



# SYLPH TECHNOLOGIES LIMITED

**Registered Office: ST-4 Press House,  
22 Press Complex, A. B. Road, Indore (M. P.) 452008  
CIN - L36100MP1992 PLC 007102**

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting of the Members of Sylph Technologies Limited will be held at ST-4 Press House, 22 Press Complex, A.B. Road, Indore-452008 (MP), on Wednesday, the 30th day of September, 2015, at 11:30 A.M. to transact the following businesses:-

### **Ordinary Business:**

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the Financial Year ended 31st March, 2015 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajesh Jain, having directors identification number 01704145, who retires by rotation and being eligible, offers himself for re- appointment.
3. To ratify the appointment of M/s M.S. Dahiya & Co. (ICAI FRN.-013855C) Indore as Statutory Auditors of the company and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:

"Resolved that pursuant to provision of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under and pursuant to the resolution passed by the members at the AGM held on 30th day of September, 2014 for the appointment of statutory auditor, the appointment of M/s M.S. Dahiya & Co. (ICAI FRN.-013855C) as the auditor of the Company be and is hereby ratified and the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 in consultation with the auditor and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the auditors and the Board of Directors."

### **Special Business:**

4. Appointment of Mr. Devendra M Chelawat as an independent director.  
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 149,152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. Devendra M Chelawat (DIN:06894710) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1<sup>st</sup> July 2015 and who holds office till the date of the AGM be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years from the date of this AGM and up to September 29, 2020, not liable to retire by rotation."
5. Appointment of Mr. Vineet Shrivastav as an independent director.  
To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:  
"RESOLVED THAT pursuant to the provisions of section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and qualifications of directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. Vineet Shrivastav (DIN: 00838244) who was appointed as director of the company liable to retire by rotation, be and is hereby appointed as an independent director of the Company to hold office for a term of 5 consecutive years from the date of this AGM and up to September 29, 2020, not liable to retire by rotation."
6. Appointment of Smt. Jayshri Jain (Din- 01824937) as a director.  
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 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Smt. Jayshri Jain (Din- 01824937) who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on January 30, 2015 and whose term of office expires at this Annual General Meeting ('AGM'), be and is hereby appointed as a Director of the Company, liable to retire by rotation".

Place- Indore  
Date-29-08-2015

By Order of the Board of Directors  
**SYLPH TECHNOLOGIES LIMITED**  
CIN: L36100MP1992PLC007102

**Registered Office:**  
ST-4 Press House,  
22 Press Complex, A.B. Road,  
Indore-452008 (MP)

**Rajesh jain**  
Director  
(Din-01704145)

**NOTES: -**

- a) The Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013 in respect of the Special Business under item no 4 to 6 as stated above is annexed hereto.
- b) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. The proxies should, however, be deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- c) The register of members and share transfer books of the company will remain closed from Saturday 19th September 2015 to Wednesday 23rd September 2015 (both Days inclusive).
- d) Shareholders desiring any information as regards the Accounts are required to write to the Company at least seven days in advance of the meeting so that the information, to the extent practicable, can be made available at the meeting.
- e) Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Purva Sharegistry (India) Private limited address Unit no.9, Shiv Shakti Ind.estt. J.R. Boricha Marg, opp.Kasturba hospital lane Lower Parel (E) Mumbai 400 011 for doing the needful.
- f) It is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.
- g) Electronic copy of the Annual Report will be sent to the members whose email IDs are registered with the Company / Depository Participant(s).
- h) Members are requested to notify immediately changes, if any, in their registered addresses to the Company's Registrar and Share Transfer Agents M/s. Purva Sharegistry (India) Private Limited, Address at Unit no.9, Shiv Shakti Ind. estt. J.R. Boricha Marg, Opp.Kasturba hospital lane LowerPparel (E) Mumbai 400 011
- i) Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.
- j) Members may also note that notice of 23rd AGM of the company and annual report will also be available on the company's website <http://www.sylphtechnologies.com> for being downloaded. The physical copies of the aforesaid documents will also be available at the company's registered office for inspection during the normal business hours on working days till the date of the meeting. Even after registering E-communication, members are entitle to receive such communication in the physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the company's email id [info@sylphtechnologies.com](mailto:info@sylphtechnologies.com).
- k) Mr. Rajesh Jain, (Din- 01704145) director of the Company, liable to retire by rotation and being eligible and offer himself for re-appointment at the ensuing Annual General Meeting. Brief resume of Mr. Rajesh Jain, nature of his expertise in specific functional areas and names of Companies in which he holds directorships and memberships/ chairmanships of Board committees, shareholding and relationships between directors *inter-se* as stipulated

under clause 49 of the Listing Agreement with the stock exchanges are provided in Annexure-iv as attached with the directors report. This statement may also be regarded as disclosure under clause 49 of the Listing Agreement with the stock exchanges.

- I) VOTING THROUGH ELECTRONIC MEANS-**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 will be providing members facility to exercise their right to vote for all the resolutions detailed in the Notice of the 23rd Annual General Meeting scheduled to be held on Wednesday, 30th September, 2015 at 11.30 a.m. 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 ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL). The detailed procedure to be followed in this regard has been given in Annexure – A to the notice. The members are requested to go through Annexure – A carefully.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 4- APPOINTMENT OF MR. DEVENDRA M CHELAWAT AS AN INDEPENDENT DIRECTOR.**

The Board of Directors at its meeting held on 1<sup>st</sup> July 2015 appointed Mr. Devendra M Chelawat (DIN: 06894710) as an Additional Director of the Company with effect from 1<sup>st</sup> July 2015, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company. Mr. Devendra M Chelawat will hold office up to the date of the ensuing AGM.

As per the current provisions of company act, 2013 and clause 49 of the Listing Agreement, independent directors are permitted to be appointed for a consecutive period of 5 years without being liable to retire by rotation.

It is proposed to appoint Mr. Devendra M Chelawat as independent director under section 149 of the Act and clause 49 of the Listing Agreement to hold office for 5 (Five) consecutive years.

In the opinion of the Board, Mr. Devendra M Chelawat fulfill the conditions for appointment as independent director as specified in the Act and the Listing Agreement. He is a person of integrity and possesses relevant expertise and experience to hold the position of independent director. He is independent of the management of the company.

Mr. Devendra M Chelawat is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as director. The company has also received declarations from Mr. Devendra M Chelawat that he meet with the criteria of independence as prescribed both under sub section (6) of section 149 of the Act and under clause 49 of the Listing Agreement.

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder the resolution seeks the approval of members for the appointment of Mr. Devendra M Chelawat as an Independent Director of the Company for a term of 5 consecutive years from the date of this AGM and up to September 29, 2020 . He will not be liable to retire by rotation.

Brief resume of Mr. Devendra M Chelawat, nature of his expertise in specific functional areas and names of Companies in which he hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors *inter-se* as stipulated under clause 49 of the Listing Agreement with the stock exchanges, are provided in Annexure-iv as attached with the directors report.

A copy of the draft letter for the appointment of Mr. Devendra M Chelawat as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

This statement may also be regarded as disclosure under clause 49 of the Listing Agreement with the stock exchanges. No director, key managerial personnel or their relatives, except Mr. Devendra M Chelawat, to whom the resolution relates are interested or concerned in the resolution.

The Board commends the Ordinary resolution as set out in item nos. 4 of the notice for approval by the members.

**ITEM NO. 5- APPOINTMENT OF MR. VINEET SHRIVASTAV AS AN INDEPENDENT DIRECTOR**

Mr. Vineet Shrivastav (DIN: 00838244) is independent director of the Company who hold the position of Director from 14/03/2008.

As per the current provisions of company act, 2013 and clause 49 of the Listing Agreement, independent director are permitted to be appointed for a consecutive period of 5 years without being liable to retire by rotation.

It is proposed to appoint Mr. Vineet Shrivastav as independent director under section 149 of the Act and clause 49 of the Listing Agreement to hold office for 5 (Five) consecutive years.

In the opinion of the Board, Mr. Vineet Shrivastav fulfill the conditions for appointment as independent director as specified in the Act and the Listing Agreement. He is a person of integrity and possesses relevant expertise and experience to hold the position of independent director. He is independent of the management of the company.

Mr. Vineet Shrivastav is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as director. The company has also received declarations from Mr. Vineet Shrivastav that he meet with the criteria of independence as prescribed both under sub section (6) of section 149 of the Act and under clause 49 of the Listing Agreement.

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder the resolution seeks the approval of members for the appointment of Mr. Vineet Shrivastav as an Independent Director of the Company for a term of 5 consecutive years from the date of this AGM and up to September 29, 2020. He will not be liable to retire by rotation.

Brief resume of Mr. Vineet Shrivastav, nature of his expertise in specific functional areas and names of Companies in which he hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors *inter-se* as stipulated under clause 49 of the Listing Agreement with the stock exchanges are provided in Annexure-iv as attached with the directors report.

A copy of the draft letter for the appointment of Mr. Vineet Shrivastav as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

This statement may also be regarded as disclosure under clause 49 of the Listing Agreement with the stock exchanges.

No director, key managerial personnel or their relatives, except Mr. Vineet Shrivastav, to whom the resolution relates are interested or concerned in the resolution.

The Board commends the Special resolution as set out in item nos. 5 of the notice for approval by the members.

#### **ITEM NO. 6- APPOINTMENT OF SMT. JAYSHRI JAIN AS A DIRECTOR.**

The Board of Directors at its meeting held on 30/01/2015 appointed Smt. Jayshri Jain (Din- 01824937) as an Additional Director of the Company with effect from 30/01/2015, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company. Smt. Jayshri Jain will hold office up to the date of the ensuing AGM.

It is proposed to appoint Smt. Jayshri Jain (Din- 01824937) as a director of the Company under the provision of Company Act, 2013. The appointment of Smt. Jayshri Jain as a director of the Company shall fulfill the requirement of section 149 of company act to appoint woman director at the Board of company.

In the opinion of the Board, Smt. Jayshri Jain fulfill the conditions for appointment as a director as specified in the Act. She is a person of integrity and possesses relevant expertise and experience to hold the position of director.

Smt. Jayshri Jain is not disqualified from being appointed as Directors in terms of section 164 of the Act and has given his consent to act as director.

Pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder the resolution seeks the approval of members for the appointment of Smt. Jayshri Jain as a Director of the Company liable to retire by rotation.

Brief resume of Smt. Jayshri Jain, nature of her expertise in specific functional areas and names of Companies in which she hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors *inter-se* as stipulated under clause 49 of the Listing Agreement with the stock exchanges are provided in Annexure-iv as attached with the directors report. This statement may also be regarded as disclosure under clause 49 of the Listing Agreement with the stock exchanges.

No director, key managerial personnel or their relatives, except Mr. Rajesh Jain (Director) and Smt. Jayshri Jain to whom the resolution relates are interested or concerned in the resolution.

The Board commends the Ordinary resolution as set out in item nos. 6 of the notice for approval by the members.

Place- Indore  
Date-29-08-2015

#### **Registered Office:**

ST-4 Press House,  
22 Press Complex, A.B. Road,  
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By Order of the Board of Directors  
**SYLPH TECHNOLOGIES LIMITED**  
CIN: L36100MP1992PLC007102

**Rajesh jain**  
Director  
(Din-01704145)

## **Annexure A to the notice Instructions for the voting through electronic means**

1. 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 ensuing 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 ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
2. 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.
3. 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.
4. 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.
5. 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 /voting at the AGM through ballot paper.
6. Mr. Anand Sethiya, Chartered Accountant (ICAI membership No.-071993) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
7. 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" / "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
8. The Scrutinizer shall after the conclusion of voting at the general meeting 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.
9. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company <http://www.sylphtechologies.com> and on the website of CDSL 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 BSE Limited, Mumbai.
10. The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on 27th September, 2015 (9:00 am) and ends on 29th September, 2015 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iv) Click on Shareholders.
  - (v) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (vi) Next enter the Image Verification as displayed and Click on Login.
  - (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>◆ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>◆ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
<b>OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>◆ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li></ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN (150826075) for "Sylph Technologies Limited" (ISIN- INE706F01013) for which you have to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

Place- Indore  
Date-29-08-2015

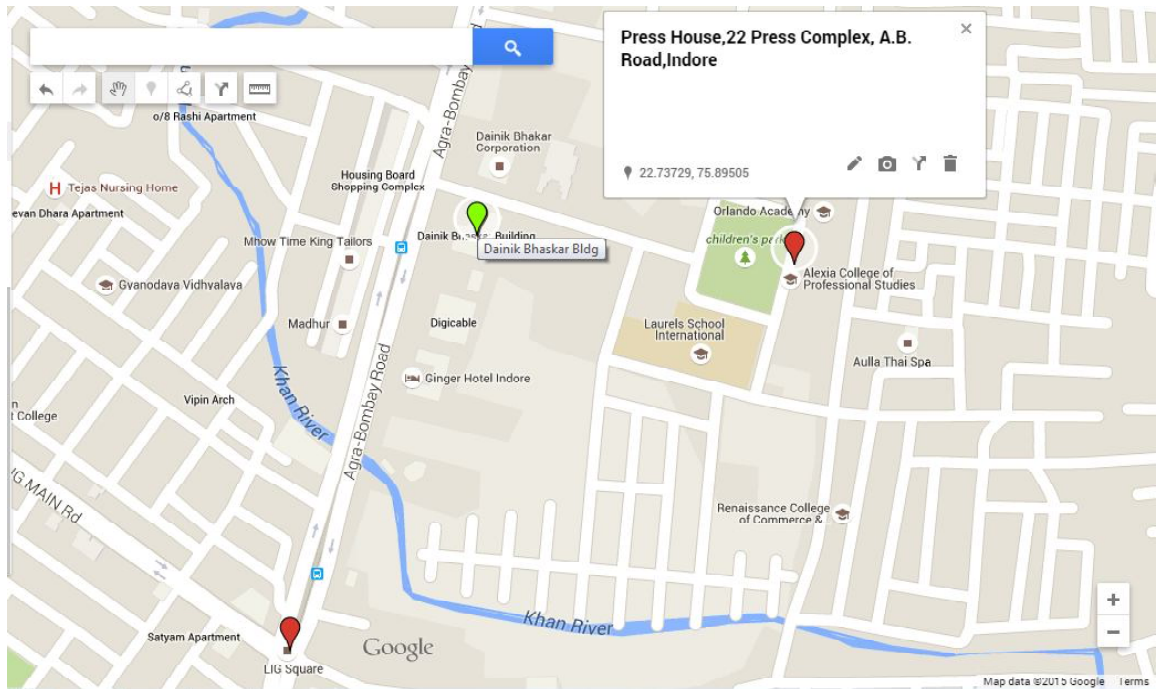
**Registered Office:**

ST-4 Press House,  
22 Press Complex, A.B. Road  
Indore-452008 (MP)

By Order of the Board of Directors  
**SYLPH TECHNOLOGIES LIMITED**  
CIN: L36100MP1992PLC007102

**Rajesh jain**  
Director  
(Din-01704145)

## Road Map





**Proxy form- Form No. MGT-11**  
**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies**  
**(Management and Administration) Rules, 2014]**

**SYLPH TECHNOLOGIES LIMITED**

**Registered office: ST-4 Press House, 22 Press Complex, A.B. Road, Indore-452008 (MP)**  
**CIN: L36100MP1992PLC007102**

Name of the member (s) :
Registered address :
E-mail Id:
Folio No/ 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/her

2. Name : ..... E-mail Id : .....  
Address : .....  
.....Signature :.....

or failing him/her

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 23rd Annual  
General Meeting of the Members of the Company, to be held on the Wednesday, the 30th day of  
September, 2015 at 11:30 a.m at St-4 Press House, 22 Press Complex, A.B. Road, Indore-452008 MP,  
India and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the Financial Year ended 31st March, 2015 and the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Rajesh Jain, having directors identification number 01704145, who retires by rotation and being eligible, offers himself for re- appointment.
3. To ratify the appointment of M/s M.S. Dahiya & Co. (ICAI FRN.-013855C) Indore as Statutory Auditors of the company and to fix their remuneration.
4. Appointment of Mr. Devendra M Chelawat as an independent director.
5. Appointment of Mr. Vineet Shrivastav as an independent director.
6. Appointment of Smt. Jayshri Jain (Din- 01824937) as a director.

Signed this..... day of..... 2015

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp of not  
less  
than Rs. 1

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

## SYLPH TECHNOLOGIES LIMITED

**Registered Office: ST-4 Press House, 22 Press Complex A. B. Road, Indore. 452008  
CIN - L36100MP1992 PLC 007102**

### ATTENDANCE SLIP

I hereby record my presence at the 23rd Annual General Meeting of the Company at **ST-4 Press House, 22 Press Complex, A.B. Road, Indore-452008 (MP)** on Wednesday, the 30th day of September, 2015, 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**

**23<sup>rd</sup> ANNUAL REPORT**

**2014 - 2015**



## ANNUAL REPORT 2014 - 2015

### **BOARD OF DIRECTORS (As on 29-08-2015 )**

1. MR. RAJESH JAIN
2. MR. DEVENDRA M CHELAWAT
3. SMT. JAYSHRI JAIN
4. MR. VINEET 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  
E-mail: info@sylphtechnologies.com, mhfl@bsnl.in  
URL : www.sylphtechnologies.com

### **REGISTRAR & 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  
FAX : 91-22-23012517  
Email : busicomp@vsnl.com



## DIRECTORS' REPORT

To,  
The Members,  
Your Directors have pleasure in presenting their 23rd Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2015.

### Financial summary:

Particulars	March 31, 2015	March 31, 2014
<b>Income From Operations</b>		
Revenue from sale of goods	2,380,990	6,995,000
Revenue from sale of Services	1,696,000	1,129,500
Other Income	1,543,994	358,473
<b>Total Revenue From Operations</b>	<b>5,620,984</b>	<b>8,482,973</b>
Profit before depreciation & taxation	438,378	97,109
Less: Depreciation	302,379	62,885
<b>Profit before taxation</b>	<b>135,999</b>	<b>34,224</b>
<b>Less: Tax Expense</b>		
Tax expense for current year (MAT)	26,041	6,521
Mat credit entitlement	(26,041)	(6521)
Deferred Tax	(3,654)	10,575
<b>Profit after taxation</b>	<b>139,653</b>	<b>23,649</b>
Add: Balance brought forward from previous year	(15,109,304)	(15,132,953)
<b>Surplus available for appropriation</b>	<b>(14,969,651)</b>	<b>(15,109,304)</b>
<b>Appropriations</b>		
Dividend on Preference Shares	-	-
Tax on above dividend	-	-
Proposed dividend on Equity Shares	0	0
Tax on above dividend	0	0
Transfer to General Reserve	0	0
Balance carried to Balance sheet	(14,969,651)	(15,109,304)

### TRANSFER TO RESERVES

During the year the company has not proposed to transfer any amount to the General Reserve.

### DIVIDEND:

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

### FIXED DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Devendra M Chelawat (Din-06894710) was appointed as additional director in the capacity of independent



director of the company who shall hold office up to the date ensuing annual general meeting of the company. Section 149 of Company act 2013 provided that the Independent directors shall hold office for a term up to five consecutive years on the board of company and shall be eligible for re-appointment on passing a special resolution by shareholder of the company.

The Board of Directors now recommends the appointment of Mr. Devendra M Chelawat (Din-06894710) as independent director under section 149 of the Companies Act, 2013 and clause 49 of the listing agreement in the ensuing A.G.M. to hold office for a term of 5 (Five) consecutive years from the date of this AGM.

Mr. Vineet Shrivastav (Din- 00838244) is one of the directors of the company act in his independent capacity. To meet the composition of board in accordance with the provision of section 149 of the Companies Act, 2013 and clause 49 of the listing agreement the Board now recommends the change in the designation of Mr. Vineet Shrivastav (Din-00838244) as independent director under section 149 of the Companies Act, 2013 and clause 49 of the listing agreement in the ensuing A.G.M. to hold office for a term of 5 (Five) consecutive years from the date of this AGM.

Mr. Rajesh Jain (Din- 01704145), Director of the company is liable to retire by rotation and shall retire in the forthcoming AGM and being eligible, offer himself for re appointment. The Board of Directors recommend Mr. Rajesh Jain for re-appointment as director of the company.

During the year Smt. Jayshri Jain (Din-01824937) have been appointed, as additional Director of the company to include a woman director on the board of company. The Directors recommend Smt. Jayshri Jain for appointment as a director of the company, liable to retire by rotation.

Further Mr. Shanti Lal Jain (Din-02049000) have resigned from the Directorship of the Company w.e.f. 30/01/2015. The Board place on record its gratitude for the services rendered by Mr. Shanti Lal Jain during his long association with the company.

Further Mr. Kamal Kumar Bhandari (Din- 02067889) have resigned from the Directorship of the Company w.e.f. 01/07/2015. The Board place on record its gratitude for the services rendered by Mr. Kamal Kumar Bhandari (Din- 02067889) during his long association with the company.

Details of Directors seeking appointment and/or re-appointment in the ensuing AGM are provided in Annexure-iv.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company.

#### **MEETINGS OF BOARD**

During the year 9 (Nine) Board Meetings and 4 (Four) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and listing agreement.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state 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 were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.



- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **POLICY FOR APPOINTMENT AND REMUNERATION OF DIRECTORS**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

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

The particulars of Loans, guarantees or investments covered under Section 186 of company act, 2013 form part of notes to the financial statements provided in this annual report.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY /INTERNAL FINANCIAL CONTROLS:**

The directors has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Auditor is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

#### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

#### **CONSERVATION OF ENERGY:**

Company ensures that the operations of the company are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.

No specific investment has been made in reduction in energy consumption equipments.

As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

No steps have been taken by the company for utilizing alternate sources of energy.

#### **TECHNOLOGY ABSORPTION:**

Company's operations are conducted by using in-house know how and no outside technology is being used for operating activities. Therefore no outside technology absorption in the company. The Company has not incurred expenditure on research and development activities during the year.

#### **FOREIGN EXCHANGE EARNINGS AND OUT-GO :**

During the period under review there was no foreign exchange earnings or out flow.

#### **SUBSIDIARY COMPANY:**

The Company has one subsidiary company- Sakshi Powertech Pvt Ltd.



#### **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is given as **Annexure-V**. Performance and financial position of the subsidiary included in the consolidated financial statement.

Further, the financial statements and related documents of the subsidiary company shall be kept open for inspection at the Registered & Corporate Office of the Company. The Company will also make available copy thereof upon specific request by any Member of the Company interested in obtaining the same.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has a Vigil Mechanism/Whistle Blower Policy to report genuine concerns or grievances of directors and employees and to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

Audit committee shall oversee the vigil mechanism.

The vigil mechanism ensures that strict confidentiality is maintained while dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

#### **BOARD EVALUATION :**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### **AUDITOR:**

At the annual general meeting held on 30th September, 2014, M/s M.S. Dahiya & Co. (Firm's Registration No.-013855C), chartered accountant, were appointed as statutory auditors of the company. As per provision of section 139 of company act, 2013 the appointment of M/s M.S. Dahiya & Co., chartered accountants, as statutory auditors of the company is placed for rectification by shareholders at the ensuing annual general meeting .

#### **SECRETARIAL AUDIT:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed CS Priyanka Jain (M. No.A35712), Company Secretary in practice (C.P. No. 13522) to undertake the Secretarial Audit of the Company for the financial Year 2014-2015. The Secretarial Audit report for the Financial Year ended 31<sup>st</sup> March 2015 is annexed herewith as Annexure-iii to this report.

#### **AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:**

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained secretarial audit report.

Board Explanation

- Management is searching for suitable candidate for the post of CEO and CFO. Further the company is under process to appoint company secretary beside that the secretarial audit report is self explanatory and hence, do not call for any further comments.

#### **RELATED PARTY TRANSACTIONS DISCLOSURE**

The disclosure required under sub section (1) of section 188 are mentioned in Form AOC-2 which is annexed herewith as " Annexure ii".





## **STATE OF COMPANY'S AFFAIRES**

Our Company 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.

The Company has acquired rights for the Publication of a 25 year old Newspaper. During the year Company has engaged in publication and sale of newspaper and Job work related to Software business.

During the year company has launched BPO Service & KPO Service website: [www.bfxindia.com](http://www.bfxindia.com). KPO will provide services in the field of Accounting, Income tax, Service Tax, VAT, CST, Custom Duty and other duties and taxes, Auditing, Corporate Services, Company law matters, Financial & Legal Consultancy and Tax Management. **BFX's** Business Exchange division is facilitating the Business exchange opportunities like buy & sale of business, private equity, Barter of goods & services, finding investment & finance opportunities.

**BFX** India provide definite solution for Corporate Debt restructuring and can also help in raising Debt, Loan, Shares capital and equity for all of your business and corporate requirements in all possible forms and ways.

**BFX'** India's Business Exchange division is facilitating the Business exchange opportunities like buy & sale of business, private equity, Barter of goods & services, finding investment & finance opportunities.

## **BUSINESS RISK MANAGEMENT:**

The Management has implemented business risk management policy. At present the company has not identified any element of risk which may threaten the existence of the company. The Company has Risk Management Policy to report genuine concerns or grievances of directors and employees and to deal with instance of fraud and mismanagement, if any.

## **PARTICULARS OF EMPLOYEES:**

Section 197 of company act 2013 read with rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, are not applicable to company as no employee of company is in receipt of remuneration exceeding the limit as mentioned in relevant provision.

## **EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure-i".

## **LISTING WITH STOCK EXCHANGES:**

The Company's Shares are listed on BSE. The Company confirms that it has paid the Annual Listing Fees to BSE.

## **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS**

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexure-vi, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

## **ACKNOWLEDGEMENTS:**

Your Company and its Directors wish to extend their sincerest thanks to all with whose help, cooperation and hard work the Company is able to achieve the results.

Place : Indore  
Date : 29-08-2015

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

**For & on Behalf of Board of Directors**  
**Sylph Technologies Limited**  
CIN-L36100MP1992PLC007102

**Jayshri Jain**  
Director  
DIN-01824937

**Rajesh Jain**  
Director  
DIN-01704145



#### **ANNEXURE INDEX**

<b><u>Annexure</u></b>	<b><u>Content</u></b>
i.	Annual Return Extracts in MGT 9
ii.	AOC 2 – Related Party Transactions disclosure
iii.	Secretarial Audit Report
iv.	Details of Directors seeking appointment and/or re-appointment
v.	Statement containing the salient feature of the financial statement of a company's subsidiary , associate company.
vi.	Corporate Governance & Management Discussion & Analysis Report



**Annexure- 'I'**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2015**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company**  
**(Management & Administration) Rules, 2014.**

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>	
1 CIN	L36100MP1992PLC007102
2 Registration Date	14/05/1992
3 Name of the Company	SYLPH TECHNOLOGIES LIMITED
4 Category/Sub-category of the Company	Company Limited By Shares
5 Address of the Registered office & contact details	ST-4, PRESS HOUSE, 22 PRESS COMPLAX, A.B. ROAD, INDORE-452008, Madhya Pradesh, Tel. No 0731-2571451, E-mail- mhfl@sancharnet.in, Website-www.sylphtechnologies.com
6 Whether listed company	Yes
7 Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Shareregistry (India) Private Limited Unit No. 9, Shiv Shakti Ind. Estt., J. R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai - 400 011, maharashtra TEL : 91-22-2301 6761/8261 FAX : 91-22-23012517 Email : busicomp@vsnl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	News paper sale	58131	58.50%
2	Job work related to software	620	41.59%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Sakshi Powertech Private Limited	U31500MP2010PTC024082	Subsidiary	100	2 (87)

**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 [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31March-2015]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	1,269,800	-	1,269,800	15.98%	1,287,825	554,200	1,842,025	12.36%	45.06%

b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	<b>1,269,800</b>	<b>-</b>	<b>1,269,800</b>	<b>15.98%</b>	<b>1,287,825</b>	<b>554,200</b>	<b>1,842,025</b>	<b>12.36%</b>	<b>45.06%</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>TOTAL (A)</b>	<b>1,269,800</b>	<b>-</b>	<b>1,269,800</b>	<b>15.98%</b>	<b>1,287,825</b>	<b>554,200</b>	<b>1,842,025</b>	<b>12.36%</b>	<b>45.06%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	49,184	9,500	58,684	0.74%	1211127	9500	1,220,627	8.19%	1980.00%
ii) Overseas	-	-	-	0.00%	0	0	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	514,475	2,389,700	2,904,175	36.55%	542543	2325800	2,868,343	19.25%	-1.23%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3,523,890	169,300	3,693,190	46.48%	2417105	6541000	8,958,105	60.12%	142.56%
c) Others (specify)									
Non Resident Indians	1,200	-	1,200	0.02%	1200	0	1,200	0.01%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	0	0	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	0	0	-	0.00%	0.00%
Trusts	-	0.00%	-	-	-	0.00%	0.00%	-	-
Hindu Undivided Family	10,400	-	10,400	0.13%	9700	0	9,700	0.07%	-6.73%
Clearing Members	8,351	-	8,351	0.11%	0	0	-	0.00%	-100.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>4,107,500</b>	<b>2,568,500</b>	<b>6,676,000</b>	<b>84.02%</b>	<b>4,181,675</b>	<b>8,876,300</b>	<b>13,057,975</b>	<b>87.64%</b>	<b>95.60%</b>
<b>Total Public (B)</b>	<b>4,107,500</b>	<b>2,568,500</b>	<b>6,676,000</b>	<b>84.02%</b>	<b>4,181,675</b>	<b>8,876,300</b>	<b>13,057,975</b>	<b>87.64%</b>	<b>95.60%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)</b>	<b>5,377,300</b>	<b>2,568,500</b>	<b>7,945,800</b>	<b>100.00%</b>	<b>5,469,500</b>	<b>9,430,500</b>	<b>14,900,000</b>	<b>100.00%</b>	<b>87.52%</b>

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Rajesh Jain	895,200	11.27%	0	1,449,400	9.73%	0	61.91%
2	Jayshri Jain	374,600	4.71%	0	392,625	2.64%	0	4.81%

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	<b>Rajesh Jain</b>				
	At the beginning of the year	895,200	11.27%	895,200	6.01%
	Allotment of share on 15-12-2014	454,200	4.13%	1,349,400	9.06%
	Allotment of share on 24-12-2014	100,000	0.67%	1,449,400	9.73%
	At the end of the year			1,449,400	9.73%
	<b>Jayshri Jain</b>				
	At the beginning of the year	374,600	4.71%	374,600	2.51%
	Transfer (Purchase/Sale) from 01-04-2014 to 31-03-2015	18,025	0.12%	392,625	2.64%
	At the end of the year			392,625	2.64%

**(iv) Shareholding Pattern of top ten Shareholders**
*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	<b>J P Bapna</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Allotment of share on 15-12-2014	2,600,000	23.64%	2,600,000	17.45%
	Allotment of share on 24-12-2014	1,100,000	7.38%	3,700,000	24.83%
	At the end of the year			3,700,000	24.83%
2	<b>Ghanshyam Soni</b>				
	At the beginning of the year	1,000,000	12.59%	1,000,000	6.71%
	Allotment of share on 24-12-2014	2,700,000	18.12%	3,700,000	24.83%
	At the end of the year			3,700,000	24.83%
3	<b>ASV Trading Pvt Ltd</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer (Purchase/Sale) from 01-04-2014 to 31-03-2015	1,115,785	7.49%	1,115,785	7.49%
	At the end of the year			1,115,785	7.49%
4	<b>Devkinandan Agrawal</b>				
	At the beginning of the year	1,000,000	12.59%	1,000,000	6.71%
	Changes during the year	-	0.00%	1,000,000	6.71%
	At the end of the year			1,000,000	6.71%

SN	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
5	<b>Himanshu Batadara</b>				
	At the beginning of the year	234,075	2.95%	234,075	1.57%
	Changes during the year	-	0.00%	234,075	1.57%
	At the end of the year			234,075	1.57%
6	<b>Shila Jain</b>				
	At the beginning of the year	75,500	0.95%	75,500	0.51%
	Changes during the year	-	0.00%	75,500	0.51%
	At the end of the year			75,500	0.51%
7	<b>Atit Jain</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer (Purchase/Sale) from 01-04-2014 to 31-03-2015	48,600	0.33%	48,600	0.33%
	At the end of the year			48,600	0.33%
8	<b>INVESTSMART STOCK BROKERS PVT LTD</b>				
	At the beginning of the year	16,634	0.21%	16,634	0.11%
	Transfer (Purchase/Sale) from 01-04-2014 to 31-03-2015	31,172	0.39%	47,806	0.32%
	At the end of the year			47,806	0.32%
9	<b>RANJNA VERMA</b>				
	At the beginning of the year	45,500	0.57%	45,500	0.31%
	Changes during the year	-	0.00%	45,500	0.31%
	At the end of the year			45,500	0.31%
10	<b>Anil Mansukhlal Kothari</b>				
	At the beginning of the year	35,900	0.45%	35,900	0.24%
	Changes during the year	-	0.00%	35,900	0.24%
	At the end of the year			35,900	0.24%

(v) Shareholding of Directors and Key Managerial Personnel :

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	<b>RAJESH JAIN</b>				
	At the beginning of the year	895,200	11.27%	895,200	6.01%
	Allotment of share on 15-12-2014	454,200	4.13%	1,349,400	9.06%
	Allotment of share on 24-12-2014	100,000	0.67%	1,449,400	9.73%
	At the end of the year			1,449,400	9.73%
2	<b>Jayshri Jain</b>				
	At the beginning of the year	374,600	4.71%	374,600	2.51%
	Transfer (Purchase/Sale) from 01-04-2014 to 31-03-2015	18,025	0.12%	392,625	2.64%
	At the end of the year			392,625	2.64%
3	<b>VINEET SHRIVASTAV</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year			-	0.00%
4	<b>KAMAL KUMAR BHANDARI</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year			-	0.00%



#### V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	14,570,000.00	0	14,570,000.00
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	-	0	0
<b>Total (i+ii+iii)</b>	-	14,570,000.00	-	14,570,000.00
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	0	0	0
* Reduction	0	14,570,000.00	0	14,570,000.00
Net Change	-	14,570,000.00	-	14,570,000.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

NIL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs/Lac)
	Name		
	Designation		
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		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	- as % of profit		-
	- others, specify		-
5	Others, please specify		-
	Total (A)		-
	Ceiling as per the Act		-

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Director	Total Amount (Rs/Lac)
1	Independent Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		



C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total (Rs/Lac)
		Name			
	Designation	CEO	CFO	CS	
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				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission - as % of profit - others, specify				- - -
5	Others, please specify				-
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
	<b>A. COMPANY</b>					
	Penalty					
	Punishment					
	Compounding					
	<b>B. DIRECTORS</b>					
	Penalty					
	Punishment					
	Compounding					
	<b>C. OTHER OFFICERS IN DEFAULT</b>					
	Penalty					
	Punishment					
	Compounding					

**For & on Behalf of Board of Directors  
Sylph Technologies Limited**  
CIN-L36100MP1992PLC007102

Place : Indore  
Date : 29-08-2015

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

**Jayshri Jain**  
Director  
DIN-01824937

**Rajesh Jain**  
Director  
DIN-01704145





**Annexure-ii**

<b>Form No. AOC-2</b>
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto-

**1. Details of contracts or arrangements or transactions not at arm's length basis:**  
 There were no contract or arrangement or transactions entered in to during the year ended on March 31, 2015, which were not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**  
 The Details of material contracts or arrangement or transactions at arm's length basis for the year ended on March 31, 2015 are as follows

<b>Name of the related party and Nature of contracts or arrangement or transactions</b>	<b>Nature of relationship</b>	<b>Duration of the contracts</b>	<b>Salient terms</b>	<b>Amount</b>
Purchase of Equity shares in Sakshi Powertech Private limited	Subsidiary	NA	NA	17,999,992
Purchase of Software from Sakshi Powertech Private limited	Subsidiary	NA	NA	449,400
Repayment of Loan to Mr. Rajesh Jain	Director	NA	Interest free loan	14,570,000

For and on behalf of the Board of Directors  
 SYLPH TECHNOLOGIES LIMITED  
 CIN: L36100MP1992PLC007102

Place- Indore  
 Date-29-08-2015

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

Jayshri Jain  
 Director  
 (Din-01824937)

Rajesh Jain  
 Director  
 (Din-01704145)



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

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

**To,**  
**The Members,**  
**SYLPH TECHNOLOGIES LIMITED**  
**CIN- L36100MP1992PLC007102**  
**Registered Office:-ST-4 Press**  
**House A.B. Road, 22 Press Complex**  
**Indore, Madhya Pradesh**

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

Based on my verification of the 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, We hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31 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 **Sylph Technologies Limited** ("the Company") for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable to the company during the audit period)**
- (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; **(not applicable to the company during the audit period)**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the audit period)**
  - 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 client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(not applicable to the company during the audit period)**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Which is not applicable to the company during the audit period)**
- (vi) I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, laws and Regulations to the Company. The laws, regulations, directions, orders applicable specifically to the Company are as follows:-



1. The Information Technology Act, 2000

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(not applicable for the period under review)**
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

I further report that I have not reviewed the applicable financial laws (direct and indirect tax laws) since the same have been subject to review and audit by the Statutory Auditors of the Company.

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

- a. Company has not comply section 203 of companies act 2013 related of appointment of key managerial personnel**
  - 1. Managing Director or Chief executive Officer**
  - 2. Company Secretary**
  - 3. Chief Financial officer**
- b. Company was also listed on Madhya Pradesh Stock Exchange Ltd, Ahmedabad Stock Exchange Ltd and Madras Stock Exchange Ltd for which delisting formalities were completed by the company and informed by the management to us that no as such delisting certificate/intimation was issued by the above exchanges and not produced before us.**

**I further report that**

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

Adequate notice is given to all the directors to schedule the Board meeting, 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, there-

6954200 Equity shares of Rs10/- (Rupees Ten Only) each issued on face value against the conversion of convertible warrant to promoter and non-promoter.

Date of Allotment -15/12/2014(3054200 Equity Share)

Date of Allotment -24/12/2014(3900000 Equity Share)

were no instances of:

- (i) Public/Rights/debentures/ sweat equity..
- (ii) Merger/ amalgamation/ reconstruction etc.
- (iii) Foreign technical collaborations.

Date : 27-08-2015

Place : Indore

**CS Priyanka Jain**  
Practicing Company Secretary  
Membership No. 35712  
Certificate of Practice No. 13522



**'Annexure A'**

**To,  
The Members,  
SYLPH TECHNOLOGIES LIMITED  
CIN- L36100MP1992PLC007102  
Registered Office:-ST-4 Press  
House A.B. Road , 22 Press Complex  
Indore,Madhya Pradesh**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date : 27-08-2015  
Place : Indore

**CS Priyanka Jain**  
Practicing Company Secretary  
Membership No. 35712  
Certificate of Practice No. 13522



**Annexure-IV**

<b>Details of directors seeking appointment/ re-appointment at the annual general meeting as stipulated under clause 49 of the listing agreement with the stock exchanges, are provided herein below.</b>				
Name of Director	Mr. Devendra M Chelawat	Mr. Vineet Shrivastav	Mr. Jayshri Jain	Mr. Rajesh Jain
DIN	06894710	00838244	01824937	01704145
Age	53 Years	58 Years	49 Years	53 years
Qualification	Chartered accountant	B.E.	MA in fine arts	Chartered Accountant
Expertise in Specific Area	Finance	Marketing	Administration	Finance
Date of first Appointment on the Board of the Company	1st July 2015	14/03/2008	30th January, 2015	14/05/1992
Shareholding in Sylph Technologies Limited	Nil	Nil	3,92,625 shares	1449400
List of Directorship held in other companies	(1). Nextor Edutech Private Limited (2). Sylph Education Solutions Limited	(1). Vineet Industrial Sales Promoters Pvt Ltd (2). Sakshi Powertech Private Limited (3). Sylph Education Solutions Limited (4). Saksham Publishers And Printers Limited	(1). Sylph Education Solutions Limited (2). Sakshi Powertech Private Limited (3). Sakshi Multitrade Private Limited (4). Saksham Publishers And Printers Limited	(1). Sylph Education Solutions Limited (2). Sakshi Powertech Private Limited (3). Sakshi Multitrade Private Limited (4). Saksham Publishers
Membership / Chairmanships of Audit and stake holders relationship committees	Nil	Membership -2 Chairmanship -1	Membership - 2	NIL
Relationships between directors inter-se	NIL	NIL	Smt. Jayshri jain is wife of Mr. Rajesh jain, one of the Director of the Company	Mr. Rajesh Jain is husband of Smt. Jayshri jain , one of the director of the company

Place : Indore  
Date : 29-08-2015

**For & on Behalf of Board of Directors  
Sylph Technologies Limited**  
CIN-L36100MP1992PLC007102

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

**Jayshri Jain**  
Director  
DIN-01824937

**Rajesh Jain**  
Director  
DIN-01704145



**Annexure-v**

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement Containing Salient Features of the Financial Statement of Subsidiaries/Associate Companies/Joint ventures**

**Part "A": Subsidiary**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name of the subsidiary	<b>Sakshi Powertech Pvt. Ltd.</b>
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	7,11,598
5.	Reserves & surplus	5,56,05,039
6.	Total assets	5,89,37,069
7.	Total Liabilities	5,89,37,069
8.	Investments	Nil
9.	Turnover	5,78,636
10.	Profit before taxation	19,296
11.	Provision for taxation - Current Tax (MAT) - MAT Credit Entitlement - Deferred Tax	3,680 (3,680) 54,835
12.	Profit after taxation	(35,539)
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

**Notes:**

- Names of Subsidiaries which are yet to Commence Operations- Nil
- Names of Subsidiaries which have been liquidated or sold during the year- Nil



**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	Nil	Nil	Nil
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding%			
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Net worth attributable to shareholding as per latest audited Balance Sheet			
6. Profit/Loss for the year.			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

**Notes:**

- Names of associates or joint ventures which are yet to commence operations - Nil
- Names of associates or joint ventures which have been liquidated or sold during the year- Nil

Place: Indore  
Date : 30th May, 2015

**For & on Behalf of Board of Directors  
Sylph Technologies Limited**

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

**Rajesh Jain**  
Director  
DIN-01704145

**Jayshri Jain**  
Director  
DIN-01824937

### **CORPORATE GOVERNANCE REPORT**

This report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in clause 49 of Listing Agreement with the Stock Exchange.

#### **1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

We believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitment to our values. For us the corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. Our corporate governance framework is a reflection of our culture, our policies, and our relationship with stakeholder and commitment to values. Transparency, integrity, professionalism and accountability- based values form the basis of the Company's philosophy for Corporate Governance

#### **2. BOARD OF DIRECTORS:**

##### **(A) COMPOSITION OF BOARD:**

Composition of Board of directors of the Company as on 31<sup>st</sup> March, 2015 is as follow:

S. No.	Name of Director	Category	Directorship Committee Members	Number of Other Chairmanship	Committee
1	Mr. Rajesh Jain	Promoter/ Non-Executive Director	4	Nil	Nil
2	Mr. Kamal Kumar Bhandari	Independent Non-Executive	2	2	1
3	Smt. Jayshri Jain	Non-Executive Director/ Woman Director	4	2	Nil
4	Mr. Vineet Shrivastava	Independent Non-Executive	4	2	1

##### **(B). NUMBER OF BOARD MEETINGS**

During the Financial year ended on March 31, 2015, Nine Board Meetings were held on 17 May 2014, 31 July 2014, 25 August 2014, 30 September 2014, 30 October 2014, 15 December 2014, 24 December 2014, 30 January 2015, 20 February 2015. The Twenty second Annual General Meeting was held on 30th September 2014.

##### **(C). ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETING AND THE LAST ANNUAL GENERAL MEETING:**

The attendance for each of the Directors at Board Meeting during the year ended on 31<sup>st</sup> March, 2015 and of last AGM is as under-





S. No.	Name of Director	No. of Board Meeting attended	Attendance at AGM held on 30.09.2014
1.	Mr. Rajesh Jain	9	Yes
2.	Mr. Kamal Kumar Bhandari	9	Yes
3.	Smt. Jayshri Jain	1	NA
4.	Mr. Vineet Shrivastava	9	Yes

#### **4.COMMITTEES OF THE BOARD**

##### **(A). AUDIT COMMITTEE**

###### **i) Terms of Reference:**

Apart from all the matters provided in clause 49 of the listing agreement and section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. The Committee reviews the financial statements before they are placed before the Board.

###### **ii) Composition:**

The Audit committee consists of three directors –Mr. Vineet Shrivastava, Mr. K.K. Bhandari, and Mr. Rajesh Jain. All the members of the Audit committee are independent Directors except Mr. Rajesh Jain. Mr. Vineet Shrivastava has been designated as chairman of the committee.

The committee met 4 times during the financial year ended March 31, 2015.

The composition of the Audit Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

S.NO.	Name of The Member	Designation	No. of Meeting Attended
1	Mr. Vineet Shrivastava	Chairman	4
2	Mr. K.K. Bhandari	Member	4
3	Mr. Rajesh Jain	Member	4

##### **(B). NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination & remuneration committee for appointment & remuneration of directors was constituted with Mr. Vineet Shrivastava as chairman of committee. The committee comprises of three non executive Directors and out of which two directors are independent directors.

S.NO.	Name of The Member	Designation	No. of Meeting Attended
1	Mr. Vineet Shrivastava	Chairman	2
2	Mr. K.K. Bhandari	Member	2
3	Smt. Jayshri Jain	Member	2

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;



- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

#### **POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The **NOMINATION AND REMUNERATION COMMITTEE** has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors, KMP (Key Managerial personnel) or senior management and their remuneration. This Policy is accordingly derived from the said Charter.

#### **THE APPOINTMENT CRITERIA AND QUALIFICATIONS FOR APPOINTMENT OF DIRECTORS, KMP AND SENIOR MANAGEMENT**

The Company shall take into account following points:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his/her appointment.
- A person to be appointed as Director, should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the relevant fields of marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors so as to enable the Board to discharge its function and duties effectively.
- Independent Director shall meet all criteria specified in Section 149(7) of the Companies Act, 2013 and rules made there under and Clause 49 of the Listing Agreement entered into with BSE Limited
- The Nomination and Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013
- Director must have relevant experience in Finance/ Law/ Management/ Sales/Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.
- The Nomination and Remuneration Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Directors, KMP And Senior Management:
  - i. Qualification, expertise and experience of the Directors in their respective fields;
  - ii. Personal, Professional or business standing;



iii. Diversity of the Board.

- In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment and Remuneration Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board' functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

TO CARRY OUT PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS, CRITERIA TO BE CONSIDERED WOULD INTER ALIA INCLUDE FOLLOWING:.

#### PART A: FOR BOARD & COMMITTEES OF BOARD

1. Composition with requisite number of Independent Directors (and woman director in the case of board) .
2. Frequency of Meetings .
3. Discharge of the key functions prescribed under law.
4. Discharge of other responsibilities prescribed under law.
5. Monitoring the effectiveness of corporate governance practice .
6. Ensuring the integrity of the company's accounting and financial reporting systems, independent audit, internal audit and risk management system (for Board and Audit Committee).
7. Working in the interests of all the stakeholders of the company.

#### PART B: DIRECTORS

1. Attendance and Participation
2. Pro-active and positive approach with regard to Board and Senior Management particularly the arrangements for management of risk and steps needed to meet challenges from the competition
3. Maintaining confidentiality
4. Acting in good faith and in the interest of the company as a whole
5. Exercising duties with due diligence and reasonable care
6. Complying with legislations and regulations in letter and spirit
7. Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion
8. Maintaining relationships of mutual trust respect with Board members
9. Capacity to effectively examine financial and other information on operations of the company and the ability to make positive contribution thereon.



The foresaid criteria for performance evaluation are subject to change from time to time

THE NOMINATION AND REMUNERATION COMMITTEE HAS LAID DOWN THE CRITERIA FOR EVALUATION OF PERFORMANCE OF INDEPENDENT DIRECTORS.

1. Attendance and contribution at Board and Committee meetings
2. Qualification, expertise and experience of the Directors in their respective fields
3. His/her stature, appropriate mix of expertise, skills, behaviour, experience, leadership qualities, and understanding of business, strategic direction to align company's value and standards.
4. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
5. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
6. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.
7. Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
8. Quality of decision making on understanding financial statements and business performance.
9. His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
10. His/her contribution to enhance overall brand image of the Company.

## **REMUNERATION POLICY**

### **Directors**

Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the net profits of the Company for the Non-Executive Directors and Whole time Director and other Executive Directors. This will be then approved by the Board. Prior approval of shareholders will be obtained wherever applicable in case of remuneration to non-executive directors.

The Company may pay remuneration by way of salary, perquisites and allowances to Whole time Director. Salary is to be paid within the range approved by the Shareholders. Annual increments may be recommended by the Nomination and Remuneration Committee, and is approved by the Board.

The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as independent professionals/Business Executives. Independent Nonexecutive Directors will receive sitting fees for attending the meeting of the Board and Board Committees and commission as approved by the Board and shareholders.

### **Key Managerial Personnel and Other Employees**

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry.



The Board will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the NOMINATION AND REMUNERATION COMMITTEE for its review and approval.

#### DETAILS OF REMUNERATION TO ALL THE DIRECTORS

During the financial year ending on 31 March, 2015, company did not pay any remuneration and seating fee to the Directors of the company.

#### **(C).STAKEHOLDER'S GRIEVANCE COMMITTEE/ STAKEHOLDER'S RELATIONSHIP COMMITTEE:**

Stakeholders' Grievance Committee/ Stakeholders' Relationship Committee was constituted with Smt. Jayshri Jain (Non executive Director) as chairman of committee. The committee comprise of three Directors as on 31st March, 2015

S.NO.	Name of The Member	Designation
1	Smt. Jayshri Jain	Chairman
2	Mr. Rajesh Jain	Member
3	Mr. K.K. Bhandari	Member

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.

Company has received two complaints from shareholders in Financial Year ending on 31.03.2015 which has been resolved to satisfaction of Shareholders. There is no other pending complaint of shareholders.

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

#### **(D).RISK MANAGEMENT COMMITTEE**

The Board of directors of the company at its meeting has constituted a Risk Management Committee of the Board. The committee comprises of three non executive Directors as on 31st March, 2015.

S.NO.	Name of The Member	Designation	No. of Meeting Attended
1	Smt. Jayshri Jain	Chairman	2
2	Mr. Rajesh Jain	Member	2
3	Mr. Vineet Shrivastava	Member	2

#### **5. GENERAL BODY MEETINGS:**

(A). 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 end on	Venue	Date	Time
20th	31-03-2012	22, Press Complex, A.B. Road Indore	10-09-2012	11.30
21st	31-03-2013	22, Press Complex, A.B. Road Indore	27-05-2013	11.30
22nd	31-03-2014	22, Press Complex, A.B. Road Indore	30-09-2014	11.30



**Special resolutions passed in the 21<sup>st</sup> AGM on 27-05-2013 on following business-**

- Issue of Equity Warrants on preferential basis to Non-Promoters.
- Allotment of Warrants to Promoters.
- issue of Global Depository Receipts (GDR's)/American Depository Receipts (ADR's)/ Euro Convertible Bonds (ECB's) /Foreign Currency Convertible Bonds(FCCB's) / Secured Premium Notes(SPN).
- To issue equity to the employees of the company under the employee stock option scheme of the company.
- Issue Of Share Capital By Way Of Qualified Institutional(S) Placement

**POSTAL BALLOT:**

For the year ended March 31, 2015 there have been no special resolutions passed by the Company's Shareholders through postal ballot.

**6.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.
- III. The Company has a Vigil Mechanism / Whistle Blower Policy to report genuine concerns or grievances of directors and employees and to deal with instance of fraud and mismanagement, if any. No personnel has been denied access to the audit committee
- IV. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause-

The company has complied with all the mandatory requirements of listing agreements.

**7. MEANS OF COMMUNICATION:**

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

Quarterly results are displayed on the website of company- [www.sylphtechnologies.com](http://www.sylphtechnologies.com)

**8.GENERAL SHAREHOLDER INFORMATION:**

**(i) Annual General Meeting:**

Day, Date and Time: Wednesday, the 30th day of September, 2015 at 11.30 a.m  
 Venue : St-4 Press House, 22 Press Complex, A.B. Road, 0Indore-452008 (MP)

**(ii) Financial Calendar:**

Calendar of events For the Financial Year commencing on 01-04-2014 to 31-03-2015.

Audited results for the period 01-04-2014 to 31-03-2015

QUARTER ENDING	RELEASE OF RESULTS
For the Quarter ending June 30, 2014	31st July, 2014
For the Quarter ending September 30, 2014	30th October, 2014
For the Quarter ending December 31, 2014	30st January, 2015
For the Quarter ending March 31, 2015	30th May, 2015



**(iii) Date of book Closure :** The Company's Register of members and Share Transfer Books shall remain closed from Saturday, 19th September 2015 to Wednesday, 23th September, 2015 (both days inclusive).

**(iv) Listing on Stock Exchanges:** The company is listed on Bombay Stock Exchange (BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal street, Mumbai-400001

**(v) Stock Code:** 511447

**(vi) Market Price Data:** High., Low during each month in last financial year

Month	Highest Rate	Lowest Rate
April-14	5.15	3.80
May-14	4.75	3.97
June-14	4.95	3.81
July-14	4.29	3.61
August-14	5.99	4.26
September-14	5.60	4.57
October-14	4.79	4.47
November-14	4.47	3.84
December-14	6.02	4.00
January-15	5.40	5.17
February-15	5.93	5.64
March-15	5.92	5.92

**(vii). Registrar And Transfer Agents Of The Company –**

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

**(viii). Share Transfer System**

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.



**(ix) Distribution Of Shareholding**

The Shareholding Distribution of Equity shares of face value Rs. 10/- as at 31<sup>st</sup> March, 2015 is given below:-

Share Holding of Nominal Value	Number of Shareholders	Shareholders % of total Holders	Share Holding in Rs.	Share Holding % of Total Capital
UPTO 5,000	4127	76.38	9855740	6.61
5,001 - 10,000	791	14.64	7286450	4.89
10,001 - 20,000	283	5.24	4808870	3.23
20,001 - 30,000	85	1.57	2218000	1.49
30,001 - 40,000	31	0.57	1100010	0.74
40,001 - 50,000	21	0.39	1007600	0.68
50,001 - 1,00,000	42	0.78	2940120	1.97
1,00,001 and Above	23	0.43	119783210	80.39
<b>Total</b>	<b>5403</b>	<b>100.00</b>	<b>149000000</b>	<b>100.00</b>

**(x). Dematerialization Of Shares And Liquidity**

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2015, is given below:

Particulars	No. of Shares	Percentage
Physical Segment	9430500	63.29%
Demat Segment		
NSDL	567855	3.81%
CDSL	4901645	32.90%
Total	14900000	100%

**(xi). Outstanding Gdrs/Adrs/Warrants Or Any Convertible Instruments, Conversion Date And Likely Impact On Equity-** Nil

**(Xii). Independent Directors' Meeting**

During the year under review, the Independent Directors met on March 10, 2015, inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

**(xiii). Nomination Facility For Shareholding**

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.





**(xiv). Permanent Account Number (Pan)**

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

**(xv). ADDRESS FOR CORRESPONDENCE**

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

**9. Familiarization Program For Independent Directors**

The Company shall through its Executive Directors / Senior Managerial Personnel conduct programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company. Such programs / presentations will provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time. The programs / presentations shall also familiarize the Independent Directors with their roles, rights and responsibilities. The Familiarization Program For Independent Directors are also available on [www.sylphtechnologies.com](http://www.sylphtechnologies.com)

**10. POLICY FOR MATERIAL SUBSIDIARY AND POLICY ON DEALING WITH RELATED PARTY TRANSACTION**

In accordance with the requirements of the Listing Agreement, the Company has formulated policies on related party transactions and material subsidiaries. The policies, including the Whistleblower Policy, are available on our website of company- [www.sylphtechnologies.com](http://www.sylphtechnologies.com)

**11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**A. INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Company is in business of information technology activity, News Paper printing & publishing, Business process outsourcing and knowledge process outsourcing. During the year Company earned its revenue from information technology and News Paper printing & Publishing activities. Due increased scope in information technology activity, outsourcing activity, printing and publication the company expects its businesses to spread all over in India.

Despite improved global financial conditions and reduced short term risks, the world economy continues to expand at a subdued pace.

The roots of outsourcing in India can be traced back to the 1980s, when India became an IT support center. Companies based in developed countries outsourced some of their elementary processing, administrative, and support functions to Indian firms. India, with its enormous pool of talented professionals, has been consistently rated as one of the top destinations for the BPO/KPO industry. The Indian KPO sector accounts for about 70% of the global KPO industry and is expected to grow at a CAGR of 30% to reach \$30Bn in 2015, with financial services being the largest contributor. The industry has also finally come of age, with the sector now providing a variety of services such as legal processing, clinical trial management, along with advanced research & analytics.



Software and computer technology are transforming business in every industry around the world. The last decade of 20th century has witnessed information technology to have revolutionary effect on the lives of people. Developed countries like USA, Germany and Japan have shown keen interest, in hiring Indian software professionals in their information technology sector. On the domestic front also, information technology industry has shown highest growth rates consistently over the last many years as compared to any other industry.

The printing industry is highly fragmented. The newspapers and magazine publishing section has the large printers mainly apart from a few in package, label and commercial printing. The segments of graphic design, print quality and capability have achieved global standard.

**B. OPPORTUNITIES AND THREATS.**

Many companies and organizations have come to realize that by outsourcing non core activities, not only cost are minimized and efficiencies improved but the total business improves because the focus shifts to the key growth areas of the business activity. Therefore it provides large opportunities for companies engaged in service BPO/KPO. There is an ample opportunity for the printing sector in India because of the following factors : Increase in literacy rate, Use of ink in packaging, Rise in outsourcing of jobs to India, Large English knowing young population, Increase in life span (older people read more), Increased urbanization. A large number of factors have facilitated the fastest growth and development of information technology industry in India is: Relatively low cost of technical labour, Creation of global household brands, Government support and policies, Reasonable technical innovations, Contribution of IITs and other leading engineering colleges in India. There is various opportunity in Information technology sector: High quality IT education market, Increasing number of working age people, India `s well developed soft infrastructure.

Our strength is our determination and team work, opportunities are multiples and threats are the vibrations in the economy and government policies.

**C. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE.**

(Rs. in lacs)

<b>SEGMENT WISE PERFORMANCE</b>	<b>AMOUNT</b>
Newspaper & Publishing	23.80
Information Technologies	16.96
Unallocated	15.43

**D. RISKS AND CONCERNS.**

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

BPO/KPO sector is restricted by low employability despite high graduate turnout, and competing demand from other sectors as jobs grow faster than the workforce. A possible talent crunch and increasing competition from other countries such as China and the Philippines are the major challenges currently faced by the industry.

**E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.**

The directors has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements.



**F. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE-**

Company is doing business diligently and does not expect any losses in the future. During the year the company has made a Profit of Rs. 1.39 lacs.

**G. 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 31.03.2015 was 6.

Place : Indore  
Date : 29-08-2015

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

**For & on Behalf of Board of Directors  
Sylph Technologies Limited**  
CIN-L36100MP1992PLC007102

**Jayshri Jain**  
Director  
DIN-01824937

**Rajesh Jain**  
Director  
DIN-01704145

**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

To,  
The Members  
Sylph Technologies limited

In terms of the requirements of Clause 49 of the Listing Agreement, this is to confirm that all the members of the Board and the Senior Management personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2015.

For Sylph Technologies Limited

Place : Indore  
Date : 29-08-2015

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

**For & on Behalf of Board of Directors  
Sylph Technologies Limited**  
CIN-L36100MP1992PLC007102

**Jayshri Jain**  
Director  
DIN-01824937

**Rajesh Jain**  
Director  
DIN-01704145



**CERTIFICATION UNDER CLAUSE 49 V OF THE LISTING AGREEMENT**

To,

The Board of Directors,  
Sylph Technologies Limited

I have reviewed the financial statements and the cash flow statement of Sylph Technologies Limited for the year ended March 31, 2015 and to the best of my knowledge and belief:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) That is, to the best of my knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take for rectifying these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date : 29/08/2015  
Place: Indore

**Rajesh Jain**  
**Director**  
**(DIN 01704145)**



**AUDITORS' CERTIFICATE OF CORPORATE GOVERNANCE**

To,

The Members,

Sylph Technologies limited.

We have examined the compliance of conditions of Corporate Governance by Sylph Technologies limited for the financial years ended March 31, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

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

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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

**For M. S. Dahiya & Co.  
Chartered Accountants  
FRN. 013855C**

**Place: Indore  
Date: 29/08/2015**

**CA. Harsh Firoda**  
(Partner)  
M. No. 409391

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF SYLPH TECHNOLOGIES LIMITED

#### Report on the Standalone Financial Statements

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

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

#### Opinion

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.



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

Place : Indore  
Date : 30th May, 2015

**For M.S. DAHIYA & CO.**  
Chartered  
Accountants  
FRN013855C

**CA. Harsh Firoda**  
(Partner)  
M. No. 409391

### ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred To In Paragraph 1 Under 'Report On Other Legal And Regulatory Requirements' Section Of Our Report Of Even Date)

In terms of the information and explanations given to us and books and records examined by us in the normal course of audit and to the best of our knowledge we state that

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b. All the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. As per information and explanations given to us, no material discrepancies were noticed.
2. a. As explained to us, the inventories were physical verified by the management at reasonable interval and at the end of the year, no inventory held by the company.  
b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the company & nature of its business.  
c. On the basis of our examination of records of inventory, in our opinion, the company has maintained proper records of inventory, and no material discrepancies were noticed on physical verification.
3. The Company has not given any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the Companies Act, 2013. Accordingly, paragraph 3(3) of the Companies (Auditor's Report) Order, 2015 is not applicable.
4. In our opinion and according to information and explanation given to us there are adequate internal control systems commensurate with the size of the company and nature of its business for the purchase of inventory, fixed assets and for the sale of goods/services. During the course of our audit we have not observed any continuing failure to correct major weakness in internal control system.
5. According to information and explanations given to us, the company has not accepted any deposits from public during the year in accordance with provision of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made there under.
6. We are informed that the Central Government has not prescribed maintenance of cost records U/s 148(1) of the Companies Act, 2013 for the products produced and service provide by the company.
7. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months 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 dues of sales tax, income tax, custom duty, entry tax, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.  
c. According to the information and explanations given to us the company does not have any amount outstanding which required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
8. The Company has accumulated losses at the end of the financial year but accumulated losses do not exceed 50% of its net worth. The company has not incurred cash loss in the current year and immediately preceding financial year.





9. The Company has not taken any borrowings from banks, financial institutions or by way of debentures. Accordingly, the provisions of clause 3(9) of the Order are not applicable to the Company.
10. According to the information and explanations given to us and the records of the Company examined by us, the Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(10) of the Order are not applicable to the Company.
11. The Company has not taken any term loans during the year. Accordingly the provisions of clause 3(11) of the Order are not applicable to the Company.
12. During the course of our examination of books & records of the company carried out in accordance with the generally accepted auditing practice in India, we have neither come across any instance of fraud on or by company, noticed or reported during the year, nor have we been informed of such case by the management.

**For M.S. DAHIYA & CO.**  
Chartered Accountants  
FRN 013855C

**CA. Harsh Firoda**  
(Partner)  
M. No. 409391

Place : Indore  
Date : 30th May, 2015



## Balance Sheet as at 31st March, 2015

(Figure in Rs.)

Particulars	Note No.	Figures as at the end of current reporting period 31.03.2015	Figures as at the end of current reporting period 31.03.2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	<b>3</b>	149,000,000	79,458,000
(b) Money received against share warrants		-	17,635,500
(c) Reserve & Surplus	<b>4</b>	(13,651,901)	(14,041,554)
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)	<b>5</b>	17,385	21,039
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	<b>6</b>	1,274,909	14,884,510
(d) Short-term provisions	<b>7</b>	375,011	20,000
<b>Total</b>		<b>137,015,404</b>	<b>97,977,495</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	<b>8</b>	3,659,089	3,906,733
(ii) Intangible assets	<b>9</b>	413,823	-
(b) Non-current investments	<b>10</b>	95,480,472	77,480,480
(c) Long term loans and advances	<b>11</b>	6,442,743	4,906,521
(d) Other non-current assets		-	-
<b>(2) Current assets</b>			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	<b>12</b>	1,496,000	4,585,000
(d) Cash and cash equivalents	<b>13</b>	1,436,064	600,253
(e) Short-term loans and advances	<b>14</b>	27,382,316	6,316,008
(f) Other current assets	<b>15</b>	704,898	182,500
<b>Total</b>		<b>137,015,404</b>	<b>97,977,495</b>

The Accompanying notes form an integral part of standalone financial statement

As per our report of even date attached

**For M.S. Dahiya & Co.**

Chartered Accountants

FRN 013855C

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

**CA. Harsh Firoda**

Partner

M.No. 409391

Place: Indore

Date: 30th May, 2015

**Rajesh Jain**

Director

DIN-01704145

**Jayshri Jain**

Director

DIN-01824937



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

(Figure in Rs.)

Particulars	Note No.	Figures as at the end of current reporting period 31.03.2015	Figures as at the end of current reporting period 31.03.2014
<b>CONTINUING OPERATIONS</b>			
1. Revenue from operations	16	4,076,990	8,124,500
Less : Excise Duty		-	-
<b>Revenue from operations (Net)</b>		<b>4,076,990</b>	<b>8,124,500</b>
2. Other Income	17	1,543,994	358,473
<b>3. Total Revenue (1+2)</b>		<b>5,620,984</b>	<b>8,482,973</b>
4. <b>Expenses:</b>			
(a) Cost of materials consumed	18	118,910	116,865
(b) Purchase of Stock-in-Trade		-	-
(c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
(d) Employee benefit expense	19	2,354,352	920,637
(e) Financial costs		-	-
(f) Depreciation and amortization expense	(8+9)	302,379	62,885
(g) Other expenses	20	2,709,345	7,348,362
<b>Total Expenses</b>		<b>5,484,985</b>	<b>8,448,749</b>
<b>5. Profit before exceptional and extraordinary items and tax (3 - 4)</b>		<b>135,999</b>	<b>34,224</b>
Exceptional items		-	-
Extraordinary items		-	-
<b>6. Profit before tax</b>		<b>135,999</b>	<b>34,224</b>
7. <b>Tax expense :</b>			
(a) Tax expense for current year		26,041	6,521
(b) Less : Mat Credit Entitlement		(26,041)	(6,521)
(c) Deferred tax		(3,654)	10,575
		(3,654)	10,575
<b>8. Profit/(Loss) from continuing operations (6-7)</b>		<b>139,653</b>	<b>23,649</b>
<b>9. Profit/(Loss) from discontinuing operations</b>		-	-
<b>10. Profit/(Loss) for the period</b>		<b>139,653</b>	<b>23,649</b>
<b>11. Earning per share (of Rs. 10/- each)</b>	<b>21</b>		
(1) Basic		0.01	0.01
(2) Diluted		0.01	0.01

The Accompanying notes form an integral part of standalone financial statement

As per our report of even date

**For M.S. Dahiya & Co.**

Chartered Accountants

FRN 013855C

**For and on behalf of the board of directors**

**CA. Harsh Firoda**

Partner

M.No. 409391

**Rajesh Jain**

Director

DIN-01704145

**Jayshri Jain**

Director

DIN-01824937

Place: Indore

Date : 30th May, 2015



## Cash Flow Statement for the period ended 31<sup>st</sup> March, 2015

(Figure in Rs.)

Particulars	Figures as at the end of current reporting period 31.03.2015	Figures as at the end of current reporting period 31.03.2014
<b>A Cash flow from Operating Activities</b>		
Net Profit before tax and Extraordinary items	135,999	34,224
Adjustment for :	-	-
Depreciation	302,379	62,885
Interest Income	(1,530,493)	-
Profit on Sale of Investment	(10,000)	-
<b>Operative Profit before Change in assets and Liabilities :</b>	<b>(1,102,116)</b>	<b>97,109</b>
Increase/(Decrease) in Trade & Payables	-	-
Increase/(Decrease) in Unsecured Loan	(14,570,000)	17,010,000
Increase/(Decrease) in Short-Term Provisions	355,011	-
Increase/(Decrease) in Other Current Liabilities	960,399	-
(Increase)/Decrease in Trade & others receivable	3,089,000	3,960,000
(Increase)/Decrease in Current Assets	(522,399)	38,388
(Increase)/Decrease in Stock term loan & advance	(21,066,308)	(6,316,008)
(Increase)/Decrease in Long term loan & advance	(1,536,222)	13,340,000
<b>Net Cash flow from Operating Activities (A)</b>	<b>(34,392,634)</b>	<b>28,129,489</b>
<b>B Cash Flow From Investing Activities</b>		
(Increase)/Decrease in Fixed Assets	(468,557)	(3,801,260)
(Increase)/Decrease in Investments	(17,999,992)	(41,480,480)
Profit on Sale of Investment	10,000	-
Interest Income	1,530,493	-
<b>Net Cash flow from Investing Activities (B)</b>	<b>(16,928,056)</b>	<b>(45,281,740)</b>
<b>C Net Cash Flow from Investing Activities</b>		
Increase/(Decrease) in Share Capital	51,906,500	17,635,500
Increase/(Decrease) in Securities Premium & Reserves	250,000	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>52,156,500</b>	<b>30,975,500</b>
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	835,810	483,249
Add:- Cash & Cash Equivalent as at the Beginning of the period	600,253	117,004
<b>Cash &amp; Cash Equivalent as the end of the period.</b>	<b>1,436,064</b>	<b>600,253</b>

Notes : Figures in bracket represents cash out flow and Cash Flow Statment has been prepared as per the Indirect Method defined in "Accounting Standard-3" issued by ICAI. Previous year figures have been recast/restated where ever necessary.

As per our report of even date attached

**For M.S. Dahiya & Co.**

Chartered Accountants

FRN 013855C

**For and on behalf of the board of directors**

**CA. Harsh Firoda**

Partner

M.No. 409391

Place: Indore

Date: 30th May, 2015

**Rajesh Jain**

Director

DIN-01704145

**Jayshri Jain**

Director

DIN-01824937



## Notes to the Financial Statements

### Note – 1 General Information

Sylph Technologies Limited was incorporated on 14<sup>th</sup> May, 1992 under the Companies Act, 1956 and has its registered office at ST-4, Press House, 22 Press Complex, A.B Road, Indore (Madhya Pradesh)-452008. Company's shares are listed on Bombay Stock Exchange.

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.

The Company has acquired rights for the Publication of a 25 year old Newspaper and engaged in the Publication of newspaper. .

### Note – 2 Significant Accounting Policies

#### 2.1 Basis of preparation:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 2.2 Use of estimates:

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management's evaluation of the relevant facts and circumstances as on the date of financial statements.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

#### 2.3 Cash Flow statement :

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

#### 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.

Revenue from sale of news paper is recognised when all the significant risk and rewards of ownership have passed on to the buyer, usually on the delivery of the goods.

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 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 Fixed assets and depreciation :**

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including duties and other non-refundable taxes or duties and any directly attributable cost of bringing the asset to the working condition for its intended use.

Depreciation on Fixed Assets is provided based on the useful life of the asset in the manner prescribed in Schedule II to the Companies Act, 2013. Capitalized Software costs is amortized over a period of three years.

## **2.6 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 investments are carried at cost or fair value, whichever is lower. Long term investments 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.

## **2.7 Earnings Per Share :**

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

## **2.8 Provisions, Contingent Liabilities and Contingent Assets :**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

## **2.9 Taxes on income :**

Tax expense comprises current and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date. Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

## **2.10 Operating Cycle :**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## Notes Forming Part of the Financial Statements

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>3 Share Capital</b>		
<b>(a) Authorised</b>		
Authorised Share capital 15,000,000 (P.Y. 15,000,000) Equity Shares of Rs.10/- Each	150,000,000	150,000,000
<b>Total</b>	<b>150,000,000</b>	<b>150,000,000</b>
<b>(b) Issued, subscribed &amp; fully paid up</b>		
14,900,000 (P.Y. 7,945,800) Equity Shares of Rs.10/- each with voting rights	149,000,000	79,458,000
<b>Total</b>	<b>149,000,000</b>	<b>79,458,000</b>

### 3(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period :

Particulars	No. of Shares As at 31.03.2015	No. of Shares As at 31.03.2014
Balance as at the beginning of the year	7,945,800	7,945,800
Add : Shares issued during the year against shares warrant	6,954,200	-
<b>Balance As at the end of the year (Refer Note 3(ii))</b>	<b>14,900,000</b>	<b>7,945,800</b>

### 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. 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) Preferential Allotment of convertible warrants : During the year company has issued Equity Shares of Rs. 6.95 crore against Share Warrants.

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

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>Equity Shares with Voting Rights:</b>		
1. J.P. Bapna	3,700,000 24.83%	-
2. ASV Trading Pvt. Ltd.	1,115,785 7.49%	-
3. Rajendra Kumar Verma	-	1,115,785 14.04%
4. Ghanshyam Soni	3,700,000 24.83%	1,000,000 12.59%
5. Devki Nandan Agrawal	1,000,000 6.71%	1,000,000 12.59%
6. Rajesh Jain	1,449,400 9.73%	895,200 11.27%

**Notes Forming Part of the Financial Statements**

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>4 Reserves and Surplus</b>		
<b>(i) Capital Reserve</b>		
Opening balance as per last financial statements	456,750	456,750
<b>Add :</b> Forfeited amount on shares warrant	250,000	-
<b>Balance as at the end of the period</b>	<b>706,750</b>	<b>456,750</b>
<b>(ii) Securities Premium Reserve</b>		
Opening balance as per last financial statements	611,000	611,000
<b>Add :</b> Premium on share issued during the year	-	-
<b>Balance as at the end of the period</b>	<b>611,000</b>	<b>611,000</b>
<b>(iii) Surplus in the statement of Profit and loss</b>		
Opening balance as per last financial statements	(15,109,304)	(15,132,953)
<b>Add:</b> Profit for the Year	139,653	23,649
<b>Balance as at the end of the period</b>	<b>(14,969,651)</b>	<b>(15,109,304)</b>
<b>Total( i+ii+iii)</b>	<b>(13,651,901)</b>	<b>(14,041,554)</b>
<b>5 Deferred Tax Liability (Net)</b>		
Opening deferred tax liability(Net)	21,039	10,464
Add: Deferred Tax Liability on account of timing difference in depreciation charged during year	-	10,575
Less : Reversal of deferred tax liability due to depreciation charged during the year	(3,654)	-
<b>Total</b>	<b>17,385</b>	<b>21,039</b>
<b>6 Other Current Liabilities</b>		
<b>Current Payable of Long-term Borrowings</b>		
Unsecured Loans and advances form related parties	-	14,570,000
<b>Other payables including statutory liabilities</b>		
Expenses Payable	1,274,909	314,510
<b>Total</b>	<b>1,274,909</b>	<b>14,884,510</b>
<b>7 Short Term Provisions</b>		
<b>Provision- Others</b>		
Provision for audit fees	25,000	20,000
Provision for rent expenses	30,364	-
Provision for employee benefits	314,190	-
Provision for expenses	5,457	-
<b>Total</b>	<b>375,011</b>	<b>20,000</b>



**Fixed Assets**

Note	Description	Gross Block		As at 31.03.2015	Depreciation			Net Block		
		As at 01.04.2014	Additions/ Deduction		As at 31.03.2014	for the period	On sale/ Adjustment	To Date	As at 31.03.2014	As at 31.03.2015
<b>8</b>	<b>Tangible assets</b>									
	Lease hold land	3,036,438	19,157	3,055,595	-	-	-	-	3,036,438	3,055,595
	Computers	302,384	-	302,384	50,850	182,874	-	233,724	251,534	68,660
	Electronic Goods	34,235	-	34,235	1,034	7,872	-	8,906	33,201	25,329
	Mercedes Car	500,000	-	500,000	23,685	50,146	-	73,831	476,315	426,169
	Refrigerator	62,500	-	62,500	1,342	14,508	-	15,850	61,158	46,650
	UPS	49,703	-	49,703	1,616	11,401	-	13,017	48,087	36,686
	<b>Total</b>	<b>3,985,260</b>	<b>19,157</b>	<b>4,004,417</b>	<b>78,527</b>	<b>266,801</b>	-	<b>345,328</b>	<b>3,906,733</b>	<b>3,659,089</b>
	Previous Year	3,801,260	184,000	3,985,260	15,642	62,885	-	78,527	168,358	3,906,733
<b>9</b>	<b>Intangible assets</b>									
	Computer software	-	449,400	449,400	-	35,578	-	35,578	-	413,823
	<b>Total</b>	<b>-</b>	<b>449,400</b>	<b>449,400</b>	<b>-</b>	<b>35,578</b>	-	<b>35,578</b>	<b>-</b>	<b>413,823</b>
	Previous Year	-	-	-	-	-	-	-	-	-

**Notes Forming Part of the Financial Statements**

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>10 Non Current Investment</b>		
<b>Trade Investments</b>		
<b>Investment in Unquoted Equity Instruments of Wholly Owned Subsidiary</b>		
711598 (PY. 483750) Shares of Sakshi Powertech Pvt. Ltd. (F.V. Rs. 1)	56,474,992	38,475,000
<b>Investment in Unquoted Equity Instruments of Companies Others</b>		
21500( PY. 21500) Shares of Saksham Publishers and Printers Ltd. (F.V. Rs. 10)	14,885,000	14,885,000
335440(PY. 335440) Shares of Sakshi Multitrade Pvt. Ltd. (F.V. Re. 1)	10,682,480	10,682,480
50560 (PY. 25280) Shares of Sylph Education Solutions Ltd. (F.V. Rs.10)	13,438,000	13,438,000
<b>Total</b>	<b>95,480,472</b>	<b>77,480,480</b>
<b>11 Long Term Loans and Advances</b>		
<b>Others Loans and Advances Unsecured Considered Good</b>		
Advance for Assets	6,400,000	4,900,000
Mat Credit Entitlements	42,743	6,521
<b>Total</b>	<b>6,442,743</b>	<b>4,906,521</b>
<b>12 Trade Receivables</b>		
<b>Un-secured considered good</b>		
Trade receivables outstanding for a period exceeding six months from the date of transaction	-	-
Trade receivables outstanding for a period less than six months from the date of transaction	1,496,000	4,585,000
<b>Total</b>	<b>1,496,000</b>	<b>4,585,000</b>
<b>13 Cash and cash equivalents</b>		
a) Cash on hand	334,692	498,236
b) Balances with banks in India		
(i) In Current Accounts	1,101,372	102,017
<b>Total</b>	<b>1,436,064</b>	<b>600,253</b>
<b>14 Short Term Loans And Advances</b>		
<b>Balances with Revenue Authorities Unsecured, Considered Good</b>		
TDS Receivables	214,647	-
Inter-Corporate Loans & Advances Unsecured, Considered Good	13,552,669	3,816,008
<b>Others Loans and Advances Unsecured, Considered Good</b>		
Trade Advances(supplier)	13,000,000	2,500,000
Advance for Assets	600,000	-
Staff Advances	15,000	-
<b>Total</b>	<b>27,382,316</b>	<b>6,316,008</b>

**Notes Forming Part of the Financial Statements**

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>15 Other Current Assets</b>		
<b>Accrual</b>		
Interest accrued on inter-corporate loans & advances	704,898	-
Balance with revenue authority	-	182,500
<b>Total</b>	<b>704,898</b>	<b>182,500</b>
<b>16 Revenue from Operations</b>		
Sale of Products (Refer Note No.16.1)	2,380,990	6,995,000
Sale of Services (Refer Note No.16.2)	1,696,000	1,129,500
<b>Total</b>	<b>4,076,990</b>	<b>8,124,500</b>
<b>16.1 Sale of Products Comprises</b>		
News Paper	2,380,990	2,895,000
Software Sales	-	4,100,000
<b>16.2 Sale of Services Comprises</b>		
Job Work Income	1,696,000	1,129,500
<b>Total</b>	<b>4,076,990</b>	<b>8,124,500</b>
<b>17 Other Income</b>		
<b>Interest income :</b>		
Interest on inter corporate loans & advances	1,530,493	351,120
Interest on income tax refund	3,501	7,353
Profit on sale of investment	10,000	-
<b>Total</b>	<b>1,543,994</b>	<b>358,473</b>
<b>18 Cost of Material Consumed</b>		
Opening Stock		
Add: Purchase during the year	118,910	116,865
Less: Closing Stock	-	-
<b>Total</b>	<b>118,910</b>	<b>116,865</b>
<b>19 Employee Benefits Expenses</b>		
Salaries and wages	2,347,218	902,161
Staff Welfare	7,134	18,476
<b>Total</b>	<b>2,354,352</b>	<b>920,637</b>

As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

All employee benefits payable wholly within twelve/operating cycle months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services. There is no defined benefit plans during the period. No managerial remuneration has been paid during the period to the director.(Previous year Nil.)

**Notes Forming Part of the Financial Statements**

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>20 Other Expenses</b>		
Bad debts	-	5,020,000
Job work charges	970,100	700,000
Travelling expenses	668,325	265,306
Legal and professional charges (Including ROC Filing)	173,122	214,021
Business promotion expenses	28,530	258,690
Repair and maintenance expenses	79,127	141,713
Electricity expenses	235,812	282,275
Telephone expenses	59,607	68,510
Computer maintenance	28,265	28,300
Insurance expenses	11,945	-
Postage & telegram	33,998	44,341
Payment to auditor	25,000	20,000
Listing charges	112,360	28,090
Stationary & Printing	70,054	94,263
Office expenses	54,006	47,680
Rent including lease rentals	80,364	30,364
Misc. expenses	78,729	104,809
<b>Total</b>	<b>2,709,345</b>	<b>7,348,362</b>
<b>20.1 Payment to Auditors</b>		
As auditors-Statutory audit	25,000	20,000
<b>Total</b>	<b>25,000</b>	<b>20,000</b>
<b>21 Earning Per Share</b>		
i. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	139,653	23,649
ii. Weighted No. of Equity Shares	9,888,264	4,552,931
iii. Basic earning per share	0.01	0.01
iv. Diluted earning per share	0.01	0.01
v. Face Value per equity share	10	10.00

**22 Segment Reporting :** The Company has identified business segments as its primary segment and geographic segments as its secondary segment.

**a) Business Segment :**

(i) 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.

(ii) The company operates in three segments namely Information Technology, Education, and Printing & Publishing Newspapers. During the period the company has operated only in two segment i.e. information Technology and Printing & Publishing Newspapers. Hence the entire revenue and expenses pertains to these segments.

iii) Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
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**b) Geographical Segment:**

Since the operations of the Company are conducted within India, and there no any other Geographical Segment of the company.

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
	(Figure in Lacs)	
<b>Segment Revenue</b>		
(a) Information Technology	16.96	52.30
(b) Newspaper & Publishing	23.81	28.95
(c) Unallocated Revenue	15.44	3.58
<b>Total External Segment Revenue</b>	<b>56.21</b>	<b>84.83</b>
Less : Inter Segment Revenue	-	-
<b>Net Sales/Income From Operation</b>	<b>56.21</b>	<b>84.83</b>
<b>Segment Results</b>		
Profit(+)/Loss(-)before tax and interest from each segment		
(a) Information Technology	(34.94)	(24.79)
(b) Newspaper & Publishing	20.86	21.54
(c) Unallocated Income	15.44	3.58
<b>Total</b>	<b>1.36</b>	<b>0.34</b>
Less:-Finance Cost	-	-
<b>Profit before tax</b>	<b>1.36</b>	<b>0.34</b>
Tax Expenses	(0.04)	0.11
<b>Net Profit for the Year</b>	<b>1.40</b>	<b>0.23</b>
<b>Segment Capital Employed</b> (Segment Assets – Segments Liabilities)		
(a) Information Technology	334.85	204.97
(b) Information Technology-Education	134.38	134.38
(c) Newspaper & Publishing	148.85	148.85
(d) Unallocated	735.57	491.57
<b>Total</b>	<b>1,353.65</b>	<b>979.77</b>
Capital Expenditure	0.19	1.84
Depreciation and amortisations	3.02	0.63
Non-Cash Expenses other than depreciation	0.00	0.00

## Notes Forming Part of the Financial Statements

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
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### 23 Related Party Disclosures

In accordance with accounting standard 18 " Related Party Disclosure" issued by the Institute of Chartered Accountant of India, the names of the Related Parties and the relevant disclosure is as under:

Description of Relation	Name of the Related Party
<b>I. A. Companies/Entities under the Control of Key Management Personnel</b>	1. Sylph Education Solutions Ltd. 2. Sakshi Multitrade Pvt. Ltd. 3. Saksham Publishers and Printers Ltd.
<b>B. Key Management</b>	1. Rajesh Jain 2. Shantilal Jain 3. Jayshri Jain 4. Vineet Shrivastava
<b>C. Subsidiary Company</b>	1. Sakshi Powertech Pvt. Ltd.
Note: Related parties have been identified by the Management.	
<b>II. Details of transaction with Related Parties during the year</b>	

Nature of Transactions	Current year ended March, 31, 2015	Previous year ended March, 31, 2014
<b>(i) Companies/Entities under the Control of Key Management Personnel</b>		
Sale of Goods (News Paper)	-	600,000
Loan Given	-	37,520,480
<b>Outstanding as at 31.03.2015</b>		
Investment in Shares <sup>1</sup>	39,005,480	39,005,480
<b>(ii) Subsidiary Company</b>		
Purchase of Shares <sup>2</sup>	17,999,992	38,475,000
Purchase of Software <sup>3</sup>	449,400	-
<b>Outstanding as at 31.03.2015</b>		
Investment in Shares <sup>2</sup>	56,474,992	38,475,000
<b>(iii) Loan From Directors</b>		
Unsecured Loan Taken(Interest free)	-	14,570,000
Repayment of Loan <sup>4</sup>	14,570,000	-
Outstanding as at 31.03.2015	-	-
Credit	-	14,570,000

**Note:**

1. Represent total investment made as at 31st March, 2015 in companies under the key managerial Persons.
2. Represent transaction with Sakshi Powertech Private Limited and total investment made in subsidiary company as at the year end.
3. Represent transaction with Sakshi Powertech Private Limited.
4. Represent transaction with Rajesh Jain, director of the company.



**Notes Forming Part of the Financial Statements**

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>24</b> 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.		
<b>25</b> 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.		
<b>26 Contingent Liabilities &amp; Commitments</b>		
Corporate guarantee given on behalf of Company	Nil	Nil
Any other contingent liability	Nil	Nil
<b>27 Value of Imports on(CIF Basis)</b>		
i) Raw Material	Nil	Nil
ii) Capital Goods	Nil	Nil
iii) Trading Goods	Nil	Nil
<b>28 Expenditure in foreign exchange</b>	Nil	Nil
<b>29 Earning in foreign exchange</b>	-	US \$ 68610.63
<b>30</b> These financial statements have been prepared in the format prescribed by the revised Schedule III to the Companies Act, 2013. Previous period figures have been recasted/ restated to confirm to the current period. Figures have been rounded off to the nearest Rupee.		

As per our report of even date attached

**For M.S. Dahiya & Co.**  
Chartered Accountants  
FRN 013855C

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

**CA. Harsh Firoda**  
Partner  
M.No. 409391  
Place: Indore  
Date: 30th May, 2015

**Rajesh Jain**  
Director  
DIN-01704145

**Jayshri Jain**  
Director  
DIN-01824937



## **Independent Auditor's Report**

**To the Member of Sylph Technologies Limited**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of SYLPH TECHNOLOGIES LIMITED (hereinafter referred to as 'the Holding Company'), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (particularly Accounting Standard 21 - Consolidated Financial Statements). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 conducted our audit in accordance with the Standards on Auditing specified under sub section 10 of Section 143 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 consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



**Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on separate financial statements and on the other financial information of a subsidiary, the aforesaid consolidated 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. We audited the financial statement of the subsidiary company.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and subsidiary company incorporated / registered in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the relevant assertion contained in the audit reports on standalone financial statements of each subsidiary company which are incorporated in India none of the Directors of any such company is disqualified as on March 31, 2015 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
  - f) With respect to the other matters to be included in the Auditors' 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 and the other financial information of a subsidiary, as noted in the 'Other Matter' paragraph: in our opinion and to the best of our information and according to the explanations given to us:
    - i. There were no pending litigations which would impact the consolidated financial position of the Group.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

**For M.S. DAHIYA & CO.**  
Chartered Accountants  
FRN 013855C

Place : Indore  
Date : 30th May, 2015

**CA. Harsh Firoda**  
(Partner)  
M. No. 409391

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred To In Paragraph 1 Under 'Report On Other Legal And Regulatory Requirements' Section Of Our Report Of Even Date, the following statement is based on the comments in the Auditors' reports on the standalone financial statements of the Holding Company and subsidiary company incorporated in India.)**

1. a. The holding company and its subsidiary company incorporated in India have maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b. All the fixed assets have been physically verified by the holding company and its subsidiary company incorporated in India during the year, which in our opinion is reasonable having regard to the size of the companies and the nature of its assets. As per information and explanations given to us, no material discrepancies were noticed.
2. a. As explained to us, the inventory was physical verified by respective management of the holding company and its subsidiary company incorporated in India at reasonable interval. In our Opinion, the frequency of such verification is reasonable.  
b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management as referred above were reasonable and adequate in relation to the size of the company & nature of its business.  
c. On the basis of our examination of records of inventory, in our opinion, the holding company and its subsidiary company incorporated in India have maintained proper records of inventory, and no material discrepancies were noticed on physical verification.
3. The holding company and its subsidiary company incorporated in India have not granted any secured or unsecured loan to any companies, firms or other parties covered in register maintained u/s 189 of the Companies Act, 2013. Hence sub clause (b) to (c) is not applicable to the company.
4. In our opinion and according to information and explanation given to us there are adequate internal control systems commensurate with the size of the holding company and its subsidiary company incorporated in India and nature of its business for the purchase of inventory, fixed assets and for the sale of goods/services. During the course of our audit we have not observed any continuing failure to correct major weakness in internal control system.
5. In According to information and explanations given to us, the holding company and its subsidiary company incorporated in India have not accepted any deposits from public during the year in accordance with provision of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made there under.
6. We are informed that the Central Government has not prescribed maintenance of cost records U/s 148(1) of the Companies Act, 2013 for the goods produced and service provide by the holding company and its subsidiary company incorporated in India.
7. a. According to the information and explanations given to us and on the basis of our examination of the records of the holding company and its subsidiary company incorporated in India, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the each company with the appropriate authorities. As explained to us, the each company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.



- b. According to records of the holding company and its subsidiary company incorporated in India examined by us and the information & explanations given to us, there are no dues of sales tax, income tax, custom duty, entry tax, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
  - c. According to the information and explanations given to us the holding company and its subsidiary company incorporated in India does not have any amount outstanding which required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
8. The holding company has accumulated losses at end of the year but does not exceed 50% of the net worth of the holding company and does not incurred any cash losses in the current year and immediately preceding financial year. Subsidiary Company is registered for a period less than 5 year; hence the clause for commenting upon the accumulated losses is presently not applicable.
9. The holding company and its subsidiary company incorporated in India has not taken any borrowings from banks, financial institutions or by way of debentures. Accordingly, the provisions of clause 3(9) of the Order are not applicable to the Company.
10. According to the information and explanations given to us and the records of the holding company and its subsidiary company incorporated in India examined by us, the holding company and its subsidiary company have not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(10) of the Order are not applicable to the Company.
11. The holding company and its subsidiary company incorporated in India has not taken any term loans during the year. Accordingly the provisions of clause 3(11) of the Order are not applicable to the Company.
12. According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary company incorporated in India no instances of material fraud on or by each company has been noticed or reported during the course of audit.

**For M.S. DAHIYA & CO.**  
Chartered Accountants  
FRN 013855C

Place : Indore  
Date : 30th May, 2015

**CA. Harsh Firoda**  
(Partner)  
M. No. 409391



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

(Figure in Rs.)

Particulars	Note No	Figures as at end of current reporting period 31.03.2015	Figures as at end of current reporting period 31.03.2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	3	149,000,000	79,458,000
(b) Money received against share warrants		-	17,635,500
(c) Reserve & Surplus	4	(13,683,812)	(14,037,926)
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)	5	72,220	21,039
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	6	3,826,826	14,884,510
(d) Short-term provisions	7	388,691	31,520
<b>Total</b>		<b>139,603,925</b>	<b>97,992,643</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	8	7,042,947	3,906,733
(ii) Intangible assets	9	413,823	-
(iii) Capital WIP	10	-	3,485,000
(iv) Goodwill on Consolidation		126,445	107,445
(b) Non-current investments	11	39,005,480	39,005,480
(c) Long term loans and advances	12	13,946,423	39,756,521
(d) Other non-current assets		-	-
<b>(2) Current assets</b>			
(a) Current investments		-	-
(b) Inventories	13	498,391	-
(c) Trade receivables	14	1,538,812	4,585,000
(d) Cash and cash equivalents	15	2,659,392	647,956
(e) Short-term loans and advances	16	73,667,316	6,316,008
(f) Other current assets	17	704,898	182,500
<b>Total</b>		<b>139,603,925</b>	<b>97,992,643</b>

The Accompanying notes form an integral part of consolidated financial statements.

As per our report of even date attached

For **M.S. Dahiya & Co.**

Chartered Accountants

FRN 013855C

**For and on behalf of the board of directors**

**CA. Harsh Firoda**

Partner

M.No. 409391

Place: Indore

Date: 30th May, 2015

**Rajesh Jain**

Director

DIN-01704145

**Jayshri Jain**

Director

DIN-01824937



**Consolidated Statement of Profit and Loss for the Period ended 31st March, 2015**

(Figure in Rs.)

Particulars	Note No.	Figures as at end of current reporting period 31.03.2015	Figures as at end of current reporting period 31.03.2014
<b>CONTINUING OPERATIONS</b>			
1. Revenue from operations	18	4,655,626	8,179,500
Less : Excise Duty		-	-
<b>Revenue from operations(Net)</b>		<b>4,655,626</b>	<b>8,179,500</b>
2. Other Income	19	1,688,145	416,473
<b>3. Total Revenue (1 +2)</b>		<b>6,343,771</b>	<b>8,595,973</b>
<b>4. Expenses :</b>			
(a) Cost of materials consumed	20	555,253	135,365
(b) Purchase of Stock-in-Trade		-	-
(c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(498,391)	-
(d) Employee benefit expense	22	2,401,352	945,637
(e) Financial costs		-	-
(f) Depreciation and amortization expense		410,521	62,885
(g) Other expenses	23	3,319,742	7,412,632
<b>Total Expenses</b>		<b>6,188,476</b>	<b>8,556,519</b>
<b>5. Profit before exceptional and extraordinary items and tax (3 - 4)</b>		<b>155,295</b>	<b>39,454</b>
Exceptional items		-	-
Extraordinary items		-	-
<b>6. Profit before tax</b>		<b>155,295</b>	<b>39,454</b>
<b>7. Tax expense :</b>			
(a) Tax expense for current year (MAT)		29,721	8,123
(b) Less : Mat Credit Entitlement		(29,721)	(6,521)
(c) Deferred tax		51,181	10,575
		51,181	12,177
<b>8. Profit/(Loss) from continuing operations (6-7)</b>		<b>104,114</b>	<b>27,277</b>
<b>9. Profit/(Loss) from discontinuing operations</b>		-	-
<b>10. Profit/(Loss) for the period</b>		<b>104,114</b>	<b>27,277</b>
<b>11. Earning per share (of Rs. 10/- each)</b>			
(1) Basic		0.01	0.01
(2) Diluted	24	0.01	0.01

The Accompanying notes form an integral part of consolidated financial statement

As per our report of even date

**For M.S. Dahiya & Co.**

Chartered Accountants  
FRN 013855C

**CA. Harsh Firoda**

Partner  
M.No. 409391

**For and on behalf of the board of directors**

**Rajesh Jain**

Director  
DIN-01704145

**Jayshri Jain**

Director  
DIN-01824937

Place : Indore

Date : 30th May, 2015



## Consolidated Cash Flow Statement for the Period ended 31st March 2015

(Figure in Rs.)

Particulars	Figures as at the end of current reporting period 31.03.2015	Figures as at the end of current reporting period 31.03.2014
<b>A Cash flow from Operating Activities</b>		
Net Profit before tax and Extraordinary items	155,295	39,454
Adjustment for :	-	-
Depreciation	410,521	62,885
Interest Income	(1,530,493)	-
Profit on Sale of Investment	(10,000)	-
<b>Operative Profit before Change in assets &amp; liabilities :</b>	<b>(974,678)</b>	<b>102,339</b>
Increase/(Decrease) in Trade & Payables	-	-
Increase/(Decrease) in Unsecured Loan	(14,570,000)	16,995,917
Increase/(Decrease) in Short-Term Provisions	357,171	-
Increase/(Decrease) in Other Current Liabilities	3,512,316	-
(Increase)/Decrease in Inventories	(498,391)	-
(Increase)/Decrease in Current Assets	(522,399)	38,388
(Increase)/Decrease in Trade & others receivable	3,046,188	3,960,000
(Increase)/Decrease in Short term loan & advance	(67,351,308)	(33,666,008)
(Increase)/Decrease in Long Term Loans & Advances	25,810,098	13,340,000
<b>Net Cash flow from Operating Activities (A)</b>	<b>(51,191,002)</b>	<b>770,636</b>
<b>B Cash Flow From Investing Activities</b>		
(Increase)/(Decrease) in Fixed Assets	(3,979,555)	(3,801,260)
(Increase)/Decrease in Capital work-in-progress	3,485,000	(3,485,000)
(Increase)/Decrease in Investments	-	(41,480,480)
Profit on Sale of Investment	10,000	-
<b>Net Cash flow from Investing Activities (B)</b>	<b>(484,555)</b>	<b>(48,766,740)</b>
<b>C Net Cash Flow from Financing Activities</b>		
Increase/(Decrease) in Share Capital	51,906,500	48,510,500
Increase/(Decrease) in Securities Premium & Rservees	250,000	-
Interest Income	1,530,493	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>53,686,993</b>	<b>48,510,500</b>
Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	2,011,436	514,396
Add:- Cash & Cash Equivalent as at 31st March 2014	647,956	133,560
<b>Cash &amp; Cash Equivalent as the 31st March 2015</b>	<b>2,659,392</b>	<b>647,956</b>

Notes : Figures in bracket represents cash out flow and Cash Flow Statement has been prepared as per the Indirect Method defined in "Accounting Standard-3" issued by ICAI. Previous year figures have been recast/restated where ever necessary.

As per our report of even date attached

**For M.S. Dahiya & Co.**

Chartered Accountants  
FRN 013855C

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

**CA. Harsh Firoda**

Partner  
M.No. 409391  
Place: Indore  
Date: 30th May, 2015

**Rajesh Jain**

Director  
DIN-01704145

**Jayshri Jain**

Director  
DIN-01824937



**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 (M.P).

Sylph Technologies Limited is a leading software technology company in India and its fully owned subsidiary Sakshi Powertech Private Limited is engaged in business activities as manufacturing and selling of Cloth(Lycra) , software developer and trading in solar & wind products. The group of companies ("The Group") 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 and selling of solar power product and textile manufactures & seller.

The group has acquired rights for the Publication of a 25 year old Newspaper and engaged in publication of News paper.

**Note -2**

**Significant Accounting Policies**

**2.1 Basis of preparation:**

These consolidated financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable and in particular Accounting Standard 21 (AS 21) - 'Consolidated Financial Statements'.

The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances and intra group transactions and resulting unrealized profits are eliminated in full. Unrealized losses resulting from intra group transactions are also eliminated unless cost cannot be recovered.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The difference between the cost of investment in the subsidiaries, and the Company's share of net assets at the time of acquisition of share in the subsidiaries is recognized in the financial statement as Goodwill or Capital Reserve as the case may be.

The financial statements of the Subsidiary used in consolidation are drawn up to the same reporting date as that of the Parent Company i.e. year ended 31st March, 2015 and are audited.

Holding company hold 7,11,598 Shares held by the Sylph Technologies Limited including two shares held by nominee share holder on the behalf of Sylph Technologies Limited. Hence holding company having 100% interest in subsidiary company therefore minority interest of subsidiary company is NIL.

(i) The Subsidiary Company considered in the preparation of these Consolidated Financial Statements are:

<b>Name</b>	<b>Country in corporation</b>	<b>%Voting Right</b>
Sakshi Powertech Pvt. Ltd	India	100%

**2.2 Cash Flow statement :**

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

### **2.3 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.

Revenue from sale of news paper, cloths (Lycra) and solar power product is recognised when all the significant risk and rewards of ownership have passed on to the buyer, usually on the delivery of the goods.

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 income 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.

### **2.4 Fixed assets and depreciation :**

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including duties and other non- refundable taxes or duties and any directly, attributable cost of bringing the asset to the working condition for its intended use.

Depreciation on Fixed Assets is provided based on the useful life of the asset in the manner prescribed in Schedule II to the Companies Act, 2013. Capitalized Software costs are amortized over a period of three years.

### **2.5 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 investments are carried at cost or fair value, whichever is lower. Long term investments 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.

### **2.6 Inventories :**

Inventories are valued at cost or net realisable value, whichever is lower. Cost of Inventory comprises of Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition. Costs of Raw Materials and Packing Materials are determined on FIFO basis.

### **2.7 Earnings Per Share:**

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

### **2.8 Provisions, Contingent Liabilities and Contingent Assets :**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.





## **2.9 Taxes on Income:**

Tax expense comprises current and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

## **2.10 Operating Cycle :**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Holding and its subsidiary company have determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**Notes to the Consolidated Financial Statement**

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>3 Share Capital</b>		
<b>(a) Authorised Share capital</b>		
15,000,000 (P.Y. 15,000,000) Equity Shares of Rs.10/- Each	150,000,000	150,000,000
<b>Total</b>	<b>150,000,000</b>	<b>150,000,000</b>
<b>(b) Issued, subscribed &amp; fully paid up</b>		
14,900,000 (P.Y. 7,945,800) Equity Shares of Rs.10/- each with voting rights	149,000,000	79,458,000
<b>Total</b>	<b>149,000,000</b>	<b>79,458,000</b>

**3(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period :**

Particulars	No. of Shares As at 31.03.2015	No. of Shares As at 31.03.2014
Balance as at the beginning of the year	7,945,800	7,945,800
Add : Shares issued during the year against shares warrant	6,954,200	-
<b>Balance As at the end of the year (Refer Note 3(ii))</b>	<b>14,900,000</b>	<b>7,945,800</b>

**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. 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) Preferential Allotment of convertible warrants :** During the year company has issued Equity Shares of Rs. 6.95 crores against Share Warrants.

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

Particulars	Current year ended ended 31.03.2015	Previous year ended 31.03.2014
<b>Equity Shares with Voting Rights :</b>		
1. J.P. Bapna	3,700,000 24.83%	- -
2. ASV Trading Pvt. Ltd.	1,115,785 7.49%	- -
3. Rajendra Kumar Verma	-	1,115,785 14.04%
4. Ghanshyam Soni	3,700,000 24.83%	1,000,000 12.59%
5. Devki Nandan Agrawal	1,000,000 6.71%	1,000,000 12.59%
6. Rajesh Jain	1,449,400 9.73%	895,200 11.27%

**Notes to the Consolidated Financial Statement**

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>4 Reserves and Surplus</b>		
<b>(i) Capital Reserve</b>		
Opening balance as per last financial statements	456,750	456,750
<b>Add :</b> Forfeited amount on shares warrant	250,000	-
<b>Balance as at the end of the period</b>	<b>706,750</b>	<b>456,750</b>
<b>(ii) Securities Premium Reserve</b>		
Opening balance as per last financial statements	611,000	611,000
<b>Add :</b> Premium on share issued during the year	-	-
<b>Balance as at the end of the period</b>	<b>611,000</b>	<b>611,000</b>
<b>(iii) Surplus in the statement of Profit and loss</b>		
Opening balance as per last financial statements	(15,105,676)	(15,132,953)
<b>Add:</b> Profit for the Year	104,114	27,277
<b>Balance as at the end of the period</b>	(15,001,562)	(15,105,776)
<b>Total( i+ii+iii)</b>	<b>(13,683,812)</b>	<b>(14,037,926)</b>
<b>5 Deferred Tax Liability (Net)</b>		
Opening deferred tax liability(Net)	21,039	10,464
Add: Deferred Tax Liability on account of timing difference in depreciation charged during year	54,835	10,575
Less : Reversal of deferred tax liability due to depreciation charged during the year	(3,654)	-
<b>Total</b>	<b>72,220</b>	<b>21,039</b>
<b>6 Other Current Liabilities</b>		
<b>Current Payable of Long-term Borrowings</b>		
Unsecured Loans and advances from related parties	-	14,570,000
<b>Other payables including statutory liabilities</b>		
Expenses Payable	1,274,909	314,510
Trade Advances (Project)	2,550,000	-
Statutory Remittance	1,917	-
<b>Total</b>	<b>3,826,826</b>	<b>14,884,510</b>
<b>7 Short Term Provisions</b>		
<b>Provision- Others</b>		
Provision for audit fees	35,000	30,000
Provision for rent expenses	30,364	-
Provision for employee benefits	314,190	-
Provision for expenses	5,457	-
Provision for Tax	3,680	1,520
<b>Total</b>	<b>388,691</b>	<b>31,520</b>

**Fixed Assets**

Note	Description	Gross Block				Depreciation				Net Block	
		As at 01.04.2014	Additions	Deduction	As at 31.03.2015	As at 31.03.2014	for the period	On sale/ Adjustment	To Date	As at 31.03.2014	As at 31.03.2015
<b>8</b>	<b>Tangible assets</b>										
	Lease hold land	3,036,438	19,157	-	3,055,595	-	-	-	-	3,036,438	3,055,595
	Computers	302,384	-	-	302,384	50,850	182,874	-	233,724	251,534	68,660
	Electronic Goods	34,235	-	-	34,235	1,034	7,872	-	8,906	33,201	25,329
	Mercedes Car	500,000	-	-	500,000	23,685	50,146	-	73,831	476,315	426,169
	Refrigerator	62,500	-	-	62,500	1,342	14,508	-	15,850	61,158	46,650
	UPS	49,703	-	-	49,703	1,616	11,401	-	13,017	48,087	36,686
	Factory Land	-	1,188,000	-	1,188,000	-	-	-	-	-	1,188,000
	Factory Building	-	1,200,000	-	1,200,000	-	38,000	-	38,000	-	1,162,000
	Plant & Machinery	-	1,097,000	-	1,097,000	-	69,477	-	69,477	-	1,027,523
	Electric Equipment	-	7,000	-	7,000	-	665	-	665	-	6,335
	<b>Total</b>	<b>3,985,260</b>	<b>3,511,157</b>	<b>-</b>	<b>7,496,417</b>	<b>78,527</b>	<b>374,943</b>	<b>-</b>	<b>453,470</b>	<b>3,906,733</b>	<b>7,042,947</b>
	Previous Year	3,801,260	184,000	-	3,985,260	15,642	62,885	-	78,527	168,358	3,906,733
<b>9</b>	<b>Intangible assets</b>										
	Computer software	-	449,400	-	449,400	-	35,578	-	35,578	-	413,823
	<b>Total</b>	<b>-</b>	<b>449,400</b>	<b>-</b>	<b>449,400</b>	<b>-</b>	<b>35,578</b>	<b>-</b>	<b>35,578</b>	<b>-</b>	<b>413,823</b>
	Previous Year	-	-	-	-	-	-	-	-	-	-
<b>10</b>	<b>Capital Work-in Progress</b>										
	Factory Land & Build.	2,388,000	-	2,388,000	-	-	-	-	-	2,388,000	-
	Plant and Machinery	1,097,000	-	1,097,000	-	-	-	-	-	1,097,000	-
	<b>Total</b>	<b>3,485,000</b>	<b>-</b>	<b>3,485,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,485,000</b>	<b>-</b>
	Previous Year	-	3,485,000	-	3,485,000	-	-	-	-	-	3,485,000

**11 Non Current Investment**
**Trade Investments**
**Investment in Unquoted Equity Instruments of Companies Others**

21500( PY. 21500) Shares of Saksham Publishers and Printers Ltd. (F.V. Rs. 10)	14,885,000	14,885,000
335440(PY. 335440) Shares of Sakshi Multitrade Pvt. Ltd. (F.V. Rs. 1)	10,682,480	10,682,480
50560 (PY. 25280) Shares of Sylph Education Solutions Ltd. (F.V. Rs.10)	13,438,000	13,438,000

<b>Total</b>	<b>39,005,480</b>	<b>39,005,480</b>
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**12 Long Term Loans and Advances**
**Others Loans and Advances Unsecured Considered Good**

Advance for Assets	6,400,000	4,900,000
Deposit for Technology	7,500,000	7,500,000
Trade Advances	-	27,350,000
Mat Credit Entitlements	46,423	6,521

<b>Total</b>	<b>13,946,423</b>	<b>39,756,521</b>
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**13 Inventories**

Finished Goods(Other than aquired for trading)	498,391	-
<b>Total</b>	<b>498,391</b>	<b>-</b>

## Notes to the Consolidated Financial Statement

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>14 Trade Receivables</b>		
<b>Unsecured, Considered Good</b>		
Trade receivables outstanding for a period exceeding six months from the date of transaction	-	-
Trade receivables outstanding for a period less than six months from the date of transaction	1,538,812	4,585,000
<b>Total</b>	<b>1,538,812</b>	<b>4,585,000</b>
<b>15 Cash and cash equivalents</b>		
(a) Cash on hand	453,703	530,454
(b) Balances with banks in India		
(i) In Current Accounts	2,205,689	117,502
<b>Total</b>	<b>2,659,392</b>	<b>647,956</b>
<b>16 Short Term Loans And Advances</b>		
<b>Balances with Revenue Authorities Unsecured, Considered Good</b>		
TDS Recievable	214,647	-
<b>Inter-Corporate Loans &amp; Advances</b>		
Unsecured, Considered Good	13,552,669	3,816,008
<b>Others Loans and Advances</b>		
Unsecured, Considered Good		
Advances to Supplier	59,285,000	2,500,000
Advance for Assets	600,000	-
Staff Advances	15,000	-
<b>Total</b>	<b>73,667,316</b>	<b>6,316,008</b>
<b>17 Other Current Assets</b>		
<b>Accrual</b>		
Interest accrued on inter-corporate loans & advances	704,898	-
Balance with revenue authority	-	182,500
<b>Total</b>	<b>704,898</b>	<b>182,500</b>
<b>18 Revenue from Operations</b>		
Sale of Products ( Refer 18.1)	2,913,105	7,050,000
Sale of Services (Refer 18.2)	1,742,521	1,129,500
Other Operating Income		
Sale of scrap	46,521	-
<b>Total</b>	<b>4,655,626</b>	<b>8,179,500</b>
<b>18.1 Particulars Of Sale Of Products</b>		
News Paper	2,380,990	2,895,000
Software Sales	428,000	4,100,000
Cloth Sale	103,115	-
Sale of Solar Power Pack	1,000	55,000
<b>Total</b>	<b>2,913,105</b>	<b>7,050,000</b>

## Notes to the Consolidated Financial Statement

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>18.2 Particulars Of Sale Services</b>		
Job Work Income	1,696,000	1,129,500
	<b>1,696,000</b>	<b>1,129,500</b>
<b>19 Other Income</b>		
<b>Interest income :</b>		
Interest on inter corporate loans & advances	1,530,493	351,120
Interest on income tax refund	3,501	7,353
Consultancy Income	-	58,000
Rent Income	144,000	-
Profit on sale of investment	10,000	-
Discount Income	151	-
<b>Total</b>	<b>1,688,145</b>	<b>416,473</b>
<b>20 Cost of Material Consumed</b>		
Opening Stock		
Add: Purchase during the year	555,253	135,365
Less: Closing Stock	-	-
<b>Total</b>	<b>555,253</b>	<b>135,365</b>
<b>21 Changes in Inventory of Finished goods, work-in-progress and stock-in-trade</b>		
<u>Inventory at the end of the year</u>		
Finished goods	498,391	-
<u>Inventory at the beginning of the year</u>		
Finished goods	-	-
<b>Net(increase)/decrease</b>	<b>(498,391)</b>	<b>-</b>
<b>22 Employee Benefits Expenses</b>		
Salaries and wages	2,394,218	927,161
Staff Welfare	7,134	18,476
<b>Total</b>	<b>2,401,352</b>	<b>945,637</b>

As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

All employee benefits payable wholly within twelve/operating cycle months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services. There is no defined benefit plans during the period. No managerial remuneration has been paid during the period to the director.(Previous year Nil.)

## Notes to the Consolidated Financial Statement

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>23 Other Expenses</b>		
Bad debts	-	5,020,000
Job work charges	1,173,944	700,000
Travelling expenses	668,325	265,306
Legal and professional charges	173,122	214,021
Business promotion expenses	28,530	258,690
Repair and maintenance expenses	89,719	141,713
Electricity expenses	567,345	282,275
Telephone expenses	59,607	68,510
Computer maintenance	28,265	28,300
Insurance expenses	11,945	-
Postage & telegram	33,998	44,341
Payment to auditor	35,000	30,000
Listing charges	112,360	28,090
Stationary & Printing	70,054	94,263
Office expenses	54,006	47,680
Rent including lease rentals	80,364	30,364
Other expenses	133,157	159,079
<b>Total</b>	<b>3,319,742</b>	<b>7,412,632</b>
<b>23.1 Payment to Auditor</b>		
As auditors-Statutory audit	35,000	30,000
<b>Total</b>	<b>35,000</b>	<b>30,000</b>
<b>24 Earning Per Share</b>		
i. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	104,114	27,277
ii. Weighted No.of Equity Shares	9,888,264	4552931
iii. Basic earning per share	0.01	0.01
iv. Diluted earning per share	0.01	0.01
v. Face Value per equity share	10.00	10.00

### 25 Segment Reporting

#### a) Business Segment :

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

#### b) Geographical Segment:

Since the operations of the Group are conducted within India, and there no any aother Geographical Segment of the company.

#### Segment Revenue

(Figure in Lacs)

Primary Segment (Business)		
Information Technology	21.24	52.30
Newspaper & Publishing	23.81	28.95
Solar Product	0.01	0.55
Textile Manufacturing	1.50	0.00
<b>Total External Segment Revenue</b>	<b>46.56</b>	<b>81.80</b>
Inter Segment Revenue	-	0.00
<b>Total Segment Revenue</b>	<b>46.56</b>	<b>81.80</b>

## Notes to the Consolidated Financial Statement

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
<b>Result for the year ended</b>		
<b>Segment Results</b>		
Information Technology	(30.66)	(24.79)
Newspaper & Publishing	20.86	21.54
Solar Product	0.01	(0.53)
Textile Manufacturing	(5.54)	0.00
	<b>(15.33)</b>	<b>(3.78)</b>
Unallocated Income	16.88	4.16
Less:-Finance Cost	-	0.00
<b>Profit before tax</b>	<b>1.55</b>	<b>0.39</b>
Tax Expenses	0.51	0.12
<b>Net Profit for the Year</b>	<b>1.04</b>	<b>0.27</b>
<b>Capital Employed</b>		
(Segment Assets – Segments Liabilities)		
<b>Primary Segment</b>		
Information Technology	409.85	204.97
Information Technology-Education	134.38	134.38
Newspaper & Publishing	148.85	148.85
Solar Energy	412.16	383.83
Textile Manufacturing	39.25	0.00
Unallocated	735.57	491.57
<b>Total</b>	<b>1880.06</b>	<b>1363.60</b>
Depreciation and amortisations	4.11	0.63
Capital Expenditure	4.69	36.69

### 26 Related Party Disclosures

In accordance with accounting standard 18 " Related Party Disclosure" issued by the Institute of Chartered Accountant of India, the names of the Related Parties and the relevant disclosure is as under:

I. Description of Relation	Name of the Related Party
<b>A. Companies/Entities under the Control of Key Management Personnel</b>	1. Sylph Education Solutions Ltd. 2. Sakshi Multitrade Pvt. Ltd. 3. Saksham Publishers and Printers Ltd.
<b>B. Key Management</b>	1. Rajesh Jain    2. Shantilal Jain 3. Jayshri Jain    4. Vineet Shrivastav
<b>C. Subsidiary Company</b>	1. Sakshi Powertech Pvt. Ltd.

Note: Related parties have been identified by the Management.



**Notes to the Consolidated Financial Statement**

(Figure in Rs.)

Particulars	Current year ended 31.03.2015	Previous year ended 31.03.2014
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**II. Details of transaction with Related Parties during the year**
**(i) Companies/Entities under the Control of Key Management Personnel**

Sale of Goods (News Paper)	-	600,000
Loan Given	-	37,520,480

**Outstanding Balances as at 31.03.2015**

Investment in Shares	39,005,480	39,005,480
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**(ii) Subsidiary Company**

Purchase of Shares	17,999,992	38,475,000
Purchase of Software	449,400	-

**Outstanding Balances as at 31.03.2015**

Investment in Shares	56,474,992	38,475,000
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**(iii) Loan From Directors**

Unsecured Loan Taken(Interest free)	-	14,570,000
Repayment of Loan	14,570,000	-
Outstanding Balances as at 31.03.2015	-	-
Credit Rs.	-	14,570,000

**27** 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.

**28** 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.

**29 Contingent Liabilities & Commitments**

Corporate guarantee given on behalf of Company	Nil	Nil
Any other contingent liability	Nil	Nil

**30 Value of Imports on(CIF Basis)**

i Raw Material	Nil	Nil
ii Capital Goods	Nil	Nil
iii Trading Goods	Nil	Nil

**31 Expenditure in foreign exchange**

Nil

**32 Earning in foreign exchange**

- US \$ 68610.63

**33** These financial statements have been prepared in the format prescribed by the revised Schedule III to the Companies Act, 2013. Previous period figures have been recasted/ restated to confirm to the current period. Figures have been rounded off to the nearest Rupee.

As per our report of even date attached

**For M.S. Dahiya & Co.**

 Chartered Accountants  
FRN 013855C

**For and on behalf of the board of directors**
**CA. Harsh Firoda**

 Partner  
M.No. 409391  
Place: Indore  
Date: 30th May, 2015

**Rajesh Jain**

 Director  
DIN-01704145

**Jayshri Jain**

 Director  
DIN-01824937

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