



SYLPH
TECHNOLOGIES LIMITED

17TH
ANNUAL REPORT
2008 - 2009



ANNUAL REPORT 2008 - 2009

BOARD OF DIRECTORS

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

BANKERS

IDBI BANK LTD.

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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. 91-731-4072754

REGISTRARS & TRANSFER AGENTS

Ankit Consultancy Pvt. Ltd.
Alankar Point
Geeta Bhavan Square, INDORE
Tel. : 91-731-2491298

**DIRECTORS' REPORT**

To,
The Members,
SYLPH TECHNOLOGIES LIMITED

Your Directors are delighted to present their 17th Annual Report along with the Audited Accounts for the financial year ended 30th June 2009.

Financial Performance :

Year ended June 30,	2009	2008
Income from Operations		
Job work Charges	55,90,000.00	4334000.00
Sale of Software Exports	16,42,279.00	3797569.00
Sale of Software Domestic	2,43,000.00	-
Other Income	5,24,947.00	157129.00
Total Income from Operations	80,00,226.00	8288698.23
Profit before Depreciation & Tax	36,02,458.20	-5707947.00
Less: Depreciation	16,197.50	10320.00
Profit before taxation	35,86,260.70	(5718267.05)
Less: Provision for Taxation		
Current Tax	-	-
MAT Credit Entitlement	-	-
Fringe Benefit Tax	9500.00	3390.00
Net Profit after tax	3576760.70	-5714877.05
Previous Year Adjustment	—	1100000.00
Add: Balance b/f from previous year	(3497613.53)	1124043.52
Balance available for appropriation	79147.17	-3497613.53
Appropriation		
Transfer to/(from) General Reserve	-	-
Interim dividend	-	-
Proposed final Dividend	-	-
Dividend for previous year	-	-
Tax on Dividends	-	-
Balance carried to Balance Sheet	79147.17	-3497613.53

RESULTS OF OPERATIONS

Your Company has recorded a total income of Rs.74.75 lacs in 2009 from Software and Information Technology Business and last year income from Software Development was Rs.81.32 lacs. The Net Profit after tax is Rs.35.77 lacs in 2009 against the Loss of Rs.57.18 lacs in the previous year.

RESERVES

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

DIVIDEND

The Directors of the Company are not recommending any dividend looking to the nominal accumulated profit in the Company



BUSINESS

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

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

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

DIRECTORS RESPONSIBILITY STATEMENT

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

- (i) In the preparation of the annual accounts, the applicable accounting Standards have been followed along with proper explanation relating to Material departures.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are responsible and prudent so as to give a true and fair view of the state of affairs of the Company as at June 2009 and of the Profit and Loss Account for the Year ended June 30, 2009.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting standards in accordance with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The annual accounts have been prepared on a going concern basis.

FIXED DEPOSITS

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

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

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

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

1. Earning Foreign Exchange US \$ 0.39 lacs
2. Expenses in Foreign Exchange Nil

DIRECTORS

Shri S.L. Jain director of the Company retires by rotation and being eligible offer himself for re-election.

AUDITORS

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

PARTICULARS OF EMPLOYEES

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

ACKNOWLEDGEMENT

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

For & on Behalf of Board of Directors

S. L. Jain
Chairman

Date : August 10, 2009

Place : Indore



REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance, for the year July 1 2008 to June 30 2009 as per the format prescribed by and incorporated in Clause 49 of the Listing Agreement is set out below:

A. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE :-

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

B. BOARD OF DIRECTORS

(i) Composition and category of Directors

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

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

The Board of Directors provide the strategic direction and thrust to the operation of the company. During the period under review, 5 board meeting were held on 31st July 2008, 27th September 2008, 23rd October 2008, 30th January 2009, 30th April 2009. The Sixteenth Annual General Meeting was held on 28th November 2008.

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

S. No.	Name of Director	No. of Board Meeting attended	Attendance at AGM held on
1.	Rajesh Jain	5	Yes
2.	K.K. Bhandari	5	Yes
3.	S.L. Jain	5	Yes
4.	Vineet Shrivastava	5	Yes

C. DETAILS OF REMUNERATION PAID TO DIRECTORS DURING THE PERIOD ENDED ON 30th June, 2009

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

D. COMMITTEES OF THE BOARD :-

- Audit Committee
- Shareholder/Investors grievance committee

The following Directors are members of the Audit Committee:-

- Rajesh Jain
- K. K. Bhandari
- Vineet Shrivastava



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

The role, powers and function of the audit Committee are as stated in clause no.49 of the Listing Agreement and section 292A of the Companies Act, 1956. The Committee reviews the financial statements before they are placed before the Board. The audit committee has been constituted on 28th March, 2004 in compliance to clause no. 49 of the Listing Agreement. The Committee reviews the financial statement before they are placed before the Board. During the period under review four meeting of the committee were held i.e. 31st July 2008, 27th September 2008, 23rd October 2008, 30th January 2009, 30th April 2009 and all the directors were present in all the five meetings.

Share Holders / Investors Grievance Committee

The following Directors are members of the Shareholders Committee

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

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

M/s Ankit Consultancy Private Limited is a Share Transfer Agent of the Company.

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

E. GENERAL BODY MEETING :-

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

AGM	For the year	Venue	Date	Time
14th	30-09-2006	22, Press Complex, Indore	31-12-2006	11:00
15th	30-06-2007	22, Press Complex, Indore	31-12-2007	11:00
16th	30-06-2008	22, Press Complex, Indore	28-11-2008	11:00

Postal Ballot

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

E. DISCLOSURES REGARDING RE-APPOINTMENT OF DIRECTORS

Pursuant to the provision of section 255 & 256 of the Companies Act, 1956, Mr. S.L. Jain retires by rotation at the forthcoming Annual General Meeting being eligible offers himself for re-appointment.

F. DISCLOSURES

- 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.
- There is no non-compliance by the company or any penalties, structures imposed by the stock exchange SEBI, or any statutory authorities on any matter related to capital markets, during the last three years/period.

**H. MEANS OF COMMUNICATIONS :-****Financials Results**

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

I. GENERAL SHAREHOLDER INFORMATION**(i) Annual General Meeting :**

Day, Date and Time : Monday, October 5, 2009, 11:30 a.m.

Venue : 22, Press Complex, Indore

(ii) Financial Calendar :

Calendar of events for the year ended 30th June 2010.

Audited results for the period ended 01-07-2009 : 30-06-2010

Quarter ending	Release of results
For the Quarter ending September 30, 2009	October 31, 2009
For the Quarter ending December 31, 2009	January 31, 2010
For the Quarter ending March 31, 2010	April 30, 2010
For the Quarter ending June 30, 2010	August 31, 2010

(iii) Date of book Closure :

The Company's Register of members and Share Transfer Books shall remain closed from 28th September 2009 to 3rd October 2009 (both days inclusive).

(iv) Share Transfer System :

M/s Ankit Consultancy Private Limited is a Share Transfer Agent. Documents for transfer of shares in physical form can be lodged with Ankit Consultancy Pvt. Ltd. at Indore. The transfers are processed within 10-15 days if the documents are complete in all respects.

(v) Investor Services – queries/ complaints during the period ended 01.07.2008 to 30.06.2009 queries/ complaints/ requests were received by the Company from the share holders and investors have been resolved.**(vi) Listing on Stock Exchange:**

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

BSE Code :- 511447

Stock Exchange:- The Stock Exchange Mumbai

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai-400001

Madhya Pradesh Stock Exchange

Palika Plaza, MTH Compound, Indore