



20th
ANNUAL REPORT
2011 - 2012

ANNUAL REPORT 2011 - 2012

BOARD OF DIRECTORS

1. S. L. JAIN
2. R. K. JAIN
3. K. K. BHANDARI
4. V. SHRIVASTAVA

BANKERS

BANK OF INDIA

AUDITORS

M. S. DAHIYA & CO.
CHARTERED ACCOUNTANTS

REGISTERED OFFICE

St-4, Press House,
22, Press Complex A. B. Road,
INDORE - (M. P.) INDIA - 452 008
Tel. 91-731-2571451

REGISTRAS & TRANSFER AGENTS

Purva Sharegistry (India) Private Limited
Unit No. 9, Shiv Shakti Ind. Estt.,
J. R. Boricha Marg, Opp. Kasturba Hospital Lane,
Lower Parel (E), Mumbai - 400 011
TEL : 91-22-2301 6761/8261
FAS : 91-22-2301/2517

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting to the Members of Sylph Technologies Limited will be held at 22, Press Complex , A.B. Road Indore-452008 (MP), on Monday, the 10th day of September, 2012, at 11:30 a.m. to transact the following businesses:-

▪ **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012, the Profit and Loss Account for the financial period ended and Cash Flow on that date together with the Directors' Report and the Auditors' Report thereon.
2. To appoint Director in place of Mr. K.K Bhandari who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s M.S. Dahiya & Co. Indore as Statutory Auditors of the company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

Date : 31st July, 2012
Place : Indore

For : Sylph Technologies Limited
R. K. Jain
Director

Notes :

1. A member is 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 of company.
2. Members are requested to notify the company, changes if any, in their registered addresses.
3. Members/proxies are requested to bring attendances slip with them
4. Proxies in order to be effective should reach the registered office of the company 48 hours before the commencement of the meeting.
5. The register of members and share transfer books of the company will remain closed from Saturday 1st September 2012 to Saturday 8th September 2012 (both days inclusive)

DIRECTORS' REPORT

To,
 The Members,
SYLPH TECHNOLOGIES LIMITED

Your Directors are delighted to present their 20th Annual Report along with the Audited Accounts for the financial period ended 31st March 2012.

Financial Performance :

Year/period ended	31.03.12	30.06.11
Income from Operations		
Job work Charges	450000.00	10,11,000.00
Sale of Software Exports	---	---
Sale of Software Domestic	---	---
Warehousing Receipts	---	596850.00
Other Income	259405.00	309812.00
Total Income from Operations	709405.00	1917662.00
Profit before Depreciation & Tax	- 6208193.00	- 11252406.04
Less: Depreciation	---	---
Profit before taxation	- 6208193.00	- 11252406.04
Less: Provision for Taxation		
Current Tax	---	---
MAT Credit Entitlement	---	---
Fringe Benefit Tax	---	---
Net Profit after tax	- 6208193.00	- 11252406.04
Previous Year Adjustment	---	---
Add: Balance b\l from previous year	- 8949175.66	2303230.38
Balance available for appropriation	- 15157369.66	- 8949175.66
Appropriation		
Transfer to/(from) General Reserve	---	---
Interim dividend	---	---
Proposed final Dividend	---	---
Dividend for previous year	---	---
Tax on Dividends	---	---
Balance carried to Balance Sheet	- 15157369.66	- 8949175.66

RESULTS OF OPERATIONS

Your Company has recorded a total income of Rs.4.50 lacs in 2012 from Software and Information Technology Business and last year income from Software Development was Rs.10.11 lacs. The Net loss after tax is Rs.62.08 lacs in 2012 against the Loss of Rs.112.52 lacs in the previous year.

RESERVES

Looking to the losses in the current period accumulated losses, the board propose no transfer to reserve for the period.

DIVIDEND

The Directors of the Company are not recommending any dividend looking to the accumulated loss in the Company.

BUSINESS

The Company is doing Information Technology Business and has started earning profit. The company has also started export of Software. The Company expects a good business in coming years.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

The Company has been proactive in following the principles and practices of good governance. The Company has taken adequate steps to ensure that the condition of corporate governance as stipulated in Clause 49 of the Listing agreements of the Stock Exchange is complied with.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000, the Directors hereby state and confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting Standards have been followed along with proper explanation relating to Material departures.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are responsible and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2012 and of the Profit and Loss Account for the period ended March 31st, 2012.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting standards in accordance with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The annual accounts have been prepared on a going concern basis.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits during the year. The Company does not have any Fixed Deposits with it since inception.

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

Particulars with regards to conservation of energy etc, as required under Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 are not applicable as the Company is not a manufacturing Company.

The foreign exchange earning and expenditure of the Company is as follows

- | | |
|---------------------------------|-----|
| 1. Earning Foreign Exchange | Nil |
| 2. Expenses in Foreign Exchange | Nil |

DIRECTORS

Shri K.K Bhandari director of the Company retires by rotation and being eligible offer himself for re-election.

AUDITORS

M/s M.S. Dahiya and Company Chartered Accountants as Auditor has been reappointed to hold office until the conclusion of next Annual General Meeting. The Company has received certificate from to the effect that their appointment, if made, would be within the prescribed limit under section 224(1-B) of the Companies Act, 1956. The notes on Accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any further comments.

PARTICULARS OF EMPLOYEES

The particulars of employees, required to be furnished under section 217(2A) of the companies Act 1956 read with companies (Particulars of Employees), Rules 1975 as amended, there are no employees covered by the said Rules.

ACKNOWLEDGEMENT

The Directors place on record their sincere appreciation for the encouragement, co-operation and support receive by the Company from the local authorities, banks, customers, suppliers, and business their sincere appreciation of the valuable services rendered by the employees of the Company at all levels.

For & on Behalf of Board of Directors
R. K. Jain
Director

Date : 31st July, 2012
Place : Indore

Report on Corporate Governance

The detailed report on Corporate Governance, for the period **1st July, 2011 to 31st March 2012** as per the format prescribed by and incorporated in Clause 49 of the Listing Agreement is set out below:

A. THE COMPANY'S GOVERNANCE PHILOSOPHY

The Company strongly believes that good Corporate Governance is a pre-requisite for enhancing share holders long term value. The Board considers itself as the trustee of its Shareholders. During the period under review the Board continued its pursuit by adopting and monitoring of cooperate strategies, prudent business plan, major risks and ensuring that the Company pursues policies and procedure to satisfy its social, legal and ethical responsibilities.

B. BOARD OF DIRECTORS

(i) Composition and category of Directors.

S. No.	Name of Director	Category	Directorship	Number of Other Committee Members	Committee Chairmanship
1.	Rajesh Jain	Professional /Director	5	2	-
2.	K. K. Bhandari	Independent Director	1	2	1
3.	S.L. Jain	Promoter	1	1	-
4.	Vineet Shrivastava	Independent Director	1	2	1

(ii) Attendance of each Director at the Board Meeting and the last Annual General Meeting

The Board of Directors provides the strategic direction and thrust to the operation of the company. During the period under review, 5 board meeting were held on 30th July 2011, 31st October 2011, 31 January 2012, and 22 March 2012. The Nineteenth Annual General Meeting was held on 7th December 2011.

Attendance of each Director at Board Meeting and Annual General Meeting (AGM) was as follow:-

S. No.	Name of Director	No. of Board Meeting attended	Attendance at AGM held on
1.	Rajesh Jain	6	Yes
2.	K.K. Bhandari	6	Yes
3.	S.L. Jain	6	Yes
4.	Vineet Shrivastava	6	Yes

C. DETAILS OF REMUNERATION PAID TO DIRECTORS DURING THE PERIOD ENDED ON 31st March, 2012

Directors are not paid any sitting fees or any remuneration for attending meeting of the Board of Directors and Committees thereof.

D. COMMITTEES OF THE BOARD:-

- i. Audit Committee
- ii. Shareholder/Investors grievance committee

The following Directors are members of the Audit Committee:-

- 1. Rajesh Jain
- 2. K.K. Bhandari
- 3. Vineet Shrivastava

All the members of the Committee are independent Directors except Mr. Rajesh Jain. The Statutory Auditors and Internal Auditors attend the meeting of the Committee.

The role, powers and function of the audit Committee are as stated in clause no.49 of the Listing Agreement and section 292A of the Companies Act, 1956. The Committee reviews the financial statements before they are placed before the Board. The audit committee has been constituted on 28th March, 2004 in compliance to clause no. 49 of the Listing Agreement. The Committee reviews the financial statement before they are placed before the Board. During the period under review three meeting of the committee were held i.e 30th July 2011, 31st October 2011, 31st January, 2012 and all the directors were present in all the meetings.

Share Holders / Investors Grievance Committee

The following Directors are members of the Shareholders Committee

S. No.	Name of Director
1.	Rajesh Jain
2.	K.K. Bhandari
3.	Vineet Shrivastava

Mr. Atul Chouhan is the Compliance Officer of the Company.

M/s Purva Sharegistry (India) Private Limited is a Share Transfer Agent of the Company.

The Company shares are in D-Mat & Physical form. The company has signed up with CDSL & NSDL. The INE Number is INE706F01013.

E. GENERAL BODY MEETING :-

Particulars of the last Three Annual General Meeting (AGM) of the company have been held at the following places in the last three years:-

AGM	For the year	Venue	Date	Time
17th	30-06-2009	22, Press Complex, Indore	05-10-2009	11:30
18th	30-06-2010	22, Press Complex, Indore	21-09-2010	11:30
19th	30-06-2011	22, Press Complex, Indore	07-12-2011	11:30

Postal Ballot

No Resolution was passed through postal ballot during the last financial year.

F. DISCLOSURES REGARDING RE-APPOINTMENT OF DIRECTORS

Pursuant to the provision of section 255 & 256 of the Companies Act, 1956, Mr. K.K Bhandari retires by rotation at the forthcoming Annual General Meeting being eligible offers himself for reappointment.

G. DISCLOSURES

- (i) There are no transactions of material natures with directors/Promoters or any related entity, which will have any potential conflict with the interest of the Company at large.
- (ii) There is no non-compliance by the company or any penalties, structures imposed by the stock exchange SEBI, or any statutory authorities on any matter related to capital markets, during the last three years/period.

H. MEANS OF COMMUNICATIONS :-

Financials Results

The quarterly unaudited financial results and annual audited financials results are normally published in Apni Dunia & Free Press.

I. GENERAL SHAREHOLDER INFORMATION

- (i) Annual General Meeting :
 Day, Date and Time : Monday, 10th September, 11.30 a.m
 Venue : 22, Press Complex, Indore
- (ii) Financial Calendar :

Calendar of events for the year ended 31st March 2013.

Audited results for the period ended 01-04-2012: 31-03-2013

Quarter ending	Release of results
For the Quarter ending June 30, 2012	31 st July , 2012
For the Quarter ending September 30, 2012	31 st October, 2012
For the Quarter ending December 31, 2012	31 st January, 2013
For the Quarter ending March 31, 2013	30 th April, 2013

- (iii) Date of book Closure :

The Company's Register of members and Share Transfer Books shall remain closed from Saturday 01st September 2012 to Saturday, 08th September 2012 (both days inclusive).

- (iv) Share Transfer System:

M/s Purva Sharegistry (India) Private Limited is a Share Transfer Agent. Documents for transfer of shares in physical form can be lodged with M/s Purva Sharegistry (India) Private Limited at Mumbai. The transfers are processed within 10-15 days if the documents are complete in all respects.

- (v) Investor Services – queries/ complaints during the period ended 01.07.2011 to 31.03.2012 queries/complaints/ requests were received by the Company from the share holders and investors have been resolved.

- (vi) Listing on Stock Exchange :

The Shares of the Company is listed on the Madhya Pradesh Stock Exchange at Indore & Bombay Stock Exchange at Mumbai.

BSE Code :- 511447
 Stock Exchange :- The Stock Exchange Mumbai
 Phiroze Jeejeebhoy Towers
 Dalal Street, Mumbai-400001
 Madhya Pradesh Stock Exchange
 Palika Plaza, MTH Compound, Indore

(vii) (a) **Market Price data (At BSE)**

Month	Highest Rate	Lowest Rate
July	4.15	3.80
August	3.62	3.26
September	3.41	2.95
October	2.93	2.79
November	2.67	2.67
December	2.80	2.54
January	3.66	2.52
February	3.33	3.03
March	3.49	3.02

(b) **Madhya Pradesh Stock Exchange:**

Trading Platform at MPSE does not exist hence no trading is possible at MPSE.

(viii) **Distribution of Shares Holding (As on 31st March 2012)**

Rs.	Holding of Share	Shareholders Number	Shareholders% of total Holders	Number of Shares	Shares % of total capital
Upto	5000	4193	75.85	9999400	15.27
5001	10000	806	14.58	7419000	11.33
10001	20000	292	5.28	4952000	7.56
20001	30000	103	1.86	2692000	4.11
30001	40000	34	0.61	1217000	1.86
40001	50000	24	0.43	1147600	1.75
50001	100000	52	0.94	3775000	5.76
100001	Above	25	0.45	34298000	52.36

(ix) Dematerialization of Shares:-

(x) The company's shares are in D-Mat & Physical form.

(xi) Address for correspondence for Share holders:-

M/s Purva Sharegistry (India) Private Limited.

Unit No. 9, Shiv Shakti Ind. Estt.

J.R. Boricha Marg, Opp. Kasturba Hospital Lane,

Lower Parel (E)- Mumbai- 400 011

Tel- 91-22-2301 3761/8261, Fax: 91-22-2301/2517

J. CODE FOR PREVENTION OF INSIDER TRADING

In compliance with SEBI Regulations on prevention of insider trading, the company has adopted a code of conduct for its directors and designated employees. The code lays down guidelines which included procedures to be followed and disclosures to be made while dealing into shares of the company.

K. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) Industry Structure and Developments:

The Company is in information technology activity during the year Company pursued only information technology activities and company expects the software development to surge in India and in particular with respect to company.

b) Segment-wise or product-wise performance

The company has only one business segment of Software development.

c) Risk and Concerns

Software development is a risky business but the company is doing business diligently and does not expect any losses in the future.

d) Internal Control System and their adequacy

The Company has an elaborate system of internal controls to ensure optimal utilization of company's resources and protections thereof, facilitating accurate and speedy compilation of accounts and management information reports and compliance with laws and regulations. The internal Auditors and Company's internal audit department conducts regular audits to ensure adequacy of internal control system, adherence to management instruction and compliance to the laws and regulations of the country as well as to suggest improvement.

e) Discussion on financial performance with respect to operational performance During the year the company has made a loss of Rs62.08 lacs

f) Human Resources

The company firmly believes that Human Resources and knowledge capital are vital for business success and creating value for stakeholders. The Company recognizes the fact that people drive business success, cordial with total dedicated efforts from employees. The number of employees on 31st March 2012 was 3.

Place : Indore

Dated : July 31st, 2012

R. K. Jain

Director

**CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER CLAUSE 49
OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES IN INDIA**

Certificate

To The Shareholders

SYLPH Technologies Limited

We have examined the compliance of the conditions of Corporate Governance by SYLPH Technologies Limited for the period ended 31-03-2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of the condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the condition of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the Above-mentioned Listing Agreement. We further state that such compliance is neither an assurance as to the viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/S M.S. DAHIYA & Co.
CHARTERED ACCOUNTANTS

Harsh Firoda

Partner

M. No. 409391

Indore : July 31st, 2012

Disclosure of names of persons constituting group in relation to Sylph Technologies limited pursuant to Regulation 3(1)(e)(i) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997

Rajesh Jain, Jayshri Jain, Shantilal Jain

AUDITORS' REPORT

To,
The Members,
SYLPH TECHNOLOGIES LIMITED

We have audited the attached Balance Sheet of **Sylph Technologies limited** as at 31st March 2012 and also the Profit and Loss Account and the Cash Flow Statement for the period ended on that date annexed there to. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we give in the annexure, a statement on the matters specified in the paragraph 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account, as required by law have been kept by the Company, so far as appears from our examination of the books.
 - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement have been prepared in compliance with the Accounting standards referred to in sub-section 3C of section 211 of the Companies Act, 1956, to the extent applicable and mandatory in nature.
 - (e) In our opinion and on the basis of information obtained and taken on record by the Board of Directors, we report that none of the directors of the company is disqualified as on 31.03.2012 from being appointed as the director of the company in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon, give the information required by the Companies Act, 1956, 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 31st March 2012.
 - (b) In the case of the Profit and Loss Account, of the LOSS for the Period ended on that date.
 - (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the period ended on that date.

For M/s M.S. DAHIYA & CO.
CHARTERED ACCOUNTANTS

Place : Indore
Date : 31st July, 2012

Harsh Firoda
(Partner)
M. No. 409391

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date on the accounts for the period ended 31st March 2012 of **Sylph Technologies Limited**.)

- I. In the respect of Fixed Assets :
During the year company does not maintain any fixed asset.
- II. Inventory :
During the year company does not maintain any Inventory.
- III.
 - a. The company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence clause (a,b,c and d) is not applicable to the company.
 - b. The company has not taken any unsecured loan from parties covered in the register maintained under section 301. Hence clause (e,f and g) is not applicable to the company.
- IV. In our opinion and according to information & explanations given to us, there is adequate internal control system commensurate with the size of the company & nature of its business with regard to the purchase of inventory & fixed assets & for the sale of goods. Further on the basis of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have been informed of any instances of major weaknesses in the internal control system.
- V.
 - a. Based on audit procedures applied by us, to the best of our knowledge & belief and according to the information & explanations given to us. We are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
 - b. In our opinion and according to information & explanations given to us, transactions made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- VI. In our opinion and according to the information & explanations given to us, the company has not accepted deposit from public, within the meaning of provisions of section 58A & 58AA of Companies Act, 1956 & Rules framed there under.
- VII. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- VIII. As informed to us and in our opinion the maintenance of cost records has not been prescribed by the Central Government U/s 209(1)(d) of the Companies Act, 1956 for any product of the company.
- IX.
 - a. According to the records of the company examined by us and the information & explanations given to us, in our opinion the company is, generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investors Education & Protection Fund, Employees State Insurance, Income Tax, Sales Tax, service tax Excise Duty, Wealth Tax, Custom Duty, cess and other statutory dues applicable to it. No undisputed amount payable as at 31st March 2012 for a period of more than 6 month from the date they became payable.
 - b. According to records of the company examined by us and the information & explanations given to us, there are no statutory dues which have not been deposited on account of dispute.
- X. The Company does not have accumulated losses at the end of the financial year and it has not incurred any cash losses in the current year and immediately preceding financial year.
- XI. Based on our audit procedure & on the basis of information & explanations given by the management, we are of the opinion that the company has not defaulted in payment of dues to the financial institution or bank during the year. The company does not have any borrowing by way of debentures.

- XII The company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII In our opinion and according to the information & explanations given to us, the company is not a chit fund and nidhi / mutual benefit fund / society. Therefore, provisions of this clause is not applicable to the company.
- XIV Based on our examination of records and the information & explanations given to us, the company has maintained proper records of the transactions & contracts in respect of dealing & trading in shares, securities, debentures and other investments and timely entries have been made. All the investments have been held by the company in its own name.
- XV According to the information & explanations given to us, the company has not given any guarantee for loans taken by others from the banks and financial institutions during the year.
- XVI According to the records of the company, examined by us and the information & explanations given to us, the company has not raised term loans during the year.
- XVII According to the information & explanations given to us and on the basis of an overall examination of balance sheet of the company, in our opinion no funds raised by company on short term basis, have been used for long term investments.
- XVIII During the year company has converted 1839200 convertible warrants into equal number of fully paid equity shares of Rs.10/- each (Out of these 235000 number of share at a premium of Rs. 2.6/- per share) on preferential basis to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- XIX As explained to us, during the period covered by our audit, the company has not issued any debentures.
- XX The company has not raised any money through public issue during the year.
- XXI According to the information & explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For M/s M.S. DAHIYA & CO.
CHARTERED ACCOUNTANTS

Place : Indore
Date : 31st July, 2012

Harsh Firoda
(Partner)
M. No. 409391

Notes to the Financial Statements

Note – 1

General Information

The Registered Office of the company is situated at ST-4, Press House, 22 Press Complex, A.B Road, Indore.

Sylph is a leading software technology company in India, providing software development services & solutions with services such as outsourcing software development, web development, product development, strategy consulting, offshore software development, e-commerce for web and mobile enablement. We have a deep domain expertise, which we leverage to provide high quality solutions and services.

Note – 2

Significant Accounting Policies

2.1 Basis of preparation:

The Financial statements are prepared under the historical cost convention, in accordance with Indian Generally Accepted Accounting Principles (GAAP) and mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI), provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India. All incomes and expenditures having a material bearing on the financial statement are recognized on the accrual basis. Accounting Policies have been consistently applied except where a newly issued accounting standard if initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

2.2 Use of estimates:

The preparation of statements in conformity with GAAP requires Management to make estimates and assumptions that affect reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and reported amount of revenue and expenses during the reported period. Actual result could differ from estimates. Any changes in estimates are adjusted prospectively.

Management periodically assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. An impairment loss is reserved only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated.

2.3 Cash Flow statement :

Cash flow statement are reported using indirect method. The cash flow regular revenue generating, financing and investing activities of the company are segregated.

2.4 Revenue recognition:

Revenue from software development services comprises income from time and material and fixed price contracts. Revenue from time and material basis recognized as the services are rendered. Revenue from fixed price contracts and sale of license and related customization and implementation is recognized in accordance with the percentage completion. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become certain based on the current estimates.

Revenue from annual technical service contracts is recognized on pro-rata basis over the period in which the services are rendered.

Service income accrued but not due represents revenue recognized on contracts to be billed in the subsequent period, in accordance with terms of the contract.

Profit on sales of investments is recorded on transfer of title of company from company and is determined as the difference between the sales price and carrying value of the investment. Interest on development of surplus funds is recognized using time proportion method, based on interest rates implicit in the transaction. Dividend income is recognized when the right to receive the same is established.

2.5 Expenditure:

The cost of software purchased for use in software development and services is charged to the cost of revenue in the year of acquisition. Post sales customer support costs are estimated by the management, determined on the basis of past experience. Expenses are accounted for on accrual basis and provisions are made for all losses and liabilities.

2.6 Earnings Per share:

Basic earning per share is computed using the weighted average number of equity shares outstanding during the period /year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period/ year-end, except where the result would be anti – dilutive.

2.7 Investments:

Investment that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, classified as current investments. All other investments are classified as long term investments. Current investment are carried at cost or fair value, whichever is lower. Long term investment are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments, such as reduction being determined and made for the investment individually.

2.8 Change in operating period:

These financial statement has been prepared for the period 01.07.2011 to 31.03.2012, previously these statements were prepared for the year ended July to June. Now from the current year accounting policies has been changed from Financial year July to June to Financial year April to march.

BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	Note No	AS AT 31.03.2012	AS AT 30.06.2011
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	65,500,000	47,108,000
(b) Money received against share warrants	3(c)	3,489,500	10,461,000
(c) Reserve & Surplus	4	(14,089,619)	(8,492,426)
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	5	-	2,921,621
(c) Other current liabilities	6	334,510	134,510
(d) Short-term provisions		-	-
Total		55,234,391	52,132,705
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(b) Non-current investments	7	28,500,000	31,876,000
(c) Long term loans and advances	8	15,464,993	19,038,549
(d) Other non-current assets	9	-	592,152
(2) Current assets			
(a) Current investments		-	-
(b) Inventories			
(c) Trade receivables		-	-
(d) Cash and cash equivalents	10	308,597	252,988
(e) Short-term loans and advances			
(f) Other current assets	11	10,960,801	373,016
Total		55,234,391	52,132,705

The notes 1-28 integral part of financial Statement

As per report of even date attached.

For & on Behalf OF Board Of Director

FOR M/S M.S. DAHIYA & CO.

CHARTERED ACCOUNTANTS

Director

Director

Harsh Firoda

Partner

M. No. 409391

Date : 31.07.2012

Place : INDORE

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2012

PARTICULARS	Note No.	AS AT 31.03.2012	AS AT 30.06.2011
I. Revenue from operations(Gross)	12	450,000	1,607,850
Less : Excise Duty		-	-
Revenue from operations(Net)		450,000	1,607,850
II. Other Income	13	259,405	309,812
III. Total Revenue (I + II)		709,405	1,917,662
IV. <i>Expenses:</i>			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade			
Employee benefit expense	14	199,466	288,933
Financial costs	15	1,459	2,383
Depreciation and amortization expense	16	592,152	69,665
Other expenses	17	6,124,521	12,809,087
Total Expenses		6,917,598	13,170,068
V. Profit before exceptional and extraordinary items and tax (III - IV)		(6,208,193)	(11,252,406)
VI. Prior Period Adjustments		-	-
VII. Profit before extraordinary items and tax (V - VI)		(6,208,193)	(11,252,406)
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		(6,208,193)	(11,252,406)
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit/(Loss) from the period from continuing operations (IX - X)		(6,208,193)	(11,252,406)
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		(6,208,193)	(11,252,406)
XVI. Earning per equity share:	18		
(1) Basic		(1.25)	(2.39)
(2) Diluted		(1.25)	(2.39)

As per report of even date attached.

For & on Behalf OF Board Of Director

FOR M/S M.S. DAHIYA & CO.

CHARTERED ACCOUNTANTS

Director

Director

Harsh Firoda

Partner

M. No. 409391

Date : 31.07.2012

Place : INDORE

CASH FLOW STATEMENT FOR THE PERIOD 01.07.2011 TO 31.03.2012

Particulars	AMOUNT 31-March, 2012	AMOUNT 30-Jun-2011
A. CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit before tax and Extraordinary items	-6208193	-11252406
Adjustment for :	0.00	0.00
Depreciation	0.00	0.00
Preliminary & Pre-Operative Expenses	592152	69665
Operative Profit before Working Capital Changes Adjustments for :	-5616041	-11182741
Increase/Decrease in Fixed Assets	0.00	13650
Increase/Decrease in Trade & others receivable	-10595000	5350000
Increase/Decrease in Trade Payables & other provision	200000	10000
Increase/Decrease in Unsecured Loan	-2921620	-4299380
Increase/Decrease in Current Assets	3580771	16298865
Increase/Decrease in Stock	0.00	2919000
Cash Generated from Operation Activities	-9735849	20292135
B. Cash flow from Investing Activities	3376000	-18805000
Increase/Decrease in Investments	3376000	-18805000
C. NET CASH FLOW FROM FINANCING ACTIVITIES	12031500	9720750
Increase/Decrease in Share Capital	11420500	9264000
Increase/Decrease in Reserve	0	456750
Increase/Decrease in Securities Premium	611000	0
Net Increase/Decrease in Cash & Cash Equivalent (A+B+C)	55610	25144
Add:- Cash & Cash Equivalent as at 30th JUNE 2011	252988	227844
Cash & Cash Equivalent as at 30st JUNE 2012	308598	252988

FOR M S DAHIYA & CO.
 CHARTERED ACCOUNTANTS

Harsh Firoda
 Prtner
 Membership No. 409391
 Date : 31-07-2012
 Place : INDORE

FOR & ON BEHALF OF BOARD OF DIRECTORS

DIRECTOR

DIRECTOR

AUDITORS' CERTIFICATE

To
 The Board of Director
 SYLPH Technologies Limited
 We have verified the attached Cash Flow Statement of SYLPH Technologies Limited with reference to the audited annual accounts for the period ended 31st March 2012 and we found the same to be in agreement therewith.

FOR M S DAHIYA & CO.
 CHARTERED ACCOUNTANTS

Harsh Firoda
 Prtner
 Membership No. 409391
 Date : 31-07-2012
 Place : INDORE

NOTES TO THE FINANCIAL STATEMENT

Note No.	PARTICULARS	AS AT 31-03-2012	AS AT 30-06-2011
3	Share Capital		
	Equity Share Capital :		
	Authorised Share capital 150,000,000 Equity Shares of Rs.10/- Each	150,000,000	150,000,000
	Issued, subscribed & fully paid share capital 6550000 Equity Shares of Rs.10/- each (Fully Paid up) (Previous Yr. 4710800 equity Shares of Rs.10/- each)	65,500,000	47,108,000
	Total	65500000	47108000

3(i)	Reconciliation of Number of Shares	AS AT 31.03.2012 No. of Shares	AS AT 30.06.2011 No. of Shares
	Equity Shares :		
	Balance as at the beginning of the year	4,710,800	4,710,800
	Add : warrant converted during the year	1,839,200	-
	Balance As at the end of the year	6,550,000	4,710,800

3(ii) Terms/Rights attached to equity Shares

Equity Shares: The company has one class of equity shares having par value of Rs.10 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3(iii) Convertible warrants : The amount of Rs.3489500 is outstanding on account of application money of Rs.2.50 per warrants out of warrants 395800 warrants to Mr.Ghayansham Soni & 1000000 warrants allotted to Mr.D.K.Agrawal.The company has issued and allotted 3000000 (thirty lakhs) convertible warrants on 04TH January,2011.at a price of Rs.10.each/-to Non-promoters individuals on preferential basis. The holders are entitled to exercise their option to convert the same into fully paid equity shares of 10 Rs.each/- per share at any time within the period of 18th months from the date of allotment.Out of which outstanding convertible warrants of Mr.Ghanshyam Soni is 395800 and 1000000 outstanding convertible warrants of Mr. D.K Agrarwal allotment money have been received before 30th june,2012.The company has converted 235000 convertible warrants at premium Rs. 2.60/- to promoters and 1604200 convertible warrants at par Rs 10/- at par to non promoters on 30th July, 2011 and 22nd March, 2012 respectively.

3(iv) Detail of shares held by shareholders holding more than 5% of the aggregating shares in the company

equity Shares :	No. of Shares	No. of Shares
1. Ghanshyam Soni	604,200 9.22%	-
2. Rajendra Kumar Verma	1,000,000 15.27%	-
3. Rajesh Jain	895,200 13.65%	660,200 14.01%
4. Jayshree Jain	374,600 5.71%	374,600 7.95%

NOTES TO THE FINANCIAL STATEMENT

Note No.	PARTICULARS	AS AT 31-03-2012	AS AT 30-06-2011
4	Reserves and Surplus		
	(i) Capital Reserves	456,750	-
	Balance as at the beginning of the year	456,750	-
	Add :	-	56,750
	Balance as at the end of the year	456,750	56,750
	(ii) Securities Premium Reserve	611,000	-
	Balance as at the beginning of the year	-	-
	Add : Premium on share issued during the year	611,000	-
	Balance as at the end of the year	611,000	-
	(iii) Surplus in the statement of Profit and loss	(15,157,369)	(8,949,176)
	Balance as per last financial statements	(8,949,176)	2,303,230
	Loss for the Year	(6,208,193)	(11,252,406)
	Balance as at the end of the year	(15,157,369)	(8,949,176)
	Total(i+ii+iii)	(14,089,619)	(8,492,426)
5	Short term borrowing		
	1. Loans from related party		
	Unsecured		
	From directors	-	621,621
	2. Other Loans & Advances	-	2,300,000
	Total	-	2,921,621
6	Other current liabilities		
	Other payables including statutory liabilities		
	Auditors Fee	20,000	10,000
	Outstanding Expenses	314,510	124,510
	Total	334,510	134,510
7	Non Current Investment	31.03.2012	30.06.2011
		Unquoted	Unquoted
		Amount in ' ₹	Amount in ' ₹
	Trade Investments		
	Investment in Unquoted Equity Instruments		
	(i) of associates	28,500,000.00	31,876,000.00
	Total	28,500,000	31,876,000
8	Long Term Loans and Advances		
	Secured considered good	-	-
	Unsecured considered good		
	Other	15,464,993	19,038,549
	Doubtful	-	-
	Total	15,464,993	19,038,549

Note No.	PARTICULARS	AS AT 31-03-2012	AS AT 30-06-2011
9	Other non-current assets		
	Others	-	592,152
	Total	-	592,152
10	Cash and cash equivalents		
	Balances with Scheduled banks in India	183,407	83,947
	Cash on hand	125,191	169,041
		-	-
		-	-
	Total	308,597	252,988
11	Other Current Assets		
	Unsecured Exceeding Six month	-	-
	Unsecured Other	10,745,000	150,000
	TDS Receivable	212,301	219,516
	MAT	3,500	3,500
	Total	10,960,801	373,016
12	Revenue from Operations		
	Revenue from - Sale of products	-	-
	Sale of Services	450,000	1,607,850
	Other operating revenues	-	-
	Total	450,000	1,607,850
12(i)	Particulars Of Sale Of Products		
	Woven sack, Fabric etc. (Trading)	-	-
	Particulars Of Sale Of Services		
	Warehousing Houses	-	596,850
	Job Work Receipts	450,000	1,011,000
	Total	450,000	1,607,850
13	Other Income		
	Interest income (Other)	159,405	260,312
	Other non-operating income	100,000	49,500
	Total	259,405	309,812
14	Employee Benefits Expense		
	Salaries and wages	199,466.00	288,933
	Contribution to provident and other funds	-	-
	Total	199,466	288,933
15	Finance Costs		
	Interest expenses	-	-
	Borrowings	-	-
	Trade Payables	-	-
	Others - Interest on delayed payment of taxes	-	-
	Other borrowing costs	1,459	2,383
	Total	1,459	2,383

Note No.	PARTICULARS	AS AT 31-03-2012	AS AT 30-06-2011
16	Depreciation and Amortization Exp.		
	Preliminary Expenses	592152.00	69665.00
	Total	592,152.00	69,665.00
17	Other Expenses		
	Telephone Expenses	50,390	57,288
	Travelling Expenses <i>(Including Foreign Travelling)</i>	57,817	368,743
	Computer Maintenance	12,425	21,875
	Insurance Expenses	13,513	-
	Legal Expenses	77,916	89,680
	Postage & Telegram	30,000	84,837
	D- Mat Charges	-	5,200
	Loss on Sale of Shares	-	2,800,000
	Club Fees	-	2,186
	Stationery Expenses	42,234	22,995
	Auditors Remuneration	20,000	10,000
	Rent Rates & Taxes	-	95,482
	Listing Charges	20,515	29,881
	Misc Expenses	-	3,130
	Books & Periodicals	7,396	-
	Office Expenses	9,815	1,260
	Advertisement & Publicity	13,950	16,700
	Electricity Expenses	1,885	42,297
	Bad debts	5,653,500	9,157,533
	Share Transfer Fees	108,165	-
	Web Expenses	5,000	-
	Total	6,124,521	12,809,087
17.1	Payment to Auditors		
	Audit Fees	20,000	10,000
	Total	20,000	10,000
18	Earning Per Share		
i	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	-6208193.00	-11252406.24
ii	Weighted No.of Equity Shares	4973620.44	4710800.00
iii	Basic earning per share	-1.25	-2.39
iv	Diluted earning per share	-1.25	-2.39
v	Face Value per equity share	10.00	10.00

Note No.	PARTICULARS	AS AT 31-03-2012	AS AT 30-06-2011
19	Related Party Disclosures In accordance with accounting standard 18 " Related Party Disclosure" issued by the Institute of Chartered Accountant of India, and notified under the Company's Accounting Standard Rules, 2006 the names of the Related Parties and the relevant disclosure is as under: a) Name of the related party and description if relationship :		
1	Key Managerial Persons 1. Rajesh Jain 2. Jayshri Jain		
2	Relative of Key Managerial Persons 1. Jayshri Jain		
3	Companies/Entities under the Control of Key Management Personnel 1. Sylph Education Solution Pvt. Ltd 2. Sakshi Multitrades Pvt. Ltd 3. Saksham Publishers & Printers Pvt. Ltd 4. Sakshi Powertech (P) Ltd.		10000000 6000000 12500000 --
	TOTAL		28,500,000
	Transactions with related Parties Nature of Transactions	Associates/Key Management Persons	Associates/Key Management Persons
		31.03.2012	30/06/2011
	Sale of Goods	-	-
	Sale of Assets	-	-
	Purchase of Capital Goods	-	-
	Purchase of Raw Material	-	-
	Loan Given	571000	10871000
	Investment in Shares	28,500,000	2,365,000
	Receiving of Services	-	-
	Unsecured Loan Taken	-	2,921,621
	Repayment of Unsecured Loan	2,921,621	-
	Interest Paid	-	-
	Investment in Share	28,5000,00	2365000
	Managerial Remuneration	-	-
	Keyman insurance Policy	-	-
	Outstanding Balances	-	-
	As on 31.03.2012	-	-
	Debit Rs.	-	-
	Credit Rs.	-	-
20	Pursuant to accounting standard 28 " Impairment of Assets" issued by the Institute of Chartered Accountants of India, the company has reviewed its carrying cost of assets with value in use (determined based on future earnings) and Net realizable value on an approximate basis. Based on such review, the management is of the view that in the current financial year, Provision for impairment of assets is not considered necessary.		
21	Various items included under the head Current Assets, Loan & Advances, as well as Current Liabilities are subject to confirmation / reconciliation.		
22	In the opinion of the Management, the value on realization of loans and advances, and other current assets will be at least equal to the amounts stated in the books of accounts, if realized in the ordinary course of the business.		

Note No.	PARTICULARS	AS AT 31-03-2012	AS AT 30-06-2011
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23 **Segment Reporting**

a) Business Segment :

The segment reporting policies complies with the accounting policies adopted for preparation and presentation of financial statements of the company and in conformity with accounting standard-17 on segment reporting issued by ICAI.

b) The company operates in two segments namely software development and share trading. During the period the company has operated only in one segment i.e. software development. Hence the entire revenue and expenses pertains to this segment.

c) The assets and liabilities are also represent one segment i.e. software development only.

d) Geographical Segment:

Since all the operations of the Company are conducted within India as such there is no separate reportable geographical segment.

PARTICULARS Accounting Year	Current Accounting Period Ending on 31.03.2012	Previous Ended 30.06.2011 (Audited)
Segment Revenue		
Primary Segment (Business)		
Information Technology	4.5	11
Information Technology-Education	0	0
Warehousing & Agriculture	0	5.97
Unallocated	2.6	0
Total (Net sales/Income from operation)	7.1	16.97
Segment Results		
Profit before Interest & Tax		
Information Technology	-2.74	-120.66
Information Technology-Education	0	0
Warehousing & Agriculture	0	5.54
Unallocated	-62.22	2.6
Less:-Interest	2.6	0
Total Profit & Loss before tax	62.08	-112.52
Capital Employed		
Segment Assets – Segments Liabilities		
Primary Segment		
Information Technology	297.46	202.49
Information Technology-Education	108.61	108.61
Warehousing & Agriculture	0	0
Unallocated	292.45	210.15
Total (i)	698.52	521.25
Segment Revenue		
Secondary Segment (Geographical)		
Information Technology	4.5	11
Information Technology-Education	0	0
Warehousing & Agriculture	0	5.97
Unallocated	2.6	0

Note No.	PARTICULARS	AS AT 31-03-2012	AS AT 30-06-2011
	Total (Net sales/Income from operation)	7.1	16.97
	Segment Results		
	Profit before Interest & Tax		
	Information Technology	-2.74	-120.66
	Information Technology-Education	0	0
	Warehousing & Agriculture	0	5.54
	Unallocated	-61.94	2.6
	Less:-Interest	2.6	0
	Unallocated Income	0	0
	Total Profit & Loss before tax	-62.08	-112.52
	Capital Employed		
	Segment Assets – Segments Liabilities		
	Secondary Segment		
	Information Technology	297.46	202.49
	Information Technology-Education	108.61	108.61
	Warehousing & Agriculture	0	0
	Unallocated	292.45	210.15
	Total (i)	698.52	521.25
24	Contingent Liabilities & Commitments		
	Corporate guarantee given on behalf of Company	Nil	Nil
	Any other contingent liability	Nil	Nil
25	Value of Imports on(CIF Basis)		
i	Raw Material	Nil	Nil
ii	Capital Goods	Nil	Nil
iii	Trading Goods	Nil	Nil
26	Expenditure in foreign exchange	Nil	Nil
27	Earning in foreign exchange	Nil	Nil
28	These financial statements have been prepared in the format prescribed by the revised Schedule VI to the companies Act 1956. Previous period figures have been recasted/ restated to confirm to the current period. Figures have been rounded off to the nearest Rupee.		

For M/s M.S. DAHIYA & CO.
 CHARTERED ACCOUNTANTS

Place : Indore
 Date : 31st July, 2012

Harsh Firoda
 (Partner)
 M. No. 409391

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.				7102
State Code				11
Balance Sheet Date	31	03		2012
	Date	Month		Year

II. Capital raised during the year

Public Issue	:	NIL	Rights Issue	:	NIL
Bonus Issue	:	NIL	Private Placement	:	183.92

III. Position of Mobilisation and Deployment of Funds

(Amount in Rs. In Lacs)

Total Liabilities	:	55.23	Total Assets	:	55.23
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SOURCE OF FUNDS

Paid-up Capital	:	655	Reserve and Surplus	:	-14.08
Secured Loans	:	Nil	Unsecured Loans	:	--
Deferred Tax	:	Nil	Current Liabilities & Provision	:	3.34

APPLICATION OF FUNDS

Net Fixed Assets	:	0.00	Investments	:	285
Current Assets	:	31.05	Misc. Expenditure	:	0.00
Accumulated Losses	:	0.00			

IV. Performance of Company (Amount in Rs. Lacs)

Turnover	:	Nil	Includes other Income		
Profit/Loss Before Tax	:	-62.08	Profit/Loss After Tax	:	-62.08

(-) <input type="checkbox"/> 1 1 2 . 5 2	(-) <input type="checkbox"/> 1 1 2 . 5 2
--	--

(Please tick appropriate box + for profit, - for loss)

Earning per Share	:	0.00	Dividend	:	NIL
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V. Generic Names of three Pricipal Products / Services of the company (as per monetary terms)

a)	Item Code no.	8 5 2 4 9 1 1 3	Product Description	S O F T W A R E D E V E L O P M E N T
	(ITC Code)			
b)	Item Code no.	N A	Product Description	W A R E H O U S I N G
	(ITC Code)			
c)	Item Code no.	8 5 2 4 9 1 1 3	Product Description	S O F T W A R E E D U C A T I O N
	(ITC Code)			

As per report of even date attached.

For & on Behalf OF Board Of Director

M/S M.S. DAHIYA & Co.
 CHARTERED ACCOUNTANTS
Harsh Firoda
 Partner

Director

Director

Date : 31st July 2012

Place : INDORE

SYLPH TECHNOLOGIES LIMITED

Registered Office: St-4 Press House, 22 Press Complex A. B. Road, Indore. 452008

ATTENDANCE SLIP

I hereby record my presence at the 20th Annual General Meeting of the Company at St- 4, Press House 22, Press Complex Indore Madhya Pradesh 452008 on Monday, the 10th of September., 2012 at 11:30 A.M.

Member's / beneficial owner's Name (In block letters): _____

Folio no./ beneficiary Account no. _____

Signature of the Member/ beneficial Owner: _____

Proxy/ Authorized Representative _____

Note: Shareholder/Proxy holder Wishing to attend the meeting must bring the attendance slip to The meeting and hand it over at the entrance of the meeting venue duly signed.

SYLPH TECHNOLOGIES LIMITED

Registered Office: St-4 Press House, 22 Press Complex A. B. Road, Indore. 452008

PROXY FORM

I/We _____

Of _____

Being a member / beneficial owner of the above named Company hereby appoint _____

of _____

or falling whom _____

of _____

as my / our Proxy to attend and vote for me/us and on my/our behalf at the 20th Annual General Meeting of Sylph Technologies limited to be held on Monday, the 10th of September, 2012 at 11:30 A.M. at St-4 Press House 22, Press Complex Indore, Madhya Pradesh - 452008 and at any adjournment(s) thereof.

Signed this Day2012

Folio no./ beneficiary account no. : _____

Signature of the member / beneficial owner _____

Note : This Proxy form must reach the registered office of the company not less than 48 hours before the time of holding the meeting.

Book - Post

To,

If undelivered, Please return to :

SYLPH TECHNOLOGIES LIMITED

Regd. Office : St - 4, Press House, 22 Press Complex A. B. Road, Indore - 452 008