

CORPORATE INFORMATION

(As on 12th August 2015)

BOARD OF DIRECTORS

M.R.Subramonian
Managing Director

M.R.Narayanan
Director

M.R.Krishnan
Executive Director

N.Suresh
Independent Director

K.Manmathan Nair
Independent Director

P.K. Anandavally Ammal
Independent Director

**Company Secretary
and Compliance Officer**

S.Balamurali

Chief Financial Officer

P Vinaya Chand

Audit Committee

Shri. N.Suresh (Chairman)
Shri.M.R.Subramonian
Smt.P.K.Anandavally Ammal

**Nomination & Remuneration
Committee**

Shri.N.Suresh (Chairman)
Shri.M.R.Narayanan
Smt.P.K.Anandavally Ammal

**Corporate Social Responsibility
Committee**

Shri.M.R.Narayanan(Chairman)
Shri.M.R.Subramonian
Shri.N.Suresh

**Shareholders Grievance/Share
Transfer Committee**

Shri.M.R.Narayanan (Chairman)
Shri.M.R.Subramonian
Shri.N.Suresh

Statutory Auditors

M.R.RAMACHANDRAN & Co
Chartered Accountants
9/1, Lynwood Avenue
Mahalingapuram, Chennai-34

Bankers

HDFC Bank Limited
State Bank of India
Axis Bank Limited

Register & Share Transfer Agents

M/s Integrated Enterprises (India) Limited
2nd Floor, Kences Towers, North Usman Road
T.Nagar, Chennai 600 017

Registered Office	No.18,III Floor,R.M.S. Appartments 12, Gopalakrishna Street, T.Nagar Chennai-600 017 Phone 91 44 28150967/28155137
Corporate Office	5/2523, Golf Links Road, Kowdiar P.O Trivandrum – 695 003 Phone 91 471 2433805/569
Website	www.adtechindia.com
Email	adtech@md2.vsnl.net.in
Shares Listed with	Madras Stock Exchange Ltd Cochin Stock Exchange Ltd Ahmedabad Stock Exchange Assoc.Ltd
Corporate Identity Number (CIN)	L33111TN1990PLC018678

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of ADTECH SYSTEMS LIMITED will be held on Wednesday the 30th September 2015 at 2.30 P.M at No.5, Ground Floor, R.M.S.Apartments, 12, Gopalakrishna Street, T.Nagar, Chennai 600 017 to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the financial year ended on that date, and the reports of the Auditors and the Board of Directors thereon.
2. To declare a dividend on equity shares for the financial year 2014-15
3. To appoint a Director in place of Shri. M.R.Narayanan (DIN :00044926), who retires by rotation and being eligible, offers himself for reappointment.
4. To ratify the appointment of M/s M.R.Ramachandran & Co as Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and read with the Companies (Audit and Auditors) Rules,2014, as amended from time to time, the Company hereby ratifies the appointment of M/s M.R Ramachandran & Co, Chartered Accountants (ICAI firm registration No 002873S),9/1,Lynwood Avenue, Mahalingapuram, Chennai 600 034 as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 25th Annual General Meeting of the Company to be held in 2016 on such remuneration as shall be mutually agreed upon between the Board of Directors and the Statutory Auditors”.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution

RESOLVED subject to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, that the existing Articles of Association be substituted with a new set of Articles of Association, a copy of which is tabled before the meeting and initialed by the Chairman for the purpose of Identification”

RESOLVED ALSO THAT Shri.S.Balamurali, Company Secretary be authorized to do all acts and deeds to give effect to the foregoing resolution”

By order of the Board of Directors
For Adtech Systems Limited

Place : Trivandrum
Date: 13.08.2015

S.BALAMURALI
Company Secretary

NOTES

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business set out is annexed thereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. The proxies, in order to be valid, must be received at the Registered office of the Company not less than 48 hours before the commencement of the meeting.

Pursuant to Section 105 of the Companies Act, 2013, Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A proxy form (Form MGT 11) is annexed to this report.

Corporate Members intending to send their authorised representatives to attend the Annual General Meeting (AGM) are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote in their behalf at the Meeting.

In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

3. Members/proxies are requested to bring their Annual Report copies, and the duly filled in attendance slips sent herewith be handed over at the entrance of the Meeting Hall.
4. While members holding shares in physical form may write to the Company or to the Share transfer Registrars M/s Integrated Enterprises India Ltd, 2nd Floor, Kences Towers, North Usman Road, T.Nagar, Chennai 600 017 for any changes pertaining to their address and email address, bank account details, mandates, nominations etc, members holding shares in electronic form may write to their depository participants for immediate updation.
5. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/deletion in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend to their DPs.
6. The Register of Members and Share Transfer Books Shall remain closed from 16th September 2015 to 30th September 2015 (both days inclusive) . If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made on or after 30th September 2015 as under:-
 - i) To all Beneficial Owners in respect of shares held in electronic form as per the data as may be made available by National Securities Depository Limited and Central Depository Services (India) Limited (both collectively referred to as "Depositories") as of the close of business hours on 30th September 2015;
 - ii) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 30th September 2015.
7. The amount of dividend declared upto and including for the financial year ended 31st March 2008, remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company was transferred to Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.

Members who have not yet encashed their dividend warrant(s) starting from the financial year ended 31st March 2009 onwards, are requested to make their claims to the Company accordingly, without any delay.

8. Investor grievances/complaints may please be mailed to balamuralis@adtechindia.in.
9. Members are requested to register their e-mail addresses with the Company/Share Transfer agent or with their Depositories
10. A.Pursuant to Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 and clause 35B of the Listing Agreement, the Company is pleased to provide the facility to Members to exercise the right to vote by electronic means . The Company has arranged this facility in the NSDL Platform. The Members whose names appear in the Register of Members/List of Beneficiary Owners as on 23rd September 2015, ie, the cut off date are entitled to vote on the resolutions set forth in the notice .

Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM)/ EGM/ EOGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 27 September, 2015 (9:00 am) and ends on 29 September, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Adtech Systems Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to krishnaprasadcs@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23 September 2015

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September 2015 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or balamuralis@adtechindia.in

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM)

XII. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XIII. Mr.Krishna Prasad R S, Company Secretary in Practice (Membership No FCS 7080) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM) but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM), a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company – www.adtechindia.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Ahmedabad Stock Exchange Asscn Ltd.

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

Item No 5

The Companies Act, 2013 has brought a sea change in various provisions applicable to Companies. New provisions in line with the change in technology has been brought into effect like video conferencing for Board Meetings, electronic voting in General Meetings, sending of notices and minutes by email and other electronic modes etc. Our existing Articles of Association does not provide for the same and hence there is a conflict between the Articles of Association of the Company and the Companies Act, 2013 which need to be resolved by adopting a new set of Articles. Hence the proposal .

The proposed new set of Articles of Association is available for inspection upto and including on the date of the Meeting in physical or In electronic form during business hours (9.30 am to 5.30 pm) on all working days (from Mondays to Saturdays) at the Registered Office of the Company at No 18, 3rd Floor, RMS Apartments, 12, Gopalakrishna Road, T.Nagar, Chennai 17 and also at the Corporate office of the Company at T.C.5/2523, Golf Links Road, Kowdiar PO, Trivandrum 3 and also is posted in the website of the Company . A copy of the proposed new Articles of Association will also be available at the Meeting.

Except the Independent Directors who may be deemed to be interested in the sitting fees receivable by them for attending the Board Meetings, None of the other Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolutions at Item Nos.5, of the accompanying Notice.

By order of the Board of Directors
For Adtech Systems Limited

Place : Trivandrum
Date: 13.08.2015

S.BALAMURALI
Company Secretary

CIN L33111TN1990PLC018678
Registered Office
No 18,3rd Floor, RMS Apartments
12,Gopalakrishna Road
T.Nagar, Chennai 600 017
Tele fax 044 28150967
E-mail : adtech@md2.vsnl.net.in
Website: www.adtechindia.com

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2014-2015

To

The Members

Your Directors have pleasure in presenting the 24th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March 2015

Financial Highlights of the Company for the year under review are as under

(Rupees in Lakhs)

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
Turnover	6463.25	7689.50
Profit/(Loss) before taxation	960.72	972.07
Less: Tax Expense	316.47	323.49
Profit/(Loss) after tax	644.25	668.58
Transfer to General Reserve	64.42	66.87
Proposed Dividend on Equity Shares@ 30 percent	71.48	131.05
Dividend Tax	14.55	22.27

State of the Company's Affairs and Future Outlook

Highlights of the Company's performance for the year under review are as under

- Revenue from operations decreased 16.52 percent to Rs.6341.37 lakhs while exports remained more or less the same with a minor decrease of 1.35 percent to 2940.09 lakhs.
- Profit before taxes decreased by 3.16 percent to Rs.960.71 lakhs
- Profit after taxes (Net Profit) decreased by 3.64 percent to Rs.644.25 lakhs

The Commercial Industrial division of the Company posted an impressive growth of 33.31 percent due to untiring efforts by marketing team which led to gaining of more corporate accounts.

The Retail Division experienced negative growth due to slow down in the retail customer segments. This was on account of the E – Commerce business affected the brick and mortar stores under lifestyle, fashion and consumer electronic segments since last year. The Government has taken corrective steps and has now permitted to open up FDI in multi brand retail to the extent of 49 percent. This coupled with omni channel initiatives taken by retailers is bound to make needed correction, consolidation and growth in the retail market in the next 1-2 years.

Earnings per share(EPS) was Rs.27.04 per share for the year under review as against Rs. 28.06 in the previous year.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Future outlook for the Company is positive on account of the vision of your Company to continue and strengthen growth in coming years.

With a view to improve revenue in the Commercial Industrial Division, the Company has decided to explore large projects, in the Government as well as in the Private Sector. With this aim in view, your Company has formed a separate and dedicated marketing team headed by Vice President – Large Projects to identify and procure large value projects . The Board expects the results of the dedicated team to come in from quarter II of the current financial year.

The Company intends to enter into the business of solar power plant project and other non conventional energy resources development and implementation, keeping in view the “go green” principle put forward by the Government of India. Necessary amendments are proposed in the Memorandum of Association of the Company by postal ballot resolution to give effect to the proposed diversification in business.

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs.3.00 per equity share (30 percent per equity share of Rs.10 each) on 23,82,750 fully paid up Equity Shares of Rs.10/- each for the financial year ended 31st March 2015 which, if approved at the ensuing Annual General Meeting will be paid to (i) all those members whose names appear on the register of members as on 30th September, 2015 and (ii) all those members whose names appear on that date as beneficial owners as furnished by National Securities Depository Limited and Central Depository Services (India) Ltd .

The total cash outflow on account of equity dividend for the year 2014-15 would be Rs.86.03 lakhs (inclusive of dividend tax) (previous year 153.32 lakhs)

Shareholders may please note that as on 31st March 2015, an amount of Rs. 528,065/- is lying in the Unpaid Dividend Account with State Bank of India towards the dividend declared and paid but not claimed for the financial years from 2007-08 to 2013-14 as per details given in the notes on Account . Those Shareholders who have not encashed their dividend warrants are requested to immediately approach the corporate office of the Company for revalidation/reissue of the dividend warrants after which the warrants may be presented for payment. The unclaimed dividend up to and including the year 2006-07 has been transferred to the Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.

The Dividend payout for the year has been formulated keeping in mind the Company’s ability to pay sustainable dividends vis a vis the requirement of funds for running business and the long term objectives which are to be met by internal cash accruals.

Amounts transferred to Reserves

The Board of Directors have decided to transfer an amount of Rs. 64.42 lakhs to General Reserve.

Changes in Share Capital and Reserves

During the year under review, there has been no change in the paid up share capital of the Company. The Capital and Reserves of the Company as on 31st March 2015 stood at Rs.2853.44 lakhs as against that of Rs. 2299.93 lakhs as on the corresponding day of the previous year

GENERAL

Your Directors also state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review

- Disclosure regarding Issue of Equity Shares with differential rights as stated in Rule 4(4) of Companies (Share Capital and Debenture Rules, 2014)
- Details relating to deposits covered under Chapter V of the Companies Act, 2013
- Disclosure regarding issue of Employee Stock Options as stated in Rule 12(9) of Companies (Share Capital and Debenture Rules, 2014)
- Disclosure regarding issue of Sweat Equity Shares as specified in Rule 8 (13) of Companies (Share Capital and Debenture Rules, 2014)
- Receipt of Commission or Remuneration by the Managing Director nor the Whole-time Directors of the Company from subsidiaries, since the Company does not have any subsidiary.
- No significant or material order which impact the going concern status and Company’s operations in future were passed by the Regulators or Courts or Tribunals.

Your Company has 08 women employees in various cadres as on 31st March 2015. The Company has constituted an Internal Complaint Committee in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and

Redressal) Act, 2013. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Extract of Annual Return, in format MGT-9, for the financial year 2014-15 is annexed to the Board's report as Annexure-A

DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors state that

- (a) In the preparation of annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same;
- (b) The Directors have selected such accounting policies and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2015 and of the profit of the Company for the year ended on that date;
- (c) 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;
- (d) The Directors have prepared the annual accounts on a 'going concern' basis;
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively ; and
- (f) 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.

CORPORATE GOVERNANCE

Provisions in the listing agreement relating to report on Corporate Governance are not mandatory to the Company since, as on 31st March 2014 (last day of the previous financial year), the paid up equity share capital of the Company is less than Rs 10 crore and net worth does not exceed Rs 25 crore. Hence report on Corporate Governance is not provided.

Details on Board Meetings held during the year under review

During Financial year 2014 -15, 4 meetings on Board of Directors were held on the following dates 30th May, 2014,14th August 2014, 14th November 2014 and 14th February 2015

Attendance of Directors at each meeting of Board of Directors are as follows

Date of Meeting> Name of Director ↓	30 May 2014	14 Aug 2014	14 Nov 2014	14 Feb 2015	Total Number of Meetings Attended
M.R.Subramonian	Yes	Yes	Yes	Yes	4
M.R.Narayanan	Yes	Yes	No	No	2
M.R.Krishnan	Yes	No	No	Yes	2
N.Suresh	No	Yes	Yes	Yes	3
K.Manmathan Nair	No	Yes	Yes	Yes	3
P.K.Anandavally Ammal *	NA	NA	Yes	Yes	2

*appointed wef 24th September 2014

Contracts and arrangements with related parties

All contracts/arrangements/transactions with related parties entered into by the Company during the financial year were in

the ordinary course of business and are on arm's length. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material. All related party transactions were at arms length and in the ordinary course of business and conforming to the requirements of Companies Act, 2013. Omnibus approval is taken from the Board of Directors meeting for approval of transactions what are of a repetitive nature. Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013, read with rule 8(2) of the Companies (Accounts) Rules, 2014 is enclosed as Annexure -B

Particulars of Loan, Guarantee and Investments under Section 186

The Company has made an inter corporate deposit with a non banking finance company viz M/s Muthoot Capital Services Limited for an amount of Rs. 130 lakhs as an investment for a period of 3 months at a rate of interest of nine percent per annum, under Section 186 of the Companies Act, 2013. The investment is made in the ordinary course of business with the view to investing surplus funds of the Company to get the maximum returns. Other than the above, the Company has not given any loans, guarantees or investments under Section 186 to any party during the period under review.

Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

A. Conservation of Energy.

The business of the Company is not power intensive, being an electronic equipment integration unit. Even then, the Company continues to accord high priority to conservation of Energy. Systems are in force to closely monitor energy usage.

B. Technology Absorption, Research & Development. The Company has efficient R & D department which closely observes and suggests cost effective changes in components for integration of Access Control Systems.

C. Foreign exchange earnings and outgo.

i. Earnings in Foreign Currency

in Rs Lakhs

Head of Earnings	2014-15	2013-14
Export Sales	2940.09	2980.36
Sales Incentives on Direct orders placed on overseas principals	137.30	99.34

ii. Expenditure in Foreign Currency

in Rs Lakhs

Head of Expenditure	2014-15 in Rs Lakhs	2013-14 in Rs Lakhs
Foreign Travel Expenses	20.74	13.93
Import Purchases	549.16	1149.64

Particulars of Employees and related disclosures

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees of the Company drawing remuneration in excess of the limits set out in the said rules.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in Annexure C.

Your Company does not have any subsidiaries, joint ventures or associates and there are no details to be disclosed.

Risk Management Policy

Your Company has constituted a risk management committee comprising of the Managing Director, Executive Director, Company Secretary, Chief Financial Officer and Head of Marketing and which assists the Board of Directors in overseeing and approving the Company's enterprise wide risk management framework and to be in a constant watch mode so as to identify all risks that the Organisation faces viz financial, strategic, market, liquidity, security, property, legal and regulatory. There is a constant process of management and reporting of principal risks and uncertainties in the Company.

By having transparent policies and system of reporting firmly in place, the elements of risks are identified at earlier stages which enables the Organisation to control the effects. Risk management committee is fully in sync with the Audit Committee and with the Internal Control and Internal Audit teams with the aim of early identification of risks. The Board believes that effective control of internal activities and procedures will mitigate the chances of risks from within the organisation which is achieved by laying of procedures and codes of conduct and by constant interaction with employees and other stake holders of the Company.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the financial year, such controls were tested and no material weakness in the design or operation were observed.

Vigil Mechanism/Whistle Blower Policy for Directors and employees.

The Company is committed to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express those concerns without fear of punishment or unfair treatment. The Company has a proper vigil mechanism and whistle blower policy in place pursuant to Section 177(9) and 177(10) of the Companies Act, 2013 and as per the Listing Agreement. The mechanism also provides for adequate safeguards against victimisation of Directors and employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in special cases. The said policy is available in the website of the Company www.adtechindia.com

Listing with Stock Exchanges

The Company confirms that it has paid the annual listing fees for the year 2014-2015 to all the stock exchanges where the Company's shares are listed viz the Madras Stock Exchange, the Cochin Stock Exchange Limited and the Ahmedabad Stock Exchange Association Limited

Directors and Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri. M.R.Narayanan, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible have offered himself for re-appointment. Your Board of Directors recommend the re-appointment of Shri.M.R.Narayanan as a Director of the Company.

The Board of your Company consists of six directors as on the date of this report as follows

Name of Director	Category
Shri.M.R.Subramonian, Managing Director	Executive Directors
Shri.M.R.Krishnan, Executive Director	
Shri.M.R.Narayanan, Chairman	Non Executive –Non Independent Directors
Shri.N . Suresh	Non- Executive Independent Directors
Shri.K.Manmathan Nair	
Shri.P.K.Anandavally Ammal	

All the Directors have rich experience and specialized knowledge in various areas of relevance to the Company. The Company is immensely benefitted by the range of experience and skills that the Directors bring to the Board. The composition of the Board is as per the Companies Act, 2013 and the Listing Agreement.

Changes in Directors and Key Managerial Personnel during the year 2014-15

During the year under review, members approved the appointment of Smt P.K.Anandavally Ammal (DIN 06967217) as a Woman Director and Independent Director and of Shri.N. Suresh (DIN 00385139) and Shri. K.Manmathan Nair(DIN 00173417) as Independent Directors.

The Company has received necessary declarations from all the three Independent Directors confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and under the Listing Agreement with Stock Exchanges.

Following persons are the Key Managerial Persons of the Company as recorded by the Board

1. Shri.M.R.Subramonian - Managing Director
2. Shri.S.Balamurali - Company Secretary & Compliance Officer
3. Shri.P.Vinaya Chand - Chief Financial Officer (w.e.f 01.10. 2014)

Woman Director

Pursuant to the provisions of Section 149 of the Companies Act, 2013 and clause 49 of the Listing Agreement, Company shall have at least one Woman Director on the Board and accordingly, your Board has Ms P.K.Anandavally Ammal as Woman Director.

Company's Policy on Director's appointment and other matters as provided under Section 178 (1) and 178 (3) of the Companies Act, 2013.

The Company has formulated a familiarization programme for its Directors which gives proper guidance into the history of the Company, its promoters, performance of the Company over the previous years, products and services dealt with by the Company, its Auditors and the top management. The familiarization programme is posted on the website of the Company .

Policy for bringing diversity to the Board includes the following

- a. Diversity is ensured through consideration of a number of factors including but not limited to skills, specialization and industry experience. Factors based on the business model and specific needs from time to time are also considered.
- b. The Nomination and Remuneration Committee shall drive the process for Board appointment and for identifying and nominating, for approval of the Board, candidates for appointment to the Board
- c. Benefits of experience/knowledge in the areas relevant to the Company continue to influence succession planning and continue to be the key criteria for the search and nomination of Directors to the Board
- d. Board appointments are purely based on merit, having due regard to for the benefits of diversity on the Board.

Nomination and Remuneration Committee and policies

The Board had constituted a Nomination and Remuneration Committee on 14th August 2014 pursuant to the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

The Committee met once during the financial year on 26 September 2014. The composition of the Nomination and Remuneration Committee is as under. All the committee members attended the meeting held on 26th September 2014.

Name of the Members	
Shri.N.Suresh	Chairman
Shri.M.R.Narayanan	Member
Smt.P.K.Anandavally Ammal	Member

Pursuant to the provisions of Section 178 and 134 (3(e) and Rule 8 (4) of the Companies (Accounts) Rules, 2014, Companies Act, 2013 and the Listing Agreement, the Committee was constituted with the following terms of reference.

- a. Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to remuneration of Directors, Key Managerial Personnel and other employees.
- b. Formulation of criteria for evaluation of Directors, Chairman, Managing Director and Executive Director, Board as a whole and various Committees of the Board. Based on the recommendations of the Committee, the said Policy on Nomination and Remuneration and Evaluation of Directors was adopted by the Board.
- c. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management positions in accordance with the criteria laid down.

The Committee has adopted the following criteria for selection of Members on the Board of Directors of the Company and also candidates eligible to be appointed in the Senior Management of the Company

(i) Criteria for Selection of Directors

Before making a recommendation to the Board for appointment of any Director, the Committee shall ensure that

- (a) The candidate possesses appropriate skills experience and knowledge in one or more fields of managerial/business/administrative/legal/finance qualifications and experience over two decades ;
- (b) The candidate shall be free from any disqualification as provided under Sections 164 and 167 of the Companies Act, 2013;
- (c) In the case of appointment of an Independent Director, the candidate meets the conditions of being independent as stipulated under Companies Act, 2013 and the Listing Agreement
- (d) The candidate also complies with the “Fit and Proper” criteria as laid down by the policy of the Company.

(ii) Criteria for Selection of Senior Management Personnel

The term Senior Management shall have the same meaning as provided under the explanation to Section 178 of the Companies Act, 2013

The Committee shall, before making any recommendation to the Board for appointment, should ensure that the candidate has the attributes set forth below

- (a) The candidate should have a minimum experience of 10 years in any of the areas viz electronic security related, financial management, legal, sales, marketing, procurement, research, technical operations or such other areas which in the opinion of the Committee are relevant for the Company’s business; and
- (b) The candidate should possess qualities that demonstrate leadership skills, effective communication skills, hard work, commitment and such other attributes which in the opinion of the Committee are in the interest of the Company.

The Committee makes its recommendation to the Board if it finds that a candidate meets the criteria for appointment.

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the provisions of Section 178(3) of the Companies Act, 2013. All the Directors have provided inputs to the questionnaire seeking information on criteria such as Board Composition and structure, Board Processes and procedures, effectiveness of the Board, etc

The Board and Nomination and Remuneration Committee reviewed the performance of the individual Directors inter alia, on the basis of understanding and knowledge of the market in which the Company is operating, ability to appreciate the working of the Company and the challenges it faces, attendance to meetings, extend of participation and involvement in the meetings and ability to convey one’s views and flexibility to work with others. The performance of the Committees was evaluated by the based on the composition of the Committees, effectiveness of the Committee meetings with respect to the terms of reference and conduct of the meetings and the procedures followed.

Separate meeting of Independent Directors was conducted during the year, to review the performance of the Board as a whole, performance of Non Independent Director and Chairman and assess the quality, quantity, timelines of flow of information from the Management to the Board of Directors.

Remuneration Policy

The Committee has formulated policies on remuneration of Directors, KMP and other employees, features of the same are as under

(i) Remuneration of Managing Director and Executive Director

Committee takes into consideration the performance of the Company, the ability to lead the team, past remuneration, the comparative remuneration profile in the industry subject to the condition that overall remuneration shall be in accordance and within the limits stipulated under the Companies Act, 2013

(ii) Remuneration to Non Executive Directors

Remuneration to Non Executive Director is paid subject to the limits stipulated under the Companies Act, 2013 and based on level of participation in the affairs of the Company.

Remuneration to Independent Directors is restricted to sitting fees for attending meetings of the Board of Directors .

The Company does not at present have a provision of stock options.

(iii) Remuneration of Senior Management Personnel and KMP

The Remuneration of the Senior Management Personnel and KMP shall be in accordance with the Policy of the Company as is applicable to the employees. Performance of the business/function under his control is also considered while deciding remuneration.

Details of remuneration paid to Directors and KMP are mentioned elsewhere in this report.

Audit Committee

Composition of the Audit Committee is as follows

Name of the Members	
Shri.N.Suresh	Chairman
Shri.M.R.Subramonian	Member
Smt P.K.Anandavally Ammal	Member

The Audit committee consists of two Non-Executive Independent Directors, one of whom is the Chairman. All the members of the Committee possesses accounting or related financial management expertise. The Committee met four times during the financial year 2014-15 on 30th May 2014, 14th August 2014, 14th November 2014 and on 14th February 2015, in which meetings, all the members were present.

The terms of reference of Audit committee in accordance with Section 177(4) of the Companies Act, 2013 and the listing agreement are as under

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process and discussions thereon;
3. Examination of the financial statement and the auditor's report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and or debt;

9. Discussion with internal auditors of any significant findings and follow up thereon;
10. To review the functions of Whistle Blower mechanism;
11. To carry out such other functions as may be referred to it.

There was no situation where the Board has not accepted the recommendation of the Audit Committee.

The Company has in place a Code of Conduct intended to focus the Board and Senior Management on areas of ethical risk, provide guidance to Directors and Senior Management to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct.

The Company has also in place a Code of Conduct for Prevention of Insider Trading for its designated Persons, in compliance with the SEBI (Prohibition of Insider Trading) Regulations,1992. The code advises them on the procedures to be followed and disclosures to be made, while dealing in shares of the Company and cautioning them of the consequences of violations. The Code of Conduct for Directors and Senior Management is placed in the website of the Company.

Statutory Auditors

The Auditors of the Company M/s M.R.Ramachandran and Co, Chartered Accountants, were appointed as Statutory Auditors of the Company during 23rd AGM held on 24th September 2014 for a period of three years. As per provisions of Section 139 of the Companies Act, 2013, the appointment need to be ratified at each AGM during their tenure and your Directors recommend ratification of the appointment of Statutory Auditors for the financial year 2015-16 in the ensuing AGM.

Auditors Report

There are no qualifications or adverse remarks mentioned in the Auditors Report for the financial year 2014-15. The notes on accounts forming part of financial statements are self explanatory.

Secretarial Auditors Report

Secretarial Auditors Report for the financial year 2014-15 as provided by M/s Krishna Prasad R.S & Co, Company Secretaries,T.C 12/1233, Law College Junction, Vanchiyoor PO, Near PMG, Trivandrum 695 035 is annexed to this report. There are no adverse comments or qualifications mentioned in the Secretarial Auditors Report.

Details of remuneration and other particulars required under Section 197(12) of the Companies Act read with relevant rules are given as Annexure III

Corporate Social Responsibility (CSR)

Your Company has always believed in Social Responsibility and has been supporting the cause in a reasonable manner. The Company has taken up various activities in line with the business and requirements of the society in the locality. The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure IV to this report in the format prescribed in the Companies (Accounts) Rules, 2014. The policy is available in the website of the Company. The composition and other details of the CSR Committee is detailed here under

Name of the Members	
Shri.M.R.Narayanan	Chairman
Shri.M.R.Subramonian	Member
Shri.N.Suresh	Member

Reason for the Company not being able to spend 2 percent of the net profits for CSR activities.

Pursuant to provisions of Section 135 of the Companies Act, the Company has to spend amount of 2 percent of the average net profits of the Company in the preceding 3 years calculated in accordance with the provisions of Section 198 on CSR activities. Accordingly, the amount to be spent during the financial year 2014-15 was Rs. 1651293. In order for the benefit of the locality in whose area the Company functions through its corporate office, the Company associated with the residential association in the area and constructed parks and other amenities. As part of the project for environment sustainability and protection, the Company had budgeted for installation and maintenance of surveillance systems in the locality. However the Company was

unable to get permissions from the residents/local authorities to install the Cameras in their premises and to draw power for the functioning of the equipment, which is the reason for the Company being unable to spend the full amount for CSR activities. The Company had invested in buying the required equipment for the activity but could not complete it by the cut off dates due to non receipt of permission. Since then , necessary permissions have been obtained and Company is in the process of completing the project . Detailed report on CSR policy of the Company and the activities/projects undertaken are provided in Annexure D.

Acknowledgements

The Directors sincerely acknowledge the contribution and support from Customers, Shareholders, Bankers, Vendors, Business Associates and various Government as well as Regulatory Agencies for their valuable support for the Company's growth. Your Directors also wish to place on record their appreciation of the contribution by the employees whose dedication, hard work and commitment enables the Company to sustain growth.

By order of the Board of Directors
For Adtech Systems Limited

Place : Trivandrum
Date: 30.05.2015

M.R. Narayanan
Chairman

Annexure A

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2015 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	:	L33111TN1990PLC018678
ii) Registration Date	:	05/02/1990
iii) Name of the Company	:	ADTECH SYSTEMS LIMITED
iv) Category /Sub-Category of the Company	:	Limited By shares / Indian Non Government Company
v) Address of the registered office	:	No 18,3rd Floor, RMS Apartments, 12, Gopala Krishna Road, T.Nagar, Chennai 600017, Tamil Nadu
vi) Whether listed company	:	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s Integrated Enterprises (India) Limited 2nd Floor, Kences Towers, North Usman Road, T Nagar, Chennai 600 017

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% total turnover of the company
1	Supply, Installation, Testing, Commissioning, and maintenance of Electronic Security Systems	80200	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -NA

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	1540565	42010	1582575	66.42					
(1) Indian									
a) Individual					1540565	42010	1582575	66.42	-
b) Central Govt									
c) State Govt									
d) Bodies Corp									
e) Banks / FI									
f) Any Other....									

Sub-total (A) (1):-	1540565	42010	1582575	66.42	1540565	42010	1582575	66.42	-
(2) Foreign									
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	--
b) Other – Individuals c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	-
d) Banks / FI e) Any Other....									
Sub-total (A) (2):-	1540565	42010	1582575	66.42	1540565	42010	1582575	66.42	
Total shareholding of Promoter (A) = (A) (1)+(A)(2)									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	20000	100000	120000	5.04	20000	100000	120000	5.04	Nil
b) Banks / FI									
c) Central Govt									
d) State Govts									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds i) Others (specify)									
Sub-total (B)(1):-	20000	100000	120000	5.04	20000	100000	120000	5.04	Nil

2. Non-Institutions									
a) Bodies Corp	Nil	350000	350000	14.69	Nil	350000	350000	14.69	Nil
i) Indian									
ii) Overseas									
b) Individuals	66200	186150	252350	10.59	66700	185650	252350	10.59	Nil
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	77825	77825	3.27	Nil	77825	77825	3.27	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	66200	613975	680175	28.54	66700	613475	680175	28.54	Nil
c) Others (specify)	86200	713975	800175	33.58	86700	713475	800175	33.58	Nil
Sub-total (B)(2):-									Nil
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	NA	NA	NA	NA	NA	NA	NA	NA	NA
Grand Total (A+B+C)	1626765	755985	2382750	100	1627265	755485	2382750	100	-

(ii) Shareholding of Promoters

Sl. no	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M.R.SUBRAMONIAN	556965	23.38	99.98	556965	23.38	99.98	NIL
2	M.R.KRISHNAN BHASKARAN DREEDEVI	522015	21.90	99.98	522015	21.90	99.98	NIL
3	M.R.NARAYANAN	448565	18.83	99.84	448565	18.83	99.84	NIL
4	THANKAM RAMAKRISHNAN	12710	0.53	0.00	12710	0.53	0.00	NIL
5	SHOBHA KRISHNAN	10290	0.43	0.00	10290	0.43	0.00	NIL

6	RADHA NARAYANAN	17705	0.74	0.00	17705	0.74	0.00	NIL
7	ASHA SUBRAMONIAN	8095	0.34	0.00	8095	0.34	0.00	NIL
8	M.S.RAMAKRISHNAN	6230	0.26	0.00	6230	0.26	0.00	NIL
	TOTAL	1582575	66.42	0.00	1582575	66.42	0.00	NIL

(iii) Change in Promoters' Shareholding - No change

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
1	Tops Security Limited	350000	14.69	350000	14.69
2	Small Industries Development Bank of India	100000	4.20	100000	4.20
3	Gayathri Ramesh	38530	1.62	38530	1.62
4	Dhanlakshmi Bank Limited	20000	0.84	20000	0.84
5	Vijayakumar	16675	0.70	16675	0.70
6	Kunchitham M S	11510	0.48	11510	0.48
7	Vinaya Chand P	9250	0.39	9250	0.39
8	Lakshmi Viswanathan	8995	0.38	8995	0.38
9	Chandrasaran K C	8325	0.35	8325	0.35
10	Thomas Alocious Fernandez	8325	0.35	8325	0.35
	There has been no change in the number of shares held by Top 10 Shareholders during the year				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of the Directors and KMP				
	At the beginning of the year				
	1. M.R.Subramonian	556865	23.37	556865	23.37
	2. M.R.Krishnan	521915	21.90	521915	21.90
	3. M.R.Narayanan	447865	18.80	447865	18.80
	4. S.Balamurali	1000	0.04	1000	0.04
	5. Vinaya Chand P	9250	0.39	9250	0.39

Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweatequity etc):	NA	NA	NA	NA
At the End of the year				
1. M.R.Subramonian	556865	23.37	556865	23.37
2. M.R.Krishnan	521915	21.90	521915	21.90
3. M.R.Narayanan	447865	18.80	447865	18.80
4. S.Balamurali	1000	0.04	1000	0.04
5. Vinaya Chand P	9250	0.39	9250	0.39

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment -NIL

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0.00	0.00	0.00	0.00
Change in Indebtedness during the financial year				
· Addition	0.00	0.00	0.00	0.00
· Reduction	0.00	291500.00	0.00	291500.00
Net Change	0.00	0.00	0.00	0.00
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	
iii) Interest accrued but not due	0.00	0.00	0.00	
Total (i+ii+iii)	0.00	0.00	0.00	0.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

in Rs Lakhs

Sl. no.	Particulars of Remuneration	M.R.Subramonian Managing Director	M.R.Krishnan Executive Director	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	32.00	32.00	64.00
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5.	Others, please specify Medical			
	Total (A)	32.00	32.00	64.00
	Ceiling as per the Act	103.17 lakhs being 10 percent of net profits of the Company calculated as per section 198 of the Companies Act, 2013		

B. Remuneration to other directors:

In Rs Lakhs

Sl no.	Particulars of Remuneration	Name of Directors			Total Amount
		N Suresh	Manmathan Nair	P.K.Ananda Vally Ammal	
	1. Independent Directors- Fee for attending board committee meetings · Commission · Others, please specify	0.23	0.15	0.15	0.53
	Total (1)	0.23	0.15	0.15	0.53
	2. Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	M.R.Narayanan Nil 9.50			9.50

	Total (2)	9.50		9.50
	Total (B)=(1+2)	10.03		
	Total Managerial Remuneration	Rs. 10.03 lakhs		
	Overall Ceiling as per the Act	Rs. 10.31 lakhs being 1 % of net profits of the Company calculated as per Section 198 of the Companies Act, 2013		

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

(in Rs Lakhs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Not Applicable	20.70	04.55	25.25
			Nil	Nil	Nil
2.	Stock Option		Nil	Nil	Nil
3.	Sweat Equity		Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...		Nil	Nil	Nil
5.	Others- Medical		0.58	0.25	0.83
	Total	21.28	04.80	26.08	

ANNEXURE – B
FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

All transactions entered into by the Company during the year with related parties were on an arms length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

The transactions entered into by the Company during the year with related parties on an arms length basis were not material in nature

Trivandrum
30 May 2015

M.R.Narayanan
Chairman

ANNEXURE C

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The ratio of remuneration of Managing Director/Executive Director to the median remuneration of the employees of the Company for the financial year ended 31st March 2015	13.10
(ii) The ratio of remuneration of Non Executive Non Independent Director to the median remuneration of the employees of the Company for the financial year ended 31st March 2015	3.77
(iii) The median remuneration of employees of the Company during the financial year	Rs.21,000
(iv) Percentage increase in the median remuneration of the employees in the financial year 2014-15	10.53
(v) Number of permanent employees on the rules of the Company as on 31st March 2015	82
(vi) Explanation on relationship between average increase in remuneration and company performance	Average increase in median remuneration is in line with the Industrial standards and inflation.
(vii) Average percentage increase in the salaries of the employees other than the managerial personnel in the last financial year and the percentile increase in the managerial remuneration	There is 14.02 % increase in salaries of employees other than managerial personnel and 27.99 percent increase in salaries of managerial personnel during the year which is justifiable as to be in line with the industrial standards.
(viii) The Key parameters for any variable component of remuneration available by the Directors	There is no variable component in the remuneration of Directors
(ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable

The percentage of increase in remuneration of Managing Director, Director, Company Secretary and Chief Financial Officer during the financial year 2014-15 and the comparison of remuneration of each KMP against the performance of the Company are as under

Sl No	Name of Director/Key Managerial Personnel and Designation	Remuneration for FY In Rs Lakhs		% increase for financial year 2014-15	Comparison of the remuneration against the performance of the Company
		2014-15	2013-14		
01	M.R.Subramonian, Managing Director	32.00	24.00	33.33 %	Profits before tax decreased by 3.16% and Profits after tax decreased by 3.64 % inspired of a 16.52 percent dip in turnover due to stringent cost cutting.
02	M.R.Narayanan, Director	09.50	09.50	0.00 %	
03	S.Balamurali, Company Secretary	21.28	18.14	17.31	
04	P.Vinaya Chand, Chief Financial Officer (appointed as CFO on 01 st October 2014)	4.80			

Variations in

	31st March 2015	31st March 2014
Market Capitalisation	Not Applicable	Not Applicable
Market Price	Not Applicable	Not Applicable
Earnings Per Share	Rs. 27.04	Rs. 28.06
Price Earning Ratio	Not Applicable	Not Applicable
Net Worth	Rs.2853.44 lakhs	Rs.2299.93 lakhs

Note :Due to non-trading of Company's shares in the regional stock exchanges, details pertaining to Market Capitalisation, Market Price and Price Earning ratio are not available.

Due to the aforementioned reason, percentage increase or decrease in the market quotes of the shares of the Company in comparison to the rate at which the Company came out with the last public offer is unavailable.

It is hereby affirmed that the remuneration paid to KMP and other directors and employees is as per the Remuneration Policy of the Company.

Annexure D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs

Main objective of the company is to undertake the social activities that focus in providing positive contribution towards the society as specified in Schedule VII (amended from time to time) and also as per Section 135 of the Companies Act, 2013 and such activities will be carried down in India. The company is also committed to the Triple bottom goals of the company i.e, Planet, People and Profit and the company's vision is in creating Just and Fair society.

The company's vision is to be responsible corporate and also to demonstrate environmental, transparent and ethical behavioural practices which contributes towards the economical and sustainable development within the company, corporate world and society as a whole.

4. SCOPE OF ACTIVITIES:

A. EDUCATION:

- i. Awareness Programmes on girl education
- ii. Promotion of Professional Education by way of conducting seminars and other activities
- iii. Adult literacy amongst those belonging to BPL

B. ENVIRONMENT

- i. Building of parks, gardens, roads etc
- ii. Precautionary measure with respect in reducing pollutions.
- lii Social security by provision of surveillance in localities
- iv. Green Belt development
- v. Precautionary measures taken for animals

C. WATER SUPPLY :

- i. Digging or renovation of wells;
- ii. Instructions with regard to usage of Drinking water
- iii. Promoting rain water harvesting schemes;

D. HEALTH RELATED ACTIVITIES:

- i. Blood donations camps
- ii. Diabetic detection and camps for the same
- iii. Family welfare activities
- iv. Awareness regarding Nutrition and Diet for Children

E. SPORTS AND CULTURES ACTIVITIES:

- i. Promotions for State level teams
- ii. Development of Parks with regard to construction / repairing /extending the infrastructure facilities
- iii. Providing sports materials for Football, Volleyball, Hockey sticksetc. to the young and talented villagers

Weblink <http://www.adtechindia.com//>

2. Composition of the CSR Committee

Name of the Members	
Shri.M.R.Narayanan	Chairman
Shri.M.R.Subramonian	Member
Shri.N.Suresh	Member

3.Average net profit of the Company for the last three financial years
Rs.82534620

4.CSR Expenditure(2 % of the above) Rs. 16,51,293

5.Details of CSR spend for the financial year

a.Total amount to be spent for the financial year Rs. 1651293

b.Amount spent for the financial year Rs. 1091136

c.Amount unspent, if any Rs.560157

d.Manner in which the amount is spent during the financial year is detailed below

Sl No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs subheading (1)Direct expenditure on projects or programs (2)Overheads	Cumulative Expenditure up to the reporting period	Amount Spent (a)Direct Or (b)through Implementing agency
01	Building of parks,Roads and gardens	Environment Schedule VII (iv)	1.Local Area 2.Kerala, Trivandrum	Rs.1060476	1.Rs.1060476 as direct expenditure 2.-	1.Rs.10,60,476	a.Rs,1060476 as direct expenditure
02	Providing Social Security by installing Surveillance Systems including protection of flora,maintaining quality of air,soil and water	Environment Schedule VII (iv)	1.Local Area 2.Kerala , Trivandrum	Rs. 591000	1.Rs.30660 as direct expenditure. 2.-	Rs.30660	a.Rs.30660 as direct expenditure b-

Declaration

The implementation and monitoring of the CSR Policy is in compliance with CSR Objectives and policy of the Company

M.R.Subramonian
Managing Director

M.R.Narayanan
Chairman, CSR Committee

AUDITOR'S REPORT

To

The Shareholders,
Adtech Systems Ltd
Chennai-17

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S RESPONSIBILITY ON FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

For M.R.RAMACHANDRAN &Co
CHARTERED ACCOUNTANTS

Date : 30th May 2015
Place : Chennai

M.R.RAMACHANDRA WARRIER
Partner
MEMBERSHIP No.FCA 4601

THE ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE OUR REPORT OF EVEN DATE TO THE MEMBERS OF ADTECH SYSTEMS LIMITED. ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2015.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
(b) As explained to us, all the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification of fixed assets in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
2. (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans secured or unsecured to companies, firms or other parties in the register maintained under Section 189 of the Companies Act, 2013. The company has taken interest free unsecured loans from parties as listed below:

Number of Parties	Amount involved (maximum o/s)	Balance o/s as on 31st March 2015
1	Rs.24,635	Nil

(b) Since the company has not granted any loans to parties in the register maintained under Section 189 of the Companies Act, 2013, the question of receipt of principal and interest regularly is not applicable.

© Since no loans have been granted as above, there is no overdue amount and question of reasonable steps taken by the company to recover principal and interest does not arise.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Act .
7. In respect of statutory dues
(a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise Duty ,Value Added Tax cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no undisputed outstanding statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes as on 31st March 2015 except the following.

Name of the Statute	Nature of Dues and financial year to which it pertains	Forum where dispute is pending	Amount involved	Security Deposit made
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2010-11	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs .15,95,326	Rs. 478,598
Kerala VAT Act, 2003	Kerala Value Added Tax and interest for FY 2010-11	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 149,260	Rs. 44,778
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2011-12	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs.47,21,776	Rs. 14,16,533
Kerala VAT Act, 2003	Kerala Value Added Tax and interest for FY 2011-12	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 38,84,056	Rs. 11,65,217
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2012-13	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 18,84,438	Rs. 565,332
Kerala VAT Act, 2003	Kerala Value Added Tax and interest for FY 2012-13	Deputy Commissioner, Appeals, Thiruvananthapuram	Rs. 20,89,713	Rs.626,914
Total			Rs.143,24,569	Rs.42,97,372

© Based on our examination of the records and the information and explanations gives to us, the Company has transferred an amount of Rs.22062 lying in the unpaid dividend account to the Investor Education and Protection Fund (dividend declared for FY 2006-07) within the time in accordance with the relevant provisions of the Companies Act, 1956 and the rules framed thereunder.

8. The Company has no accumulated losses at the beginning of the financial year. The company has not incurred any cash losses during the financial year or the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks. The company has not issued any debentures as of date.
11. In our opinion and according to the information and explanation given to us, the Company has not given any guarantee during the year for loans taken by others from banks or other financial institutions.
12. The Company has not availed any loan from banks or financial institutions and hence the provision of utilization of loans is not applicable.
13. Based on our audit procedures performed and according to the information and explanations given to us, we have not noticed or have not been reported of any fraud on or by the Company during the year.

For M.R.RAMACHANDRAN &Co
CHARTERED ACCOUNTANTS

Date : 30th May 2015
Place : Chennai

M.R.RAMACHANDRA WARRIER
Partner
MEMBERSHIP No.FCA 4601

**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

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

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

To,

The Members,
Adtech Systems Limited.
18, 3rd Floor, R.M.S.Appartments 12,
Gopalakrishna Iyer Road,T.Nagar,
Chennai, Tamil Nadu-600 017.

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Adtech Systems Limited for the Financial Year ended 31st March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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 there under;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and overseas direct investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares Regulations, 2009); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Labour laws and other laws as may be applicable to the company

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

(i) The Listing Agreements entered into by the Company with 3 Recognized Stock exchange of India namely:

- a. Ahmedabad Stock Exchange;
- b. Madras Stock Exchange; and
- c. Cochin Stoke Exchange.

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

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period the company has not entered into any of the following transactions:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc;
- ii. Redemption / buy-back of securities;
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013;
- iv. Merger / amalgamation / reconstruction, etc;
- v. Foreign technical collaborations.

Place: Trivandrum
Date : 06.08.2015

Krishna Prasad R S
Company Secretary in Practice
FCS No: 7080, C P No.: 7379

ADTECH SYSTEMS LIMITED

No.18, 3rd Floor, R M S Appartments, 12, Gopalakrishna Road, T Nagar, Chennai 600 017

**Balance Sheet as at 31st March,
2015**

	Note No	As at the end 31st March 2015	As at the end 31st March 2014
A EQUITY AND LIABILITIES			
1 Share holders' Fund			
(a) Share Capital	3	277,81,490.00	277,81,490.00
(b) Reserves and Surplus	4	2575,62,792.51	2022,11,959.46
2 Non- Current Liabilities			
(a) Long Term Borrowings	5	0.00	0.00
(b) Deferred Tax Liabilities (Net)	6	35,95,746.70	37,07,447.70
4 Current Liabilities			
(a) Short Term Borrowings	7	0.00	24,635.00
(b) Trade Payables	8	1148,44,254.68	1258,25,976.20
(c) Other Current Liabilities	9	67,37,366.73	87,40,520.94
(d) Short term Provisions	10	1087,57,199.00	830,22,246.00
Total		5192,78,849.62	4513,14,275.30
B ASSETS			
1) Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	198,91,603.24	212,01,153.08
(b) Other Non Currents Assets	12		
2) Current Assets			
(a) Inventories	13	1278,40,914.50	1046,49,212.00
(b) Trade Receivables	14	1418,01,454.21	1359,40,033.28
(c) Cash & Cash Equivalents	15	1097,38,022.69	1155,15,153.16
(d) Short Term Loans & Advances	16	1200,06,854.98	740,08,723.78
Total		5192,78,849.62	4513,14,275.30
		0.00	0.00

in terms of our report attached

for M.R.Ramachandran & Co
Chartered Accountants

M.R.Ramachandra Warriar
Partner
Membership Number FCA 4601
Place : Chennai
Date : 30 May 2015

for and on behalf of
the Board of Directors

M.R.Subramonian
Managing Director

S.Balamurali
Company Secretary

M.R.Krishnan
Executive Director

P.Vinaya Chand
Chief Financial Officer

ADTECH SYSTEMS LIMITED

No.18, 3rd Floor, R M S Appartments, 12, Gopalakrishna Road, T Nagar, Chennai 600 017

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

	Note No.	For the year ended 31-Mar-15 Rs.	For the year ended 31-Mar-14 Rs.
Revenue From Operations	17	6341,36,766.37	7596,32,267.70
Other Income	18	121,88,600.08	93,17,719.52
Total Revenue (1+2)		6463,25,366.45	7689,49,987.22
Expenses			
(a) Cost of material consumed	19	4947,21,895.75	6079,28,120.87
(b) Change in Inventories of finished goods, work in progress, stock in trade	20	-231,91,702.50	-193,54,967.00
(c) Employee Benefit Expenses	21	397,50,045.81	335,42,216.82
(d) Finance Cost	22	1,45,759.36	1,59,230.80
(e) Depreciation and amortisation expense		14,69,648.53	10,80,743.68
(f) Other expenses	23	396,92,574.41	469,01,208.47
Total Expenses		5525,88,221.36	6702,56,553.64
Profit/(Loss) before exceptional and extraordinary items and Tax (3-4)		937,37,145.09	986,93,433.58
Exceptional Items			
Profit/(Loss) before extra ordinary items and Tax (5+-6)		937,37,145.09	986,93,433.58
Extra Ordinary items		28,048.00	0.00
Prior Period Income		23,62,516.98	5,13,922.61
Profit/(Loss) before Tax (7+-8)		960,71,614.07	992,07,356.19
Tax Expense :			
(a) Tax expense for Current Year		317,58,644.00	322,89,805.00
(b) (Less): MAT Credit (where applicable)			
(c) Current tax expense relating to prior years			
(d) Net current tax expense		317,58,644.00	322,89,805.00
(e) Deferred tax		-1,11,701.00	59,459.00
Profit / (Loss) for the year		644,24,671.07	668,58,092.19
Earnings per equity share in Rs:			
(1) Basic	24	27.04	28.06
(2) Diluted	24	27.04	28.06
Corporate Information and Significant accounting policies	1 &2	for and on behalf of the Board of Directors	
in terms of our report attached for M.R.Ramachandran & Co Chartered Accountants		M.R.Subramonian Managing Director	M.R.Krishnan Executive Director
M.R.Ramachandra Warriar Partner Membership Number FCA 4601 Place : Chennai Date :30 May 2015		S.Balamurali Company Secretary	P.Vinaya Chand Chief Financial Officer

Note 3 : Share Capital

	As at 31 March 2015	As at 31 March 2014
Authorised Shares		
36,00,000 Equity Shares of Rs.10 each	360,00,000.00	360,00,000.00
Issued, Subscribed and fully paid up shares	238,27,500.00	238,27,500.00
Total Issued Subscribed and fully paid up Shares	238,27,500.00	238,27,500.00

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

No shares were issued during the reporting period and hence reconciliation of the shares outstanding at the beginning and at

the end of the reporting period is not applicable

b. Terms/rights attached to equity shares

The Company has only one class of shares viz equity shares having a par value of Rs.10/- per share. Each holder of equity share

is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board

of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2015, the amount of dividend per share recognised for distribution to shareholders is Rs.3.00 per

share. (Previous year ended 31st March 2014 dividend was Rs.5.5/- per share)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company,

after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the

shareholders

c. No bonus shares were issued and no shares were issued for consideration other than cash during the period of five years

immediately preceding the reporting date.

d. Details of shareholders holding more than 5 % Shares in the Company (Equity shares of Rs.10 each fully paid)

	As at 31st March 2015		As at 31st March 2014	
	No. of Shares held			% of Holding
M.R.Narayanan	448565	18.83	448565	18.83
M.R.Subramonian	556965	23.37	556965	23.37
M.R.Krishnan	522015	21.91	522015	21.91
Tops Security Limited	350000	14.69	350000	14.69

e. Forfeited Shares (Amount Originally paid up) 39,53,990.00 39,53,990.00

Note 4 : Reserves and Surplus

<u>Reserves & Surplus</u>	31-Mar-15	31-Mar-14
a. Capital Reserves		
Balance as per last financial statements		53,37,500.00
(+) Current Year Transfer	53,37,500.00	
Closing Balance	53,37,500.00	53,37,500.00
b. Revaluation Reserve		
Balance as per last financial statements		17,220.00
(+) Current Year Transfer	17,220.00	
(-) Written Back in Current Year		
Closing Balance	17,220.00	17,220.00
c. General Reserve		
Opening Balance	241,12,283.00	174,25,693.00
Add Transfer from current year profits	64,42,461.00	66,86,590.00
(-) Written Back in Current Year		
Closing Balance	305,54,744.00	241,12,283.00
d Surplus/(deficit) statement in the statement of Profit and Loss		
Balance as per last financial statements	1727,44,956.46	1279,05,795.27
Add : Profit for the current year		668,58,092.19
Less : Appropriations	644,24,671.07	
Proposed final dividend @Rs 3 per share	71,48,250.00	131,05,125.00
(PY Rs.5.5 per share)		
Tax on proposed dividend	14,55,211.00	22,27,216.00
Transfer to General Reserve	64,42,461.00	66,86,590.00
Adjustment on account of change in residual value of fixed assets	4,70,377.02	0.00
Net surplus in the statement of profit and loss	2216,53,328.51	1727,44,956.46
Total Reserves and Surplus	2575,62,792.51	2022,11,959.46

Note 5 : Long Term Borrowings

Total Long term Borrowings	-	-
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Note 6: Deferred Tax Liabilities (Net)

Deferred Tax Liability (opening balance)	37,07,447.70	36,47,988.70
Less: Impact of difference between tax depreciation and depreciation/amortisation charged for financial reporting	1,11,701.00	-59,459.00
Deferred Tax Liabilities (Net)	35,95,746.70	37,07,447.70

Note 7 Short Term Borrowings

Loan from related party (Director) repayable on demand Unsecured	0.00	24,635.00
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Note 8 : Trade Payables

(a) Creditors for Purchases	1055,27,965.25	1132,25,731.71
(b) Creditors for Expenses	77,51,595.04	92,83,521.06
© Advance against supply of goods	15,64,694.39	33,16,723.43
Total Trade Payables	1148,44,254.68	1258,25,976.20

Note 9 Other Current Liabilities

Current maturities of Loan Borrowings (ref note 5)

		0.00
(a) Statutory dues payable	40,73,804.73	62,62,193.94
(b) Employee related Payables	20,02,443.00	19,85,408.00
(c) Income received in advance	6,61,119.00	4,92,919.00
Total Other current liabilities	67,37,366.73	87,40,520.94

Notes forming part of the financial statements for the year ended
(All amounts are in Indian Rupees, unless otherwise stated)
Note 11 Fixed Assets

Particulars	Gross Block			Depreciation Block			Net Block		
	At cost as on 31.03.2014	Additions	Sale/Transfer/ Write off	At cost as 31.3.2015	Up to 31.03.2014	For the Period	Up to 31.03.2015	As at 31.03.2014	As at 31.03.2015
Furniture & Fittings	867424.93	6000.00	338624.30	534800.63	198889.08	78801.85	277690.93	329911.55	257109.70
Computer Systems	3033013.00	511276.71	2062226.00	1482063.71	194227.38	544746.64	738974.02	776559.62	743089.69
Tools & Fixtures	171900.14	0.00	740.79	171159.35	162564.35	0.00	162564.35	9335.79	8595.00
Power Control Accessories	168705.60	0.00	91855.60	76850.00	3373.72	25219.22	28592.94	73476.28	48257.06
Office Equip	932441.05	81150.00	768625.05	244966.00	28738.00	39601.12	68339.12	553900.28	176626.88
Motor Car	4695056.40	0.00	338299.40	4356757.00	834354.02	683233.40	1517587.42	3522402.98	2839169.58
EPBEX	43650.00	0.00	10245.94	33404.06	31222.06	0.00	31222.06	12427.94	2182.00
Building Renovation A/c	455277.00	0.00	78038.01	377238.99	354475.99	0.00	354475.99	100801.01	22763.00
Software Development	168540.00	69519.00		238059.00	32262.37	98046.30	130308.67	136277.63	107750.33
Land	15686060.00	0.00	0.00	15686060.00	0.00	0.00	0.00	15686060.00	15686060.00
	26222068.12	667945.71	3688655.09	23201358.74	1840106.97	1469648.53	3309755.50	21201153.08	19891603.24

Note 10 Short Term Provisions

(a) Provision for employee benefits

Provision for Leave Encashment (non funded)	16,24,650.00	12,47,051.00
Provision for Bonus	26,43,650.00	23,16,060.00
Total provisions for employee benefits	42,68,300.00	35,63,111.00

(b) Other Provisions

Provision for Taxation	958,85,438.00	641,26,794.00
Provision for Dividend	71,48,250.00	131,05,125.00
Provision for Dividend Tax	14,55,211.00	22,27,216.00
Total other provisions	1044,88,899.00	794,59,135.00
Total Short Term Provisions	1087,57,199.00	830,22,246.00

Note 12 Non current assets 0.00

Note 13 : Inventories

Inventories at Trivandrum

EAS Systems	981,55,694.97	676,74,662.00
Invue Systems	198,47,886.34	274,13,978.00
CCTV & Alarm Systems	57,68,878.20	39,23,120.00
Access Control Systems & Cables	19,67,432.46	19,68,570.00

Total Inventories at Trivandrum 1257,39,891.97 1009,80,330.00

Inventories at Delhi & Chennai 21,01,022.53 36,68,882.00

Total Inventories 1278,40,914.50 1046,49,212.00

Note 14 : Trade Receivables

Receivables Outstanding for a period more than 6 months - unsecured, Considered good 105,33,611.39 92,26,227.09

Receivables Outstanding for a period more than 6 months - Unsecured, Doubtful 30,587.00 83,968.00

Other Receivables Unsecured, Considered Good 1312,37,255.82 1266,29,838.19

Total Trade Receivables 1418,01,454.21 1359,40,033.28

Note 15 Cash and Cash Equivalents

Cash in Hand 85,544.46 5,38,804.46

Balances with scheduled banks on current accounts 497,36,044.99 593,41,541.16

Balances with scheduled banks on deposit accounts 599,16,433.24 556,34,807.54

Total Cash and Cash Equivalents 1097,38,022.69 1155,15,153.16

Note 16 Short Term Loans and Advances

Advance for Expenses, Unsecured, considered good	96,834.66	43,591.62
Advance for Purchases, Unsecured, considered good	2,21,009.05	76,728.41
Earnest Money Deposit	1,41,775.00	1,39,775.00
Intercorporate Deposit with Muthoot Capital Services Ltd	130,00,000.00	0.00
Security Deposit	45,09,900.82	10,39,523.32
Rental Deposits	8,57,000.00	9,76,500.00
Tax Deducted at Source	72,63,386.32	51,29,867.56
Advance Income Tax	886,33,865.00	618,93,777.00
Advance for land to related party (unsecured, considered good)	33,05,662.00	33,05,662.00
Other Loans and advances, Unsecured, considered good	19,77,422.13	14,03,298.87
Total Short Term Loans and advances	1200,06,854.98	740,08,723.78

* Ref note 2

Note 17 Revenue from Operations

(a) Revenue from Sale of Products

Interstate Sales -Kerala	2635,37,748.02	3875,33,090.00
Interstate Sales -Tamilnadu		
Interstate Sales- Delhi	36,60,814.00	121,24,640.00
Local sales-Kerala	211,14,614.40	196,04,437.00
Local Sales Tamilnadu	36,05,950.00	21,94,160.00
Local Sale -Delhi	38,04,535.00	53,67,262.00
Sale of Electricity		0.00
Export sales	2940,08,747.76	2980,36,369.70
	5897,32,409.18	7248,59,958.70
Less Sales Returns		
Revenue from Sale of Products	5897,32,409.18	7248,59,958.70

(b) Revenue from Sale of Service and Maintenance

AMC received	155,30,204.37	149,96,531.27
Forwarding & Handling Charges	2,04,565.01	2,37,814.75
Income from services	11,67,189.81	11,28,833.49
Installation Charges received	137,72,155.00	84,74,980.00
Marketing Incentives on Direct Orders	137,30,243.00	99,34,149.49
Revenue from Sale of Service and Maintenance	444,04,357.19	347,72,309.00
Total Sales and Service Income	6341,36,766.37	7596,32,267.70

Note 18 . Other Income

Interest on Deposits	47,89,153.00	37,33,793.09
Foreign Exchange Gain	73,13,707.98	55,83,926.43
Dividend from SBI Mutual Fund	85,739.10	
Total Other Income	121,88,600.08	93,17,719.52

Notes forming part of the financial statements for the year ended
(All amounts are in Indian Rupees, unless otherwise stated)

Note 19. Purchases of Stock in Trade

Local Purchases Kerala	806,16,194.69	455,76,280.42
Local Purchases Delhi	4,80,000.00	71,95,500.00
Local Purchases Tamilnadu	15,58,653.00	6,59,235.00
Interstate Purchases	3452,34,538.86	3958,74,208.74
Imported Purchases	668,32,509.20	1586,22,896.71
Total purchases of Stock in Trade	4947,21,895.75	6079,28,120.87

Note 20 Changes in Inventories

Opening Stock of Stock in Trade	1046,49,212.00	852,94,245.00
Less Closing Stock of Stock in Trade	1278,40,914.50	1046,49,212.00
Change in Inventory of stock in trade	231,91,702.50	193,54,967.00

Note 21 :Employee benefits expense

Bonus	26,45,150.00	23,17,450.00
ESI Contribution	2,26,658.00	1,96,142.00
Gratuity	7,09,912.00	3,12,859.00
Contribution to Workers Welfare Fund	7,360.00	6,760.00
Leave Encashment	9,43,915.00	8,65,469.00
Leave Travel Concession	5,99,886.00	5,14,653.00
Medical reimbursement	10,48,558.81	8,45,695.82
PF Contribution	16,48,733.00	11,14,758.00
Salaries - Directors	70,67,420.00	58,67,420.00
Salaries - Others	248,52,453.00	215,01,010.00
TOTAL	397,50,045.81	335,42,216.82

Note 22 . Finance Charges

Interest Paid on unsecured loans	0.00	24570.02
Bank Charges and Commission	1,45,759.36	1,34,660.78
TOTAL	1,45,759.36	1,59,230.80

Notes forming part of the financial statements for the year ended
(All amounts are in Indian Rupees, unless otherwise stated)

31 March 2015

31 March 2014

Note 23 : Other Expenses

(a). Administrative Expenses

AMC Paid	72,661.00	80,553.00
Anniversary Expenses	2,12,479.00	2,73,520.00
Audit Fee	2,80,900.00	2,80,900.00
Tax Audit Fee	1,12,360.00	1,12,360.00
Books and Periodicals	60,732.00	18,350.00
Consultancy Charges	4,01,954.00	1,25,500.00
Conveyance	15,39,798.79	18,68,388.31
Corporate Social Responsibility Expenses	10,91,136.00	12,000.00
Demat Charges	40,965.00	42,591.00
Electricity and Water Charges	4,45,116.00	4,55,705.00
Filing Fee	4,200.00	0.00
Foreign Travel Expenses	20,74,092.93	13,92,751.66
Insurance	1,99,728.98	2,64,777.73
Internal Audit Fee	2,24,720.00	2,02,248.00
Listing Fee	25,394.00	24,016.00
Loss on sale of Motor Car	0.00	2,20,490.60
Membership fee	3,75,416.00	61,903.00
Office Expenses	2,11,004.00	2,37,391.50
Pooja Expenses	2,153.00	8,998.00
Postage and Telegram	38,061.00	20,481.00
Printing and Stationery	5,11,184.50	4,79,333.50
Professional Charges	2,67,584.80	78,842.44
Rent A/c	18,26,200.00	17,32,500.00
Repairs and Maintenance	4,52,842.00	5,57,805.00
Sales tax Expenses	47,250.00	9,64,858.00
Security Service Charges	1,50,573.00	1,50,670.00
Service Charges	15,61,147.00	30,10,135.00
Service Expenses	10,22,775.36	13,62,196.42
Software License Fee	91,800.00	0.00
Staff Welfare Expenses	2,31,648.50	3,91,627.00
Telephone, Fax and Email	15,12,412.01	14,70,314.84
Training Expenses	2,56,909.00	55,800.00
Travelling Expenses	62,32,214.36	70,35,865.25
TOTAL	215,77,412.23	229,92,872.25

Notes forming part of the financial statements for the year ended
(All amounts are in Indian Rupees, unless otherwise stated)

(b) Selling Expenses

Advertisement	1,83,091.00	2,67,556.00
Bad Debts written off	11,27,248.60	28,51,575.39
Carriage Outwards	33,44,921.46	40,40,473.21
Commission	52,84,675.82	99,60,715.79
Courier Charges	3,14,930.76	4,18,407.00
Exhibition Expenses	4,49,656.00	4,89,097.00
Freight on Export	33,59,830.95	22,00,718.74
Installation Expenses	30,77,935.31	27,22,980.50
Marketing Expenses	5,95,205.00	1,86,255.00
Marketing Incentive	96,245.00	1,28,787.00
Packing Materials	96,754.70	83,723.00
Rates and Taxes	1,18,536.00	1,42,227.00
Rebates and Discount	17,431.58	4,14,417.59
Sales Promotion Expenses	0.00	0.00
Seminar Expenses	23,385.00	0.00
Tender Form Purchased	25,315.00	1,403.00
TOTAL	181,15,162.18	239,08,336.22
Total Other Expenses	396,92,574.41	469,01,208.47

Note 24 : EPS

Basic and Diluted EPS is calculated by dividing the net profit after taxes for the year under review with the number of outstanding shares

Net profit after taxes	644,24,671.07	668,58,092.19
Number of Shares	23,82,750.00	23,82,750.00
Earnings per Share	27.04	28.06

ADTECH SYSTEMS LIMITED

No.18, 3rd Floor, R M S Apartments, 12, Gopalakrishna Road, T Nagar, Chennai 600 017

CASH FLOW STATEMENT

(All amounts are in Indian Rupees, unless otherwise stated)

Cash Flow Statement as at	31st March 2015	31st March 2014
Cash Flow from Operating Activities		
Net profit before tax as per Statement of Profit and Loss	960,71,614.07	992,07,356.19
Adjustments to reconcile profit before tax to cash generated by operating activities		
Depreciation	14,69,648.53	10,80,743.68
Loss on sale of Motor Car	-	2,20,490.60
Provision for Leave Encashment	-	2,85,412.00
Provision for Bonus	-	1,13,000.00
Finance Costs	-	24,570.02
Bad Debts Written Off	11,27,248.60	28,51,575.39
Exchange Fluctuation	(73,13,707.98)	(55,83,926.43)
Dividend from SBI Mutual Fund	(85,739.10)	-
Interest Income	(47,89,153.00)	(37,33,793.09)
Operating Profit before Working Capital Changes	864,79,911.12	944,65,428.36
Adjustments for:		
Increase or decrease in inventory	(231,91,702.50)	(193,54,967.00)
Increase or decrease in receivables	(69,88,669.53)	(300,69,470.86)
Increase or decrease in other short term advances	(329,60,661.20)	(348,82,947.57)
Increase or decrease in other Long Term Deposits	(42,81,625.70)	(180,28,746.39)
Increase or decrease in trade payables	(109,81,721.52)	379,81,992.07
Increase or decrease in short term borrowings	(24,635.00)	(4,62,490.00)
Increase or decrease in other payables	(20,03,154.21)	(23,35,561.27)
Increase or decrease in Short term provisions	171,31,492.00	169,57,464.00
Cash Generated from Operations	231,79,233.46	442,70,701.34
Direct Tax paid	(317,58,644.00)	(322,89,805.00)
Net Cash flow from Operating activities	(85,79,410.54)	119,80,896.34
Cash Flow from Investing Activities		
Employees Gratuity Trust Fund	-	-
Purchase of Non-Current Assets	(6,67,945.71)	(163,14,625.50)
Sale of Non-Current Assets	-	9,00,000.00
Deposit with Muthoot Capital Services Limited	(130,00,000.00)	-
Dividend from SBI Mutual Fund	85,739.10	-
Interest received	47,89,153.00	37,33,793.09
Net Cash flow from Investing Activities	(87,93,053.61)	(116,80,832.41)
Cash Flow from Financing Activities		
Repayment of loans	-	(5,20,040.98)
Exchange Fluctuations	73,13,707.98	55,83,926.43
Finance Costs	-	(24,570.02)
Net cash flow from financing activities	73,13,707.98	50,39,315.43
Net Increase/Decrease in Cash	(100,58,756.17)	53,39,379.88
Add: Cash and Cash Equivalents at beginning (Opening Balance)	598,80,345.62	545,40,965.74
Cash and Cash Equivalents as at end (Closing Balance)	498,21,589.45	598,80,345.62

for and on behalf of the Board of Directors

as per our report of even date
for M.R.Ramachandran & Co
Chartered Accountants

M.R.Subramonian
Managing Director

M.R.Krishnan
Executive Director

M.R.Ramachandra Warrrier
Partner
Membership Number FCA 4601

Place : Chennai
Date : 30 May 2015

S. Balamurali
Company Secretary

Vinaya Chand P
Chief Financial Officer

Schedules forming part of the financial statements (All amounts are in Indian Rupees, unless otherwise stated)
Segmental Reporting

	Amt in Rs Lakhs							
	EAS		CCTV/ACS(C/I)		Others		Consolidated Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
1. Segment Revenue								
(a) External Sales	5292.13	6809.26	1049.24	787.07	98.74	60.98	6440.11	7657.31
(b) Inter-Segment Sales								
© Total Revenue	5292.13	6809.26	1049.24	787.07	98.74	60.98	6440.11	7657.31
2. Total Revenue of each segment as a percentage of total revenue of all segments	82.17	88.92	16.29	10.28	1.53	0.80	100.00	100.00
3. Segment Result [Profit/(Loss)]	941.08	1102.87	205.17	145.88	98.74	60.98	1,244.99	1,309.73
4. Unallocated Corporate expenses							330.70	353.40
5. Operating Profit							914.29	956.33
6. Interest Expense					1.46	1.59	1.46	1.59
7. Interest Income					0	0	47.89	37.33
8. Net Profit							960.72	992.07
9. Segment Assets	2,380.97	2,122.14	318.39	284.95	0	0	2,699.36	2,407.09
10. Segment assets as a percentage of total assets	45.85	47.02	6.13	6.31	0.00	0.00	0.00	100.00
11. Unallocated Corporate Assets							2,493.43	2,106.05
12. Total Assets							5,192.79	4,513.14
13. Segment Liabilities	1,080.55	1,174.39	31.00	46.95	0	0	1,111.55	1,221.34
14. Unallocated Corporate liabilities							1,227.79	991.87

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

Note 1 : Corporate Information

Adtech Systems Limited (formerly Adtech Power Systems Limited) (hereinafter referred to as “ASL” or “the Company”) was incorporated on 05th February 1990 in Chennai, Tamilnadu. The Company is an electronic system integrator and provides a wide range of solutions in electronic security systems with a pan India presence . Corporate Identity Number (CIN) is L33111TN1990PLC018678. Paid up Share Capital of the Company is Rs. 238. 2 lakhs divided into 2382750 equity shares of Rs. 10/- each fully paid up.

Note 2 : Significant Accounting Policies.

The financial statements for the year ended 31st March 2015 have been prepared under the historical cost convention and on an accrual basis The financial statements of the Company have been prepared in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the mandatory and relevant Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013 . The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year,

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of its business and of the services provided, the Company has ascertained its operating cycle as 12 months for the purpose of classification of its assets and liabilities into current and non- current as per the requirement of Schedule III of the Companies Act, 2013

The Significant accounting policies followed by the Company are stated below.

(a) Disclosure and Presentation of financial statements and use of estimates

Preparation of the financial statements requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the period and disclosure of contingent liabilities as at that date. The estimates and assumptions used in the financial statements are based upon the managements evaluation of the relevant facts and circumstances as the date of financial statements. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognized prospectively in the current and future years. The financial statements for the year ended 31st March 2015 are prepared and presented in the format prescribed Schedule III of the Companies Act, 2013 . Previous year’s figures has also been reclassified in accordance with the disclosure and presentation requirements applicable for the current year.

(b) Fixed Assets

Expenditure which are of a capital in nature are capitalised at a cost, which comprises of purchase price, import duties, levies and any directly attributable cost of bringing the assets to its working conditions for the intended use. None of the fixed assets have been revalued during the year under consideration.

(c) Depreciation

Depreciation on assets held for own use of the Company is provided on written down value method as per the useful years of life of the assets and in the manner prescribed under Schedule II of the Companies Act, 2013.

The Company has adopted the following as the useful years of life to provide depreciation on its fixed assets as provided in Schedule II of the Act.

Sl No	Description of the Asset	Useful years of life
01	Furniture and Fittings	10 years
02	Computer Systems	3 years
03	Tools and Fixtures	5 years
04	Power Control Accessories	5 years
05	Office Equipments	5 years
06	Motor Car	8 years
07	EPBEX	5 years
08	Building Renovation	10 years
09	Software	3 years

During the year, in accordance with Part A of Schedule II of the Companies Act, 2013, the Company has re-assessed the remaining useful life of the assets with effect from 01st April 2014. For assets that have completed the useful life as on 01st April 2014, the net residual value of 4.70 lakhs has been adjusted to the opening balance of retained earnings.

[d] Inventory Valuation

Inventories are stated at cost or net realisable value whichever is less and are based on physical verification conducted by the management.

[e] Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash and cash equivalents in the Cash Flow Statement comprise cash in hand, deposits with bank and cash equivalents with an original maturity of three months or less held for the purpose of meeting short term cash commitments.

[f] Cash flow statement

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

[g] Investments

The Company has made an inter corporate deposit with M/s Muthoot Capital Services Limited of Rs 130 lakhs on 30th March 2015 for a period of 3 months which carries an interest rate of 9 percent per annum out of the surplus funds. The deposit is classified under the head "Short Term Loans and Advances" in the Balance Sheet.

[h] Foreign exchange transactions :

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions.
- (b) Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates. The Gain/loss on settlement /reinstatement are capitalized if such liability relates to acquisition of fixed assets and charged to revenue in other cases.

[i] Prior period income and Extraordinary items

Prior period income Rs23.63 lakhs (PY Rs.5.14 lakhs) represents sundry outstanding unclaimed balances written back to revenue account and recovery of bad debts.

Extraordinary expense of Rs.0.28 lakhs represents the amount paid on account Service Tax demand for the period 2009-10 pursuant to Service Tax Audit conducted by the Service Tax Department

[j] Revenue recognition

1. Revenue on sale of goods on acceptance by the transferee of receipt of goods and terms and conditions of sale.
2. Service income is recognised on redressal of customer complaint and acceptance of service charges.
3. Revenue from Annual Maintenance contract are recognized pro-rata over the period of contract and to the extent to which it is applicable for the year under consideration.

[k] Taxation

Tax expense (tax saving) is the aggregate of the current year tax and deferred tax charged (Debited) to the statement of Profit and Loss for the year.

Current income tax is measured at the amount expected to be paid to the Income Tax authorities in accordance with the Income –tax Act,1961. Provision for Income Tax for the period comes to Rs.317.59 lakhs (PY Rs.322.90 lakhs).

Deferred tax : The company provides for deferred tax liabilities on the basis of the tax effect of the timing differences resulting from the recognition of items in the financial statement and in estimating its current income tax provision. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that the assets can be realized in future. An amount of Rs. 2.12 lakhs has been credited to the statement of Profit and Loss on account of deferred tax .

[l] Employee Retirement and other Benefits.

- (i) Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of Profit and Loss of the year when the contributions to the fund maintained by the Central Government is due. There is no other obligation other than the contribution payable to the trust.
- (ii) Gratuity
Liability for Gratuity in respect of employees of the Company has been covered under the Group Gratuity cum Assurance Scheme by the Life Insurance Corporation of India and the Contribution is recognized in the Statement of Profit and Loss. The Company has made provision for gratuity for a total amount of Rs.31.60 lakhs (current year provision Rs.6.90 lakhs) as per actuarial valuation made by LIC of India. An amount of Rs.31.60 lakhs has been paid by the Company to LIC of India Group Gratuity Fund (current year contribution 6.90 lakhs). Value of the Gratuity Fund as on 31st March 2015 is Rs.37.85 lakhs which includes interest credited to fund by LIC year on year.
- (iii) Leave Encashment Benefit
The Company has a leave encashment policy whereby leave not availed of can be carried forward/encashed for a period not exceeding forty days. The unavailed leave can either be utilized by the employee or encashed within a period of 3 years from the date on which it has fallen due. The liability on account of such unavailed/unencashed leave salary as on 31st March 2015 is Rs 16.25 lakhs (PY 12.47 lakhs) For which provision has been made in the accounts.
- (iv) Provident Fund
Retirement benefit in the form of provident fund is a defined contribution scheme. The Contributions to the provident fund are charged to the Statement of Profit and Loss for the year when the contributions are due in accordance with the fund rules. The Company has no obligation other than the contribution payable to the provident fund.
- (v) The Company also contributes to the Employees State Insurance Corporation on behalf of its employees.
- (vi) The Company does not have any other employee retirement benefit schemes other than those listed above.

(m) Segment Accounting Policies

The Company operates mainly in one single segment viz Supply and integration of Electronic Security Systems. Though not strictly necessary, the Company has, for as a measure of providing greater understanding, divided this segment into two viz the “Electronic Article Surveillance Systems “(EAS) used for providing security to the retail segment and the “Commercial Industrial (C/I) for providing security solutions for industrial use. Segment accounting policies are in line with the accounting policies of the Company. The following specific accounting policies have been followed for segment reporting.

- (i) Segment revenue includes sales, service and other income directly attributable to the segment. Income which cannot be allocated to segments is included in “Unallocated Corporate Income”.
- (ii) Expenses that are directly allocable to segments are considered for determining the segment result. The expenses which relate to the company as a whole and not allocable to segments are included under “Unallocable Expenditure”
- (iii) Segment assets and liabilities are those which are directly identifiable with the respective segments. Unallocable corporate assets and liabilities are those which relate to the company as a whole and not allocable to any segment.

(n) Impairment of Assets

The Company has reviewed the carrying amounts of assets at each Balance Sheet date to ascertain impairment based on internal and external factors, An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. An asset’s recoverable amount is the higher of an asset’s net selling price and its value in use.

In the opinion of the Management, on the basis of an assessment of the net selling price, there is no impairment in the value of fixed assets of the Company within the meaning of Accounting Standard -28 in Impairment of Assets issued by the Institute of Chartered Accountants of India.

(o) Related party transactions

Disclosures are made as per the requirements of the Accounting Standard 18 ‘Related Party’ read with the clarifications issued by the Institute of Chartered Accountants of India.

During the year, the Company has entered into certain transactions with related parties. Those transactions along with the related balances as at March 31st, 2015 and for the year then ended are presented in the following table:

The Company does not have any subsidiary.

Promoters and Key Management Personnel

Mr.M.R.Subramonian,Managing Director
Mr.M.R.Krishnan,Executive Director
Mr M.R.Narayanan, Chairman
S.Balamurali,Company Secretary
P.Vinaya Chand, Chief Financial Officer

Associates/entities owned or significantly
Influenced by key management personnel or their
Relatives

Transdot Private Limited
APT Micro Solutions Limited
Floatels India Pvt Limited
Hoteltex Beverages Pvt Ltd
KK Assets Private Limited
Floatels Engineering Pvt Ltd
PR Holiday Homes Pvt Ltd
Poovar Ayurveda Centre&Hotels Pvt Ltd
Perumbalam Resorts Pvt Ltd
Peldrive Security Solutions Pvt Ltd
Star Micronix

Summary of transactions with the above related parties during the year is as follows

Amount in Rs Lakhs

Sl No	Nature of Transaction (Excluding Reimbursements)	Associates	Key Managerial Personnel/Relative	Others	Total
01	Sales 2014-15	25.01	-	---	25.01
	2013-14	49.68			49.68
02	Purchases/services 14 15	0.22	-	--	0.22
	2013-14	Nil			Nil
02	Payment to Key Managerial Person/Relative 2014 15		89.25		89.25
	2013-14		65.75	----	65.75

The only major transaction with related party during the year is the sale transaction with M/s APT Micro Solutions Ltd for Rs. 25.08 lakhs (Previous year 49.68 lakhs)

Balance as on 31st March 2015

Sl No	Nature of Transaction	Associates	Key Managerial Personnel/Relative	Others	Total
01	Trade Receivables 2014-15	38.41`	-	---	38.41
	2013-14	66.22			66.22
02	Land Advance	33.06			33.06
		33.06			33.06

(p) An amount of Rs. 5.28 lakhs is lying in the Unpaid Dividend Account with State Bank of India on 31st March 2015 towards the dividend declared and paid but not claimed for the financial years as detailed below.

Financial Year	Amount Unclaimed
2007-08	18,400.00
2008-09	42,675.00
2009-10	29,750.00
2010-11	95,525.00
Interim Dividend 2012	58,200.00
2011-12	32,000.00
2012-13	82,940.00
2013-14	168,575.00

Previous year's figures have been regrouped and reclassified wherever necessary to facilitate easy comparison.

[q] Sales and Service Income

	As at 31.03.2015 Value in Rs Lakhs	As at 31.03.2014 Value in Rs. lakhs
(a) Sale of goods		
Electronic Security goods traded	5897.32	7248.60
(b) Service and Maintenance Income	444.04	347.72
Total Sales and Service Income	<u>6341.36</u> =====	<u>7596.32</u> =====

[r]Contingent Liabilities not provided for :

- Liabilities against bank guarantees issued on behalf of the company for participating in tenders and given as performance guarantee comes to Rs 5.7 lakhs(Previous year Rs.6.38 lakhs-). Banks have marked lien on Company's fixed deposits to the extent of outstanding bank guarantee amount.
- The Company has received assessment orders for Kerala State VAT and CST for the years 2010-11, 2011-12 and 2012-13 demanding amounts as detailed in below statement due to non-submission of exemption forms and other reasons. The Company has preferred appeals against each assessment order and has given security deposit of 30 percent of the demand before the Deputy Commissioner (Appeals) as per details given in the table below. As the Company is confident that it will be able to submit the exemption forms before the appellate authority and is confident of a favourable verdict, it does not feel that the amounts demanded will be payable, due to which no provision is made in the accounts.

Name of the Statute	Nature of Dues and financial year to which it pertains	Forum where dispute is pending	Amount involved In Rs Lakhs	Security Deposit made In Rs lakhs
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2010-11	Deputy Commissioner, Appeals, Thiruvananthapuram	15.95	4.79
Kerala VAT Act, 2003	Kerala Value Added Tax and interest for FY 2010-11	Deputy Commissioner, Appeals, Thiruvananthapuram	1.49	0.45
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2011-12	Deputy Commissioner, Appeals, Thiruvananthapuram	47.22	14.17
Kerala VAT Act, 2003	Kerala Value Added Tax and interest for FY 2011-12	Deputy Commissioner, Appeals, Thiruvananthapuram	38.84	11.65
Central Sales Tax Act, 1956	Central Sales Tax and interest for 2012-13	Deputy Commissioner, Appeals, Thiruvananthapuram	18.84	5.65
Kerala VAT Act, 2003	Kerala Value Added Tax and interest for FY 2012-13	Deputy Commissioner, Appeals, Thiruvananthapuram	20.90	6.27
Total			143.25	42.97

- c.
d. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.Nil (Previous Year Rs.Nil)
e. There is no outstanding (Previous year Rs.Nil/-) as on 31st March 2015 towards letters of credit opened by the Company for purchases effected during the year.

[s]Expenditure in Foreign Currency

	2014-2015 in Rs. Lakhs	2013-14 in Rs Lakhs
(a) Foreign Travel Expenses	20.74	13.93
(b) Amount paid for import of raw materials	549.16	1149.64
	569.90	1163.57

[t] Earnings in Foreign Currency

Export Sales	2940.09	2980.36
Sales Incentives on Orders placed by Customers on Overseas Principals	137.30	99.34

[u]Value of imports calculated on CIF basis

(a) Purchases	668.33	1586.23
(b) Capital Goods	Nil	Nil
	668.33	1586.23

[v] Percentage of Consumption of traded goods

	Value In Rs lakhs	% to total Consumption Current year	Value in Rs.lakhs	% to total consumption Previous Year
Imported	758.31	16.08	1698.56	28.86
Indigenous	3596.99	83.92	4187.17	71.14
	4715.30	100.00	5885.73	100.00

There are no individual items accounting for more than 10% of traded goods.

[w] Managerial Remuneration

As per resolution adopted at the 20th Annual General Meeting of the Company held on 30th September,2011 the Managing Director and Executive Director are to be remunerated as per Section 309 read with Section 198 of the Companies Act,1956 subject to overall ceiling of 5 percent of the net profits for the year per managerial person to be calculated in the manner setout in Section 349 of the Companies Act,1956. As adequate profits are available, the managerial remuneration has been provided within the limits specified under and in compliance with Schedule V of the Companies Act, 2013

Statement showing computation of net profits in accordance with section 198 of the Companies Act, 2013

Total Income as per Profit and Loss Account		Rs.6486.88 lakhs
Less Working Charges	Rs.5412.60 lakhs	
Depreciation	Rs. 14.70 lakhs	
Bonus	Rs. 26.545 lakhs	
Interest on Loans	Rs. 1.46 lakhs	
	-----	Rs. 5455.21 lakhs
Net Profit for computing Managerial remuneration		Rs. 1031.67 lakhs

10 percent of Net Profits		Rs.103.17 lakhs

Managerial Remuneration Paid	2014-15	2013-14
M.R.Subramonian	32.00 lakhs	Rs.24.00 lakhs
M.R.Krishnan	32.00 lakhs	Rs.24.00 lakhs
Commission/Sitting fee to non working Directors (including service tax)	10.67 lakhs	Rs.10.67 lakhs
	-----	-----
	74.67 lakhs	Rs.58.67 lakhs
	=====	=====
[x] Auditors Remuneration	2014-15	2013-14
Audit Fee	Rs.2.81 lakhs	Rs.2.81 lakhs
For Taxation	Rs.1.12 lakhs	Rs.1.12 lakhs
Internal Audit Fee	Rs.2.25 lakhs	Rs.2.02 lakhs

[y] Balances under Debtors, Creditors and Loans and advances are subject to confirmation and reconciliation.

[z] Bad Debts :
An amount of Rs.11.27 lakhs has been written off as bad debts during the financial year (P.Y 28.52 Lakhs)

[za] Provision for Income Tax for the period comes to Rs.317.59 lakhs (PY Rs.322.90 Lakhs).

[zb] Loans & Advances

The Company has entered into an agreement with M/s Star Micronix, a firm in which the Directors are interested , for the purchase of fixed assets of Star Micronix and an advance of Rs.33,05,662.00 has been made. The same is yet to be registered in the company's name.

[zc] The company estimates deferred tax charge /(credit) using the applicable rate of taxation based on the impact of timing differences between financial statements and the estimated taxable income for the current year. The net accumulated tax liability as at 31st March 2015 provided in the balance sheet is Rs.35.96 lakhs which is due to cumulative timing difference on account of depreciation.

[zd] Events occurring after the Balance Sheet Date

There are no material events that occurred after the Balance Sheet Date.

ADTECH SYSTEMS LIMITED

CIN L33111TN1990PLC018678

Regd Office: No.18, 3rd Floor, R.M.S.Appartments,
12,Gopalakrishna Street, T.Nagar , Chennai -17

ATTENDANCE SLIP
TWENTY FOURTH ANNUAL GENERAL MEETING - 30th SEPTEMBER 2015 AT 2.30 PM

Regd Folio No/Client ID No.....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the TWENTY THIRD Annual General Meeting of the Company at No.5,Ground Floor, R.M.S.Appartments, Gopalakrishna Street, T.Nagar, Chennai - 400 017 on Wednesday 30th September 2015 at 2.30 PM.

.....
Member's /Proxy's Name

.....
Member's/Proxy's Signature

NOTE : Please fill this attendance slip and hand it over at the entrance of the hall.

..... Tear Here.....

ADTECH SYSTEMS LTD
Regd Office: No.18, 3rd Floor, R.M.S.Appartments,
Gopalakrishna Street, T.Nagar , Chennai -17

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration)Rules, 2014]

CIN : L33111TN1990PLC018678

Name of the Company : Adtech Systems Limited

Registered Office : No 18,3rd Floor, RMS Apartments, 12,Gopalakrishna Street, T.Nagar, Chennai 17

Name of the Member (s) :
Registered Address :
Email ID :
Folio/Client ID :
DP ID :

I / We, being the member(s) of shares of the above named company, hereby appoint

1. Name :..... E-mail ID :.....

Address

.....
..... Signature : , or failing him

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

3. Name : E-mail ID :
Address
.....
Signature :

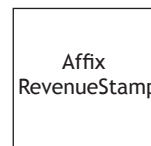
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on the 30th day of September 2015 at 2.30 p.m. at No 5, Ground Floor, RMS Apartments, 12, Gopalakrishna Street, T Nagar, Chennai 600 17 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	For (Place tick approximate Box)	Against
1. Adoption of Audited Statement of Profit and Loss for the year ended 31st March 2015 and Balance Sheet as at that date together with the Reports of the Directors and Auditors and Cash Flow Statement thereon	<input type="checkbox"/>	<input type="checkbox"/>
2 Declaration of dividend on Equity Shares	<input type="checkbox"/>	<input type="checkbox"/>
3 Appointment of Director in place of Shri.M.R.Narayanan who retires by rotation and is eligible for re-appointment	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Appointment of Statutory Auditors	<input type="checkbox"/>	<input type="checkbox"/>
5 Alteration of Articles of Association by adoption of a new set of AOA	<input type="checkbox"/>	<input type="checkbox"/>

Signed thisday of2015

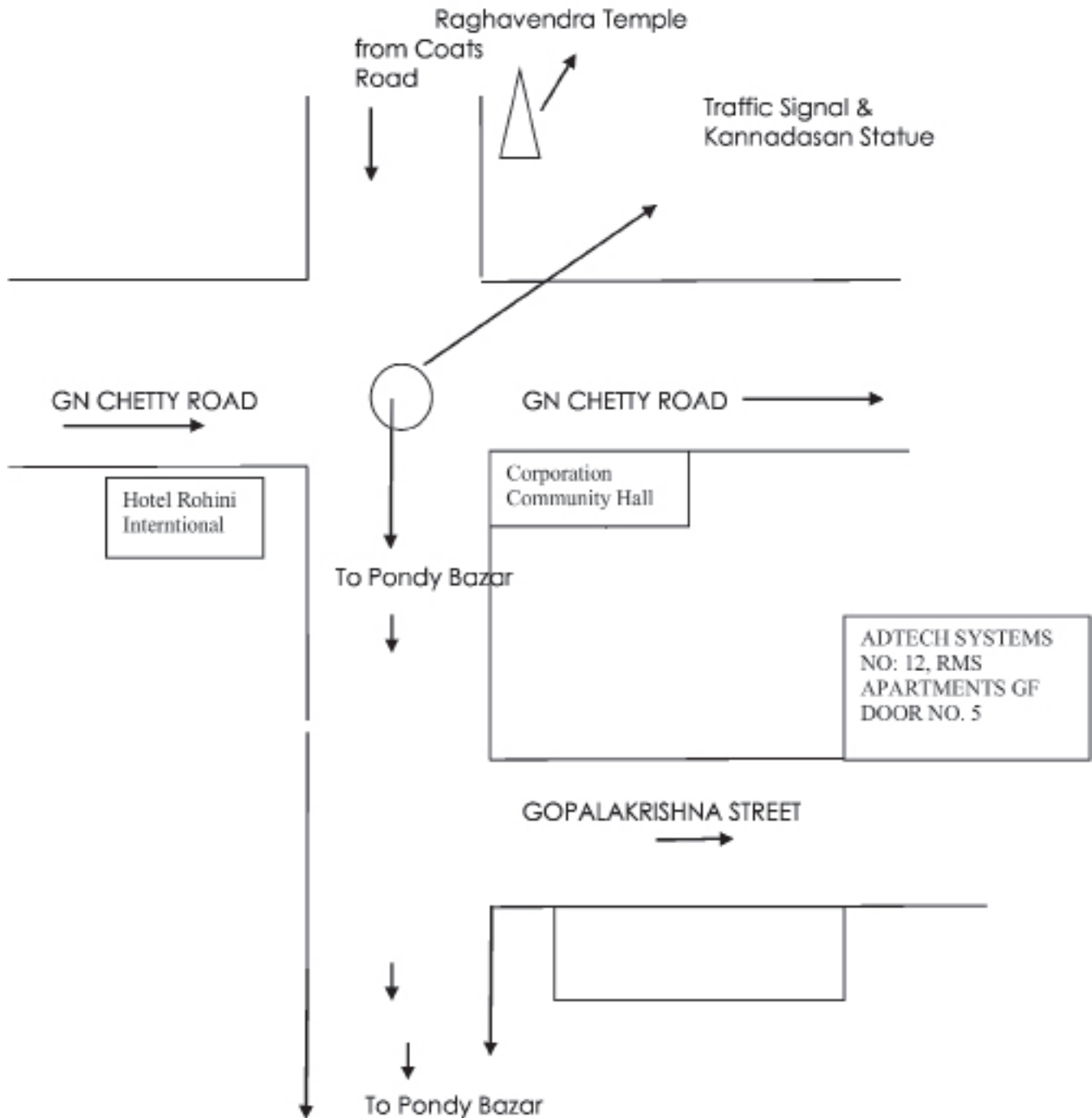
Signature of Shareholder.....

Signature of Proxy Holder



Note:- This form in order to be effective should be duly stamped, completed and must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

ADTECH SYSTEMS LIMITED
CIN L33311TN1990PLC018678
LOCATION MAP of Venue of 24th Annual General Meeting
on 30th September 2015 at 2.30pm



OUR BRANCHES ,

3 Rushikutir Awing,
Vakola Village Road,
Behind Vakola Masjid,
Santacruz {East} Mumbai -400055
Phone: 022 65279423

Basement 4/188B,
Safderjung Enclave
New Delhi-110 029.
Phone: 011 41677746

Neelam kavil house, No.13,
27th main, 6th cross ,
Venugopaldaswamy lay out ,
Ejipura, Vivek nagar (p.o.)
Bangalore – 560 047

Flat no:201,plot no:23,
Opp:Tadbund Hanuman Temple,
Sikh Village secunderabad-09
Phone : 040-2789 0029

Corporate Office
Adtech Systems Ltd
TC .5/2523, Golflinks
Kowdiar. P.O
Trivandrum – 695 003
Phone : 0471 2433805

Registered office s
Adtech Systems Ltd ,
No -18, 3rd Floor, RMS Appartment,
12 Gopalakrishna Street
T Nagar, Chennai – 600 017
Phone : 044 28150967

ALSO RESIDENT ENGINEERS
@
KOLKATA, PUNE , RAJKOT , INDORE,
COIMBATORE & COCHIN

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