

NYLOFILS INDIA LIMITED

Annual Report

2013-2014

Green Initiative

The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies Act. As per the Section 101 read with Rule 18 of Companies (Management and Administration) Rules, 2014 of Companies Act, 2013. A member of Company can receive notice in electronic mode via email. Your Company has decided to join the MCA in its environment friendly initiative.

Henceforth, the Company proposes to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c or send the same to the Company via e-mail at: info@nylofiles.com.

We solicit your valuable co-operation and support in our endeavors to contribute our bit to the environment.

FORTHEATTENTIONOFSHAREHOLDERS

The International Securities Identification Number (ISIN) allotted to the Company’s shares under the Depository System is INE432N01010.

Considering the advantages of scripless trading, shareholders holding shares in physical form should consider dematerialisation of their holding. Shareholder(s) who want to hold shares in demat form should open a demat account with a depository participant (DP) registered with CDSL, and then surrender their share certificate(s) for dematerialisation to the company through the DP.

Payment against partly paid up shares

Shareholders holding partly paid up shares are requested to pay the balance amount by way of demand draft drawn on “Nylofiles India Limited” and send the original share certificate(s) to the Company’s registered office address for due endorsement.

NYLOFILS INDIA LIMITED

Corporate Identification Number
L05005AP1992PLC013697

BOARD OF DIRECTORS

Mr V. Venkateswara Rao	-	Managing Director
Mr. K. Lakshamana Prasad	-	Whole Time Director
Mr. S. Lova Raju	-	Independent Director
Mr. Singamsetti Kishore	-	Independent Director

AUDITORS

M/s. Rao & Kumar
Chartered Accountants
10-50-19
Soudamani
Siripuram Junc, Vishakapatnam-03

BANKERS

State Bank of India
Innespeta Branch
Innespeta, Stadium Road
Rajahmundry-533101

REGISTERED OFFICE

46-11-29/1, Danavaipeta,
Rajahmundry Hospital,
Rajahmundry Andhra Pradesh-533103
E-mail Id- info@nylofiles.com

SHARE TRANSFER

System Support Services Opp:
Gala no 209, Shivai Industrial
Estate, 89, Andheri Kurla Road
Sakinaka Andheri East,
Mumbai 400072
Tel.:28525098 / 5473
Fax: 022 28501438
Email: Sysss72@yahoo.com

NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the Members of M/s Nylofiles India Limited will be held on Tuesday the 30th September, 2014 at 10.a.m to transact the following business at Vikramahal, Subrahmanya Maidanam, Rajahmundry, Andhra Pradesh-533103.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014 and Profit & Loss Account for the year ended on that date along with the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vetcha Venkateswara Rao (DIN 03294204), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit & Auditors) Rules, 2014 M/s. Rao & Kumar, Chartered Accountants, Visakhapatnam, (Firm Registration No.003089S), be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 25th Annual General Meeting subject to ratification of their appointment at every Annual General Meeting, at such remuneration and reimbursement of actual out of pocket expenses plus service tax as applicable as may be incurred in the performance of their duties, as the Board of Directors may fix in this behalf”.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, the following Resolution as an **ORDINARY RESOLUTION:**

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and Rules framed thereunder, read with Schedule IV of the Act, Singmasetty Kishore (DIN:03608495), a non-executive Independent Director of the Company, being eligible for appointment as Independent Director as per the provisions of the Act and Rules framed thereunder and in respect of whom a notice has been received from a Member under Section 160 of the said Act, be and is hereby appointed as an Independent Director of the Company with effect from September 30, 2014 to September 29, 2019.

5. To consider and if thought fit, to pass with or without modification, the following Resolution as an **ORDINARY RESOLUTION:**

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and Rules framed thereunder, read with Schedule IV of the Act, S. Lova Raju (DIN:03608498), a non-executive Independent Director of the Company, being eligible for appointment as Independent Director as per the provisions of the Act and Rules framed thereunder and in respect of whom a notice has been received from a Member under Section 160 of the said Act, be and is hereby appointed as an Independent Director of the Company with effect from September 30, 2014 to September 29, 2019.

**For and on behalf of the Board
For Nylofiles India Limited**

Place: Rajahmundry
Date : 04th September, 2014

V. Venkateswara Rao
Managing Director
DIN 03294204

Corporate Identification Number: **L05005AP1992PLC013697**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- 2. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**
3. The Register of Members and Share transfer books will remain closed from 27th September, 2014 to 30th September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
4. Members desiring any further information as regards the accounts or operations of the Company are requested to write to the Company so as to reach at least one week prior to the date of meeting for consideration of the management to deal at the meeting.
5. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
6. Members are requested to address all their correspondence including change of address, mandates etc. to the Registrars and Share Transfer Agents viz. System Support Services, Opp. Gala no 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Sakinaka Andheri East, Mumbai 400072.
7. The Company's Equity shares are listed at Bombay Stock Exchange Ltd., Phiroze JeeJee Bhoj Towers, Dalal Street, Mumbai - 400 001 and The Ahmedabad Stock Exchange Ltd., Kamdhenu complex, opp, Sahjanand College, Ambawadi, Ahmedabad-380015. The company has paid the Listing Fees to the said Stock Exchanges.
8. In terms of circulars issued by Securities and Exchange Board of India (SEBI), 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.
9. Pursuant to the requirement of the Listing Agreement of the Stock Exchange on Corporate Governance, relating to appointment of the Directors / reappointment of the retiring Director, a statement containing the required details of the concerned Director forms part of the Report on Corporate Governance.

10. Notice, Annual Report and instructions for participating in e-voting along with Attendance Slip and Proxy Form, are being sent by electronic mode to all Members whose e-mail addresses are registered with the Company/ Depository Participant(s). For Members who have not registered their e-mail addresses, physical copy of the aforesaid documents are being sent by the permitted mode.

11. Voting through electronic means

I) In Compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its Members, the facility to exercise their right to vote at this Annual General Meeting (AGM) by electronic means in respect of the businesses to be transacted at the AGM through e-voting services provided by Central Depository Services (India) Limited (CDSL).

II) The instructions for e-voting are as under-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

- (xix) They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- (xx) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- (xxi) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- (xxii) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer
- (xxiii) to verify the same.

In case of members receiving the physical copy:

- (i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (ii) The voting period begins on 24th September, 2014 from 10.00 AM and ends on 26th September, 2014 at 6.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 3rd September, 2014 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

12. The Company has appointed Mr. P. Vithal Kumar, Practicing Company Secretary, Visakhapatnam (Membership No ACS 14440) as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

13. Members are requested to bring their copy of annual report with them at the time of attending the Annual General Meeting.

**For and on behalf of the Board
For Nylofiles India Limited**

Place: Rajahmundry
Date : 04th September, 2014

V. Venkateswara Rao
Managing Director
DIN 03294204

Corporate Identification Number: **L05005AP1992PLC013697**

ANNEXURE TO NOTICE OF AGM**Statement pursuant to Schedule IV of the Companies Act, 2013****ITEM NO. 2: Re-appointment of Mr. Vetcha Venkateswara Rao (Item No. 2)**

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, effective from 1st April, 2014, for the purpose of determining the directors liable to retire by rotation, the Independent Directors shall not be included in the total number of directors of the Company. Mr. Vetcha Venkateswara Rao, Managing Director (DIN 03294204) shall accordingly retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. Vetcha Venkateswara Rao is the Founder-Promoter of the Company, designated as Managing Director and has been with the Company since inception. Mr. Vetcha Venkateswara Rao is not a Director in any other Company in India. Upon his re-appointment as a director, Mr. Vetcha Venkateswara Rao shall continue to hold office as Managing Director.

Accordingly, the Board recommends his re-appointment. Except Mr. Vetcha Venkateswara Rao, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in agenda Item No.2.

Statement pursuant to Section 102(1) of the Companies Act, 2013**ITEM NOS. 4 & 5: Appointment of Mr. Singmasetty Kishore (DIN:03608495) & S.Lova Raju (DIN:03608498)**

The Company had appointed each of Mr. Singmasetty Kishore (DIN:03608495) and Mr. S. Lova Raju (DIN:03608498) as Independent Directors of the Company pursuant to Clause 49 of the Listing Agreement. In accordance with Section 149 and 152 read with Schedule IV of the Companies Act, 2013 that have come into effect from 1 April 2014 and subsequent notification by the Ministry of Corporate Affairs vide its General circular no.14/2014 dated 9 June 2014, the Company is required to appoint its Independent Directors, including its existing Independent Directors in accordance with the provisions of the Companies Act, 2013 before 31 March 2015. Further, pursuant to the above provisions, the term of such Independent Directors is not liable to determination by rotation. Accordingly, it is proposed to appoint Mr. Singmasetty Kishore and Mr. S. Lova Raju as Independent Directors of the Company in accordance with Section 149 of the Companies Act, 2013, not liable to retire by rotation and to hold office from September 30, 2014 to September 29, 2019.

The Company has received from each of Mr. Singmasetty Kishore and Mr. S.Lova Raju (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that they are not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) declaration that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Company has also received notices from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of the above Directors for the office of Directors of the Company. In the opinion of the Board, Mr. Singmasetty Kishore and Mr. S. Lova Raju fulfill the conditions for their appointment as Independent Directors as specified in the Companies Act, 2013 and the Listing Agreement and are independent of the management.

Mr. Singmasetty Kishore and Mr. S. Lova Raju are not Directors in any other Company in India. Accordingly, the Board recommends their re-appointment. Except Mr. Singmasetty Kishore and Mr. S. Lova Raju, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in agenda Item No.4 & 5.

DIRECTORS' REPORT

To
The Members
Nylofiles India Limited

Dear Members,

Your Directors have pleasure in presenting the 22nd Annual Report on the business and operations together with Audited Annual accounts of your Company for the Financial year ended 31st March 2014.

FINANCIAL RESULTS

(Amt in Rs.)

Particulars	2013-2014	2012-2013
Total Income	Nil	Nil
Increase/(Decrease) in stocks	Nil	Nil
Total Expenditure before Interest & Depreciation	2,52,806	3,33,253
Interest	Nil	Nil
Depreciation	696	696
Profit/Loss (-)	-2,52,806	-10,63,550.00
Prior period Adjustments	0	0
Provision for tax	Nil	Nil
Profit/Loss (-) after Taxation	-2,52,806	-10,63,550.00

OPERATIONS

Your Company had discontinued manufacturing and trading in fishnets in the financial year 2006-2007 and cleared all the amounts due to banks / financial institutions. Board is examining various options to scale up company's business in the near future.

DIVIDEND

Your directors express their inability to recommend any dividend for the financial year 2013-2014 due to accumulated losses.

FIXED DEPOSITS

During the year the Company has neither invited nor accepted any Fixed Deposits from the public.

AUDITORS

M/s Rao & Kumar, Chartered Accountants, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a letter from the Auditors that their appointment, if made, will be in conformity with Section 141 of the Companies Act, 2013. M/s. Rao & Kumar Chartered Accountants, being eligible, are recommended for re-appointment as Auditors of the Company till the conclusion of the next Annual General Meeting.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013, read with the Articles of Association of your Company, Mr. Vetcha Venkateswara Rao, Managing Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for reappointment.

Mr. Singmasetty Kishore (DIN:03608495) and Mr. Singamsetty Lova Raju (DIN:03608498), non-executive Independent Directors are recommended to be appointed as Independent Directors for a period of five years pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013.

Brief profile of the above Director is provided in the report of Corporate Governance forming part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' responsibility statement, the Board of Directors of your Company confirms that:

1. In the preparation of the annual accounts for the year ended 31st March 2013, the applicable accounting standards have been followed with proper explanations relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended on 31st March, 2013 and of the loss of the company for the year ;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records 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; and
4. The Directors have prepared the accounts for the financial year ended 31st March 2014 on a going concern basis.

AUDIT COMMITTEE

The Company constituted Audit Committee which meets the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

LISTING OF SHARES

The Equity shares of your Company are listed on Ahmedabad Stock Exchange and Bombay Stock Exchange. The shares of the Company are being traded on Bombay Stock Exchange.

CORPORATE GOVERNANCE

A detailed Report on Corporate Governance, Management Discussion and Analysis Report and the Certificate from the Auditors of your Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, forms part of this Report.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy:

- (a) Energy Conservation measures taken: **Not Applicable.**
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy: **NIL**
- (c) Impact of the measures (a) and (b) above for energy consumption and consequent impact on the cost of production of goods: **As energy conservation is very meager and energy cost forms a small part of total costs, the impact on costs is not material.**

B. Technology Absorption:

Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company	NIL
2. Benefits derived as a result of the R & D	N.A
3. Future plan of Action	NIL
4. Expenditure on R & D	NIL

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

There is no technology absorption during the financial year.

FOREIGN EXCHANGE EARNINGS & OUTGO

	2013-2014	2012-2013
a. Foreign Exchange earnings (FOB basis)	NIL	NIL
b. Foreign Exchange outgo		
1) CIF value of imports		
- Raw materials	NIL	NIL
- Capital Goods	NIL	NIL
2) Travelling Expenses	NIL	NIL

PARTICULARS OF EMPLOYEES

There are no employees in the Company, whose names are required to be disclosed under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

E-VOTING:

In terms of Section 108 of the Companies Act, 2013, Rules framed thereunder and Clause 35B of the Listing Agreement, the Company is providing e-voting facility to its shareholders in respect of all shareholders' resolutions proposed to be passed at this Annual General Meeting.

APPRECIATION

Your Directors take this opportunity to express their sincere appreciation and thanks to the shareholders for their continued support.

**For and on behalf of the Board
For Nylofiles India Limited**

Place: Rajahmundry
Date 26.05 2014

V. Venkateswara Rao
Managing Director
DIN: 03294204

K. Lakshamana Prasad
Whole Time Director
DIN:03294212

Corporate Identification Number: **L05005AP1992PLC01369**

Auditors Certificate on Corporate Governance

To the Members of
Nylofiles India Limited

We have examined the compliance of the conditions of Corporate Governance by Nylofiles India Limited for the year ended 31st March 2014 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

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

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

We state that in respect of investor grievances received during the year ended 31st March, 2014 no investor grievances are pending against the company as on the date of this certificate as per the records maintained by the company and presented to the shareholders Grievance Committee.

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 RAO & KUMAR
Chartered Accountants**

**Place:Rajahmundry
Date : 26.05 2014**

**Anirban Pal
Partner
Membership No.214919**

CEO/CFO CERTIFICATE AS PER CLAUSE 49 OF THE LISTING AGREEMENT

TOWHOMSOEVERITMAYCONCERN

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2014 and that to the best of our knowledge and belief:
 - (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.

2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 31st March 2014 which are fraudulent, illegal or violative of the company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we 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 we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4. There are no:
 1. Significant changes in internal control over financial reporting during the year ended 31st March 2014;
 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which they 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.

Place: Rajahmundry
Date : 26.05 2014

.....
Chief Executive Officer Chief financial Officer

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance:

The Company's activities are carried out in accordance with good corporate practices.

We believe in the principles of fair play and transparency in our dealings. We endeavour to have a work culture which is performance driven and conducive to improve discipline, accountability, team spirit in all our personal and professional relationships.

1. Board of Directors:

During the financial year, 5 Board meetings were held. The dates on which meetings were held are 30.05.2013, 12.08.2013, 07.09.2013, 14.11.2013 and 14.02.2014.

The constitution of the Board as on date and their attendance in the meetings of Board held in the financial year 2013-2014 and in the last AGM is as under:

S.No.	Name of the Director	Category of Directorship	Attendance	
			Board Meetings	Last AGM
1)	Mr. V Venkateswara Rao	Managing Director/ Non Independent	5	Yes
2)	Mr. K. Lakshmana Prasad	Executive/ Non independent	5	Yes
3)	Mr. S.Lova Raju	Non-Executive/ Independent Director	5	Yes
4)	Mr. Singamsetti Kishore	Non-Executive /Independent Director	5	Yes

Profile of the Directors Being Reappointed / Appointed at the Annual General Meeting:

Vetcha Venkateswara Rao is the Founder-Promoter of the Company, designated as Managing Director and has been with the Company since inception. He is a Post Graduate in commerce having wide experience in various businesses like Gold, Diamonds and Fishnets. His rich experience in all facets of fishnets manufacturing industry like production, raw material procurement and marketing has proven to be an invaluable asset to the Company.

Mr. Singamsetti Kishore has a wide experience in Trading, Manufacture / Wholesale Supply of fishing nets in Andhra Pradesh.

Mr. S.Lova Raju has a wide experience in Trading, Manufacture / Wholesale Supply of fishing nets in Andhra Pradesh.

Audit Committee:**a) The broad terms of reference to the Audit Committee are as under:**

- Oversee the Company's financial report process.
- Review the annual financial statements before submission to the Board.
- Reviewing the quarterly financial statements before submission to the board for approval
- Review of internal control and internal audit & internal control systems.
- Review the Company's financial and risk management policies.
- Review the Company's Management discussion and analysis of financial condition and results of operations
- Statement of significant related party transactions (as defined by the audit committee), submitted by management
- Recommending the appointment and removal of external auditors and their terms of appointment.

The Chairman of the Audit Committee is always present at the Annual General Meeting to give clarifications, if any, required by the members thereat.

b) The Audit Committee composition is as follows:

S. No.	Name of the Member	Designation
1.	Mr. S. Lova Raju	Chairman
2.	Mr. Singamsetti Kishore	Member
3.	Mr. K. Lakshmana Prasad	Member

c) Meeting and Attendance during the year:

The Audit Committee met 5 times in the financial year i.e. on 30.05.2013, 12.08.2013, 07.09.2013, 14.11.2013 and 14.02.2014. The members of the Committee attended all the Audit Committee meetings held during the financial year 2013-2014.

S.No.	Name	No. of Meetings attended
1.	Mr. S. Lova Raju	5
2.	Mr. Singamsetti Kishore	5
3.	Mr. K. Lakshmana Prasad	5

2. Shareholders' Grievance Committee:

This Committee at the Board level is to look into various issues relating to shareholders like transfer of shares, redressal of shareholder complaints regarding non-receipt of balance sheet, etc. The shareholders Grievance Committee is empowered to perform all the functions of the Board in relation to handling of Shareholders Grievances. It primarily focuses on:

- Review of investor Complaints and their redressal
- Queries received from investors

- Review of work done by the Share Transfer Agent
 Review of corporate actions related to shareholders issue

(a) The said Committee consists of following directors:

S. No.	Name of the Member	Designation
1.	Mr. S. Lova Raju	Chairman
2.	Mr.Singamsetti Kishore	Member
3	Mr. K. Lakshamana Prasad	Member

All the complaints received by the Company during the financial year under review have been resolved to the satisfaction of the shareholders.

(b) Name & Designation of the Compliance Officer:

Mr. V. Venkateswara Rao Managing Director is compliance officer of the Company.

3. General Body Meetings:

The details of the previous three Annual General Meetings of the Company.

Year	Location	Date	Time
2010-2011	3-750 National Highway, Hukkumpeta Rajahmundry, Andhra Pradesh-533103	30.09.2011	10 a.m
2011-2012	Vikram Mahal, Subramanyam Maidanam, Rajahmundry, Andhra Pradesh-533101	20.08.2012	10 a.m
2012-2013	Vikram Mahal, Subramanyam Maidanam, Rajahmundry, Andhra Pradesh-533101	30.09.2013	10 a.m

There were no special resolutions passed during the last 3 Annual General Meetings.

No special resolution was put through the Postal Ballot during the year under review and there is no proposal to pass any resolution through postal ballot.

4. Disclosures:

1. Related party Transactions

During the year following were the Related Party Transactions which were approved by the Board

Particulars	V. Venkateswara Rao (KMP)		Entities in which KMP/ Relatives of KMP have significant influence- V.V.Fishnets		Total
	2012-2013	2013-2014	2012-2013	2013-2014	
Purchase of Goods	-		Nil	Nil	Nil
Balance outstanding at the end of the year					
Trade payable	-		6,46,012.00	6,46,012.00	
Borrowings	2,25,304.00	2,25,304.00			

Code of Conduct:

The Company has adopted the Code of Conduct for its employees at all levels including Directors. The Code has been circulated to all the directors of the Company and is in the process of being posted on the website. The Code serves as a guide to the employees of the Company to make good informed decisions and act on them. As required under clause 49 of the Listing Agreement, the affirmation as regards compliance with the code from Directors has been obtained for this financial year.

Declaration as required under Clause 49 of the Listing Agreement:

To the Shareholders of Nylofiles India Limited

Sub: Compliance with Code of Conduct

I hereby declare that all the directors of the Company have affirmed compliance with the Company's code of conduct for the financial year ended March 2014.

Place: Rajahmundry
Date: 26.05 2014

(V.Venkateswara Rao)
Managing Director

5. General Shareholders Information:

1. Date, Time and Venue of the Annual General Meeting:

30th September, 2014 Monday at 10.00 a.m at the Registered office of the company.

2. Financial Calendar : (Tentative dates)

Financial reporting for the Qtr. ending 30.06.2014	- 8 th August, 2014
Financial reporting for the Qtr. ending 30.09.2014	- 14 th October 2014
Financial reporting for the Qtr. ending 31.12.2014	- 14 th February, 2014
Financial reporting for the Qtr. ending 31.03.2015	- 14 th May, 2015

3. Dates of Book Closure:

The dates of Book Closure are from Saturday, 27th September, 2014 to Tuesday, 30th September, 2014 (both days inclusive)

4. Listing on Stock Exchanges:

The Equity shares of the Company are listed at the Bombay Stock Exchange Ltd (“BSE”) and Ahmedabad Stock Exchange (“ASE”). The Company’s shares are being traded in BSE.

5. Registrar and Share Transfer Agents: System Support Service, Gala No.209, Shivai Industrial Estate-89, Andheri Kurla Road, Saki Naka Andheri East, Mumbai-400072, Tel: 022-28525098/5473, Email- syss72@yahoo.com.

6. Share Transfer System:

The Company’s Share transfers are taken care of by the Registrar and Share Transfer Agents appointed by the Company. Transfers which are received in physical form are processed and the share certificates are returned within a period of 30 days from the date of receipt, subject to documents being valid and complete in all respects. During the period under review the Company has not received any shares for effecting transfers.

7. Shareholding Pattern as on 31st March 2014

S.No	Particulars	No of shares	% of holding
1)	Promoters	2059355	37.54
2)	Mutual funds	0	0
3)	Financial Institutions	250000	4.56
4)	Bodies Corporate	230300	4.20
5)	NRI	0	0
6)	Residential Individuals	2945845	53.70

9. Dematerialisation of shares and liquidity:

34200 numbers of shares held by resident individuals are in dematerialized form.

10. Address for Correspondence:

- a) For any queries relating to shares : System Support Services
Registrar and Share Transfer Agent
Gala no 209, Shivai Industrial
Estate, 89, Andheri Kurla Road
Saki Naka Andheri East,
Mumbai 400072
Tel.: 28525098 / 5473
Fax: 022 28501438
Email: Sysss72@yahoo.com,
- c) For any other Queries : Registered office:
46-11-29/1, Danavaipeta, Opp:
Rajahmundry Hospital Rajahmundry
Andhra Pradesh-533103
Email info@nylofiles.com

Investor Relations: All the queries received from the shareholders during the financial year 2013-2014 have been timely attended to. Generally, the reply is given within a week from the date of receipt of the same.

Place: Rajahmundry
Date : 26.05 2014

V. Venkateswara Rao
Managing Director
DIN 03294204

Corporate Identification Number: **L05005AP1992PLC01369**

Additional Information

(As per Clause 49 of the Listing Agreement)

As required under the Listing Agreement, the particulars of Directors who seek appointment/re-appointment are given below:

1.	Name	:	Vetcha Venkateswara Rao
	Age	:	57 Years
	Qualification	:	M.Com
	Expertise	:	Fish Nets Business
	Other Directorships	:	Nil
	Shareholding in the Company	:	7,02,552 Equity Shares

1.	Name	:	S. Lova Raju
	Age	:	46 Years
	Qualification	:	B.Sc / Computers
	Expertise	:	Fish Nets Business
	Other Directorships	:	Nil
	Shareholding in the Company	:	Nil

1.	Name	:	Singmasetty Kishore
	Age	:	33 Years
	Qualification	:	PUC
	Expertise	:	Fish Nets Business
	Other Directorships	:	Nil
	Shareholding in the Company	:	Nil

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure & Development

The Company is into trading of various types of Monofilament yarn, fish-nets, fish crates, fish net cord, ropes, fishing hooks which are used in fishery industry, The Industry structure consists of both organized and unorganized sectors.

Opportunities & threats

As the fishery industry is one of the growing industry, there are lots of opportunities for products used by the Fishery industry i.e fish-nets, fish crates, fish net cord, ropes, fishing hooks. It appears there are lot of challenges in reviving the business in view of negative Net worth, accumulated losses, inability to raise funds etc.,

Outlook:

Company is evaluating various opportunities and suitable business opportunities which improve the operations of the company. .

Risks and Concerns:

The competition from the domestic unorganized sector could be considered as a risk for its domestic sales .

Internal control systems and their adequacy

Given the current size of operations of the Company reasonable internal control have been put in place.

Discussion on financial performance with respect to operational performance

During the year under review Company's total income is Nil and has incurred a loss of Rs 2,52,806.35/-.

Material developments in Human Resources/Industrial Relations

Currently entire operations are being managed by the Managing Director and Company has no other employees.

CERTIFICATE FOR CASH FLOW STATEMENT

We have examined the enclosed Cash Flow statement of M/ s Nylofiles India Limited.for the year ended 31st March, 2014. The statement has been prepared by the Company in accordance with the requirements of clause 32 of Listing Agreements with the Stock Exchanges and is based on and is in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company, covered by our Report of even date to the Members of the Company.

**For RAO & KUMAR
Chartered Accountants**

**Place:Rajahmundry
Date : 26.05 2014**

**Anirban Pal
Partner
Membership No.214919**



INDEPENDENT AUDITORS' REPORT

To the Members of NYLOFILS INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of NYLOFILS INDIA LIMITED (“the Company”), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements:

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (“the Act”) read with the General Circular 15/2013 dated 15th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

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



- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss Statement, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2) As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - e) on the basis of written representations received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For R A O & K U M A R,
Chartered Accountants,
FRN 03089S

(CA Anirban Pal)
Partner.
M.No. 214919
Place : Visakhapatnam
Date: 26.05.2014



ANNEXURE TO AUDITORS' REPORT

As required by the Companies' (Auditor's Report) Order, 2003 and according to the information and explanations given to us during the course of the audit and on the basis of such checks as were considered appropriate we report that:

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) The fixed assets have been physically verified by the management during the year. We are informed that no material discrepancies were noticed by the management upon such verification
The Company has sold substantial part of its Factory Building and Machinery in the Financial Year 2003-04, with an intention to discontinue its Manufacturing Activity. It is stated by the Management that the trading activity will be continued.
c) an intention to discontinue its Manufacturing Activity. It is stated by the Management that the trading activity will be continued.
2. The Company does not hold any inventories. Hence, the Clause (ii) of the order is not applicable.
3. a) The Company has taken loans from 1 party being companies, firms or other parties covered in the Register, maintained under Section 301 of the Companies Act, 1956. The balance outstanding during the year being 2.25 lakhs. The company has not granted any loans to companies, firms or other parties covered in the register, maintained under Section 301 of the Companies Act, 1956.
b) The rate of interest and other terms and conditions of loans taken/given by the company are prima facie not prejudicial to the interest of the company.
c) The payment of principal amount and interest, if applicable are also regular.
d) There are no overdue amounts of more than one lakh.
4. There are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of goods. In our opinion, there is no continuing failure to correct major weaknesses in internal control.
5. a) The Company has not entered into any transactions with any party, that needs to be entered in the register maintained under Section 301 of the Companies Act, 1956. We are informed that the said registers are appropriately maintained.
6. The company had not accepted any deposits from public within the meaning of Section 58A and Section 58AA of the Companies Act 1956
7. Neither the company's paid-up capital and Free Reserves nor does its turnover warrant any internal audit system.
8. The company is not required to maintain cost records as prescribed in Sec 209(1)(d) of the companies act, 1956
9. a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sale tax, wealth tax, customs duty, excise duty, cess and other material statutory dues applicable to it.



- b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, wealth-tax, sales-tax, customs duty, excise duty and cess are in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.
- 10 The Company has accumulated losses amounting to Rs.5,28,11,181.66 as at the end of the Financial Year which is more than its net worth and has incurred cash losses in the current financial year and in the immediately preceding financial year.
- 11 The company has not defaulted in repayment of its dues to banks and financial institutions. The Company has not issued any debentures.
- 12 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Societies are not applicable to the Company.
- 13
- 14 The Company is not dealing or trading in shares, securities and debentures.
- 15 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- 16 The Company has not taken any term loan during the year.
- 17 The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
- 18 The funds raised on short-term basis have not been used for long-term investment and vice-versa.
- 19 As the Company had not issued any debentures the issue of creation of securities does not arise.
- 20 The Company has not raised any money by way of public issues during the year.
- 21 On the basis of our examination and according to the information and explanations given to us, no fraud, on or by the Company, has been noticed or reported during the year.

For R A O & K U M A R,
Chartered Accountants
FRN 03089S

(CA Anirban Pal)
Partner.

M.No. 214919

Place : Visakhapatnam
Date: 26.05.2014

M/s NYLOFILS INDIA LTD
Balance Sheet as at 31 March, 2014

Particulars		Note No.	As at 31 March, 2014	As at 31 March, 2013
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	5,03,73,688.00	5,03,73,688.00
	(b) Reserves and surplus	4	(5,28,11,181.66)	(5,25,58,375.31)
			(24,37,493.66)	(21,84,687.31)
2	Share application money pending allotment		-	-
3	Non-current liabilities			
4	Current liabilities			
	(a) Short-term borrowings	5	2,25,304.00	2,25,304.00
	(b) Trade payables	6	34,57,245.35	34,57,245.00
	(c) Other current liabilities	7	12,04,367.00	9,98,000.00
	(d) Short-term provisions	8	2,24,462.00	1,78,158.00
			51,11,378.35	48,58,707.00
	TOTAL		26,73,884.69	26,74,019.69
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	975.00	1,671.00
	(b) Non-current investments	10	3,500.00	3,500.00
	(c) Long-term loans and advances	11	11,99,456.00	12,00,518.00
			12,03,931.00	12,05,689.00
2	Current assets			
	(a) Trade receivables	12	9,18,879.00	9,18,879.00
	(b) Cash and Bank Balances	13		
	(i) Cash & Cash Equivalents		11,646.69	10,023.69
	(ii) Other Bank Balances		20,000.00	20,000.00
	(c) Short-term loans and advances	14	5,02,753.00	5,02,753.00
	(d) Other current assets	15	16,675.00	16,675.00
			14,69,953.69	14,68,330.69
	TOTAL		26,73,884.69	26,74,019.69
	See accompanying notes 1-23 forming part of the financial statements		-	-

In terms of our report attached.

For Rao & Kumar
Chartered Accountants
FRN No. 03089S

For and on behalf of the Board of Directors

Chairman

Managing Director

Anirban Pal

Partner

M.No. 214919

Place : Rajahmundry

Date : 26.05.2014

NYLOFILS INDIA LTD**Statement of Profit and Loss for the year ended 31 March, 2014**

Particulars		Note No.	For the year ended 31 March, 2014	For the year ended 31 March, 2013
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross) Less: Excise duty Revenue from operations (net)	16	- - -	- - -
2	Other income	17	-	-
3	Total revenue (1+2)		-	-
4	Expenses			
	(a) Purchases of stock-in-trade	18	-	-
	(b) Depreciation and amortisation expense	9	696.00	696.00
	(c) Other expenses	19	2,52,110.35	3,32,557.00
	Total expenses		2,52,806.35	3,33,253.00
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		(2,52,806.35)	(3,33,253.00)
6	Exceptional items	20	-	(7,30,297.00)
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		(2,52,806.35)	(10,63,550.00)
8	Extraordinary items		-	-
9	Profit / (Loss) before tax (7 ± 8)		(2,52,806.35)	(10,63,550.00)
10	Tax expense:			
11	Profit / (Loss) from continuing operations (9 ± 10)		(2,52,806.35)	(10,63,550.00)
13	Profit / (Loss) from discontinuing operations (12.i ± 12.ii ± 12.iii)		-	-
14	Profit / (Loss) for the year (11 ± 13)		(2,52,806.35)	(10,63,550.00)
15	Earnings per share (of ₹ 10/- each):			
	(a) Basic & Diluted	22.2	(0.0461)	(0.1939)
	See accompanying notes 1-23 forming part of the financial statements			

In terms of our report attached.

For Rao & Kumar
Chartered Accountants
FRN No. 03089S

Anirban Pal
Partner
M.No. 214919
Place : Rajahmundry
Date : 26.05.2014

For and on behalf of the Board of Directors

Managing Director

| Director

NYLOFILS INDIA LTD

Notes forming part of the financial statements

Note 3 Share capital @

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares		Number of shares	
(a) Authorised Equity shares of < 10 each with voting rights	6,000,000	60,000,000.00	6,000,000	60,000,000.00
(b) Issued # Equity shares of < 10 each with voting rights	6,000,000	60,000,000.00	6,000,000	60,000,000.00
(c) Subscribed and fully paid up Equity shares of < 10 each with voting rights	4,589,238	45,892,380.00	4,589,238	45,892,380.00
(d) Subscribed but not fully paid up Equity shares of < 10/- each with voting rights, < 5/- not paid up	896,262	4,481,308.00	896,262	4,481,308.00
Total	5,485,500	50,373,688.00	5,485,500	50,373,688.00

NYLOFILS INDIA LTD								
Notes forming part of the financial statements								
Note 3 Share capital (contd.)								
Particulars								
Notes:								
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:								
Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights								
Year ended 31 March, 2014								
- Number of shares	5485500							5485500
- Amount (₹)	50,373,688.00							50,373,688.00
Year ended 31 March, 2013								
- Number of shares	5485500							5485500
- Amount (₹)	50,373,688.00							50,373,688.00

NYLOFILS INDIA LTD				
Notes forming part of the financial statements				
Note 3 Share capital (contd.)				
(ii) Details of shares held by each shareholder holding more than 5% shares:				
Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. V.V Ramalingayya	380019	6.93	380019	6.93
Mr. V. Lakshmana Kumar	387700	7.07	387700	7.07
Ms. V.Kali Kumari	290300	5.29	290300	5.29
Mr. V.Venkateswara Rao	702552	12.81	702552	12.81

NYLOFILS INDIA LTD		
Notes forming part of the financial statements		
Note 4 Reserves and surplus		
Particulars	As at 31 March, 2014	As at 31 March, 2013
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(52,558,375.31)	(51,494,825.31)
Add: Profit / (Loss) for the year	(252,806.35)	(1,063,550.00)
Closing balance	(52,811,181.66)	(52,558,375.31)

NYLOFILS INDIA LTD		
Notes forming part of the financial statements		
Note 5 Short-term borrowings		
Particulars	As at 31 March, 2014	As at 31 March, 2013
(b) Loans and advances from related parties (Refer Note 22.1)		
Unsecured	225,304.00	225,304.00
Total	225,304.00	225,304.00

NYLOFILS INDIA LTD		
Notes forming part of the financial statements		
Note 6 Trade payables *		
Particulars	As at 31 March, 2014	As at 31 March, 2013
Trade payables:		
Micro Small & Medium Enterprises		
Others	3,457,245.35	3,457,245.00
Total	3,457,245.35	3,457,245.00

NYLOFILS INDIA LTD		
Notes forming part of the financial statements		
Note 7 Other current liabilities		
Particulars	As at 31 March, 2014	As at 31 March, 2013
Other payables		
(i) Advance from Customer	206,367.00	-
(ii) Payables on purchase of fixed assets	998,000.00	998,000.00
Total	1,204,367.00	998,000.00

NYLOFILS INDIA LTD		
Notes forming part of the financial statements		
Note 8 Short-term provisions		
Particulars	As at 31 March, 2014	As at 31 March, 2013
Provision - Others:		
(i) Provision for tax	120,221.00	120,221.00
(ii) Provision for Professional Taxes	22,723.00	22,723.00
(iii) Provision - others (CENTRAL CARD DUES PAYABLE)	25,214.00	25,214.00
(iv) Provision - others (AUDIT FEE PAYABLE)	56,304.00	10,000.00
Total	224,462.00	178,158.00

NYLOFILS INDIA LTD Notes forming part of the financial statements Note 9 Fixed assets									
A.	Tangible assets	Gross block			Accumulated depreciation and impairment			Net block	
		Balance as at 1 April, 2013	Additions	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation / amortisation expense for the year	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
	(e) Vehicles Owned Taken under finance lease * Given under operating lease *	81,516.00	-	81,516.00	81,516.00	-	81,516.00	-	-
	(f) Office equipment Owned Taken under finance lease * Given under operating lease *	11,000.00	-	11,000.00	9,329.00	696.00	10,025.00	975.00	1,671.00
	Total	92,516.00	-	92,516.00	90,845.00	696.00	91,541.00	975.00	1,671.00
	Previous year	92,516.00	-	92,516.00	90,149.00	696.00	90,845.00	1,671.00	2,376.00

NYLOFILS INDIA LTD				
Notes forming part of the financial statements				
Note 10 Non-current investments				
Particulars	Balance as at 31 March, 2014		Balance as at 31 March, 2013	
	Unquoted	Total	Unquoted	Total
Investments (At cost):				
Other non-current investments (NSC BONDS)	3,500.00	3,500.00	3,500.00	3,500.00
Total		3,500.00		3,500.00

NYLOFILS INDIA LTD		
Notes forming part of the financial statements		
Note 11 Long-term loans and advances		
Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Security deposits		
Secured, considered good		
Unsecured, considered good	151,279.00	152,341.00
Doubtful		
Less: Provision for doubtful deposits		
(b) Other loans and advances (specify nature)		
Secured, considered good		
Unsecured, considered good	1,048,177.00	1,048,177.00
Doubtful		
Less: Provision for other doubtful loans and advances		
Total	1,199,456.00	1,200,518.00
Note: Long-term loans and advances include amounts due from:		
Particulars	As at 31 March, 2014	As at 31 March, 2013
Directors *		
Other officers of the Company *		
Firms in which any director is a partner (give details per firm)		
Private companies in which any director is a director or member (NYLOFILS SOFTECH LTD - PENDING REGISTRATION)		
Total		

NYLOFILS INDIA LTD Notes forming part of the financial statements Note 12 Trade receivables		
Particulars	As at 31 March, 2014	As at 31 March, 2013
Trade receivables outstanding for a period exceeding six months from the date they were due for payment # Unsecured, considered good	918,879.00	918,879.00
Total	918,879.00	918,879.00
Note: Trade receivables include debts due from:		
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Private companies in which any director is a Manager (M/s V V Fish Nets)	-	-
Total	-	-

NYLOFILS INDIA LTD Notes forming part of the financial statements Note 13 Cash and Bank Balances		
Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Cash on hand	946.51	312.51
(b) Balances with banks		
(i) In current accounts	10,700.18	9,711.18
(iii) In deposit accounts	20,000.00	20,000.00
Total	31,646.69	30,023.69

NYLOFILS INDIA LTD Notes forming part of the financial statements Note 14 Short-term loans and advances		
Particulars	As at 31 March, 2014	As at 31 March, 2013
(g) Others (specify nature) Unsecured, considered good	502,753.00 ⁻	502,753.00 ⁻
Total	502,753.00	502,753.00

NYLOFILS INDIA LTD		
Notes forming part of the financial statements		
Note 15 Other current assets		
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
(d) Others		
(i) Others (BALANCE WITH ESI)	16,675.00	16,675.00
Total	16,675.00	16,675.00

NYLOFILS INDIA LTD			
Notes forming part of the financial statements			
Note 16 Revenue from operations			
	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
(a)	Sale of products @ (Refer Note (i) below)	-	-
	Excise duty		
	Total	-	-
Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
(i)	Sale of products comprises @:		
	Traded goods		
	Product Fish Nets	-	-
	Total - Sale of products	-	-

NYLOFILS INDIA LTD			
Notes forming part of the financial statements			
Note 17 Other income			
	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
(f)	Other non-operating income (net of expenses directly attributable to such income)	-	-
	Prior-Period Income being Rent of Earlier period		
	Total	-	-

NYLOFILS INDIA LTD		
Notes forming part of the financial statements		
Note 18 Purchase of traded goods		
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Traded good Fish Nets	-	-
Total	-	-

NYLOFILS INDIA LTD		
Notes forming part of the financial statements		
Note 19 Other expenses		
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Postage and Telephone	7,966.00	26,533.00
Travelling and conveyance *	23,468.35	40,592.00
Printing and stationery*	819.00	21,269.00
Fees and Licenses	89,825.00	163,235.00
Business promotion *	82,848.00	34,902.00
Payments to auditors (Refer Note (i) below)	46,304.00	43,483.00
Miscellaneous expenses *	880.00	2,543.00
Total	252,110.35	332,557.00
Notes:		
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - Statutory Audit	22,821.00	20,000.00
For company law matters	23,483.00	23,483.00
Total	46,304.00	43,483.00

NYLOFILS INDIA LTD		
Notes forming part of the financial statements		
Note 20. Exceptional items		
Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Exchange Reguralisation Fee		
Professional Charges	-	450,000.00
Insurance Claims Received		
EPF Dues Paid	-	280,297.00
Total	-	730,297.00

NYLOFILS INDIA LTD			
Notes forming part of the financial statements			
Note 21 Additional information to the financial statements			
Note	Particulars		
21.1	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	Particulars	As at 31 March, 2014	As at 31 March, 2013
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0	0
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0	0
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	0	0
	(iv) The amount of interest due and payable for the year	0	0
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0	0
	(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	0	0
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

NYLOFILS INDIA LTD			
Notes forming part of the financial statements			
Note 22 Disclosures under Accounting Standards			
Note	Particulars		
22.1	Related party transactions		
22.1.a	Details of related parties:		
	Description of relationship	Names of related parties	
	Key Management Personnel (KMP) Relatives of KMP Company in which KMP / Relatives of KMP can exercise significant influence	Mr. V.Venkateswara Rao Mrs. V. Kali Kumari (wife of Mr. V.Venkateswara Rao) M/s V.V. Fish Nets	
	Note: Related parties have been identified by the Management.		
	Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014:		
22.1.b		KMP - V.Venkateswara Rao	Entities in which KMP / relatives of KMP have significant influence - V.V. Fish Nets
			Total
	Purchase of goods		NIL
	<u>Balances outstanding at the end of the year</u>		-
	Trade receivables		
	Loans and advances		206367.00
			206,367.00
	Trade payables		-
			646,012.35
			(646,012.35)
	Borrowings	225,304.00	225,304.00
		(225,304.00)	(225,304.00)
	Provision for doubtful receivables, loans and advances	-	-
	Note: Figures in bracket relates to the previous year		

NYLOFILS INDIA LTD Notes forming part of the financial statements Note 22 Disclosures under Accounting Standards (contd.)			
Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
22.2	Earnings per share <u>Basic & Diluted</u> Net profit / (loss) for the year attributable to the equity shareholders Weighted average number of equity shares Par value per share Earnings per share - Basic	(252,806.35) 5485500 10.00 (0.0461)	(1,063,550.00) 5485500 10.00 (0.1939)

NYLOFILS INDIA LTD Notes forming part of the financial statements Note 23 Previous year's figures		
Ref No.	Note	Particulars
	23	The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

NYLOFILS INDIA LIMITED
22nd ANNUAL GENERAL MEETING
46-11-29/1, Danavaipeta, opp
Rajahmundry Hospital Rajahmundry
Andhra pradesh-533103

PROXY FORM

I/We _____ of _____ being Member/
 Members of above named Company, hereby appoint Mr./ Ms. _____ of
 _____ or failing him/ her, Mr./ Ms. _____ of
 _____ as my/our proxy to attend and vote for me/us on my/our behalf at the 22nd
 Annual General Meeting of the Company to be held on 30th September, 2014 at 10.00 a.m. at
 Vikramahal, Subrahmanya Maidanam, Rajahmundry Andhra Pradesh-533103 at any adjournment
 thereof.

Revenue Stamp of Re. 1

Folio # _____

Signed by the said _____

Notes:

- a) Proxy need not be member of the Company.
- b) The proxy form duly filed in and signed by the member(s) across Revenue stamp should reach the Company's Registered Office:46-11-29/1, Danavaipeta, opp Rajahmundry Hospital, Rajahmundry Andhra pradesh-533103 at least 48 hours before the time fixed for the meeting.
- c) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.

NYLOFILS INDIA LIMITED
22nd ANNUAL GENERAL MEETING
46-11-29/1, Danavaipeta, opp:
Rajahmundry Hospital Rajahmundry
Andhra Pradesh-533103

ATTENDANCE SLIP

I hereby record my presence at the 22nd Annual General Meeting of the Company to be held on 30th September, 2014 at 10:00 am at Vikramahal, Subrahmanya Maidanam, Rajahmundry Andhra Pradesh-533103

Name and Address of the Shareholder/ Proxy	Folio No.	No. of shares held

Member's/Proxy signature

Note:

- a) Only Members/ Proxy can attend the meeting. No minors would be allowed at the meeting.
- b) Member/ Proxy wish to attend the meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.
- c) Members /Proxy must bring the Annual Report for the reference at the meeting.