liabilities	586.83	-	586.83	-	-	586.83
Provisions	57.19	-	57.19	-	-	57.19
Current tax liabilities(Net)	3.55	-	3.55	-	-	3.55
<b>Total</b>	<b>1,481.95</b>	<b>-</b>	<b>1,449.78</b>	<b>32.17</b>	<b>-</b>	<b>1,481.95</b>

(Rs. In Lakhs)

As at March 31, 2023	Carrying Amount	On Demand	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings - Vehicle loan	-	-	-	-	-	-
Trade Payables	845.14	-	845.14	-	-	845.14
Other Current Liabilities	539.99	-	840.43	-	-	840.43
Provisions	59.44	-	60.83	-	-	60.83
Current Tax Liabilities	-	-	-	-	-	-
<b>Total</b>	<b>1,444.57</b>	<b>-</b>	<b>1,746.40</b>	<b>-</b>	<b>-</b>	<b>1,746.40</b>

Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of reporting period:

Particulars	(Rs. In Lakhs)	
	As at 31st March,2024	As at 31st March,2023
Cash Credit	400.00	400.00
<b>Total</b>	<b>400.00</b>	<b>400.00</b>

**Note - 44 - Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures" :**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Significant accounting policies of the Company.

**a) Financial assets and liabilities**

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2024 and March 31, 2023

**As at March 31,2024**

Particulars	Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value
<b>Financial Assets</b>				
i.Investments - other than investments in subsidiary	-	3,034.22	-	1,976.54
ii.Trade receivables	-	-	1,088.00	1,255.39
iii.Cash and Cash equivalents	-	-	66.62	81.64
iv.Bank balances other than (iii) above	-	-	2,377.94	2,303.29
v. Loans	-	-	128.05	119.72
vi.others - Investment in subsidiary	-	-	177.41	177.41
<b>Total</b>		<b>3,034.22</b>	<b>3,838.02</b>	<b>5,913.99</b>
<b>Financial Liabilities</b>				
i.Borrowings	-	-	-	-
ii.Trade payables	-	-	834.38	845.14
<b>Total</b>	-	-	<b>834.38</b>	<b>845.14</b>

**As at March 31,2023**

Particulars	Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value
<b>Financial Assets</b>				
i.Investments - other than investments in subsidiary	-	1,976.54	-	1,976.54
ii.Trade receivables	-	-	1,255.39	1,255.39
iii.Cash and Cash equivalents	-	-	81.64	81.64
iv.Bank balances other than (iii) above	-	-	2,303.29	2,303.29
v. Loans	-	-	119.72	119.72
vi.others - Investment in subsidiary	-	-	177.41	177.41
<b>Total</b>	-	<b>1,976.54</b>	<b>3,937.45</b>	<b>5,913.99</b>
<b>Financial Liabilities</b>				
i.Borrowings	-	-	-	-
ii.Trade payables	-	-	845.14	845.14
<b>Total</b>	-	-	<b>845.14</b>	<b>845.14</b>



**Note - 45 - Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"**

## 1 Disaggregation of Revenue from Operations

(Rs. In Lakhs)

Type of Product or Services	Revenue as per Ind AS 115
Trading	6,231.27
Manufacturing	4,314.87
Services	57.24
<b>Total</b>	<b>10,603.38</b>

## 2 Movement in expected credit loss during the year

Particulars	Provisions for the Trade Receivable		Provisions for the Contract Asset	
	2023-24	2022-23	2023-24	2022-23
Opening Balance as at April 1	-	-	-	-
Changes in allowance for expected credit loss	-	-	-	-
Provision of allowance for expected credit loss	Nil	-	-	-
reversal of allowance for expected credit loss	-	-	-	-
Write off as bad debts	Nil	-	-	-
<b>Closing Balance as at March 31, 2024</b>	-	-	-	-

3 **Contract Balances**

## i. Movement in contract balances during the year.

Particulars	2023-24
<b>Receivables:</b>	
`-Non Current (Gross)	-
`-Current (Gross)	1,088.25
`-Loss Allowance(Non - Current)	-
`-Loss Allowance(Current)	-
<b>Contract Assets:</b>	
Unbilled Revenue	
`-Non Current	-
`-Current	-
`-Loss Allowance(Current)	-
<b>Contract Liabilities:</b>	
Advance received from customers	
`-Non Current	30.50
`-Current	440.04

## 4 Reconciliation of Contracted Price with the revenue during the year

(Rs. In Lakhs)

Particulars	2023-24
Opening Contracted price of order at the start of the year	9,602
<b>Add:</b>	
Fresh order/Change order received during the year	21,927
Increase due to additional consideration recognised as per contractual terms/(decrease) due to scope reduction-net	-
<b>Less:</b>	
Order Completed during the year	10,603
<b>Closing Contracted price of order at the end of the year</b>	<b>20,926</b>

## Note - 46- Ratios

(I)

Particulars	Formula	31/03/2024	31/03/2023	%	Reason for Variance
		Ratio	Ratio	Variance	
Current Ratio	Current assets/ Current liabilities	2.84	3.14	-10%	-
Debt-equity ratio	Total debt/ Total Equity	Not applicable			As the Company does not have any debt as on the balance sheet date, debt equity ratio does not apply.
Debt service coverage ratio	Earnings available for debt service/ Debt Service	Not applicable			As the Company does not have any debt as on the balance sheet date, debt service coverage ratio does not apply.
Return on equity ratio	[Net Profits after taxes – Preference Dividend (if any)]/ Average Shareholder's Equity	0.21	0.11	88%	The Company's profit for the year has increased compared to previous year, resulting in increase of return on equity.
Inventory turnover ratio	Cost of goods sold OR sales/ Average Inventory	15.07	6.57	129%	The Company during the year, has managed its inventory more efficiently, resulting in a favourable change in the ratio.
Trade receivables turnover ratio	Net Credit Sales/ Average Accounts Receivable	9.05	6.22	46%	Increase in sales towards the end of year, resulted in increase in debtors as on the balance sheet date. Consequently resulting in a favourable change in the ratio.
Trade payables turnover ratio	Net Credit Purchases/ Average Trade Payables	7.92	5.45	45%	Increase in purchases towards the end of year, resulted in increase in creditors as on the balance sheet date. Consequently resulting in a favourable change in the ratio.
Net capital turnover ratio	Net Sales/ Working Capital	3.91	1.99	96%	The turnover for the year has increased, owing to which the ratio is effected.
Net profit ratio	Net Profit/ Net Sales	0.18	0.15	23%	Increase in turnover during the year, the profit has gone up. Resulting in increase in net profit.
Return on capital employed	Earning before interest and taxes/ Capital Employed	20%	11%	74%	Increase in turnover during the year, the profit has gone up. Resulting in increase in capital employed.
Return on Investment	Income generated from current investments / Average invested funds in current investments	6%	5%	19%	-

\* Reason for variance of ratios with significant change (i.e. change of 25% or more as compared to the financial year 2023-24) have been explained.

List of Related Parties where control exists:

<b>Name</b>	<b>Nature of Relationship</b>
M/s Ultraweld Engineers LLP	Promoter Holding LLP

Names of the related parties with whom transactions were carried out during the year and description of relationship:

<b>Name</b>	<b>Relationship</b>
Mr. Rajeev Sikka	Key Management Personnel
Mr. Kunal Sikka	Key Management Personnel
Mrs. Anuradha Sikka	Relative of Key Management Personnel
M/s Aerotek Sika Aviosystems Pvt Ltd	Subsidiary Company
M/s Sika Tourism Pvt Ltd	Subsidiary Company
M/s Sikka N Sikka Engineers Pvt Ltd	Subsidiary Company
Mr. Sathish K S	Key Management Personnel
Mr. Barun Pandey	Key Management Personnel

<b>Name</b>	<b>Nature of Transaction (Net)</b>	<b>Amount of Transactions for the FY 2023-24</b>	<b>Amount of Transactions for the FY 2022-23</b>
Mr. Rajeev Sikka	Salary	121.75	129.74
Mr. Kunal Sikka	Salary	112.71	122.78
Mrs. Anuradha Sikka	Salary	12.16	12.00
M/s Sikka N Sikka Engineers Pvt Ltd	Service received	-	-
M/s Aerotek Sika Aviosystems Pvt Ltd	Loan given	1.00	1.00
M/s Sika Tourism Pvt Ltd	Loan given	0.25	0.45
M/s Aerotek Sika Aviosystems Pvt Ltd	Interest received	6.83	6.59
M/s Sika Tourism Pvt Ltd	Interest received	0.24	0.23
Mr. Sathish KS	Salary	14.03	12.54
Mr. Barun Pandey	Salary	18.09	9.33

<b>Name</b>	<b>Nature of Transaction (Net)</b>	<b>Balance as on 31.03.2024 Receivable/(Payable)</b>	<b>Balance as on 31.03.2023 Receivable/(Payable)</b>
Mr. Rajeev Sikka	Salary	(12.16)	(9.83)
Mr. Kunal Sikka	Salary	(11.97)	(9.22)
Mrs. Anuradha Sikka	Salary	(0.90)	(0.90)
M/s Aerotek Sika Aviosystems Pvt Ltd	loan	123.87	116.03
M/s Sika Tourism Pvt Ltd	loan	4.18	3.69
Mr. Sathish KS	Salary	1.10	1.02
Mr. Barun Pandey	Salary	1.46	1.19

Previous year figures have been re-arranged and re-grouped wherever necessary.

**Note 48- The expenditure incurred on Research and Development activities comprises of the following**

Particulars	2023-24	2022-23
Salaries & Wages	97.79	94.77
Plant & Machinery	4.24	2.51
<b>Total</b>	<b>102.03</b>	<b>97.28</b>

**Note 49-** A lease hold land was allotted by KIADB to the company in the year and the company for the years has incurred capital expenses on the same. The company has made an application for further renewal which is pending approval.

**Note 50- Litigation**

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

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

**Note 51- Additional regulatory information**

**(i) Details of Benami property held**

No Proceedings has been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) ( formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) ) and Rules made thereunder.

**(ii) Relationship with struck off companies**

The Company has no transactions with the companies struck off under companies Act, 2013 or Companies Act, 1956.

**(iii) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under section 2(87) of the companies Act, 2013 read with Companies ( Restriction of number of layers) Rules, 2017.

**(iv) Compliance approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(v) Undisclosed Income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(vi) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**(vii) Valuation of PP&E, intangible asset and investment property**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**(viii) Other Regulatory information Registration of charges or satisfaction with Registrar of Companies**

There are no changes or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**Core Investment Companies (CIC)**

**Note 52-** The previous year's figure have been regrouped/ recast / restated wherever necessary to confirm to the current presentation.

**For Rao and Emmar**  
Chartered Accountants  
FRN: 004084S

**For and on behalf of the Board of Directors**

**S B Subhash**  
Partner  
Membership No.212948

**Rajeev Sikka**  
Executive Chairman  
DIN: 00902887

**Kunal Sikka**  
Managing Director & CEO  
DIN: 05240807

Place: Bengaluru  
Date:20-05-2024

**R N Chawhan**  
Director  
DIN: 00568833

**Barun Pandey**  
Company  
Secretary  
M No. A39508

**Sathish KS**  
Chief financial  
Officer  
PAN: AZZPS1377G

## SIKA INTERPLANT SYSTEMS LIMITED

Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2024

Note 1

## SIGNIFICANT ACCOUNTING POLICIES

## 1. Basis of preparation of Financial Statements

The Accompanying financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention and on accrual basis except for certain financial instruments which are measured in fair value, applicable provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

## 2. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used for, but not limited to, accounting for costs expected to be incurred to complete performance under fixed price projects, allowance for uncollectible accounts receivables, accrual of warranty costs, income taxes, valuation of share-based compensation, future obligations under employee benefit plans, the useful lives of property, plant and equipment, intangible assets, impairment of goodwill, and other contingencies and commitments. Changes in estimates are reflected in the financial statements in the year in which the changes are made. Actual results could differ from those estimates.

## 3. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Expenditure which are of a Capital nature are Capitalized at cost, which comprises purchase price (net of rebates and discounts), duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

## 4. Depreciation and Amortisation

- (i) Up to 31<sup>st</sup> March, 2014, depreciation is provided from the date the assets have been installed and put to use, on Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- (ii) With effect from 1<sup>st</sup> April, 2014, depreciation on assets carried at historical cost is provided on Straight Line Method based on useful life as under:

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

- (iii) The carrying value of the assets as on April 1<sup>st</sup>, 2014, is depreciated over the remaining useful life of the asset determined based on useful life mentioned in clause (ii) supra.
- (iv) Where the useful life of the asset is NIL as on 1<sup>st</sup> April, 2014, the carrying value as on 1<sup>st</sup> April, 2014, has been added to the opening balance of deficit in the Statement of Profit and Loss in accordance with Schedule II of the Companies Act, 2013.

#### 5. Inventories:

- a. **Finished Goods:** Stock of finished goods are valued at lower of cost and net realizable value.
- b. **Raw Materials & Spare parts:** Materials and other supplies held for use in the production of inventories are valued at cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when there is a decline in the price of materials and it is estimated that the cost of the finished products will exceed net realisable value of finished goods, the materials are written down to net realisable value.
- c. **Work-in-progress:** Work -in-progress is valued at cost including conversion cost.

#### 6. Revenue Recognition:

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

#### 7. Financial Instruments

##### (i) Financial Assets

###### Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

###### Subsequent Measurement

For purpose of subsequent measurement financial assets are classified in two broad categories:-

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at **amortized cost**.

- **Business Model Test:** The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through **Other Comprehensive Income**: -

- **Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss. All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

###### Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:-

- 12 months expected credit losses, or
- Lifetime expected credit losses

depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

##### (ii) Financial Liabilities

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest

expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

#### 8. Borrowing costs:

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

#### 9. Employee Benefits

##### ➤ Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

##### ➤ Post-Employment Benefits

a) Defined Contribution Plans: State governed provident fund scheme and employee state insurance scheme to which company makes contributions are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.

b) Defined Benefit Plans: The employees' gratuity fund scheme administered by Life Insurance Corporation of India is Company's defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the Profit & Loss Account. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expense on a straight-line basis over the average period until the benefits become vested.

##### ➤ Long Term Employee Benefits

The obligation for long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans as mentioned in (b) above.

#### 10. Segment Reporting:

The Companies monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements

#### 11. Foreign Currency Transactions:

All foreign currency transactions are recorded at the rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss.

#### 12. Income taxes:

Tax expense comprising current tax and deferred tax are recognised in the Profit and Loss Statement for the period. Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the tax laws.

Deferred tax asset or liability is recognised for timing differences between the profit/(loss) as per financial statements and the profit/(loss) offered for income tax, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only if there is virtual certainty in the opinion of the Board of Directors of the Company that sufficient future taxable income will be available against which such assets can be realised in future. The carrying amount of deferred tax assets is reviewed at the end of each financial year and adjusted to the extent that it is no longer probable that sufficient taxable income will be available in future to allow in part or whole of the deferred tax asset to be utilised.

#### 13. Cash & Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

#### 14. Earnings per share

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

The diluted earnings per share is calculated after considering adjustments for the effect of all dilutive potential equity shares.

#### 15. Leases

- **Operating Lease:** Leases of assets where all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense with reference to lease terms and other considerations.
- **Finance Lease:** Leases of assets other than operating leases are classified as finance lease. The Lower of assets and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to profit and loss account.

#### 16. Provisions, Contingent Liabilities, Contingent Assets and Capital Commitments:

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax Excise etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability.

No contingent asset is recognized but disclosed by way of notes to accounts.

#### 17. Impairment of assets

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount/Value in use. Recoverable amount is determined:

In the case of an individual asset, a higher of the net selling price and the value in use;

In the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at higher of the cash generating unit's selling price and the value in use.

Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.

#### 18. Cash flow statement:

Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7: "Statement of Cash Flows" as specified in Section 133 of the Companies Act, 2013.

**For Rao and Emmar.,**  
Chartered Accountants  
Membership No. 212948

**S B Subhash**  
Partner  
Membership No. 220210

Place: Bengaluru  
Date: 20-05-2024

**For and on behalf of the Board of Directors**

**Rajeev Sikka**  
Executive Chairman  
DIN: 00902887

**Kunal Sikka**  
Managing Director & CEO  
DIN: 05240807

**R N Chawhan**  
Director  
DIN: 00568833

**Barun Pandey**  
Company Secretary  
M No. A39508

**Sathish KS**  
Chief financial Officer  
PAN: AZZPS1377G



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF M/s. SIKA INTERPLANT SYSTEMS LIMITED**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of **M/s. SIKA INTERPLANT SYSTEMS LIMITED** (hereinafter referred to as "the Holding Company"), which comprise the consolidated balance sheet as at 31<sup>st</sup> March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

➤ **Revenue Recognition**

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.</p> <p>Revenue from sale of services is recognized upon completion of service.</p> <p>Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for discounts and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.</p> <p>There is a risk of revenue being overstated due to fraud, including through manipulation of rebates and discounts, resulting from pressure the management may feel to achieve performance targets at the reporting period end.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> <li>• We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards.</li> <li>• We tested the design, implementation and operating effectiveness of management's general IT controls and key application controls over the Company's IT systems which govern revenue recognition, including access controls, controls over program changes, interfaces between different systems and key manual internal controls over revenue recognition to assess the completeness of the revenue entries being recorded in the general ledger accounting system.</li> <li>• We tested the design, implementation and operating effectiveness of Internal Financial Controls.</li> <li>• We performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents, which included goods dispatch notes, shipping documents and details with respect to percentage of completion of service projects.</li> <li>• We inspected, on a sample basis, key customer contracts to identify terms and conditions relating to goods acceptance and rebates and assessing the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards.</li> <li>• We performed cut-off testing for samples of revenue transactions recorded before and after the financial year end date by comparing with relevant underlying documentation, which included goods dispatch notes, shipping documents and details with respect to percentage of completion of service projects, to assess whether the revenue was recognized in the correct period.</li> </ul>

➤ **Provisions for taxation, litigation and other significant provisions**

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>Accrual for tax and other contingencies requires the Management to make judgements and estimates in relation to the issues and exposures arising from a range of matters relating to direct tax and other eventualities arising in the regular course of business.</p> <p>The key judgement lies in the estimation of provisions where they may differ from the future obligations. By nature, provision is difficult to estimate and includes many variables. Additionally, depending on timing, there is a risk that costs could be provided inappropriately that are not yet committed.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• We tested the effectiveness of controls around the recognition of provisions.</li> <li>• We used other subject matter experts to assess the value of material provisions in light of the nature of the exposures, applicable regulations and related correspondence with the authorities.</li> <li>• We examined the assumptions and critical judgements made by management which impacted their estimate of the provisions required, considering judgements previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Company's advisors and assessing whether there was an indication of management bias.</li> <li>• We discussed the status in respect of significant provisions with the Company's Management and legal advisors.</li> <li>• We performed retrospective review of management judgements relating to accounting estimate included in the financial statement of prior year and compared with the outcome.</li> </ul>

➤ **Assessment of contingent liabilities relating to litigations, warranty claims and Bank guarantees issued.**

The key audit matter	How the matter was addressed in our audit
<p>The Company is periodically subject to challenges/scrutiny on the matters relating to direct tax. Further, potential exposures may also arise from general legal proceedings in course of business.</p> <p>Assessment of contingent liabilities disclosure requires Management to make judgements and estimates in relation to the issues and exposures. Whether the liability is inherently uncertain, the amounts involved are potentially significant and application of accounting standards to determine the amount, if any, to be provided as liability, is inherently subjective.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• We tested the effectiveness of controls around the recording and re-assessment of contingent liabilities.</li> <li>• We discussed the status and potential exposures in respect of significant litigation and claims with the Company's management including their views on the likely outcome of each litigation and claim and the magnitude of potential exposure and sighted any relevant opinions given by the Company's advisors.</li> <li>• We assessed the adequacy of disclosures made.</li> <li>• We performed retrospective review of management judgements relating to accounting estimate included in the financial statement of prior year and compared with the outcome.</li> </ul>

**Information other than the Consolidated Financial Statements and Auditor's Report thereon**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Other Matters**

- a) We did not audit the financial statements / financial information of subsidiaries, whose financial statements reflect net assets of Rs. 195.03 Lakhs as at March 31, 2023, total Loss of Rs. 20.64 Lakhs and net cash flows amounting to Rs. (64,700)/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- b) Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

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

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit or loss, consolidated statement of changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of each Company.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.

- d. Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f. Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factor in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the Directors of the Company as on March 31, 2023, taken on record by the Board of Directors of the Company and the reports of the auditors of its subsidiary companies incorporated in India, none of the Directors of the Company and its subsidiaries, incorporated in India is disqualified as on March 31, 2023 from being appointed as a Director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report in "Annexure A", which is based on the Auditors' Reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company and its subsidiary companies incorporated in India.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The group has disclosed the impact of pending litigations on its financial position in its financial statements.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.
    - iv.
      - I. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall :
        - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
        - b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
      - II. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall :
        - a. Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("Ultimate Beneficiaries").
        - b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
      - III. Based on the audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (I) and (II) contain any material misstatement.
      - IV. Based on our examination, which included test checks, the company has used accounting software for maintain its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail(edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 on preservation of audit trial as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- V. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
2. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act, in our opinion and according to the information and explanation given to us, the remuneration paid during the year by the Company to its directors is in accordance with the provisions of Section 197 of the Act
3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For Rao and Emmar.,**  
Chartered Accountants  
Firm Reg.No. 003804S

**S B Subhash**  
Partner  
Membership No. 212948  
  
UDIN:24212948BKAQPY9925

Place: Bengaluru  
Date: 20<sup>th</sup> May 2024.

## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **M/s. Sika Interplant Systems Limited** ("the Holding Company") and its subsidiary companies incorporated in India as at March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

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

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

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

**Opinion**

In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note.

**Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 4 subsidiary companies, incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**For Rao and Emmar.,**  
Chartered Accountants  
Firm Reg No. 003804S

**S B Subhash**  
Partner  
Membership No. 212948

Place: Bengaluru  
Date: 20<sup>th</sup> May 2024.

SIKA INTERPLANT SYSTEMS LIMITED  
CIN -L29190KA1985PLC007363  
NO.3, GANGADHAR CHETTY ROAD, BANGALORE – 560042

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2024		(Rs. In Lakhs)	
Particulars	Note No.	31-Mar-2024	31-Mar-2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	2(a)	4,250.22	3,532.12
(b) Capital work-in-progress	2(c)	28.58	28.58
(c) Investment Property			
(d) Goodwill		34.73	34.73
(e) Other Intangible assets	2(b)	1.92	1.71
(f) Intangible assets under development			
(g) Biological Assets other than bearer plants			
(f) Financial Assets			
i. Investments	3	3,043.53	1,985.12
ii. Trade receivables			
iii. Loans			
(i) Deferred tax assets (net)	4	27.02	-
(e) Other non-current assets	5	329.87	9.49
<b>Current assets</b>			
(a) Inventories	6	515.86	978.91
(b) Financials Assets			
i. Investments			
i. Trade receivables	7	1,088.25	1,255.39
ii. Cash and Cash equivalents	8(a)	71.49	87.25
iii. Bank balances other than (ii) above	8(b)	2,377.94	2,303.29
v. Loans			
iv. others	9	404.54	103.47
(c) Current Tax Assets (Net)	20	-	7.15
(d) Other current assets	10	27.01	19.31
<b>Total Assets</b>		<b>12,200.95</b>	<b>10,346.51</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	11	424.02	424.02
(b) Other Equity	12	9,886.51	8,109.77
<b>Total Equity attributable to equity share holders</b>		<b>10,310.53</b>	<b>8,533.79</b>
Non Controlling Interest		29.49	38.75
<b>Total Equity</b>		<b>10,340.01</b>	<b>8,572.54</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
i. Borrowings			
ii. Trade payables			
iii. Other financial Liabilities			
(b) Provisions	13	319.73	267.28
(c) Deferred tax Liabilities (Net)	5	-	4.58
(d) Other non-current liabilities	14	16.70	16.70
<b>Current Liabilities</b>			
(a) Financial Liabilities			
i. Borrowings			
ii. Trade payables	15		
(A) total outstanding dues of micro enterprises and small enterprises; and		19.36	31.41
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		840.49	838.19
iii. Other financial Liabilities			
(b) Other current Liabilities	16	603.91	556.37
(c) Provisions	17	57.19	59.44
(d) Current Tax Liabilities (Net)	18	3.56	-
	0		
<b>Total Equity and Liabilities</b>		<b>12,200.95</b>	<b>10,346.51</b>

Significant accounting policies

1

Notes to accounts

2-50

The notes referred to above form an integral part of the financial statements.  
This is the Balance Sheet referred to in our report of even date.

**For Rao and Emmar.,**  
Chartered Accountants  
FRN: 003084S

**For and on behalf of the Board of Directors**

**S B Subhash**  
Partner

**Rajeev Sikka**  
Executive  
Chairman  
DIN: 00902887

**Kunal Sikka**  
Managing Director  
& CEO  
DIN: 05240807

Membership No. 212948

Place: Bengaluru  
Date: 20-05-2024

**R N Chawhan**  
Director  
DIN: 00568833

**Barun Pandey**  
Company Secretary  
M.No. A39508

**Sathish KS**  
Chief financial officer  
PAN: AZZPS1377G

**SIKA INTERPLANT SYSTEMS LIMITED**  
CIN -L29190KA1985PLC007363  
NO.3, GANGADHAR CHETTY ROAD, BANGALORE - 560042

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2024**

(Rs. In Lakhs)

Particulars	Note No.	31-Mar-24	31-Mar-23
<b>REVENUE</b>			
Revenue from Operations	19	10,603.38	6,001.16
Other income	20	536.87	303.20
<b>Total Revenue</b>		<b>11,140.25</b>	<b>6,304.36</b>
<b>EXPENSES</b>			
Cost of material, consumables and products	21	6,795.39	4,022.88
Changes in inventory of work-in-progress	22	329.09	(382.92)
Employee benefits expense	23	765.97	706.01
Finance costs	24	20.47	28.30
Depreciation and amortisation expense	25	86.96	77.90
Other Expenses	26	722.65	637.19
<b>Total Expenses</b>		<b>8,720.53</b>	<b>5,089.36</b>
<b>Profit/(Loss) before exceptional &amp; extraordinary items &amp; tax</b>		<b>2,419.72</b>	<b>1,215.00</b>
Exceptional items	27	117.42	-
<b>Profit/(Loss) before extraordinary items &amp; tax</b>		<b>2,537.14</b>	<b>1,215.00</b>
Extraordinary items		-	-
<b>Profit/(Loss) before tax</b>		<b>2,537.14</b>	<b>1,215.00</b>
Less: Tax expenses			
Current tax		629.00	312.00
Tax expense for earlier years		4.38	(3.60)
Deferred tax		(32.04)	27.67
<b>Profit/(Loss) after tax before other Comprehensive Income</b>		<b>1,935.80</b>	<b>878.93</b>
<b>Other Comprehensive Income, Net off Income Tax</b>			
A. (i) Items that will not be reclassified to Profit & Loss			
- Actuarial (Loss)/Gain-Gratuity		1.71	20.14
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.43)	(5.07)
B. Items that will be reclassified to Profit & Loss			
<b>Total Comprehensive Income, Net of Income Tax</b>		<b>1.28</b>	<b>15.07</b>
<b>Profit/(Loss) for the period</b>		<b>1,937.08</b>	<b>894.00</b>
<b>Share of loss of Non-Controlling Interest</b>		<b>(9.27)</b>	<b>(10.41)</b>
<b>Profit after minority interest</b>		<b>1,946.34</b>	<b>904.41</b>
<b>Earnings per equity share</b>			
Basic and Diluted		<b>45.65</b>	<b>20.73</b>
Weighted no of shares		<b>42,40,175</b>	<b>42,40,175</b>
Diluted			
Weighted no of shares			

Significant accounting policies

1

The notes referred to above form an integral part of the financial statements.

This is the Statement of Profit & Loss referred to in our report of even date.

**For Rao and Emmar.,**  
Chartered Accountants  
FRN: 003084S

**For and on behalf of the Board of Directors**

**S B Subhash**  
Partner  
Membership No. 212948

**Rajeev Sikka**  
Executive Chairman  
DIN: 00902887

**Kunal Sikka**  
Managing Director & CEO  
DIN: 05240807

Place: Bengaluru  
Date: 20-05-2024

**R N Chawhan**  
Director  
DIN: 00568833

**Barun Pandey**  
Company Secretary  
M.No. A39508

**Sathish KS**  
Chief financial Officer  
PAN: AZZPS1377G

**SIKA INTERPLANT SYSTEMS LIMITED**  
CIN - L29190KA1985PLC007363  
NO.3, GANGADHAR CHETTY ROAD, BANGALORE - 560042

<b>CASH FLOW STATEMENT FOR THE YEAR ENDED</b>		<b>(Rs. In Lakhs)</b>	
<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>	
<b>A Cash flows from operating activities</b>			
Net Profit Before Taxation	2,537.14	1,215.00	
<b>Adjustments for:</b>			
Depreciation	86.96	77.90	
Financial expenses (Considered under Financial Activities)	20.47	28.30	
Interest Income (Considered under Investment Activities)	(206.02)	(172.62)	
Profit on sale of Asset (Considered in Investment Activities)	(117.46)	(5.32)	
(Gain)/Loss on sale of Investments	(26.86)	(29.14)	
Revaluation of Investments	(109.85)	(29.71)	
<b>Operating Profit Before Working Capital Changes</b>	<b>2,184.38</b>		<b>1,084.41</b>
(Increase)/ Decrease in Current Assets, Loans & Advances	328.56	(858.92)	
Increase/(Decrease) in Current Liabilities	89.71	(219.34)	
Working Capital changes	418.27		(1,078.26)
<b>Cash Generated from operations</b>	<b>2,602.66</b>		<b>6.15</b>
Income Tax	(629.82)		(308.40)
<b>Net cash from operating activities</b>	<b>1,972.84</b>		<b>(302.25)</b>
<b>B Cash flows from Investment activities</b>			
Additions to Fixed Assets	(812.86)	(59.29)	
Sale of Fixed Asset	125.04	5.32	
Change in investments	(921.71)	(998.29)	
Investment in Fixed Deposits	(74.65)	1,362.05	
Investment in Fixed Deposits at NBFCs	-	-	
Change in Long term Loans & Advances	(320.37)	-	
Interest Income	206.02	172.62	
<b>Net cash from Investing activities</b>	<b>(1,798.53)</b>		<b>482.41</b>
<b>C Cash flows from financing activities</b>			
Repayment of Loans, Deposits & Overdraft		-	
Acceptance of Term Loans			
Acceptance of Security Deposit			
Finance Cost	(20.47)	(28.30)	
Dividend Paid	(169.61)	(169.61)	
Tax on Dividend	-	-	
<b>Net cash from Financing activities</b>		(190.08)	(197.91)
<b>Net Increase / Decrease in cash and cash equivalents</b>		(15.77)	(17.75)
Cash and cash equivalents at beginning of period	87.25		105.00
<b>Cash and cash equivalents at end of period</b>	<b>71.49</b>		<b>87.25</b>

**Notes to the cash flow statement:**

- Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 : "Statement of Cash Flows" as specified in Section 133 of the Companies Act, 2013.
- Component of Cash and Cash Equivalents as per Ind AS is as under:

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
Cash in Bank	0.19	0.15
<b>Balance in banks</b>		
Current Accounts	14.15	9.48
EEFC Accounts	2.16	26.56
Demand Deposit Accounts	41.75	39.44
<b>Bank Overdraft</b>		
Canara Bank OCC 033	13.24	11.62
<b>Total</b>	<b>71.49</b>	<b>87.25</b>

- Cash and cash equivalents at the end of the year 2020-21 represent cash and bank balances and include unrealized loss of Rs. 20,290/-Previous year ( for the F.Y.2020-21 of Rs. 52,999/- unrealized loss) on account of translation of foreign currency bank balances. The previous year's figure have been recast, restated wherever necessary to confirm to the current presentation.

- This is the Cash Flow Statement referred to in our Audit report of even date.

**For Rao and Emmar.,**  
Chartered Accountants  
FRN: 003084S

**For and on behalf of the Board of Directors**

**S B Subhash**  
Partner  
Membership No. 212948

**Rajeev Sikka**  
Executive Chairman  
DIN: 00902887

**Kunal Sikka**  
Managing Director & CEO  
DIN: 05240807

Place: Bengaluru  
Date:20-05-2024

**R N Chawhan**  
Director  
DIN: 00568833

**Barun Pandey**  
Company Secretary  
M No. A39508

**Sathish KS**  
Chief financial Officer  
PAN: AZZPS1377G



**SIKA INTERPLANT SYSTEMS LIMITED**  
CIN -L29190KA1985PLC007363  
NO.3, GANGADHAR CHETTY ROAD, BANGALORE - 560042

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>st</sup> MARCH , 2024****NOTE :3 -Non - Current Investments**

Particulars	31-Mar-24	31-Mar-23
<b>Investments (At cost)</b>		
<b>Investments in Mutual Fund</b>		
Aventus Capital Public Markets Alternate Strategies ( Previous Year Investment Value Rs. 5,00,00,000/-)	-	525.93
Birla Dynamic Bond Fund (Current year - 13,805.290 units of Rs.41.6706) (Previous year - 13,805.290 units of Rs. 38.6857 )	5.75	5.34
UNIFI AIF (Current year - 1,93,667.32 units of Rs. 245.6090 each) (Previous year - 1,93,667.32 units of Rs. 229.918 each)	475.62	445.28
ICICI Prudential Ultra Short Term Fund Gr (Previous year - 690179.476 units of Rs. 21.5663 each )	-	-
0	-	-
0	-	-
ICICI Prudential Savings Fund- Gr (Current Year - 2412.54 units of Rs.278.19 each ; PY -248.70) (Market Value, CY-Rs.6,72,872/-, PY - Rs.6,51,796/-)	9.30	8.61
Government Securities	0.01	0.01
HDFC Banking & PSU Debt Fund RP Growth (Current year -20,61,656.939 units of Rs. 20.8287 each) (Previous year - 20,61,656.939 units of Rs. 19.4009 each)	429.42	399.98
ICICI Banking PSU Debt Fund - RP Growth (Current year -14,51,991.146 units of Rs. 29.6561 each) (Previous year - 14,51,991.146 units of Rs. 27.5470 each)	430.60	399.98
KOTAK Banking & PSU Debt Fund RP - Growth (Current year - 3,63,094.666 units of Rs. 59.1583 each) (Previous year - 3,63,094.666 units of Rs. 55.0793 each)	214.80	199.99
Aditya Birla Sun Life Liquid Fund - Gr (Current year - 3,83,241.867 units of Rs.385.6632 each)	1,478.02	-
<b>Total</b>	<b>3,043.53</b>	<b>1,985.12</b>

**Note:**

a) Aggregate amount of quoted investments	2,567.90	1,539.83
b) Aggregate amount of unquoted investments	475.63	445.28
<b>Total</b>	<b>3,043.53</b>	<b>1,985.12</b>
c) Aggregate market value of listed and quoted investments		
d) Aggregate Provision for diminution in value of investments		

**Note 4 - Deferred Tax Asset / (Liability) (Net)**

Particulars	31-Mar-24	31-Mar-23
The Accumulated impact of deferred tax arising on account of timing differences and expected to be reversed during the forthcoming years is recognised as an adjustment to balance of profit and loss as prescribed in Ind AS 12. The composition of accumulated deferred tax liability is as follows.		
<b>Deferred tax Liability</b>		
Related to Fixed Assets- Depreciation	79.04	80.47
On Account of (Gain)/Loss on Investment	(27.47)	(7.00)
<b>Deferred Tax asset</b>		
Related to expenditure temporarily disallowed under the Income Tax Act, 1961	79.02	73.95
On Account of Actuarial Loss	(0.43)	(5.07)
<b>Deferred Tax Asset/ (Liability) (Net)</b>	<b>27.02</b>	<b>(4.58)</b>

**Note 5 - Other Non Current Assets**

Particulars	31-Mar-24	31-Mar-23
Security Deposits	4.16	3.78
Rental Deposits	5.71	5.71
Advance for Investment	320.00	
<b>Total</b>	<b>329.87</b>	<b>9.49</b>

**NOTE 6-Inventories**

Particulars	31-Mar-24	31-Mar-23
Raw material (Valued at landed cost which includes freight)	303.37	437.33
Work-in-Progress-Goods (Valued at cost)	205.74	531.29
Work-in-Progress-Services (Valued at cost)	6.75	10.29
<b>Total</b>	<b>515.86</b>	<b>978.91</b>

**NOTE 7-Trade Receivables**

Particulars	31-Mar-24	31-Mar-23
(Unsecured, considered good)		
Trade Receivables - Related parties	-	-
Trade Receivables - Others	1,088.25	1,255.39
<b>Total</b>	<b>1,088.25</b>	<b>1,255.39</b>

**NOTE :8(a)-Cash and Cash equivalents**

Particulars	31-Mar-24	31-Mar-23
<b>Cash on hand</b>	0.19	0.15
<b>Balances with Banks</b>		
Current Accounts	14.15	9.48
EEFC Accounts	2.16	26.56
Demand Deposit Accounts	41.75	39.44
Canara Bank OCC 033 (Working capital loans are secured by primary charge over book debts, stock and pari passu charge land at Bommsandra)	13.24	11.62
<b>Total</b>	<b>71.49</b>	<b>87.25</b>

**NOTE :8(b)-Bank balances other than cash and cash equivalents**

Particulars	31-Mar-24	31-Mar-23
<b>Balances with Banks</b>		
held as margin money	142.21	119.53
balance in unclaimed dividend account	8.14	7.24
Demand Deposit Accounts	2,191.80	2,162.94
CSR Account	35.80	13.58
<b>Total</b>	<b>2,377.94</b>	<b>2,303.29</b>

**Note 9 - Financial Assets - Others**

Particulars	31-Mar-24	31-Mar-23
(Unsecured, considered good)		
Balances with Government Authorities	80.75	40.62
Advances to Creditors	318.23	56.62
Advance given to Employees	5.55	6.23
Deposits with NBFCs	-	-
<b>Total</b>	<b>404.54</b>	<b>103.47</b>

**NOTE 10-Other current assets**

Particulars	31-Mar-24	31-Mar-23
(Unsecured, considered good)		
Income Tax refund receivable	11.11	8.34
Other receivables	0.40	0.06
Prepaid Expenses	15.50	10.91
Preliminary Expenses	-	-
<b>Total</b>	<b>27.01</b>	<b>19.31</b>

**NOTE:11-Share Capital**

Particulars	31-Mar-24	31-Mar-23
Authorized Share Capital (50,00,000 Equity Shares of Rs.10/- each) (Previous Year 50,00,000 Equity Shares of Rs. 10/- each)	500.00	500.00
<b>Equity Shares with Voting Rights</b> Issued, Subscribed & Paid Up Share Capital (42,40,175 Equity Shares of Rs.10/- each fully paid up) (previous year 42,40,175 shares of Rs. 10/- each ) (Of the above shares 26,00,000 shares are issued for consideration other than cash)	424.02	424.02
<b>Total</b>	<b>424.02</b>	<b>424.02</b>

**(a) Reconciliation of number of Shares outstanding at the beginning & at the end of the reporting period**

Particulars	31-Mar-24	31-Mar-23
Shares outstanding at the beginning	42,40,175.00	42,40,175.00
Shares Issued during the period	-	-
Capital Reduction during the Period	-	-
Shares outstanding at the end	42,40,175.00	42,40,175.00

(b) The Company has only one class of shares ("Equity Shares"), having a face value of Rs 10 each.

(c) Shares in company held by each shareholders holding > 5% shares specifying number of shares held

Particulars	31-Mar-24	31-Mar-23
Ultraweld Engineers LLP		
No of shares	29,72,315.00	29,72,315.00
% Held	70.10	70.10
<b>Total</b>	<b>29,72,315.00</b>	<b>29,72,315.00</b>

(e) There are no calls unpaid by directors or officers of the company.

(f) Details of Shares held by Promoter Holding Company

Particulars	31-Mar-24	31-Mar-23
Ultraweld Engineers LLP		
No of shares	29,72,315.00	29,72,315.00
% Held	70.10	70.10
<b>Total</b>	<b>29,72,315.00</b>	<b>29,72,315.00</b>

**NOTE :13-Non Current Borrowings**

Particulars	31-Mar-24	31-Mar-23
<b>Secured</b>		
<b>A. From other parties</b>		
Long term Maturities of NBFC Loans (Secured by way of charge on Motor Vehicles purchased out of above)	0	-
<b>C.From Related parties</b>	0	-
<b>Total</b>	<b>-</b>	<b>-</b>

**NOTE:13- Long-Term Provisions**

Particulars	31-Mar-24	31-Mar-23
<b>Provision for employee benefits</b>		
Leave Encashment (Unfunded)	258.05	225.13
Gratuity	61.68	42.15
<b>Total</b>	<b>319.73</b>	<b>267.28</b>

**NOTE :14-Other Non current liabilities**

Particulars	31-Mar-24	31-Mar-23
Security Deposits	16.70	16.70
<b>Total</b>	<b>16.70</b>	<b>16.70</b>

**NOTE :15-Trade Payables**

Particulars	31-Mar-24	31-Mar-23
<b>Dues to</b>		
Micro and Small Enterprises	19.36	31.41
Trade Payables- Others	840.49	838.19
<b>Total</b>	<b>859.85</b>	<b>869.59</b>

**NOTE :16-Other Current Liabilities**

Particulars	31-Mar-24	31-Mar-23
<b>Other payables</b>		
Statutory Remittances	28.97	19.91
Payables to related parties	26.04	20.39
Unclaimed Dividend	8.14	7.24
Salary Payables to Employees	26.52	23.82
Advances from Customer for Supplies/Services	486.45	463.51
Professional fee Payable	8.84	5.02
Advance Rent	17.29	16.46
Other payables	1.66	
<b>Total</b>	<b>603.91</b>	<b>556.37</b>

**NOTE :17-Current Provisions**

Particulars	31-Mar-24	31-Mar-23
<b>Provision for employee benefits</b>		
Leave Encashment	18.60	16.95
Provision for Bonus	13.42	12.76
Gratuity Provision	25.17	29.73
<b>Total</b>	<b>57.19</b>	<b>59.44</b>

**NOTE :18-Current Tax Asset/ (Liabilities) (Net)**

Particulars	31-Mar-24	31-Mar-23
Income tax payable	(3.56)	7.15
<b>Total</b>	<b>(3.56)</b>	<b>7.15</b>

**SIKA INTERPLANT SYSTEMS LIMITED**  
CIN -L29190KA1985PLC007363  
NO.3, GANGADHAR CHETTY ROAD, BANGALORE - 560042

**NOTE :19-Revenue From Operations**

Particulars	2023-24	2022-23
Sale of Engineering Products	6,231.26	3,661.63
Sale of Engineering Systems	4,314.87	2,047.59
Sale of Services	57.24	291.95
<b>Total</b>	<b>10,603.38</b>	<b>6,001.16</b>

**NOTE:20-Other Income**

Particulars	2023-24	2022-23
Interest Income	206.02	172.62
Rental Income	67.56	66.15
Gain on sale of Investment	26.86	29.14
Other income	0.19	0.24
Insurance claim received	-	-
MEIS Subsidy received	-	-
Revaluation of Investments at Fair Value	109.85	29.71
Profit on Sale of asset	0.04	5.32
Foreign Exchange Gain(Net)	25.45	-
Dividend Income	-	0.02
LD Received	100.91	-
<b>Total</b>	<b>536.87</b>	<b>303.20</b>

**NOTE:21-Cost of material, consumables and products**

Particulars	2023-24	2022-23
Opening Stock	162.68	244.77
Purchases	6,661.42	3,940.80
Closing Stock	28.72	162.68
<b>Total</b>	<b>6,795.39</b>	<b>4,022.88</b>

**NOTE:22-Changes in inventory of work-in-progress**

Particulars	2023-24	2022-23
<b>Goods</b>		
Inventory at the end of the year	205.74	531.29
Inventory at the beginning of the year	531.29	154.90
<b>Services</b>		
Inventory at the end of the year	6.75	10.29
Inventory at the beginning of the year	10.29	3.76
<b>Net (Increase)/Decrease</b>	<b>329.09</b>	<b>(382.92)</b>

**NOTE:23-Employee Benefits Expense**

Particulars	2023-24	2022-23
Salaries & Wages	656.37	610.81
Bonus & Ex-Gratia	64.23	49.71
Contribution to provident & Other Funds	31.60	31.69
Staff Welfare Expenses	13.77	13.80
<b>Total</b>	<b>765.97</b>	<b>706.01</b>

**NOTE:24-Finance Costs**

Particulars	2023-24	2022-23
Bank Guarantee Commission	11.82	13.34
Interest Expense	8.33	6.94
Processing Charges	0.32	8.02
<b>Total</b>	<b>20.47</b>	<b>28.30</b>

**NOTE:25-Depreciation And Amortisation Expense**

Particulars	2023-24	2022-23
Tangible Asset	86.22	86.22
Intangible Asset	0.74	0.74
<b>Total</b>	<b>86.96</b>	<b>86.96</b>

**NOTE:26-Other Expenses**

Particulars	2023-24	2022-23
<b>Manufacturing &amp; Operating Expenses</b>		
Electricity and Water Charges	12.98	10.57
Repairs & Maintenance - Factory, Building,etc	92.94	108.33
Professional Fees	48.46	36.37
Contract Labour	25.08	51.51
<b>Establishment Expenses</b>		
Advertisement Expenses	1.60	0.93
AGM Expenses	0.03	0.44
Bank Charges	5.62	4.58
Business promotion Expenses	27.19	21.42
Communication Expenses	3.08	3.07
CSR Expenses	12.41	6.25
Sales Commissions	32.75	-
Capital Loss	0.57	-
Donations	0.20	0.32
Electricity and Water Charges	4.13	4.15
Foreign Exchange Loss (Net)	1.63	29.18
Insurance	6.35	7.10
LD Charges	48.37	19.36
Legal & Professional Charges	89.49	86.86
Listing fees	3.25	3.00
Membership & Subscription Charges	10.08	8.52
Office Expenses	20.55	14.42
Payment to Auditors	5.00	3.65
Postage & Courier Charges	0.53	2.44
Printing and Stationary	3.27	3.13
Rates & Taxes	3.51	5.62
Rent	17.64	17.64
Repair & Maintenance	13.37	11.16
Seminar & Exhibition Charges	7.99	18.86
Service Contract Charges	12.02	9.82
Sitting Fee	1.90	2.30
Travelling & Conveyance	186.41	138.84
Transaction Fees	13.50	-
Vehicle Maintenance	10.21	7.36
Filing fees	0.14	-
Audit fee	0.40	-
<b>Total</b>	<b>722.65</b>	<b>637.19</b>

**NOTE:27-Exceptional items**

Particulars	31-Mar-24	31-Mar-23
Profit on Sale of land	117	-
<b>Total</b>	<b>117</b>	<b>-</b>

**Note 28 - Corporate social responsibility**

a. CSR amount required to be spent as per section 135 of the Companies Act 2013 read with Schedule VII thereof by the company during the year is Rs 11,52,000/- .

b. Expenditure related to CSR is Rs 11,52,000/- .

Details of Amount spent towards CSR given below

<b>Manufacturing &amp; Operating Expenses</b>	<b>31-Mar-24</b>	<b>2022-23</b>
1. Amount required to be spent by the company during the year	78.30	20.77
2. Amount of expenditure incurred on: (i) Construction/acquisition of any asset (ii) On purpose other than (i) above	6.11	1.59
3. Shortfall at the end of the year	72.19	19.18
4. Total of previous years shortfall	72.19	19.18
5. Reason for shortfall	Running Project	Running Project Identification
6. Nature of CSR activities	Supporting Health Initiatives	Supporting Health Initiatives
7. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :	-	-

<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Contribution /Acquisition of any asset	-	-
On purpose other than mentioned above	6.11	6.25

<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Opening Balance With Company In separate Bank account	- 44.59	- 19.18
Amount required to be spent during the year	33.72	31.66
Amount spent during the year From Company's Bank account From Separate CSR unspent account	- 6.11	- 6.25
Closing Balance With Company In separate Bank account	- 72.19	- 44.59

**Note 29 - Payments to Auditors during the year**

<b>Particulars</b>	<b>Figures as at the end of current reporting period</b>	<b>Figures as at the end of current reporting period</b>
As Auditor	3.50	2.50
For Tax Auditor	0.75	0.75
<b>Total</b>	<b>4.25</b>	<b>3.25</b>

**Note 30 - Contingent Liability and Commitments**

<b>Particulars</b>	<b>Figures as at the end of current reporting period</b>	<b>Figures as at the end of current reporting period</b>
Bank Guarantee	632.60	774.43
<b>Total</b>	<b>632.60</b>	<b>774.43</b>

**Note 31 - Disclosures in respect of Micro and Small Enterprises:**

The amount due as at 31st March, 2021 to suppliers under The Micro, Small and Medium Enterprises Development Act, requiring disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is Rs. 19,36,009/- . The disclosures pursuant to the said Act are as under -

<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Principal amount due to suppliers under MSMED Act, 2006	19.36	31.49
Interest accrued, due to suppliers under MSMED Act on the above amount and unpaid		
Payment made to suppliers (other than interest) beyond the appointed day during the year		
Interest paid to suppliers under MSMED Act (other than Section 16)		
Interest paid to suppliers under MSMED Act (Section 16)		
Interest due and payable towards suppliers under MSMED Act for payments already made		
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act		

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act

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

**Note 33 - Sale by class of goods and services**

Particulars	2023-24	2022-23
1. Engineering Systems		
a. Handling Systems	2,106.28	977.01
	1,918.79	869.91
b. Others	150.83	200.66
2. Engineering Products		
a. Servo Products	3,928.09	1,668.12
	2,058.90	1,364.80
b. Others	367.50	628.71
3. Sale of Engineering Services		
a. Design and Drawings	64.51	282.99
b. Others	8.47	8.96
<b>Total</b>	<b>10,603.37</b>	<b>6,001.16</b>

**Note 34 - Expenditure in Foreign Currency**

Particulars	2023-24	2022-23
Stock in Trade, Raw Materials and Components	4,253.20	2,806.65
Travelling Expenses	69.90	45.68
<b>Total</b>	<b>4,323.10</b>	<b>2,852.33</b>

**Note 35 - Earnings in Foreign Currency (FOB Basis)**

Particulars	2023-24	2022-23
Export of Services	57.24	291.95
Export of Goods	54.60	81.10
<b>Total</b>	<b>111.84</b>	<b>373.05</b>

**SIKA INTERPLANT SYSTEMS LIMITED**  
CIN - L29190KA1985PLC007363  
No.3, Gangadhar Chetty Road, Bangalore 560042

**Note-12-Statement of Changes in Equity for the year ended 31st March, 2024**

**A) Equity Share Capital**

Balance at the beginning of the reporting period	Changes in equity share capital during the reporting period	Balance at the end of the reporting period
4,24,01,750	-	4,24,01,750

**B) Other Equity**

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Comprehensive Income	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings								
Balance at the beginning of the reporting period	-	-	606.76	1,779.67	44.01	5,679.33	-	-	-	-	-	-	-	8,109.77
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(169.61)	-	-	-	-	-	-	-	(169.61)
Tax on Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	1,946.34	-	-	-	-	-	-	-	1,946.34
Balance at the end of the reporting period	-	-	606.76	1,779.67	44.01	7,456.07	-	-	-	-	-	-	-	9,886.51



SIKA INTERPLANT SYSTEMS LIMITED  
CIN - L29190KA1985PLC007363  
No.3, Gangadhar Chetty Road, Bangalore 560042

Note-12-Statement of Changes in Equity for the year ended 31st March, 2023

A) Equity Share Capital

Balance at the beginning	Changes in equity share capital	Balance at the end of the reporting period
4,24,01,750	-	4,24,01,750

B) Other Equity

	Share application money pending	Equity component of compound	Reserves and Surplus			Debt instruments through Other	Equity Instruments through Other	Effective portfolio	Revaluation Surplus	Exchange differences on translating the	Other items of Other Comprehensive	Money received against share	Total
			Capital Reserve	Securities Premium Reserve	General Reserve								
Balance at the beginning of the reporting period	-	-	606.76	1,779.67	44.01	4,944.53	-	-	-	-	-	-	7,374.97
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends Tax on Dividend	-	-	-	-	-	(169.61)	-	-	-	-	-	-	(169.61)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	904.41	-	-	-	-	-	-	904.41
Balance at the end of the reporting period	-	-	606.76	1,779.67	44.01	5,679.33	-	-	-	-	-	-	8,109.77

**SIKA INTERPLANT SYSTEMS LIMITED**  
**CIN - L29190KA1985PLC007363**
**NOTE: 2-FIXED ASSETS**

Description	Life Span of Assets in Years	GROSS BLOCK ( AT COST)			DEPRECIATION			NET BLOCK	
		As at 01-04-2023	Additions	Deletion s	As at 31-03-2024	Additions	Deletion s	As at 31-03-2024	As at 01-04-2023
<b>a) Tangible Assets</b>									
Freehold Land at Bommasandra		2,543.82	-	-	2,543.82	-	-	2,543.82	2,543.82
Freehold Land at Thirumanahalli		7.58	-	7.58	-	-	-	-	7.58
Lease Hold land at Mysore*		58.83	-	-	58.83	-	-	58.83	58.83
Land- Indiranagar		-	801.01	-	801.01	-	-	801.01	-
Building	30	745.85	-	-	745.85	-	-	745.85	585.90
Roads	10	20.65	-	-	20.65	-	-	20.65	1.29
Plant and Machinery	15	264.19	1.08	-	265.27	-	-	143.54	144.98
Office Equipment	5	100.16	0.88	-	101.04	-	-	85.09	10.57
Furniture and Fixtures	10	293.87	-	-	293.87	-	-	179.01	42.89
Vehicles	8	81.72	4.68	0.29	86.10	-	0.29	73.79	132.38
Computers	3	54.08	4.25	-	58.33	-	-	53.16	3.88
Servers and Networking	6	5.32	-	-	5.32	-	-	5.32	-
<b>Subtotal (a)</b>		<b>4,176.07</b>	<b>811.90</b>	<b>7.88</b>	<b>4,980.10</b>	<b>86.22</b>	<b>0.29</b>	<b>729.87</b>	<b>3,532.12</b>
<b>b) Intangible Assets</b>									
Software	6	17.69	0.96	-	18.65	0.74	-	16.73	1.88
<b>Subtotal (b)</b>		<b>17.69</b>	<b>0.96</b>	<b>-</b>	<b>18.65</b>	<b>0.74</b>	<b>-</b>	<b>16.73</b>	<b>1.88</b>
<b>c) Capital Work In Progress - Tourism Project</b>									
		28.58	-	-	28.58	-	-	-	28.58
<b>Subtotal (c)</b>		<b>28.58</b>	<b>-</b>	<b>-</b>	<b>28.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.58</b>
<b>Total (a+b+c)</b>		<b>4,222.34</b>	<b>812.86</b>	<b>7.88</b>	<b>5,027.33</b>	<b>86.96</b>	<b>0.29</b>	<b>746.60</b>	<b>3,562.58</b>
<b>Previous Year</b>		<b>4,178.63</b>	<b>59.29</b>	<b>15.57</b>	<b>4,222.34</b>	<b>77.90</b>	<b>15.57</b>	<b>659.93</b>	<b>3,581.02</b>

(i) The recoverable amount of all assets exceeds the carrying amount as at 31st March 2024, hence the Company has not recognized any impairment losses.

(ii) During the year, the Company has reviewed the useful life of all category/subcategory of the Fixed Assets, in the context of useful life prescribed under Schedule II of the Companies Act, 2013.

(iii) The Depreciation is charged on Straight Line basis over the useful life of the assets as per Schedule II of the Companies Act, 2013.

(iv)\* Karnataka Industrial Area Development Board ( KIADB) allotted land aggregating to 8.33 acres to the Company for Rs.58,82,629/- on a lease-cum-sale basis. The agreement has expired on 06-04-2015. The Company has applied for renewal of the agreement and is pending as on reporting date.

(V) The Management has reviewed the residual value and the useful life of the Property, Plant and Equipment. Accordingly, the Company has concluded that the impact of Covid-19 is not material based on these estimates and hence, no change in accounting estimate is required to be accounted as per Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

**SIKA INTERPLANT SYSTEMS LIMITED**  
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NO.3, GANGADHAR CHETTY ROAD, BANGALORE - 560042

**Note- 36 - Ageing Schedule for Trade Receivables**

a As at 31st March, 2024

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	<6 Months	6m-1 Year	1-2 Years	2-3 Years	>3 Years	
<u>(I) Considered Good - Secured</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(II) Considered Good - Unsecured</u>						
a) Undisputed Trade receivables	1,085.32	2.93	-	-	-	1,088.25
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(III) Trade Receivables which have significant increase in credit risk</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(IV) Trade Receivables - credit impaired</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,085.32</b>	<b>2.93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,088.25</b>

b As at 31st March, 2023

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	<6 Months	6m-1 Year	1-2 Years	2-3 Years	>3 Years	
<u>(I) Considered Good - Secured</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(II) Considered Good - Unsecured</u>						
a) Undisputed Trade receivables	1,255.39	-	-	-	-	1,255
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(III) Trade Receivables which have significant increase in credit risk</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(IV) Trade Receivables - credit impaired</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,255.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,255.39</b>

**SIKA INTERPLANT SYSTEMS LIMITED**  
CIN -L29190KA1985PLC007363  
NO.3, GANGADHAR CHETTY ROAD, BANGALORE - 560042

**Note - 37- Ageing Schedule for Trade Payables****a As at 31st March, 2024**

(Rs. In Lakhs)

Particulars	Unbilled Payables	Not Due	Outstanding for following periods from due date of payment				Total
			< 1 Year	1-2 Years	2-3 Years	> 3 Years	
<u>(i) Dues to Micro, Small and Medium Enterprise (MSME)</u>							
a) Disputed Dues	-	-	-	0.72	-	-	0.72
b) Undisputed Dues	-	-	18.64	-	-	-	18.64
							-
<u>(ii) Dues to Others</u>							
a) Disputed Dues	-	-	-	-	-	-	-
b) Undisputed Dues	-	-	783.57	56.92	-	-	840.49
							-
<b>TOTAL (i+ii)</b>	-	-	<b>802.21</b>	<b>57.64</b>	-	-	<b>859.85</b>

**b As at 31st March, 2023**

(Rs. In Lakhs)

Particulars	Unbilled Payables	Not Due	Outstanding for following periods from due date of payment				Total
			< 1 Year	1-2 Years	2-3 Years	> 3 Years	
<u>(i) Dues to Micro, Small and Medium Enterprise (MSME)</u>							
a) Disputed Dues	-	-	-	-	-	-	-
b) Undisputed Dues	-	-	31.40	-	-	-	31.40
							-
<u>(ii) Dues to Others</u>							
a) Disputed Dues	-	-	-	-	-	-	-
b) Undisputed Dues	-	-	838.18	-	-	-	838.18
							-
<b>TOTAL (i+ii)</b>	-	-	<b>869.58</b>	-	-	-	<b>869.58</b>

**Note- 38- Disclosure of borrowings obtained on basis of security of current assets****F.Y. 2023-2024**

The Company has not utilised any of its available overdraft facility/cash credit during the year. Hence, no submission relating to the securities were given to the Bank/ Financial institutions.(Same as CY)

w.r.t the other quarter, the company has not utilised any of its available overdraft facility/cash credit. Hence, no submission relating to the securities were given to the Bank/Financial Institutions.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

The Company has utilised all its borrowed fund for the purpose for which it was obtained.

**Note - 39 - Disclosure pursuant to Ind AS 1 "Presentation of financial statements":**

1 Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

Particulars	Note	As at 31-03-2024			As at 31-03-2023		
		Within Twelve months	After Twelve months	Total	Within Twelve months	After Twelve months	Total
Current Assets							
(a) Inventories	7	515.86	-	515.86	704.26	-	704.26
(b) Financial Assets							
i. Trade receivables	8	1,088.25	-	1,088.25	1,255.39	-	1,255.39
ii. Cash and Cash equivalents	9(a)	71.49	-	71.49	81.64	-	81.64
iii. Bank balances other than (iii) above	9(b)	2,377.94	-	2,377.94	2,303.29	-	2,303.29
iv. others	10	404.54	-	404.54	89.19	-	89.19
(c) Current Tax Assets (Net)							
(d) Other current assets	11	27.01	-	27.01	19.30	-	19.30
<b>Total</b>		<b>4,485.09</b>	<b>-</b>	<b>4,485.09</b>	<b>4,453.07</b>	<b>-</b>	<b>4,453.07</b>

2 Current Liabilities expected to be paid within twelve months and after twelve months from the reporting date:

Particulars	Note	As at 31-03-2024			As at 31-03-2023		
		Within Twelve months	After Twelve months	Total	Within Twelve months	After Twelve months	Total
Current Liabilities							
(a) Financial Liabilities							
i. Borrowings	17	-	-	-	-	-	-
ii. Trade payables	18	859.85	-	859.85	845.14	-	845.14
(b) Other current Liabilities	19	603.91	-	603.91	539.99	-	539.99
(c) Provisions	20	57.19	-	57.19	59.44	-	59.44
(d) Current Tax Liabilities (Net)	21	3.56	-	3.56	7.14	-	7.14
<b>Total</b>		<b>1,524.51</b>	<b>-</b>	<b>1,524.51</b>	<b>1,451.71</b>	<b>-</b>	<b>1,451.71</b>

**Note - 40- Operating Segment Information**

The Company's operations predominantly consist of manufacturing/trading of Aerospace and Defence equipments and other sales does not contribute to 10% or more of the Company's total sales. Hence there are no reportable segments under Ind AS-108 'Segment Reporting'.

The Executive chairman and Managing directors of the company has been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

The disclosure as per Indian Accounting Standard 19 "Employee Benefits" are given below

**Note-41****a) Defined Contribution Plans**

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

Particulars	2023-24	2022-23
Employer's Contribution to Provident Fund	25.06	23.37
Employer's Contribution to Pension Scheme	4.73	6.22
<b>Total</b>	<b>29.79</b>	<b>29.59</b>

**b) Defined Benefit Plans**

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

Particulars	Gratuity	
	2023-24	2022-23
<b>Components of Employer Expenses</b>		
Current Service cost	11.40	10.90
Past service cost - Plan Amendment	-	-
Interest on Obligations	22.58	21.97
Expected Return on Plan Assets	(17.18)	(12.79)
Net actuarial loss/ (gain) recognized during the year	(1.71)	(20.13)
<b>Total Expenses recognised in the Statement of Profit &amp; Loss</b>	15.09	(0.05)
<b>Net asset/(liability) recognised in the Balance Sheet</b>		
Present Value of defined benefit Obligation	329.66	301.35
Fair value of plan assets	242.80	229.47
Funded status[Surplus/(deficit)]	86.85	(71.87)
Unrecognised past service costs	-	-
<b>Change in defined benefit obligations(DBO) during the year</b>		
Present Value of DBO at beginning of the year	0.00	-
Current Service Cost	11.40	10.90
Interest Cost	22.58	21.97
Prior Service Costs	-	-
Actuarial(Gains)/Losses	(3.64)	(22.29)
Benefits Paid	(2.04)	(2.80)
Present Value of DBO at end of the year	0.00	0.00
<b>Change in fair value of assets during the year</b>		
Plan Assets at Beginning of the year	0.00	-
Expected Return on Plan Assets	17.18	12.78
Employer Contribution	0.12	100.33
ActuarialGains/(Losses)	(1.93)	(2.16)
Benefits Paid	(2.04)	(2.80)
Plan Assets at End of the Year	0.00	0.00
Actual Return on Plan Assets	15.25	10.63
<b>Actuarial assumptions</b>		
Discount Rate	7.52%	7.52%
Expected Return on Plan Assets	0.50%	7.52%
Salary Escalation	11.00%	11.00%
Attrition rate	5.00%	5.00%

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

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

Particulars	Leave Encashment	
	2023-24	2022-23
<b>Changes in Defined Obligations</b>		
Obligations at period beginning - Current	-	-
Obligations at period beginning - Non Current	242.08	233.02
Service Cost	38.46	33.65
Interest on Defined benefit obligation	18.17	17.47
Benefits settled	(0.94)	(1.16)
Actuarial (gain)/loss	(21.12)	(40.90)
<b>Obligations at period end</b>		
Current Liability (within 12 months)	18.60	16.95
Non Current Liability	258.05	225.13
<b>Changes in Plan Assets</b>		
Plans assets at period beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	-	-
Benefits settled	-	-
Plans assets at period end, at fair value	-	-
<b>Funded Status</b>		
Closing PBO	276.65	242.08
Closing Fair value of plan assets	-	-
Closing Funded status	-	-
Net Asset/(Liability) recognized in the Balance Sheet	(276.65)	(242.08)
<b>Expenses recognized in the P&amp;L account and Other Comprehensive Income</b>		
Service cost	38.46	33.65
Interest cost	18.16	17.47
Benefits paid	-	-
Actuarial (Gain)/Loss	(21.12)	(40.90)
<b>Net gratuity / leave cost</b>		
Experience Adjustment on Plan Liabilities		
Experience Adjustment on Plan Assets		
<b>Assumptions</b>		
Discount factor	7.22%	7.52%
Estimated rate of return on plan assets	0.00%	0.00%
Salary increase	11.00%	11.00%
Attrition rate	5.00%	5.00%

**Note - 42 - Ind AS 107 - Financial Instruments : Disclosures****FINANCIAL RISK MANAGEMENT**

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial asset includes loan , trade and other receivables, and cash and short-term deposits that arise directly from its operations.

**1 MARKET RISK MANAGEMENT**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

**i. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio .

The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows:

(Rs. In Lakhs)

Particulars	As at 31st March,2024	As at 31st March,2023
Floating rate borrowings	-	-
Fixed rate borrowings	-	-
<b>Total Borrowings</b>	-	-

As at the end of reporting period, the company had the following variable rate borrowings.

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Weighted Avg Interest rate	Balance	% of Total Loans	Weighted Avg Interest rate	Balance	% of Total Loans
Cash Credit & Overdraft limit	-	-	-	-	-	-
Vehicle Loan	-	-	-	-	-	-
<b>Net exposure to cash flow interest rate risk</b>	-	-	-	-	-	-

**Sensitivity**

A hypothetical 50 basis point shift in respective currency MIBORs and other benchmarks on the unhedged loans would result in a corresponding increase/decrease in interest cost for the Company on a yearly basis as follows:

Particulars	Impact on Profit and Loss after Tax		Impact on Equity	
	2023-24	2022-23	2023-24	2022-23
Interest rates -increase by 0.5% in INR interest rate*	-	-	-	-
Interest rates -Decrease by 0.5% in INR interest rate*	-	-	-	-

\*Holding all other variables constant

**ii. Liquidity Risk Management:**

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth project. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(Rs. In Lakhs)

As at March 31,2024	Carrying Amount	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings - Vehicle loan		-	-	-	-
Trade Payables		802.21	57.64	-	859.85
Other Current Liabilities		603.91	-	-	603.91
Provisions		57.19	-	-	57.19
Current tax Liabilities (Net)		3.55	-	-	3.55
<b>Total</b>		<b>1,466.86</b>	<b>57.64</b>	-	<b>1,524.50</b>

(Rs. In Lakhs)

As at March 31,2023	Carrying Amount	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings - Vehicle loan		-	-	-	-
Trade Payables		820.69	24.45	-	845.14
Other Current Liabilities		539.99	-	-	840.43
Provisions		59.44	-	-	60.83
Current Tax Liabilities		-	-	-	-
<b>Total</b>		<b>1,420.12</b>	<b>24.45</b>	-	<b>1,746.40</b>

Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of reporting period:

(Rs. In Lakhs)

Particulars	As at 31st March,2024	As at 31st March,2023
Cash Credit	400.00	400.00
<b>Total</b>	<b>400.00</b>	<b>400.00</b>

**Note - 43 - Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures" :**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Significant accounting policies of the Company.

**a) Financial assets and liabilities**

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2024 and March 31, 2023

**As at Mar 31,2024**

Particulars	Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value
<b>Financial Assets</b>				
i.Investments - other than investments in subsidiary	-	3,043.53	-	3,043.53
ii.Trade receivables	-	-	1,088.00	1,088.00
iii.Cash and Cash equivalents	-	-	71.48	71.48
iv.Bank balances other than (iii) above	-	-	2,377.94	2,377.94
v. Loans	-	-	-	-
vi.others - Investment in subsidiary	-	-	-	-
<b>Total</b>		<b>3,043.53</b>	<b>3,537.42</b>	<b>6,580.95</b>
<b>Financial Liabilities</b>				
i.Borrowings	-	-	-	-
ii.Trade payables	-	-	859.85	859.85
<b>Total</b>	-	-	<b>859.85</b>	<b>859.85</b>

**As at Mar 31,2023**

Particulars	Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value
<b>Financial Assets</b>				
i.Investments - other than investments in subsidiary	-	1,976.54	-	1,976.54
ii.Trade receivables	-	-	1,255.39	1,255.39
iii.Cash and Cash equivalents	-	-	87.25	87.25
iv.Bank balances other than (iii) above	-	-	2,303.29	2,303.29
v. Loans	-	-	-	-
<b>Total</b>	-	<b>1,976.54</b>	<b>3,645.93</b>	<b>5,622.47</b>
<b>Financial Liabilities</b>				
i.Borrowings	-	-	-	-
ii.Trade payables	-	-	869.58	869.58
<b>Total</b>	-	-	<b>869.58</b>	<b>869.58</b>



**Note - 44 - Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"**

## 1 Disaggregation of Revenue from Operations

(Rs. In Lakhs)

Type of Product or Services	Revenue as per Ind AS 115
Trading	6,231
Manufacturing	4,315
Services	57
<b>Total</b>	<b>10,603</b>

## 2 Movement in expected credit loss during the year

Particulars	Provisions for the Trade Receivable		Provisions for the Contract Asset	
	2023-24	2022-23	2023-24	2022-23
Opening Balance as at April 1	-	-	-	-
Changes in allowance for expected credit loss	-	-	-	-
Provision of allowance for expected credit loss	Nil	-	-	-
reversal of allowance for expected credit loss	-	-	-	-
Write off as bad debts	Nil	-	-	-
<b>Closing Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

3 **Contract Balances**

## i. Movement in contract balances during the year.

Particulars	2023-24	2022-23
<u>Receivables:</u>		
`-Non Current (Gross)	-	18
`-Current (Gross)	1,088	1,238
`-Loss Allowance(Non - Current)	-	-
`-Loss Allowance(Current)	-	-
<u>Contract Assets:</u>		
Unbilled Revenue		
`-Non Current	-	-
`-Current	-	-
`-Loss Allowance(Current)	-	-
<u>Contract Liabilities:</u>		
Advance received from customers		
`-Non Current	31	335
`-Current	440	113

## 4 Reconciliation of Contracted Price with the revenue during the year

(Rs. In Lakhs)

Particulars	2023-24	2022-23
Opening Contracted price of order at the start of the year	9,602	6,627
<b>Add:</b>		
Fresh order/Change order received during the year	21,927	8,976
Increase due to additional consideration recognised as per contractual terms/(decrease) due to scope reduction-net	-	-
<b>Less:</b>		
Order Completed during the year	10,603	6,001
<b>Closing Contracted price of order at the end of the year</b>	<b>20,926</b>	<b>9,602</b>

## 5 The Company has a process whereby periodically long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under the law/accounting standards for the material foreseeable losses on such long term contracts has been made in the books of accounts.

**Note - 45 - Related Party Disclosures**

i) List of Related Parties where control exists:

<b>Name</b>	<b>Nature of Relationship</b>
M/s Ultraweld Engineers LLP	Promoter Holding LLP

ii) Names of the related parties with whom transactions were carried out during the year and description of relationship:

<b>Name</b>	<b>Relationship</b>
Mr. Rajeev Sikka	Key Management Personnel
Mr. Kunal Sikka	Key Management Personnel
Mrs. Anuradha Sikka	Relative of Key Management Personnel
M/s Aerotek Sika Aviosystems Pvt Ltd	Subsidiary Company
M/s Sika Tourism Pvt Ltd	Subsidiary Company
M/s Sikka N Sikka Engineers Pvt Ltd	Subsidiary Company
Mr. Sathish K S	Key Management Personnel
Mr. Barun Pandey	Key Management Personnel

iii) Transaction with related parties:

(Rs. In Lakhs)

<b>Name</b>	<b>Nature of Transaction (Net)</b>	<b>Amount of Transactions for the FY 2023-24</b>	<b>Amount of Transactions for the FY 2022-23</b>
Mr. Rajeev Sikka	Salary	121.75	129.74
Mr. Kunal Sikka	Salary	112.71	122.78
Mrs. Anuradha Sikka	Salary	12.16	12.00
M/s Sikka N Sikka Engineers Pvt Ltd	Service received	-	-
M/s Aerotek Sika Aviosystems Pvt Ltd	Loan given	1.00	1.00
M/s Sika Tourism Pvt Ltd	Loan given	0.25	0.45
M/s Aerotek Sika Aviosystems Pvt Ltd	Interest received	6.83	6.59
M/s Sika Tourism Pvt Ltd	Interest received	0.24	0.23
Mr. Sathish KS	Salary	14.03	12.54
Mr. Barun Pandey	Salary	18.09	9.33

v) Closing balances as on the year end:

<b>Name</b>	<b>Nature of Transaction (Net)</b>	<b>Balance as on 31.03.2024 Receivable/(Payable)</b>	<b>Balance as on 31.03.2023 Receivable/(Payable)</b>
Mr. Rajeev Sikka	Salary	(12.16)	(9.83)
Mr. Kunal Sikka	Salary	(11.97)	(9.22)
Mrs. Anuradha Sikka	Salary	(0.90)	(0.90)
M/s Aerotek Sika Aviosystems Pvt Ltd	loan	123.87	116.03
M/s Sika Tourism Pvt Ltd	loan	4.18	3.69
Mr. Sathish KS	Salary	1.10	1.02
Mr. Barun Pandey	Salary	1.46	1.19

Previous year figures have been re-arranged and re-grouped wherever necessary.

**Note 46- The expenditure incurred on Research and Development activities comprises of the following**

Particulars	2023-24	2022-23
Salaries & Wages	97.79	94.77
Plant & Machinery	4.24	2.51
<b>Total</b>	<b>102.03</b>	<b>97.28</b>

**Note 47-** A lease hold land was allotted by KIADB to the company in the year and the company for the years has incurred capital expenses on the same. The company has made an application for further renewal which is pending approval.

**Note 48- Litigation**

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

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

**Note 49- Additional regulatory information****(i) Details of Benami property held**

No Proceedings has been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) ( formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) ) and Rules made thereunder.

**(ii) Relationship with struck off companies**

The Company has no transactions with the companies struck off under companies Act, 2013 or Companies Act, 1956.

**(iii) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under section 2(87) of the companies Act, 2013 read with Companies ( Restriction of number of layers) Rules, 2017.

**(iv) Compliance approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(v) Undisclosed Income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(vi) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**(vii) Valuation of PP&E, intangible asset and investment property**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**(viii) Other Regulatory information****Registration of charges or satisfaction with Registrar of Companies**

There are no changes or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**Core Investment Companies (CIC)**

**Note 50-** The previous year's figure have been regrouped/ recast / restated wherever necessary to confirm to the current presentation.

**For Rao and Emmar.,**  
Chartered Accountants  
Membership No. 212948

**For and on behalf of the Board of Directors**

**S B Subhash**  
Partner  
Membership No. 220210

**Rajeev Sikka**  
Executive Chairman  
DIN: 00902887

**Kunal Sikka**  
Managing Director & CEO  
DIN: 05240807

Place: Bengaluru  
Date:20-05-2024

**R N Chawhan**  
Director  
DIN: 00568833

**Barun Pandey**    **Sathish KS**  
Company Secretary    Chief financial Officer  
M No. A39508    PAN: AZZPS1377

**Principles of consolidation**

The consolidated financial statements relate to Sika Interplant Systems Limited ('the Company') and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Indian Accounting Standard 27 - "Consolidated and Separate Financial Statements"
- The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- Non-Controlling Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- Investments other than in subsidiaries and associates have been accounted as per Indian Accounting Standard 39 - "Financial Instruments: Recognition and Measurement"
- The following subsidiaries & Associates have been considered in the consolidated financial statements

Name of the entity	Country of Incorporation	% of ownership Interest
<b>Subsidiary</b>		
Sikka N Sikka Engineers Private Limited	India	100.00%
Sika Tourism Private Limited	India	100.00%
EMSAC Engineering Private Limited	India	100.00%
Aerotek Sika Aviosystems Private Limited	India	50.86%

The financial statements of the subsidiary companies are drawn upto the same reporting period as of the holding companies i.e. year ended March 31, 2024.

Name of the entity	Net Assets		Share of profit and loss		Share of other Comprehensive Income		Share of Total Comprehensive Income	
	as % of Consolidated assets	Amount	as % of Profit and Loss	Amount	as % of consolidated other comprehensive Income	Amount	as % of consolidated total comprehensive Income	Amount
Sika Interplant Systems Limited	98.87%	10,194.49	100.99%	1,955	100%	1.28	100.51%	1,956.27
<b>Subsidiaries</b>								
Sikka N Sikka Engineers Private Limited	0.84%	86.14	0.02%	0.37	-	-	0.02%	0.37
Sika Tourism Private Limited	-0.04%	(4.12)	-0.03%	(0.50)	-	-	-0.03%	(0.50)
EMSAC Engineering Private Limited	0.03%	3.52	-0.01%	(0.21)	-	-	-0.01%	(0.21)
Aerotek Sika Aviosystems Private Limited	0.58%	60.00	-0.97%	(18.85)	-	-	-0.97%	(18.85)
Non Controlling Interest	-0.29%	(29.49)	-	-	-	-	0.48%	9.27

## Note. 1

**Basis of Consolidation and Significant Accounting Policies:****I. Basis of Consolidation:**

The Consolidated financial statements relate to Sika Interplant Systems Limited (parent company), its subsidiaries. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the parent company and its subsidiary companies have been combined on a line by line basis by adding together the book values of like items of incomes, expenses, assets and liabilities, after eliminating the intragroup balances, intra group transactions and unrealized profits or losses in accordance with Indian Accounting Standard 27 on "Consolidated and Separate Financial Statements".
- b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- c) The Consolidated financial statements have been prepared using uniform accounting policies for the like transactions and events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements.

**II. Significant Accounting Policies:****1. Basis of preparation of Financial Statements**

The Accompanying financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention and on accrual basis except for certain financial instruments which are measured in fair value, applicable provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with rule 3 of the Companies ( Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**2. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used for, but not limited to, accounting for costs expected to be incurred to complete performance under fixed price projects, allowance for uncollectible accounts receivables, accrual of warranty costs, income taxes, valuation of share-based compensation, future obligations under employee benefit plans, the useful lives of property, plant and equipment, intangible assets, impairment of goodwill, and other contingencies and commitments. Changes in estimates are reflected in the financial statements in the year in which the changes are made. Actual results could differ from those estimates

**3. Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Expenditure which are of a Capital nature are Capitalized at cost, which comprises purchase price (net of rebates and discounts), duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

**4. Depreciation and Amortisation**

- (i) Up to 31<sup>st</sup> March, 2014, depreciation is provided from the date the assets have been installed and put to use, on Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- (ii) With effect from 1<sup>st</sup> April, 2014, depreciation on assets carried at historical cost is provided on Straight Line Method based on useful life as under:

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

- (iii) The carrying value of the assets as on April 1<sup>st</sup>, 2014, is depreciated over the remaining useful life of the asset determined based on useful life mentioned in clause (ii) supra.
- (iv) Where the useful life of the asset is NIL as on 1<sup>st</sup> April, 2014, the carrying value as on 1<sup>st</sup> April, 2014, has been added to the opening balance of deficit in the Statement of Profit and Loss in accordance with Schedule II of the Companies Act, 2013.

#### 5. Inventories:

- a. **Finished Goods:** Stock of finished goods are valued at lower of cost and net realizable value.
- b. **Raw Materials & Spare parts:** Materials and other supplies held for use in the production of inventories are valued at cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when there is a decline in the price of materials and it is estimated that the cost of the finished products will exceed net realisable value of finished goods, the materials are written down to net realisable value.
- c. **Work-in-progress:** Work -in-progress is valued at cost including conversion cost.

#### 6. Revenue Recognition:

- a) Revenue from sale of goods is recognized on passing of the property in goods.
- b) Services – Revenue from services is recognized on percentage completion basis.
- c) Profit on sale of investments: Profit / loss on sale of investments are recognized on the date of redemption.

### Financial Instruments

#### (i) Financial Assets

##### Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

##### Subsequent Measurement

For purpose of subsequent measurement financial assets are classified in two broad categories:-

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at **amortized cost**.

- **Business Model Test:** The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through **Other Comprehensive Income**:-

- **Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss. All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

#### Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:-

- 12 months expected credit losses, or
- Lifetime expected credit losses

depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### (ii) Financial Liabilities

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

#### 7. Borrowing costs:

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

#### 8. Employee Benefits

##### ➤ Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

##### ➤ Post-Employment Benefits

- a) **Defined Contribution Plans:** State governed provident fund scheme and employee state insurance scheme to which company makes contributions are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.
- b) **Defined Benefit Plans:** The employees' gratuity fund scheme administered by Life Insurance Corporation of India is Company's defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the Profit & Loss Account. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expense on a straight-line basis over the average period until the benefits become vested.

➤ **Long Term Employee Benefits**

The obligation for long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans as mentioned in (b) above.

9. **Segment Reporting:**

The Companies monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements

10. **Foreign Currency Transactions:**

All foreign currency transactions are recorded at the rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss.

11. **Income taxes:**

Tax expense comprising current tax and deferred tax are recognised in the Profit and Loss Statement for the period. Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the tax laws.

Deferred tax asset or liability is recognised for timing differences between the profit/(loss) as per financial statements and the profit/(loss) offered for income tax, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only if there is virtual certainty in the opinion of the Board of Directors of the Company that sufficient future taxable income will be available against which such assets can be realised in future. The carrying amount of deferred tax assets is reviewed at the end of each financial year and adjusted to the extent that it is no longer probable that sufficient taxable income will be available in future to allow in part or whole of the deferred tax asset to be utilised.

12. **Cash & Cash Equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

13. **Earnings per share**

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

The diluted earnings per share is calculated after considering adjustments for the effect of all dilutive potential equity shares.

14. **Leases**

➤ **Operating Lease:** Leases of assets where all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense with reference to lease terms and other considerations.

➤ **Finance Lease:** Leases of assets other than operating leases are classified as finance lease. The Lower of assets and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to profit and loss account.

15. **Provisions, Contingent Liabilities, Contingent Assets and Capital Commitments:**

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax Excise etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability.

No contingent asset is recognized but disclosed by way of notes to accounts.

16. **Impairment of assets**

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount/Value in use.

Recoverable amount is determined:

a. In the case of an individual asset, a higher of the net selling price and the value in use;

b. In the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at higher of the cash generating unit's selling price and the value in use.

Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.

**17. Cash flow statement:**

Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7: "Statement of Cash Flows" as specified in Section 133 of the Companies Act, 2013.

**For Rao and Emmar.,**  
Chartered Accountants  
Membership No. 212948

**S B Subhash**  
Partner  
Membership No. 220210

Place: Bengaluru  
Date:20-05-2024

**For and on behalf of the Board of Directors**

**Rajeev Sikka**  
Executive Chairman  
DIN: 00902887

**R N Chawhan**  
Director  
DIN: 00568833

**Kunal Sikka**  
Managing Director & CEO  
DIN: 05240807

**Barun Pandey**    **Sathish KS**  
Company Secretary    Chief financial Officer  
M No. A39508    PAN: AZZPS1377G