



N I L E
L I M I T E D



28th Annual Report 2011-12

BOARD OF DIRECTORS

Sri V. Ramesh *Chairman and Managing Director*

Sri Sandeep Ramesh *Executive Director*

Sri S. V. Narasimha Rao

Dr. M. R. Naidu

Sri V. Ashok

Sri. Satish Malladi

COMPANY SECRETARY

Sri Bikram Keshari Prusty

REGISTERED OFFICE

NILE Limited,

Plot No.149/A, Old MLA Colony

Road No.12, Banjra Hills

Hyderabad - 500 034.

Phones: 040-23606641/42/43

Fax: 040-23606640

E-mail: legal@nilelimited.com

AUDITORS

M/s. Sarathy & Balu

Chartered Accountants,

12 Master Sai Apartments,

Somajiguda, Hyderabad - 500 082.

BANKERS

Andhra Bank

Sultan Bazar Branch,

Hyderabad - 500 195.

INTERNAL AUDITORS

M/s. Manohar Chowdhry & Associates

Chartered Accountants

204A, Concourse Complex,

7-1,58, Greenlands Road,

Hyderabad- 500 016

**SHARE TRANSFERS AND DEPOSITORY
REGISTRARS**

M/s.XL Softech Systems Ltd.

3, Sagar Society,

Road No.2, Banjara Hills

Hyderabad - 500 034

Phones: (40) 23545913/14/15

Fax : (40) 23553214

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Company will be held on Saturday, the 29th day of September, 2012 at 11:00 A.M at J.S.Krishna Murthy Hall of the Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI), Federation House, FAPCCI Marg, Red Hills, Hyderabad - 500004, to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012, and Statement of Profit and Loss for the year ended as on that date together with the Report of the Directors' and the Auditors' thereon.

- To declare dividend for the year 20011-12.
- To appoint a Director in place of Sri S.V.Narasimha Rao who retires by rotation and, being eligible, offers himself for re-appointment.
- To resolve not to fill the vacancy caused by the retirement of Dr. M. R. Naidu who retires by rotation, and does not seek re-appointment.
- To appoint Auditors and to fix their remuneration

By Order of the Board
For Nile Limited

Place : Hyderabad
Date : 21-07-2012

Bikram Keshari Prusty
Company Secretary

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ON POLL. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- Proxies, in order to be effective, should be received by the Company at its Registered Office not less than 48 hours before the meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2012 to 29th September, 2012 (both days inclusive).
- The Dividend on equity shares as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting, will be payable to those members whose names appear on the Company's Register of Members on 21st September, 2012. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by NSDL & CDSL for this purpose, as on that date.
- Members holding shares in physical form are requested to notify immediately any change in their address to the Registrars & Share Transfer Agents, namely M/s. XL Softech Systems Ltd., 3, Sagar Society, Road No.2, Banjara Hills,

Hyderabad - 500034. Members holding shares in electronic form may intimate any such changes to their respective Depository Participants (DPs).

- Brief resumes of the Directors are given in the Corporate Governance Report annexed to the Directors' Report.
- Shareholders, who have not so far encashed the dividend warrant(s), are requested to seek revalidation of expired dividend warrant(s). Information in respect of unclaimed dividend and the last date for claiming the same are given bellow:

Dividend for the Year	Date of declaration	Last date for claiming
2005-06: Final	19-06-2006	18-06-2013
2006-07: Interim	30-01-2007	29-01-2014
2006-07: Final	12-07-2007	11-07-2014
2007-08: 1st Interim	27-10-2007	26-10-2014
2007-08: 2nd Interim	30-04-2008	29-04-2015
2007-08: Final	30-09-2008	29-09-2015
2009-10: Final	30-09-2010	29-09-2017
2010-11: Final	30-09-2011	29-09-2018

DIRECTORS' REPORT

To
The Members,

Your Directors take pleasure in presenting the 28th Annual Report on the operations of your Company and the Audited Accounts for the financial year ended 31st March, 2012, together with the Auditors' Report thereon.

FINANCIAL RESULTS:

Your Company's results for the year, in comparison with the previous year, are given below in a summarized format:

Particulars	(₹ in lakhs)	
	2011-12	2010-11
Net Sales	32,181.30	29,933.47
Other Income	156.89	154.35
Profit before interest and depreciation and prior period adjustments	1,934.64	1,981.32
Less: Interest	900.00	768.90
Depreciation	<u>215.01</u>	<u>198.32</u>
Profit Before Tax and prior period adjustments	819.63	1,014.10
- Prior Period Adjustments	12.56	2.84
Profit Before Tax	832.19	1,016.94
Less: Provision for tax - Regular Tax	163.99	294.46
- Deferred Tax (asset)/liability	<u>101.46</u>	<u>4.80</u>
Profit/(Loss) after tax for the year	566.74	717.68
Add/Less: Surplus/(Deficit) in P&L Account brought forward	1,518.28	924.62
Amount available for appropriation	<u>2,085.03</u>	<u>1,642.30</u>
Appropriations:		
Transfer to General Reserve	43.00	54.00
Proposed Dividend on equity shares	60.04	60.04
Income Tax on proposed Dividend	9.74	9.97
Surplus/(Deficit) carried to Balance Sheet	<u>1,972.25</u>	<u>1,518.29</u>

DIVIDEND:

Your Directors have pleasure in recommending a dividend of ₹ 2.00 per share for the year 2011-12.

OPERATIONS:

Operations of the Company's three divisions for the year under review were as follows

LEAD DIVISION:

This year, the Lead division recorded sales of ₹ 27,448 lakhs as against ₹ 25,395 lakhs the previous year.

WINDMILLS:

The entire energy generated at Ramagiri was sold to Andhra Pradesh Power Coordination Committee, and the total revenue was ₹ 88 lakhs as against ₹ 73 lakhs the previous year.

GLASS LINING:

This year, the Glass Lining division recorded sales of ₹ 4,645 lakhs as against ₹ 4,466 lakhs the previous year.

TOTAL:

The combined turnover of the Company, thus, was ₹ 32,181 lakhs for the year under review, as against ₹ 29,933 lakhs for the previous year.

CORPORATE GOVERNANCE:

Your Company has complied with all provisions of Corporate Governance, as required under Clause 49 of the Listing Agreement. A report on Corporate Governance, along with the certificate on its compliance from the Auditors, forms part of this report.

Voluntary Guidelines -2009:

The Ministry of Corporate Affairs has issued a set of Voluntary Guidelines on 'Corporate Governance' and 'Corporate Social Responsibility' in December, 2009. These guidelines are expected to serve as a benchmark for the Corporate Sector and also help them in achieving the highest standard of corporate governance.

Some of the provisions of these guidelines are already in place as reported elsewhere in this Report. The other provisions of these guidelines are being evaluated.

QUALITY SYSTEM:

Your Company's certificates for Quality Systems under ISO 9001 for the Lead Division continue to be valid.

CONSERVATION OF ENERGY:

(i) Your Company continues to explore all possible avenues to reduce energy consumption.

(ii) As your Company is not covered in the Schedule to the Companies (Disclosures of particulars in the report of the Board of Directors) Rules, 1988, read with Section 217(1)(e) of the Companies Act, 1956, the details under Form 'A' are not required to be furnished.

TECHNOLOGY ABSORPTION:

No new technology has been obtained during the year and the existing technology in use has been fully absorbed.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

	2011-12	2,010-11
a) Foreign Exchange earnings on exports	1,141.83	4,474.16
b) Foreign Exchange used on account of:		
i) Foreign Travel	–	1.47
ii) CIF value of imports of raw material & others	11,209.67	13,341.24
iii) Commission on Sales	–	15.44
iv) Dividend for 2010-11/2009-10	1.65	0.82

DIRECTORS:

Pursuant to the provisions of Section 256 of the Companies Act, 1956, Sri S.V.Narasimha Rao, and Dr. M.R.Naidu will retire by rotation at the ensuing Annual General Meeting, and are eligible for reappointment.

Sri S V Narasimha Rao offers himself for reappointment, while Dr Naidu does not seek reappointment. The Board thanks Dr Naidu for his invaluable contributions to your Company during his long years of Directorship.

DEPOSITS:

Your Company has accepted fixed deposits during the year, and complied with all the statutory provisions. The outstanding deposits as on 31st March, 2012 amount to ₹ 287.00 lakhs, which includes ₹ 227.00 lakhs from related parties.

AUDITORS:

Statutory Auditor: Your Company's auditors M/s. Sarathy & Balu, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and have signified their willingness to accept re-appointment and confirmed their eligibility under Section 224(1B) of the Companies Act, 1956.

Cost Auditor: As per the requirement of the Companies (Cost Accounting Records) Rules, 2011, read with Sec. 209(1)(d) and Section 233B of the Companies Act, 1956, your Company carried out an audit of Cost Accounting records relating to Wind Firm division for the year 2011-12. In this connection, your Company has appointed Mr. N.V.S. Kapardhi, Cost Accountant, as Cost Auditor for the Financial Year 2011-12. Further, subject to approval of the Central Government, your company has appointed Mr. N.V.S. Karpardhi, Cost Accountant, who has signified his willingness to accept appointment and confirmed his eligibility under Section 224(1B) of the Companies Act, 1956, as Cost Auditor for the Financial Year 2012-13.

PARTICULARS OF EMPLOYEES:

No employee was in receipt of remuneration more than the limit prescribed under the Companies (Particulars of Employees) Rules, 1975.

TRANSFER OF UNCLAIMED AND UNPAID DIVIDEND TO IEP FUND:

Pursuant to Section 205C of the Companies Act, 1956, read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001 as amended from time to time, an amount of ₹ 30,075/- in the unclaimed and unpaid interim dividend for 2004-05 was transferred to the Investor Education and Protection Fund during the year.

DISCLOSURE AS PER LISTING AGREEMENT:

Clause 32:

The cash flow statement in accordance with the Accounting Standard on cash flow statement (AS-3) issued by ICAI is appended to this Annual Report.

Clause 43A:

Your Company's shares are listed on the BSE Limited, Mumbai, P.J. Towers, Dalal Street, Fort, Mumbai. The annual listing fee for the year 2012-13 has been paid.

RESPONSIBILITY STATEMENT:

In pursuance of the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state that:

- i. the applicable accounting standards have been followed In the preparation of the annual accounts.
- ii. they had 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 for the financial year ending 31st March, 2012, and of the profit of the Company for that period.
- iii. they had 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. they have prepared the accounts on a going concern basis.

INDUSTRIAL RELATIONS:

The industrial relations in the Company continue to be very cordial and stable. Your Directors would like to place on record the dedication and commitment of all the employees of your Company.

ACKNOWLEDGEMENT:

Your Directors thank the customers, vendors, investors and Andhra Bank for their continued support during the year.

For and on behalf of the Board

Place : Hyderabad
Date : 21-07-2012

V. Ramesh
Chairman and
Managing Director

ANNEXURE TO DIRECTORS' REPORT

A. MANAGEMENT DISCUSSION AND ANALYSIS

The Management discussion and analysis report sets out developments in the business environment and the Company's performance since the last report. The analysis supplements the Directors' report, which forms part of this annual report.

INDUSTRY STRUCTURE AND DEVELOPMENT

Glass Lining, Lead and Wind Energy are the three divisions of the Company. Glass Lined equipment is used primarily in pharmaceutical, specialty chemicals, agro chemicals and other similar industries. Lead and Lead Alloys are mainly supplied to manufacturers of Lead Acid batteries, plastic stabilizers, and metal oxides. Wind energy generated is sold to Andhra Pradesh Power Coordination Committee.

On 21st June, 2012, your company has sold the Glass Lining Division, situated at Door No.44-79/1, Road No.7 Industrial Estate, Nacharam, Hyderabad-500076, to M/s. De Dietrich Process Systems India Pvt. Ltd., as a "going concern" on a slump sale basis, for a net consideration of Rs 54.03 crores.

SEGMENT-WISE PERFORMANCE

The operational and financial performances of the three divisions are as follows:

Segment	Turnover	(₹ in Lakhs)	
		Profit/(Loss) before Interest & Tax	
Lead	27,448	1,155	
Wind Energy	88	43	
Glass Lining (Discontinued Business)	4,645	365	

OUTLOOK:

PROPOSED EXPANSION:

The expansion of the Tirupati plant to 50,000 TPA has been completed, and permission has been received from

the Andhra Pradesh Pollution Control Board for expansion of the Choutuppal plant to 50,000 TPA.

The operations of the joint venture project in Georgia are still not streamlined, due to the working capital constraints faced by the local partner. Various options are being explored to solve this problem.

The demand for Lead and Lead Alloys is strong, and there has been an increase in the revenue, but the net profit decreased due to a drop in international Lead prices.

OPPORTUNITIES AND THREATS:

The outlook for the Lead Division continues to be promising in the medium term. However, the availability and price of raw material are causes for concern.

Your Company's wind farm is expected to continue its reasonable performance.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has an established system of internal controls for ensuring optimal utilization of various resources. Investment decisions involving capital expenditure are taken up only after due appraisal and review, and adequate policies have been laid down for approval and control of expenditure. Internal audit is carried out by a firm of Chartered Accountants to ensure adequacy of the internal control systems. The internal audit report is reviewed by the Audit Committee to ensure that all policies and procedures are adhered to, and all statutory obligations are complied with.

For and on behalf of the Board

Place : Hyderabad

Date : 21-07-2012

V. Ramesh
Chairman and
Managing Director

B. CORPORATE GOVERNANCE REPORT

Yours Directors have pleasure in presenting the Corporate Governance Report for the year ended 31st March, 2012.

1) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Your company believes that good Corporate Governance enhances the confidence of investors and helps in meeting the needs and aspirations of its shareholders. Your company is committed to continuing the high values and traditions in transparent functioning of the organization.

2) BOARD OF DIRECTORS AND MEETINGS:

(i) Composition:

The company's policy is to maintain optimum combination of Executive and Non-Executive Directors. Presently, the Board consists of 6 Directors, out of whom 4 are independent.

Composition of the Board and category of Directors are as follows:

Promoter/Promoter Director:

Sri V. Ramesh	Chairman and Managing Director
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Sri Sandeep Ramesh	Executive Director
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Non-Executive and Independent Directors:

Dr. M.R. Naidu

Sri S.V. Narasimha Rao

Sri V. Ashok

Sri Satish Malladi

None of the independent Directors are related to any other Director.

Directors' Profiles:

Brief resume of all the Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorships, Memberships/Chairmanships of Board Committees and their shareholding in the company are provided below:

Pursuant to the provisions of Section 256 of the Companies Act, 1956, Sri S.V.Narasimha Rao, and Dr. M.R.Naidu will retire by rotation

at the ensuing Annual General Meeting, and are eligible for reappointment.

Sri S V Narasimha Rao offers himself for reappointment, while Dr Naidu does not seek reappointment. The Board thanks Dr Naidu for his invaluable contributions to your Company during his long years of Directorship.

Sri S.V. Narsimha Rao:

Sri S.V. Narasimha Rao has a B. Tech from IIT, Madras, and MS & MBA from the University of Nebraska. He has more than thirty years of technical and senior management experience in reputed companies such as Sumac International Limited, Shin Ho Petro-Chemicals (India) Limited, Jeypore Sugars Limited, and KCP Sugars and Chemicals Limited. He is presently the Executive Director of Beardsell Limited. He is a member in none of the committees in other companies.

Other Directors:

Sri V. Ramesh:

Sri V. Ramesh, is the promoter & CMD of the Company. He has a B. Tech from IIT Madras, M.S. from the University of Wisconsin, and MBA from the University of Toronto. He has vast experience in related fields in different capacities.

As CMD, he is the CEO of the Company, responsible for overall functioning of the organization. Over the years, he has been instrumental in transforming the organization to one that is professionally managed and also made substantial contribution for the growth of the Company. He is a member in none of the committees in other companies. As on 31st March, 2012 he was holding 2,21,208 shares in the company.

Sri Sandeep Ramesh:

Sri Sandeep Ramesh is a commerce graduate from the Indian Institute of Management and Commerce, and holds a post graduate diploma in business management from the Indian School of Business. He joined Nile Limited in



June 2009 as General Manager, Non Ferrous Division. As on 31st March, 2012 he was holding 1,82,024 shares in the company.

Dr. M.R. Naidu:

Dr. M.R. Naidu is a graduate in Mechanical Engineering from Andhra University. He has several decades of experience in various fields. He worked as Executive Director of BHEL for a period of 8 years, as CMD of BHPV for 5 years, and as CMD of HMT for 5 years.

Presently, he is on the Board, Audit Committee and Compensation Committee of Suven Life Sciences Limited, as well as Board of Mangal Precision Products Limited.

Sri V. Ashok:

Sri V. Ashok has an MBA from the USA, and is the promoter and Managing Director of Trigeo Technologies Private Limited, which provides GIS & CAD/CAM services. He is an experienced professional, and has expertise in commercial and managerial functions. He is a member in none of the committees in other companies.

Sri Satish Malladi:

Sri. Satish Malladi is a mechanical engineering graduate from IIT Madras. He started his career in HMT Limited, and later started his own business, supplying specialized equipment to IDL Chemicals. He also executed several works for the Railways, APSEB and ISRO. Sri Malladi now heads, and is a director in, Mashvill Sensors Private Limited, which manufactures special pressure transducers for aerospace applications.

(ii) Board Meetings:

During 2011-12, the Board of Directors met six times on the following dates:

Sl.No.	Date of Board Meeting
1	23.04.2011
2	09.07.2011
3	14.08.2011
4	12.09.2011
5	14.11.2011
6	14.02.2012

(iii) Attendance of directors at the board meetings, last Annual General Meeting and number of other directorships and chairman/ memberships of committees each director in other companies are as follows:

Name of the Director	Attendance particulars		No.of other Directorships and Chairmanships/ memberships of other Committees		
	Board Meetings	Last AGM	Other Directorships	Committees Memberships	Committees Chairmanships
Sri V. Ramesh	6	Yes	None	None	None
Sri Sandeep Ramesh	4	Yes	None	None	None
Dr. M. R. Naidu	6	No	2	4	None
Sri S.V. Narasimha Rao	4	No	1	None	None
Sri V. Ashok	5	No	1	None	None
Sri Satish Malladi	6	Yes	None	None	None

3) AUDIT COMMITTEE:

The Audit Committee consists of 3 Non-Executive Independent Directors with Sri S. V. Narasimha Rao as Chairman, Sri V. Ashok, Sri Satish Malladi as members. Company Secretary of the Company acts as Secretary of the Committee.

Brief Description of terms of reference of Audit Committee:

The Committee comprises of non-executive Directors, and has been formed to monitor and provide effective supervision of the financial control and reporting process. The terms of reference of the Committee cover the matters specified for Audit Committee under clause 49 of the Listing agreement as well as Section 292A of the Companies Act, 1956. This, inter alia, includes review of the financial reporting process, internal audit process, adequacy of internal control systems, management audit and risk management policies, and also recommendation on the appointment of the Statutory Auditors, Cost Auditors and their remuneration. Company Secretary is the Secretary of the Committee.

The Audit Committee met four times during the year 2011-12. Details of the attendance of each member at the Audit Committee meetings are as follows:

Name of the Director	Dates of Audit Committee Meetings			
	23.04.2011	14.08.2011	14.11.2011	14.02.2012
Sri S.V. Narasimha Rao	Yes	Yes	Yes	Yes
Sir V. Ashok	Yes	Yes	No	Yes
Sri Satish Malladi	Yes	Yes	Yes	Yes

4) REMUNERATION COMMITTEE:

The Company does not pay remuneration to the Non- Executive Directors of the Company except for the payment of sitting fees for attending such Meetings of the Board or Committees thereof. Remuneration of the Whole Time Directors is recommended by the Remuneration Committee, fixed by the Board, and approved by the shareholders.

The Remuneration Committee consists of 3 Non-Executive Directors with Sri Satish Malladi as Chairman and Sri S. V. Narasimha Rao, and Sri V. Ashok as members.

The Remuneration Committee met once on 14th August, 2011 during the year 2011-12.

Particulars of remuneration paid to the Board of Directors for the year ended 31st March, 2012 are given below:

(₹ in lakhs)

Executive Director	Salary	Perquisite	Commission	Total
Sri V.Ramesh	43.88	1.19	14.84	59.91
Sri Sandeep Ramesh	11.75	0.2	4.64	16.59

Non-Executive Directors	Sitting fees (₹)
Dr. M.R.Naidu	25,000
Sri S.V.Narasimha Rao	23,000
Sri V. Ashok	21,500
Sri Satish Malladi	26,000

5) SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:

To deal with investors' complaints regarding transfer/transmission of shares, non-receipt of certificates, dividends, annual reports, dematerialisation of shares and such other matters, the Company has set up a committee of directors known as Shareholders / Investors Grievance Committee consisting of 3 directors with 2 Non-Executive Directors and one Executive Director.

Dr. M. R. Naidu is the Chairman of this committee, and Sri V Ramesh, and Sri S. V. Narasimha Rao are members.

The Committee received two complaints, and resolved them during the year 2011-12. Therefore, no complaint was pending as on 31st March, 2012. Company Secretary of the Company acts as the Compliance Officer.

The Investors Grievance Committee met four times during the year 2011-12. Details of the attendance of each member at the Investors Grievance Committee meetings are as follows:

Name of the Director	Dates of Audit Committee Meetings			
	23.04.2011	14.08.2011	14.11.2011	14.02.2012
Dr. M. R. Naidu	Yes	Yes	Yes	Yes
Sri S.V. Narasimha Rao	Yes	Yes	Yes	Yes
Sir V. Ramesh	Yes	Yes	Yes	Yes

6) GENERAL BODY MEETINGS:

Details of last three Annual General Meetings:

Financial Year	: 2008 - 2009
Venue	: Registered Office Industrial Estate, Nacharam, Hyderabad - 500 076.
Date	: 30.09.2009
Time	: 11:00 A.M.
Special resolutions passed	
Financial Year	: 2009 - 2010
Venue	: Registered Office Industrial Estate, Nacharam, Hyderabad - 500 076.
Date	: 30.09.2010
Time	: 11:00 A.M.
No Special resolutions passed	
Financial Year	: 2010 - 2011
Venue	: J. S. Krishnana Murthy Hall FAPCCI, Federation House, Red Hills, Hyderabad - 500 004.
Date	: 30.09.2011
Time	: 10:00 A.M.
Special resolutions passed	

No Special Resolution, requiring approval through postal ballot, was passed during the above three years.

7) DISCLOSURES:**a) Related Party transactions:**

Names of the related parties and description of relationship:

(i) Key Management Personnel:

- (a) Sri V. Ramesh, Chairman and Managing Director
- (b) Sri Sandeep Ramesh, Executive Director
- (c) Sri K.V. Ramana, COO-NFD, and CFO
- (d) Sri V. Sridharan, COO-GLD

(ii) Names of the other related parties:

- (a) Dr. M. R. Naidu, Non-Executive Director
- (b) Smt. V. Hemalatha, Relative of Director
- (c) Smt. V. Rajeswari, Relative of Director
- (d) Smt. V. Shilpa, Relative of Director
- (e) Sri S.V.Narasimha Rao, Non-Executive Director
- (f) Sri Suraneni Arun, Relative of Director

(iii) Others:

- (a) Trigeo Technologies Private Limited
- (b) GSR Advisory Services Private Limited
- (c) Beardsell Limited

Details of transactions with related parties during the year:

(₹ in Lakhs)

Particulars of transaction	Key Management Personnel	Related Parties	Others	Total
i) Managerial Remuneration	102.12	2.00	-	104.12
ii) Interest on unsecured loans & fixed deposits to related parties	3.01	31.97	27.67	62.65
Purchase of Materials and Services	-	-	15.49	15.49
Amount payable to related parties	25.67	207.23	371.53	604.43
Trade Payable	-	-	4.48	4.48

b) Strictures and penalties:

No penalty or strictures have been imposed on the Company by either Stock Exchange or SEBI or any statutory authority for non-compliance on any matter related to capital markets during the last three years.

c) Compliance:

At every Board Meeting, a statement of compliance with all Laws and regulations as certified by the CFO/CMD and the Company Secretary is placed for noting by the Board. The Board reviews the compliance with all the applicable Laws and gives appropriate directions, wherever necessary.



d) Code of Conduct:

The Board of Directors have laid down a "Code of Conduct" for all the board members and the senior management of the Company, and the Code of Conduct has been posted on the web site of the Company. Annual declaration is obtained from every person covered by the Code of Conduct.

e) CEO Certification

The CEO have given a certificate to the Board as contemplated in clause 49 of the listing agreement.

f) Adoption of Non-Mandatory Requirements of Clause 49:

Board has constituted a Remuneration Committee with three Directors, all of whom are Non-Executive and Independent Directors, including the Chairman. The Committee recommends the remuneration of the Executive Directors.

8) MEANS OF COMMUNICATION:

The quarterly, half yearly and annual results of the Company in the prescribed format are published in the following newspapers.

- i. Financial Express (English)
- ii. Andhra Prabha (Vernacular language)

There is no practice of sending quarterly results to the households of shareholders.

Management Discussion and Analysis Report is annexed to the Directors' report, and forms part of the Annual Report.

9) GENERAL SHAREHOLDERS INFORMATION:

- | | |
|---|---|
| i) 28th Annual General Meeting | 29th September, 2012 |
| ii) Venue | J. S. Krishna Murthy Hall, FAPCCI, Federation House,
FAPCCI Marg, Red Hills, Hyderabad - 500 004 |
| iii) Financial Calendar | The Company follows April to March as its financial year.
The financial results are declared, as per the provisions of
the Listing Agreement. |
| iv) Date of Book Closure | 22nd September, 2012 to 29th September, 2012. (both days inclusive) |
| v) Listing on Stock Exchange | The BSE Limited, Mumbai |
| vi) Company Stock Code | BSE 530129 |
| vii) Demat ISIN Numbers
in NSDL & CDSL | INE445D01013 |

viii) Stock market data:

The monthly high and low quotations of the Company's shares at The BSE Limited, Mumbai during the year under review are as under:

Month	High (₹)	Low (₹)	Month	High (₹)	Low (₹)
April, 2011	207.15	124.00	October, 2011	186.00	157.00
May, 2011	213.00	164.00	November, 2011	195.90	148.50
June, 2011	202.00	162.05	December, 2011	184.00	121.00
July, 2011	249.95	165.00	January, 2012	193.00	145.00
August, 2011	219.10	158.20	February, 2012	180.00	139.00
September, 2011	193.50	155.20	March, 2012	163.85	103.00

ix) Registrar and Share Transfer Agents:

M/s. XL Softech Systems Ltd.

3, Sagar Society, Road No.2

Banjara Hills, Hyderabad - 500 034.

Ph: 040-23545913/14/15

Fax: 040-23553214

E-mail: xlfield@rediffmail.com / xlfield@gmail.com

x) Share Transfer System:

Transfer of securities in physical form is registered and, duly transferred share certificates are dispatched within time, provided the documents are in order.

With respect to the shares in Demat mode, the procedure adopted is as per the provisions of Depositories Act, 1996.

xi) Distribution of Shareholding as on 31st March, 2012:

Share holdings of Nominal value of Number of shares held	Shareholders		Share amount	
	No.	%	In ₹	%
Up to 100	1,509	61.82	8,55,560	2.85
101 - 200	318	13.03	5,82,130	1.94
201 - 300	160	6.55	4,42,450	1.47
301 - 400	60	2.46	2,30,940	0.77
401 - 500	98	4.01	4,81,420	1.60
501 - 1000	142	5.82	11,22,670	3.75
1001 - 2000	71	2.91	10,24,840	3.41
2001 - 3000	24	0.98	6,02,650	2.01
3001 - 4000	13	0.53	4,57,270	1.52
4001 - 5000	8	0.33	3,73,170	1.24
5001 - 10000	17	0.70	12,01,340	4.00
10001 and above	21	0.86	2,26,44,560	75.44
TOTAL	2,441	100.00	3,00,19,000	100.00



xii) Shareholding pattern as on 31st March, 2012:

Category	No. of shares	% of total capital
Promoter and Promoter group	14,62,913	48.73
Institutions		
Mutual Funds/UTI	Nil	Nil
Financial Institutions and banks	1,100	0.04
Non-Institutions		
Bodies Corporate	4,55,155	15.16
Individuals	9,69,631	32.31
Others		
NRI	1,07,004	3.56
Clearing Members	6,097	0.20
TOTAL	30,01,900	100.00

xiii) Dematerialisation of shares and liquidity:

As on 31st March, 2012, 92.10% (27,64,777 equity shares) of paid up capital has been dematerialised.

xiv) The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

xiv) Plant locations:

Lead: NFD-I: Survey No. 556, Panthangi (Village),
Choutuppal (Mandal),
Nalgonda (District) - 508 252.

NFD-II: Plot No. 38 & 40,
APIIC Industrial Park,
Gajulamandyam (Village),
Renigunta (Mandal),
Chittoor (District) - 517 520.

Wind Farm: Ramagiri (P.O.),
Dharmavaram (Mandal),
Ananthpur (District) - 515 672

Glass Lining:
(Discontinued) Road No.7, Industrial Estate,
Nacharam, Hyderabad - 500076.

xvi) Address for Communications: NILE Limited, Plot No.149/A, Old MLA Colony
Road No.12, Banjara Hills,
Hyderabad - 500034.

For and on behalf of the Board

Place : Hyderabad
Date : 21-07-2012

V. Ramesh
Chairman and Managing Director

Declaration of Code of Conduct

This is to confirm that the Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company. This Code of Conduct has also been posted on the web site of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31st March 2012, as envisaged in clause 49 of the listing agreement with Stock Exchange.

Place : Hyderabad
Date : 21-07-2012

V. Ramesh
Chairman and Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of
NILE Limited

We have examined the compliance of conditions of Corporate Governance by NILE Limited ("the Company") for the year ended on 31st March 2012, 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 has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring 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, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned 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 **Sarathy & Balu**
Chartered Accountants

Place : Hyderabad
Date : 21-07-2012

J. Venkateswarlu
Partner
ICAI Ms. No. 022481

AUDITORS' REPORT

To
The Members of NILE LIMITED

1. We have audited the attached balance sheet of NILE LIMITED ("the company") as at 31st March 2012, the statement of profit and loss and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ("the CARO, 2003") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ("the Act"), as amended from time to time, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (ii) 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.
 - (iii) The balance sheet, statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the balance sheet, statement of profit and loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act, to the extent applicable.
- (v) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2012;
 - b) in the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
5. On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as at 31st March 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
6. As the Central Government has not yet notified the date for levy and collection of Cess U/s.441A of the Companies Act, 1956, the company was not required to make any provision / payment of the said Cess for the year under report. Hence, our comments on the regularity or otherwise of the company in this regard are Nil.

for **SARATHY & BALU**
Chartered Accountants
(Firm Regn No.3621S)

J. VENKATESWARLU
Partner
ICAI Ms. No.022481

Place: Hyderabad
Date : 21-07-2012

Annexure to Auditors' Report dated 21/07/2012

[The annexure referred to in the Auditors' Report to the Members of NILE Limited ("the company") for the year ended 31st March, 2012]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) As per the information and explanations furnished to us, the company's fixed assets have been physically verified by the management at reasonable intervals as per a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.
- (c) As per the information and explanations given to us and as per the books of account audited by us, the Company's fixed assets disposed off during the year were not substantial and therefore do not affect the going concern status of the Company.
- (ii) (a) As per the information and explanations furnished to us, the inventory has been physically verified by the management during the year at reasonable intervals. In our opinion, the frequency of verification is reasonable and adequate.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) Based on the examination of records produced for our verification, we are of the opinion that the Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification between the physical stocks and the book stocks.
- (iii) (a) As per the information and explanations furnished to us and as per the books of account audited by us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence, clauses (iii)(b), (iii)(c) and (iii)(d) of paragraph 4 of the CARO'03 are not applicable to this company.
- (b) During the year under audit, the Company had taken unsecured loans/fixed deposits from 6 persons/entities covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year in these transactions was ₹ 1,036.98 lakhs (Prev. year ₹ 837.39 lakhs) and the year-end balance of loans taken from these parties (including the loans accepted in earlier years and continued in the current year) was ₹ 590.00 lakhs (Prev. year ₹ 577.00 lakhs).
- (c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from the parties listed in the register maintained under Section 301 of the Act, are not, prima facie, prejudicial to the interest of the company.
- (d) In our opinion and as per the information and explanations given to us, the company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company nor have we been informed of any such continuing failures.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the



particulars of all contracts or arrangements that need to be entered in the register maintained under Sec.301 of the Act, have been so entered.

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and exceeding the value of ₹ 5.00 lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, with regard to the deposits accepted from the public, the company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 58A, 58AA and other relevant provisions of the Act and the Rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against this company in any matter relating to the deposits accepted by the company.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has prescribed

maintenance of cost records U/s.209(1)(d) of the Act, for the Lead and Wind Power Divisions of the company. We have broadly reviewed the said records maintained by the company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

- (ix) According to the information and explanations furnished to us and as per the records of the company:-
 - a) the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service Tax, Custom Duty, Excise-Duty and other material statutory dues applicable to it. As the Govt. has not yet notified the date for levying Cess payable U/s.441A of the Act, we are of the view that the company is not required to make any provision/pay the said Cess. Hence, our comments on the regularity or otherwise of the payment of the Cess are Nil.
 - b) there are no undisputed arrears of statutory dues as at 31/3/2012 which are outstanding for a period of more than six months from the date they became payable.
 - c) Statutory dues viz., Income Tax, Sales Tax, Wealth-Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of dispute are as under:

Sl. No.	Name of Statute	Nature of Dues	Amount (₹ in lakhs)	Period to which the Amount Relates	Forum where Dispute is Pending	Remarks
i)	Finance Act, 1994	Service Tax	3.20	January, 2005 to October, 2007	CESTAT, Bangalore	Entire amount was paid under protest on 01.07.2012.
ii)	GHMC Act	Property Tax	10.93	2011-12	High Court of A.P.	Paid ₹ 1,56,882/- as per the interim orders of the Hon'ble Court on 03.05.2012.

- (x) The company has no accumulated losses as at the end of the financial year under audit and it has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of dues to any financial institution or bank. The company has not issued debentures.
- (xii) Based on our examination of documents and records and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Hence, maintenance of adequate documents and records for such loans and advances is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the provisions of special statute applicable to chit fund companies are not applicable to this company and the company is not a nidhi/mutual benefit fund/society. Therefore, provisions of paragraph 4(xiii) of the CARO, 2003 are not applicable to this Company.
- (xiv) In our opinion, and as per the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, provisions of Paragraph 4 (xiv) of the CARO, 2003 are not applicable to this Company.
- (xv) According to the information and explanations given to us, during the period covered under our audit, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) In our opinion, the term loans availed during the year under audit have been applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an over all examination of the balance sheet of the company, during the period covered under audit, no funds raised on short term basis have been used for long term investment.
- (xviii) According to the information and explanations given to us, during the period covered under our audit, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered under our audit, the Company has not issued any debentures. Hence, creation of security or charge for the same is not applicable.
- (xx) According to the information and explanations furnished to us, during the period covered under our audit, the Company has not raised any money by public issues. Therefore, provisions of Paragraph 4(xx) of the CARO, 2003 are not applicable to this company.
- (xxi) According to the information and explanations given to us and on the basis of our examination of the books of account, during the year covered under our audit, no fraud on or by the company has been noticed or reported to us.

for **SARATHY & BALU**
Chartered Accountants
(Firm Regn No.3621S)

J. VENKATESWARLU
Partner
ICAI Ms. No.022481

Place: Hyderabad
Date : 21-07-2012



Balance Sheet as at 31st March, 2012

(₹ in Lakhs)

Particulars	Note No.	Figures As at 31st March, 2012	Figures As at 31st March, 2011
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	300.19	300.19
(b) Reserves and surplus	2	3,618.91	3,135.87
Sub-total (1)		<u>3,919.10</u>	<u>3,436.06</u>
(2) Non-current liabilities			
(a) Long-term borrowings	3	1,215.80	1,266.78
(b) Deferred tax liabilities (Net)	4	358.47	257.01
(c) Long-term provisions	5	14.76	22.66
Sub-total (2)		<u>1,589.03</u>	<u>1,546.45</u>
(3) Current liabilities			
(a) Short-term borrowings	6	4,847.26	4,444.72
(b) Trade payables	7	1,402.12	3,641.99
(c) Other current liabilities	8	1,200.80	1,168.32
(d) Short-term provisions	9	98.36	419.14
Sub-total (3)		<u>7,548.54</u>	<u>9,674.17</u>
TOTAL		<u><u>13,056.67</u></u>	<u><u>14,656.68</u></u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	4,622.68	2,719.95
(ii) Capital work-in-progress		-	681.65
		<u>4,622.68</u>	<u>3,401.60</u>
(b) Non-current investments	11	91.16	91.16
(c) Long-term loans and advances	12	133.63	457.17
Sub-total (1)		<u>4,847.47</u>	<u>3,949.93</u>
(2) Current assets			
(a) Inventories	13	4,131.07	5,432.52
(b) Trade receivables	14	1,933.18	4,114.48
(c) Cash and bank balances	15	916.32	234.66
(d) Short-term loans and advances	16	1,220.94	918.95
(e) Other current assets	17	7.69	6.14
Sub-total (2)		<u>8,209.20</u>	<u>10,706.75</u>
TOTAL		<u><u>13,056.67</u></u>	<u><u>14,656.68</u></u>
Notes to the financial statements	1-28		

Per our report of even date attached.

For **Sarathy & Balu**
Chartered Accountants
(Firm Regn. No.3621S)

For and on behalf of the Board of Directors

J. Venkateswarlu
Partner
ICAI Ms No.022481

V. Ramesh
Chairman and Managing Director

Sandeep Ramesh
Executive Director

Place: Hyderabad
Date : 21.07.2012

Bikram Keshari Prusty
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2012

(₹ in Lakhs)

Particulars	Note No.	Figures for the year ended 31st March, 2012	Figures for the year ended 31st March, 2011
I. INCOME			
(1) Revenue from operations	18	30,001.70	27,466.91
Less: Excise duty		<u>2,465.52</u>	<u>1,999.13</u>
		27,536.18	25,467.78
(2) Other income	19	<u>93.75</u>	<u>123.70</u>
TOTAL		<u>27,629.93</u>	<u>25,591.48</u>
II. EXPENSES			
(a) Cost of materials consumed	20	20,871.97	20,968.47
(b) Changes in inventories of finished goods and work-in-progress	21	1,283.64	-318.10
(c) Employee benefits expense	22	439.65	299.63
(d) Finance costs	23	604.71	527.60
(e) Depreciation and amortisation expense	10	141.43	124.72
(f) Other expenses	24	<u>3,602.18</u>	<u>3,137.05</u>
TOTAL		<u>26,943.58</u>	<u>24,739.37</u>
III. Profit before Exceptional and Extraordinary items and Tax		686.35	852.11
Less: Exceptional and Extraordinary items		<u>-</u>	<u>-</u>
IV. Profit before tax		686.35	852.11
Less: Tax Expense:			
(a) Current tax		137.32	247.42
(b) Prior period tax liability/(credit)		-12.56	-2.84
(c) Deferred tax		<u>112.12</u>	<u>10.91</u>
TOTAL TAX EXPENSE		<u>236.88</u>	<u>255.49</u>
V. Profit after tax for the year from continuing operations		<u>449.47</u>	<u>596.62</u>
VI. Profit before tax from Discontinuing Operations [Note No.25.6]		133.28	161.99
Less: Tax expense of discontinuing operations		<u>16.01</u>	<u>40.93</u>
VII. Profit after tax from Discontinuing Operations		<u>117.27</u>	<u>121.06</u>
VIII. Profit for the period (V+VII)		<u>566.74</u>	<u>717.68</u>
Earnings per equity share of ₹ 10/- each			
(a) Basic and diluted:			
- Continuing operations (₹)		15/-	20/-
- Discontinuing operations (₹)		<u>4/-</u>	<u>4/-</u>
TOTAL EPS		<u>19/-</u>	<u>24/-</u>
Notes to the financial statements	1-28		

Per our report of even date attached.

For **Sarathy & Balu**
Chartered Accountants
(Firm Regn. No.3621S)

J. Venkateswarlu
Partner
ICAI Ms No.022481
Place: Hyderabad
Date : 21.07.2012

For and on behalf of the Board of Directors

V. Ramesh
Chairman and Managing Director

Sandeep Ramesh
Executive Director

Bikram Keshari Prusty
Company Secretary

Cash Flow Statement for the year ended 31st March, 2012

(₹ in Lakhs)

Particulars	2011-12	2010-11
A. Cash Flow From Operating Activities:		
i) Continuing Operations		
Net Profit Before Tax	686.35	852.11
<i>Adjustments for :</i>		
- Depreciation	141.43	124.72
- Profit on Sale and discarded/demolition of Assets	(5.81)	1.07
- Interest	516.56	439.57
Operating profit before working capital changes	<u>1,338.53</u>	<u>1,417.47</u>
<i>Adjustments for :</i>		
- Trade and other receivables	2,016.51	(3,024.56)
- Inventories	1,271.84	(137.37)
- Trade payable	(2,266.47)	1,205.32
Cash generated from operations	<u>2,360.41</u>	<u>(539.14)</u>
Cash flow before Extraordinary items & Prior period adjustments	2,360.41	(539.14)
Prior period adjustments	12.56	2.84
Tax paid	(368.13)	(19.78)
Net cash flow from operating activities (sub-total-i)	<u>2,004.84</u>	<u>(556.08)</u>
ii) Discontinuing Operations		
Net cash flow from operating activities	<u>221.51</u>	<u>173.26</u>
Total-A (i+ii)	<u>2,226.35</u>	<u>(382.82)</u>
B. Cash Flow From Investing Activities:		
i) Continuing Operations		
Purchase of fixed assets	(1,067.81)	(1,221.54)
Proceeds from sale of assets	9.42	0.37
Net cash used in investing activities (sub-total-i)	<u>(1,058.39)</u>	<u>(1,221.17)</u>
ii) Discontinuing Operations		
Net cash used in investing activities	<u>(7.94)</u>	<u>(22.68)</u>
Total-B (i+ii)	<u>(1,066.33)</u>	<u>(1,243.85)</u>
C. Cash Flow From Financing Activities:		
i) Continuing Operations		
Proceeds from Long term borrowings	692.13	657.87
Repayment of Long term borrowings	(462.80)	(366.55)
(Repayments)/Proceeds from other borrowings (net)	(138.67)	2,073.17
Investment subsidy received	7.93	15.00
Dividend & tax on dividend paid	(70.01)	(35.12)
Interest Paid	(516.56)	(439.57)
Net cash flow from financing activities (sub-total-i)	<u>(487.98)</u>	<u>1,904.80</u>
ii) Discontinuing Operations		
Net cash flow from financing activities	<u>90.22</u>	<u>(227.74)</u>
Total-C (i+ii)	<u>(397.76)</u>	<u>1,677.06</u>
Net (decrease)/increase in cash and cash equivalents	762.26	50.39
Opening cash and cash equivalents	53.66	3.27
Closing cash and cash equivalents	815.92	53.66
Note: Cash and cash equivalents Comprises:		
(i) Balance with Scheduled Banks:		
(a) in Current Accounts	814.37	52.85
(ii) Cash in Hand	1.55	0.81
Total	<u>815.92</u>	<u>53.66</u>

The above Cash Flow Statement has been prepared using indirect method, in accordance with AS-3: Cash Flow Statement. Previous year figures have been restated wherever necessary to conform to this year's classification.

Per our report of even date attached.

For **Sarathy & Balu**
Chartered Accountants
(Firm Regn. No.3621S)

For and on behalf of the Board of Directors

J. Venkateswarlu
Partner
ICAI Ms No.022481
Place : Hyderabad
Date : 21.07.2012

V. Ramesh
Chairman and Managing Director

Sandeep Ramesh
Executive Director

Bikram Keshari Prusty
Company Secretary

Notes to financial statements for the year ended 31st March, 2012

(₹ in Lakhs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
1) SHARE CAPITAL		
(a) Authorised		
50,00,000 Equity shares of ₹ 10/- each (Previous year : 50,00,000 Equity shares of ₹ 10/- each)	<u>500.00</u>	<u>500.00</u>
(b) Issued, subscribed and fully paid-up		
30,01,900 equity shares of ₹ 10/- each fully paid-up (Previous year: 30,01,900 equity shares of ₹ 10/- each fully paid-up)	<u>300.19</u>	<u>300.19</u>
TOTAL	<u><u>300.19</u></u>	<u><u>300.19</u></u>
(c) Reconciliation of number of shares outstanding at the beginning & at the end of the reporting period		
No. of shares outstanding at the beginning of the year - 30,01,900	300.19	300.19
Add/(Less): Addition/(reduction)	<u>0.00</u>	<u>0.00</u>
No. of shares outstanding at the end of the year - 30,01,900	<u>300.19</u>	<u>300.19</u>
(d) The Company has only one class of shares i.e. equity shares with equal rights for dividend and repayment. Each holder of the shares is entitled to one vote per share. Dividend on equity proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.		

(e) List of Shareholders holding more than 5% of shares:

Name of the Shareholder	As at 31st March, 2012		As at 31st March, 2011	
	No. of shares of ₹ 10/- each fully paid-up	% to paid-up capital	No. of shares of ₹ 10/- each fully paid-up	% to paid-up capital
(i) Vuyyuru Rajeswari	9,86,474	32.86	9,86,474	32.86
(ii) GMM Pfaunder Limited	2,52,729	8.42	2,82,543	9.41
(iii) Ramesh Vuyyuru	2,21,208	7.37	2,21,208	7.37
(iv) Sandeep Vuyyuru Ramesh	1,82,024	6.06	1,82,024	6.06
(v) Karamsad Investments Limited	1,53,624	5.12	2,45,753	8.19



Notes to financial statements Continued.....

(₹ in Lakhs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
2) RESERVES AND SURPLUS		
(a) Securities Premium reserve -as in last year	<u>1,092.88</u>	<u>1,092.88</u>
(b) Revaluation reserve		
Opening balance	231.70	245.63
Less: Withdrawal towards the current year		
Depreciation on revalued portion	12.49	13.93
Withdrawal relating to assets disposed during the year	1.43	-
Closing balance	<u>217.78</u>	<u>231.70</u>
(c) General reserve		
Opening balance	218.00	164.00
Add: Transfer from current year profits	43.00	54.00
Closing balance	<u>261.00</u>	<u>218.00</u>
(d) Investment Subsidy		
Opening balance	75.00	60.00
Add: Received during the year	-	15.00
Closing balance	<u>75.00</u>	<u>75.00</u>
(e) Balance in Statement of Profit and Loss		
Opening balance	1,518.29	924.62
Add: Profit for the year	566.74	717.68
Amount available for appropriations	2,085.03	1,642.30
Less: Proposed dividend	60.04	60.04
Tax on dividend	9.74	9.97
Transferred to General reserve	43.00	54.00
Closing balance	<u>1,972.25</u>	<u>1,518.29</u>
TOTAL	<u><u>3,618.91</u></u>	<u><u>3,135.87</u></u>

Notes to financial statements Continued.....

(₹ in Lakhs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
3) LONG-TERM BORROWINGS		
(a) Term loans from banks–Secured	810.00	860.98
(b) Deferred payment liabilities-Sales tax deferment loan–Unsecured	405.80	405.80
TOTAL	<u>1,215.80</u>	<u>1,266.78</u>

a) Term Loans from banks - secured:

- (i) Rupee term loan from Andhra Bank [Limit ₹ 320.00 Lakhs] outstanding as at 31st March, 2012: ₹ 62.21 Lakhs (Previous year – ₹ 168.88 Lakhs) carries interest @ Base Rate+2.75%, repayable in 36 monthly installments of ₹ 8.89 Lakhs each.
- (ii) Rupee term loan from Andhra Bank [Limit ₹ 315.00 Lakhs] outstanding as at 31st March, 2012: ₹ 61.32 Lakhs (Previous year – ₹ 166.32 Lakhs) carries interest @ Base Rate+2.75%, repayable in 36 monthly installments of ₹ 8.75 Lakhs each.
- (iii) Rupee term loan from Andhra Bank [Limit ₹ 1350.00 Lakhs] outstanding as at 31st March, 2012: ₹ 1102.49 Lakhs (Previous year – ₹ 657.87 Lakhs) carries interest @ Base Rate+3.75%, repayable in 60 monthly installments of ₹ 22.50 Lakhs each. .

All the above loans are secured by equitable mortgage/hypothecation of Land, Buildings & Equipment of the Glass Lining Division at Nacharam and Lead Units at Choutuppall and Tirupathi and collaterally secured by charge on the unencumbered Plant & Machinery of Wind Mills at Ramagiri and guaranteed by Managing Director of the company in his personal capacity.

- (iv) Additional Working capital loan from Andhra Bank under 'Term loan facility' [Limit ₹ 500.00 Lakhs] outstanding as at 31st March, 2012: ₹ 111.11 Lakhs (Previous year - ₹ 277.78 Lakhs) carries interest @ Base Rate+3.75%, repayable in 36 monthly installments of ₹ 13.89 Lakhs each. The loan is secured by first charge on all the unencumbered fixed assets of the Company and extension of the security of Term loans and collaterally secured by book value of unencumbered fixed assets consisting of Land and Building at Nacharam Unit and Plant and Machinery of Windmills at Ramagiri and first charge on all fixed assets including Land and Buildings of Lead Units at Choutuppall and Tirupathi and guaranteed by the Managing Director of the company in his personal capacity.

Note: Outstanding balance shown in (i) to (iv) above includes the amount due for less than 12 months which is shown as "current maturities of long term debt" under the head "other current liabilities", note No.8.

b) Deferred payment liabilities:

Deferred payment liability is the sales tax collected and retained under deferment scheme of Government of Andhra Pradesh repayable as per the sanctioned scheme. As per the scheme, the company is eligible to retain the sales tax collected in the first 14 years of operations subject to a maximum of ₹ 405.80 Lakhs. The Sales Tax deferred in a year should be repaid at the end of 14th year without interest. First repayment of loan commences in 2014-15.

Note: There are no continuing defaults as on the Balance sheet date in repayment of all the above term loans and interest thereon and deferred liabilities.

Notes to financial statements Continued.....

(₹ in Lakhs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
4) DEFERRED TAX LIABILITIES (NET)		
(i) Deferred tax liability on timing differences of Depreciation	363.58	266.71
(ii) Deferred tax asset on timing differences of Leave encashment	5.11	9.70
Net deferred tax liability	<u>358.47</u>	<u>257.01</u>
5) LONG-TERM PROVISIONS		
Provision for employee benefits - Leave encashment (Note 25.2.B)	14.76	22.66
TOTAL	<u>14.76</u>	<u>22.66</u>
6) SHORT-TERM BORROWINGS		
(a) Loans repayable on demand		
From banks – Secured		
Open cash credit facility	4,197.26	3,801.22
	<u>4,197.26</u>	<u>3,801.22</u>
(b) Deposits - Unsecured		
(i) Inter Corporate Deposits	363.00	250.00
(ii) Deposits:		
- from Directors	35.00	30.00
- from related parties	192.00	297.00
- from Others	60.00	66.50
	<u>650.00</u>	<u>643.50</u>
TOTAL	<u>4,847.26</u>	<u>4,444.72</u>

Notes:

- (i) Open cash credit from Andhra Bank (limit ₹ 5000.00 Lakhs, Previous year ₹ 4000.00 Lakhs) and FUBD backed by LC- outside MPBF (limit) ₹ 750.00 Lakhs, Previous year ₹ 750.00 Lakhs carries interest @ Base rate + 3.25% and secured by hypothecation of all raw materials, work-in-progress, finished goods, receivables and collaterally secured by book value of unencumbered fixed assets of the company consisting of Land, Building, Plant & Machinery, other assets situated at Nacharam Unit and Plant & Machinery of Windmills at Ramagiri and Fixed assets i.e Land & Buildings, Plant & Machinery and other assets of Lead Units situated at Choutuppall and Tirupathi and guaranteed by the Managing Director of the company in his personal capacity.
- (ii) Intercorporate and fixed deposits carry interest @12% per annum, payable quarterly, repayable as per the terms of repayment agreed, over a period ranging from 6 to 36 months from the date of acceptance.
- (iii) There are no defaults as on the Balance sheet date in repayment of the above loans, deposits and interest thereon.

Notes to financial statements Continued.....

(₹ in Lakhs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
4) DEFERRED TAX LIABILITIES (NET)		
(i) Deferred tax liability on timing differences of Depreciation	363.58	266.71
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From banks – Secured		
Open cash credit facility	4,197.26	3,801.22
	<u>4,197.26</u>	<u>3,801.22</u>
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	<u>650.00</u>	<u>643.50</u>
TOTAL	<u>4,847.26</u>	<u>4,444.72</u>

Notes:

- (i) Open cash credit from Andhra Bank (limit ₹ 5000.00 Lakhs, Previous year ₹ 4000.00 Lakhs) and FUBD backed by LC- outside MPBF (limit) ₹ 750.00 Lakhs, Previous year ₹ 750.00 Lakhs carries interest @ Base rate + 3.25% and secured by hypothecation of all raw materials, work-in-progress, finished goods, receivables and collaterally secured by book value of unencumbered fixed assets of the company consisting of Land, Building, Plant & Machinery, other assets situated at Nacharam Unit and Plant & Machinery of Wind Mills at Ramagiri and Fixed assets i.e Land & Buildings, Plant & Machinery and other assets of Lead Units situated at Choutuppal and Tirupathi and guaranteed by the Managing Director of the company in his personal capacity.
- (ii) Intercorporate and fixed deposits carry interest @12% per annum, payable quarterly, repayable as per the terms of repayment agreed, over a period ranging from 6 to 36 months from the date of acceptance.
- (iii) There are no defaults as on the Balance sheet date in repayment of the above loans, deposits and interest thereon.

Notes to financial statements Continued.....

(₹ in Lakhs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
7) TRADE PAYABLES - UNSECURED		
(a) Due to Micro, Small and Medium enterprises	-	-
(b) Due to others	1,402.12	3,641.99
TOTAL	<u>1,402.12</u>	<u>3,641.99</u>
Note:		
(i) There are no defaults as on the balance sheet date in repayment of the trade payables.		
(ii) Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the company.		
(ii) Disclosures relating to Micro, Small and Medium Enterprises are as under :-		
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due & payable in succeeding years	-	-
8) OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt (Refer Note.3)	527.14	415.49
(b) Interest accrued but not due on borrowings	16.04	13.05
(c) Interest accrued and due on borrowings	13.90	-
(d) Advance from customers	353.37	318.22
(e) Unclaimed dividends	8.56	7.11
(f) Creditors for capital expenditure	27.09	30.97
(g) Other payables	254.70	383.48
TOTAL	<u>1,200.80</u>	<u>1,168.32</u>
9) SHORT-TERM PROVISIONS		
(a) Provision for employee benefits:		
(i) Leave encashment (Note 25.2.B)	0.97	6.54
(ii) Gratuity (net)(Note 25.2.B)	12.22	19.26
(b) Other Provisions:		
(i) for income tax (net of advance tax)	4.01	262.63
(ii) for proposed dividend on equity capital (@ ₹ 2/- per share)	60.04	60.04
(iii) for income tax on proposed dividend	9.74	9.97
(iv) for Excise Duty (on Closing Stocks)	11.38	60.70
TOTAL	<u>98.36</u>	<u>419.14</u>

Notes to financial statements Continued.....

10. FIXED ASSETS		(₹ In Lakhs)										
Sl. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK				
		As at 01.04.2011	Additions	Deductions	Total as at 31.03.2012	Upto 31.03.2011	For the year	On deductions	Total upto 31.03.2012	As at 31.03.2012	As at 31.03.2011	
A)	Tangible assets:											
(i)	Freehold Land	307.01	-	9.29	297.72	-	-	-	-	297.72	307.01	
(ii)	Buildings	1,629.35	643.50	-	2,272.85	370.52	55.36	-	425.88	1,846.97	1,258.83	
(iii)	Plant & Equipment	2,129.19	1,453.50	-	3,582.69	1,101.65	146.48	-	1,248.13	2,334.56	1,027.54	
(iv)	Furniture & Fittings	27.36	13.10	9.88	30.58	20.97	2.24	9.22	13.99	16.59	6.39	
(v)	Vehicles	107.00	13.48	10.12	110.36	29.32	10.31	5.67	33.96	76.40	77.68	
(vi)	Office Equipment	123.11	23.48	37.56	109.03	80.61	13.10	35.12	58.59	50.44	42.50	
	TOTAL	4,323.02	2,147.06	66.85	6,403.23	1,603.07	227.49	50.01	1,780.55	4,622.68	2,719.95	
	Previous year	4,123.24	253.82	54.04	4,323.02	1,443.53	212.25	52.70	1,603.07	2,719.95	2,679.71	

Note:

The above figures include assets and depreciation of 'discontinued operations' also.

Notes to financial statements Continued.....

(₹ in Lakhs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
11) NON-CURRENT INVESTMENTS		
Investments in equity instruments - non trade - At cost - unlisted - fully paid-up:		
(i) Equity shares of GLW Ltd (a joint venture) (19.55% of Capital) [Previous year – 19.55%]	91.16	91.16
TOTAL	<u>91.16</u>	<u>91.16</u>
12) LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
(a) Capital Advances	7.58	394.93
(b) Security deposits	126.05	62.24
Note: Due by Directors or other officers of the company or any of them either severally or jointly with any other persons or due by firms / private companies in which any Director is a Partner or a Director or a Member - Nil-		
TOTAL	<u>133.63</u>	<u>457.17</u>
13) INVENTORIES		
(At lower of cost and net realisable value)		
(a) Raw materials:		
- M.S. Materials	774.55	530.31
- Lead	199.01	237.43
- Other materials	233.48	236.70
(b) Work-in-progress		
(i) Glass Lined items	1,978.99	2,253.30
(ii) Lead	457.72	1,241.31
(c) Finished goods - Lead	100.36	650.07
(d) Stores and spares	386.96	283.40
TOTAL	<u>4131.07</u>	<u>5,432.52</u>
14) TRADE RECEIVABLES		
(Unsecured, considered good)		
(a) Outstanding for a period exceeding six months from the date they are due for payment	4.51	22.77
(b) Others	1,928.67	4,091.71
Note: Due by Directors or other officers of the company or any of them either severally or jointly with any other persons or due by firms / private companies in which any Director is a Partner or a Director or a Member - Nil-		
TOTAL	<u>1,933.18</u>	<u>4,114.48</u>

Notes to financial statements Continued.....

(₹ in Lakhs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
15) CASH AND BANK BALANCES:		
(a) Cash and Cash equivalents:		
(i) Balance with Scheduled Banks in India in current accounts	814.37	52.85
(ii) Cash on hand	1.55	0.81
(b) Other balances with banks:		
(i) in Deposit Accounts held as margin money or security against borrowings, guarantees and other commitments.		
- With more than 12 months maturity	5.90	4.54
- Others	85.95	169.35
(ii) in Unclaimed dividend accounts	8.55	7.11
TOTAL	<u>916.32</u>	<u>234.66</u>
16) SHORT-TERM LOANS AND ADVANCES (Unsecured, considered good)		
(a) Loans and advances to related parties	-	-
(b) Others:		
(i) Advances for Purchases, Expenses & Services	1,052.00	569.23
(ii) Loans and advances to employees	6.01	2.18
(iii) Prepaid expenses	12.20	13.94
(iv) Balances with government departments		
- CENVAT credit	101.34	283.22
- Income Tax Refund receivable	42.57	50.38
- Receivable from AP Govt. for the land acquired	6.82	-
Note: Due by Directors or other officers of the company or any of them either severally or jointly with any other persons or due by firms / private companies in which any Director is a Partner or a Director or a Member - Nil.		
TOTAL	<u>1,220.94</u>	<u>918.95</u>
17) OTHER CURRENT ASSETS		
(i) Interest accrued but not due on deposits with banks and others	7.69	6.14
TOTAL	<u>7.69</u>	<u>6.14</u>
Particulars	Figures for the year ended 31st March, 2012	Figures for the year ended 31st March, 2011
18) REVENUE FROM OPERATIONS (FROM CONTINUING OPERATIONS)		
a) Sale of products - Manufactured goods:		
(i) Lead		
Domestic sales	26,135.27	21,389.07
Export sales	1,129.77	4,465.00
	<u>27,265.04</u>	<u>25,854.07</u>
(ii) Wind Power	87.84	72.94
TOTAL (a)	<u>27,352.88</u>	<u>25,927.01</u>
b) Sale of services - Lead Job work charges	2,638.12	1,536.53
c) Other operating revenues - Scrap sales	10.70	3.37
TOTAL (a) + (b) + (c)	<u>30,001.70</u>	<u>27,466.91</u>
Less: Excise duty	2,465.52	1,999.13
TOTAL	<u>27,536.18</u>	<u>25,467.78</u>

Notes to financial statements Continued.....

(₹ In Lakhs)

Particulars	Figures for the year ended 31st March, 2012	Figures for the year ended 31st March, 2011
19) OTHER INCOME		
(i) Interest income on		
- Deposits with banks	5.05	1.50
- Others	16.73	15.30
(ii) Net gain on foreign currency transaction and translation	-	103.21
(iii) Profit on sale of assets	5.81	-
(iv) Scrap batteries collection charges	66.16	-
(v) Miscellaneous receipts	-	3.69
TOTAL	<u>93.75</u>	<u>123.70</u>
20) COST OF MATERIALS CONSUMED:		
Opening stock (Lead)	237.43	487.10
Add: Purchases	<u>20,833.55</u>	<u>20,718.80</u>
	21,070.98	21,205.90
Less: Closing stock of raw materials	199.01	237.43
TOTAL	<u>20,871.97</u>	<u>20,968.47</u>
21) CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
(a) At the beginning of the year (Lead):		
(i) Finished goods	650.07	865.64
(ii) Work-in-progress	1,241.31	727.77
	<u>1,891.38</u>	<u>1,593.41</u>
(b) At the end of the year (Lead):		
(i) Finished goods	100.36	650.07
(ii) Work-in-progress	457.72	1,241.31
	<u>558.08</u>	<u>1,891.38</u>
	1,333.30	(297.97)
Add/(Less): Excise duty	<u>(49.66)</u>	<u>(20.13)</u>
Net (increase)/decrease in the closing inventory	<u>1,283.64</u>	<u>(318.10)</u>
22) EMPLOYEE BENEFITS EXPENSE (including managerial remuneration)		
Salaries and wages	327.48	255.60
Contributions to provident and other funds	72.24	16.14
Staff welfare expenses	39.93	27.89
TOTAL	<u>439.65</u>	<u>299.63</u>

Notes to financial statements Continued.....

(₹ in Lakhs)

Particulars	Figures for the year ended 31st March, 2012	Figures for the year ended 31st March, 2011
23) FINANCE COSTS		
(a) Interest expense on:		
(i) Borrowings from:		
- Banks on fixed loans	62.03	72.09
- Banks on working capital loans	410.01	334.55
- Directors	4.53	-
- Others	39.99	32.92
(b) Other finance costs (bank commission & charges)	88.15	88.04
TOTAL	<u>604.71</u>	<u>527.60</u>
Expenditure not included above and capitalised to Fixed assets:		
Interest on Term loans paid to Bank	116.71	14.07
24) OTHER EXPENSES		
Stores and spare parts consumed	2,250.24	1,271.71
Surplus/(Deficit) in hedging of raw materials	(366.37)	366.78
Job work charges	-	0.61
Power and fuel	918.17	715.74
Packing materials consumed	18.21	17.79
Other production expenses	190.32	117.77
Windmills maintenance expenses	10.20	9.21
Directors sitting fee	0.54	0.43
Recruitment & Training of personnel	2.04	0.28
Books & Periodicals	4.15	0.93
Rent	4.57	-
Rates and taxes	6.27	6.11
Repairs and maintenance - Buildings	5.42	7.42
- Plant & Machinery	66.82	59.05
- Others	1.06	0.52
Insurance	13.40	19.22
Communication expenses	6.95	6.01
Traveling and conveyance	9.75	9.87
Printing and stationery	4.47	6.59
Carriage outwards	232.10	337.60
Commission	14.50	44.46
Discounts	75.61	106.91
Advertisement and Business promotion expenses	1.07	1.37
Donations and contributions	1.33	0.25
Vehicle Maintenance charges	6.59	6.54
Legal and professional charges	10.35	11.63
Payment to auditors:		
- As auditors	1.85	1.36
- For taxation matters	0.40	0.15
- For management services	0.33	0.69
Loss on foreign currency transaction & translation	104.01	-
Loss on Sale / discarded fixed assets	-	1.07
General & Miscellaneous expenses	7.83	8.98
TOTAL	<u>3,602.18</u>	<u>3,137.05</u>

25. MEASUREMENT AND DISCLOSURES AS PER ACCOUNTING STANDARDS

25.1 Significant Accounting Policies - (AS-1):

(a) Basis of Preparation of Financial Statements:

Financial statements have been prepared and presented under historical cost convention in accordance with the accounting principles generally accepted in India having due regard to fundamental accounting assumptions of going concern, consistency and accrual and comply with the Accounting Standards referred to in Sec.211 (3C) of the Companies Act, 1956 as applicable and with the relevant provisions of the Companies Act, 1956.

(b) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

(c) Revenue Recognition:

Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of products are transferred to customers. Revenue from domestic sales of products is recognized on dispatch of products. Revenue from export sales is recognized on shipment of products. Revenue from products is stated inclusive of duties, taxes but exclusive of returns, and applicable trade discounts and allowances.

Revenue from services is recognized as per the terms of contract with customers when the related services are performed, or the agreed milestones are achieved.

(d) Fixed Assets:

Fixed assets, other than the assets which were revalued, are carried at cost of construction or acquisition less accumulated depreciation. Fixed assets which were revalued were carried at revalued values.

Cost includes non-refundable taxes, duties, freight, borrowing costs and other incidental expenses related to the acquisition and installation of the respective assets.

Cost of fixed assets not ready for their intended use before the balance sheet date is treated as capital work-in-progress.

Fixed assets which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the books of account and the difference, if any, between the cost of such assets and the accumulated depreciation thereon is charged to Statement of Profit & Loss.

(e) Depreciation:

Depreciation on Furniture & Fixtures and Office equipment has been provided under Written Down Value (WDV) method and on other fixed assets under Straight-Line Method (SLM) at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

In the case of revalued assets, amount equivalent to the depreciation on the increased value of assets on account of revaluation is withdrawn from the Revaluation Reserve Account and credited to the Statement of Profit and Loss.

(f) Impairment of Assets:

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is treated as impaired when the carrying cost exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in a prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(g) Employee Benefits:

Retirement benefits to employees comprise of payments under Defined Contribution Plans like Provident Fund and payments under Defined Benefit Schemes like Gratuity and Leave encashment.

Payments under defined contribution plans are charged to revenue on accrual. The liability in respect of defined benefit schemes is arrived based on actuarial valuation made at the end of the year by using projected unit credit method.

(h) Valuation of Inventories:

Inventories are valued at the lower of cost and net realizable value.

Cost is arrived at by using weighted average method and includes all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(i) Investments:

Investments intended to be held for more than one year are treated as long term and others as short-term. Short-term investments are carried at the lower of cost or quoted / fair value, computed category wise and long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

(j) Prior period expenses/Income:

The Company follows the practice of making adjustments through "expenses/income under/over provided" in previous years in respect of material transactions pertaining to that period prior to the current accounting year.

(k) Tax Expense:

Deferred tax resulting from "Timing Difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

Provision is made for tax on Income and dividend distribution tax as per the applicable provisions of Income Tax Act, 1961.

(l) Foreign Exchange Transactions:

Transactions denominated in foreign currency are accounted for initially at the exchange rate prevailing on the date of transaction. Foreign Currency monetary Assets and Liabilities are translated at year end exchange rates. Fluctuations, if any, due to change in exchange rates between the dates of transactions and the dates of crystallisation are debited / credited to Statement of Profit & Loss.

(m) Derivative instruments and hedge accounting

The company's activities expose primarily to the financial risks of changes in commodity prices in particular, Lead, on International Commodity Exchanges. The company uses Futures/Options contracts to hedge these risks. The company does not use derivative financial instruments for trading or speculative purposes. The use of financial derivatives is governed by the company's policies approved by the board of directors, which provide written principles on the use of financial derivatives. The gains or losses on hedging activities are recognised in Statement of Profit and Loss.

(n) Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

(o) 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 on accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

(p) Earnings per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(q) General:

Accounting policies not specifically referred to above are in consistent with the generally accepted accounting principles followed in India.

25.2. Employee Benefits (AS-15):

The company has classified various benefits to employees as under:

A) Defined Contribution Plans
Provident Fund:

Provident fund is operated through the Regional Provident Fund Authority under the scheme. The company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by Income tax authorities. The company has recognized the following amounts in the Statement of Profit and Loss for the year:

(₹ in Lakhs)

Sl.No.	Particulars	2011-12	2010-11
a)	Contribution to provident fund	58.76	47.26

B) Defined Benefit Plan

i) Gratuity

ii) Leave Encashment

Leave encashment is payable to eligible employees who have earned leaves during the employment and / or on superannuation as per the Company's policy.

Actuarial Valuation in respect of Gratuity and Leave Encashment has been carried out by an actuary as at the Balance Sheet date and the details are as under:

(₹ in Lakhs)

Sl. No.	Particulars	Gratuity		Leave Encashment	
		Current Year	Previous Year	Current Year	Previous Year
i)	Discount Rate	8.00%	8.00%	8.00%	8.00%
	Salary Escalation	4.00%	5.00%	4.00%	5.00%
	Rate of return on Plan assets	9.15%	9.15%	0%	0%
	Expected average remaining working lives of employees	20 years	21 years	20 years	21 years
ii)	Changes in present value of obligation				
	Present value of obligations as at beginning of year	108.35	76.81	29.19	22.70
	Interest cost	7.44	6.15	2.33	1.83
	Current Service Cost	5.44	4.24	4.01	6.90
	Past Service Cost	-	6.58	-	-
	Benefits Paid	(6.65)	(11.40)	(6.54)	(5.63)
	Actuarial (gain)/loss on obligations	8.50	25.97	(13.26)	3.40
	Present value of obligations as at end of year	123.08	108.35	15.73	29.20
iii)	Changes in fair value of plan assets				
	Fair value of plan assets at beginning of year	89.09	92.33	-	-
	Expected return on plan assets	9.17	8.16	-	-
	Contributions	19.25	-	-	-
	Benefits Paid	(6.65)	(11.40)	(6.54)	(5.63)
	Actuarial gain/(loss) on Plan assets	-	-	-	-
	Fair value of plan assets at the end of year	110.86	89.09	-	-

(Contd.)

(₹ in Lakhs)

Sl. No.	Particulars	Gratuity		Leave Encashment	
		Current Year	Previous Year	Current Year	Previous Year
iv)	Reconciliation of present value of defined obligations and Fair value of plan assets				
	Closing balance of present value of obligation	123.08	108.35	15.73	29.20
	Closing balance of fair value of plan assets	110.86	89.09	-	-
	Funded (asset)/liability recognized in the Balance Sheet	12.21	19.26	-	-
	Unfunded liability recognized in the Balance Sheet	-	-	15.73	29.20
v)	Actuarial Gain/Loss recognized				
	Actuarial (gain)/loss on obligations	8.50	25.97	(13.26)	3.40
	Actuarial (gain)/loss for the year - plan assets	-	-	-	-
	Actuarial (gain)/loss recognized in the year	8.50	25.97	(13.26)	3.40
vi)	Amounts recognized in the Balance Sheet				
	Present value of obligations as at the end of year	123.08	108.35	15.73	29.20
	Fair value of plan assets as at the end of the year	110.86	89.09	-	-
	Funded status	(12.22)	(19.26)	(15.73)	(29.20)
	Unrecognised actuarial (gains)/losses	-	-	-	-
	Net asset/(liability) recognized in balance sheet	(12.22)	(19.26)	(15.73)	(29.20)
vii)	Expenses Recognized in the Statement of Profit & Loss				
	Current Service cost	5.44	4.24	4.01	6.90
	Interest Cost	7.44	6.15	2.33	1.83
	Expected return on plan assets	(9.17)	(8.16)	-	-
	Net Actuarial (gain)/loss recognized in the year	8.50	25.97	(13.26)	3.40
	Past Service Cost	-	6.58	-	-
	Expenses recognized in statement of Profit and loss	12.21	34.77	(6.92)	12.13

25.3. Segment Reporting - (AS-17):

A) Primary disclosures:

Business Segments: For management purposes, the Company is organized into three major operating divisions - Glass Lining, Wind energy and Lead. These divisions are the basis on which the Company reports its primary segment information. The Glass lining Division produces a broad range of glass-lined equipment. The Windmills generate electrical energy and the Lead Division produces Lead and Lead alloys. Financial information about these business segments is presented in the table below.

Segment Revenue and Expense: All the revenues and direct expenditure attributable to a particular segment are allocated to the respective segment.

Segment Assets & Liabilities: Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions, which are reported as direct off sets in the balance sheet. Each of the assets could be specifically identified with the particular segment. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include deferred income taxes.



Information about business segments

(₹ in Lakhs)

PARTICULARS	Glass Lining Division (Discontinuing Operation)	Lead Division	Wind Power Division	Total
REVENUE				
External Sales	4,645.12 (4,465.70)	27,448.34 (25,394.83)	87.84 (72.94)	32,181.30 (29,933.47)
RESULT				
Segment result	365.43 (372.63)	1,154.56 (1,230.09)	42.75 (25.92)	1,562.74 (1,628.64)
Operating Profit	-	-	-	1,562.74 (1,628.64)
Interest Expense	-	-	-	900.00 (768.90)
Interest & Misc. Income	-	-	-	156.89 (154.35)
Income tax & Deferred tax	-	-	-	252.89 (296.42)
Profit from ordinary activities	-	-	-	566.74 (717.68)
Other un-allocated income	-	-	-	-
Net Profit	-	-	-	566.74 (717.68)
OTHER INFORMATION:				
Segment assets	4,489.13 (4,556.22)	8,277.71 (9,886.72)	147.55 (115.47)	12,914.39 (14,558.41)
Unallocated corporate assets	-	-	-	142.28 (98.27)
Total Assets	4,489.13 (4,556.22)	8,277.71 (9,886.72)	147.55 (115.47)	13,056.67 (14,656.68)
Segment Liabilities	718.73 (834.66)	3,102.70 (5,056.11)	12.02 (8.60)	3,833.45 (5,899.37)
Unallocated corporate liabilities	-	-	-	5,304.12 (5,321.26)
Total Liabilities	718.73 (834.66)	3,102.70 (5,056.11)	12.02 (8.60)	9,137.57 (11,220.63)
Cost incurred on acquisition of assets				
- Put to use	8.04 (22.68)	2,139.02 (231.14)	NIL (-Nil-)	2,147.06 (253.82)
- CWIP	NIL (-Nil-)	NIL (681.65)	NIL (-Nil-)	NIL (681.65)
Depreciation	76.46 (77.72)	132.61 (116.10)	18.43 (18.43)	227.49 (212.25)
Non-cash expenses other than depreciation	-Nil- (-Nil-)	-Nil- (-Nil-)	-Nil- (-Nil-)	-Nil- (-Nil-)

(Note: Figures in brackets relate to previous year)

B) Secondary Disclosures:

- i) Segment revenue from external customers by geographical area :

There are no external customers based on the geographical location, revenues from whom constitute more than 10% of the enterprise revenue.

- ii) Total carrying amount of segment assets by geographical location of assets, for each geographical segment whose segment assets are 10% or more of the total assets of all geographical segments and the additions to the same are as under:

(₹ in Lakhs)

Geographical Segment	Carrying amount of segment assets as at 31.03.2012	Additions during the year (2011-2012)	
		Put to Use	CWIP
Glass Lining Division -Hyderabad, A.P. (discontinuing operations)	4,489.13 (4,556.22)	8.04 (22.69)	-Nil- (-Nil)
Lead Division - Choutuppal, A.P.	2,762.84 (4,090.73)	171.95 (88.83)	-Nil- (123.52)
- Tirupathi, A.P.	5,514.86 (5,795.99)	1,967.07 (142.30)	-Nil- (558.13)
Wind Mills - Ramagiri , A.P.	147.55 (115.47)	-Nil- (-Nil)	-Nil- (-Nil-)

(Note: Figures in brackets relate to previous year)

C) Accounting Policies:

Accounting policies for segment reporting are the same as adopted in preparation and presentation of the financial statements of the Company.

25.4. Related party disclosures (AS-18):**(i) Key Management Personnel:**

- (a) Sri V.Ramesh, Chairman and Managing Director
 (b) Sri. Sandeep Ramesh, Executive Director
 (c) Sri K.V.Ramana, COO - NFD & CFO (for part of the year)
 (d) Sri V.Sridharan, COO - GLD

(ii) Names of related parties:

- (a) Smt V.Hemalatha (relative of Director)
 (b) Smt V.Rajeswari (relative of Director)
 (c) Smt. V. Shilpa (relative of Director)
 (d) Sri S.V. Narasimha Rao (Non-Executive Director)
 (e) Sri M.R.Naidu (Non-Executive Director)
 (f) Suraneni Arun (relative of Director)

(iii) Others (companies in which some of the Directors are interested):

- (a) Trigeo Technologies Pvt Ltd.
 (b) G.S.R Advisory Services Pvt Ltd.
 (c) Beardsell Ltd.



(iv) Particulars of transactions with related parties:

(₹ in Lakhs)

Sl.No.	Particulars	Current Year	Previous year
a)	Remuneration to - Key Management Personnel - Related parties	102.11 2.00	78.66 5.85
b)	Interest on unsecured loans (Fixed deposits) to - - Key Management Personnel - Related parties - Others	3.01 31.97 27.67	0.31 35.67 10.27
c)	Purchase of Materials and Services from: - Others	15.49	23.41
d)	Unsecured loans (Fixed deposits) payable to: - Key Management Personnel - Related parties - Others	25.67 207.23 371.53	- 335.71 252.50
e)	Trade Payables to Others	4.48	12.88

25.5. Earnings Per Share- (AS-20):

	Current year	Previous year
a) Net profit for the year		
- from continuing operations (₹ in Lakhs)	449.47	596.62
- from discontinuing operations (₹ in Lakhs)	117.27	121.06
b) Weighted average no. of shares outstanding during the year	3,01,900	3,01,900
c) Basic and diluted earnings per share		
- from continuing operations (₹)	15/-	20/-
- from discontinuing operations (₹)	4/-	4/-
TOTAL EPS	19/-	24/-
d) Nominal value of shares (fully paid up) (₹)	10/-	10/-

25.6. Discontinuing operations - AS 24:

(i) Initial Disclosure

On 9th July, 2011, the Board of Directors entered into a Business Transfer Agreement (BTA) to dispose off company's Glass Lining Division, which is also a separate segment as per AS-17, Segment Reporting. The disposal is consistent with the company's long term strategy.

Sale of Glass Lining Division was completed in June, 2012. The carrying amount of the assets of the Glass Lining Division as on the date of Balance sheet was ₹ 4489.13 Lakhs (previous year ₹ 4556.22 Lakhs) and on the said date its liabilities were ₹ 718.73 Lakhs (previous year ₹ 834.66 Lakhs). The following statement shows the revenue and expenses of continuing and discontinuing operations:

(₹ in Lakhs)

	Continuing operations (Lead & Wind Power Divisions)		Discontinuing operation (Glass Lining Division)		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Revenue from operations	30,001.70	27,466.91	4,987.91	4,823.13	34,989.61	32,290.04
Less: Excise Duty	2,465.52	1,999.14	342.79	357.43	2,808.31	2,356.57
	27,536.18	25,467.77	4,645.12	4,465.70	32,181.30	29,933.47
Other Income	93.75	123.71	63.14	30.65	156.89	154.36
TOTAL	27,629.93	25,591.48	4,708.26	4,496.35	32,338.19	30,087.83
Cost of materials consumed	20,871.97	20,968.47	2,238.79	2,313.24	23,110.76	23,281.71
Changes in Inventories	1,283.63	(318.10)	274.30	(84.16)	1,557.94	(402.26)
Employee benefit expense	439.66	299.63	518.26	524.94	957.91	824.57
Finance cost	604.71	527.60	295.29	241.30	900.00	768.90
Depreciation	141.43	124.72	73.58	73.60	215.01	198.32
Other expenses	3,602.18	3,137.05	1,174.76	1,265.44	4,776.94	4,402.49
Total expenses	26,943.58	24,739.37	4,574.98	4,334.36	31,518.56	29,073.73
Profit before tax	686.35	852.11	133.28	161.99	819.63	1,014.10
Less: Tax						
- Current tax	137.32	247.42	26.67	47.04	163.99	294.46
- Prior period tax	(12.56)	(2.84)	-	-	(12.56)	(2.84)
- Deferred tax	112.12	10.91	(10.66)	(6.11)	101.46	4.80
Total tax expense	236.88	255.49	16.01	40.93	252.89	296.42
Profit after tax	449.47	596.62	117.27	121.06	566.74	717.68

(ii) Other Disclosures:

- Net selling price of the net assets for which the company has entered into the sale agreement: ₹ 5850.00 Lakhs, subject to change in the net current assets on the date of transfer.
- Expected timing of receipt of the cash flows: June, 2012 onwards
- Carrying amount of net assets of Glass Lining Division on the balance sheet date: ₹ 3770.40 Lakhs

25.7. Impairment of Assets - (AS-28):

(₹ in Lakhs)

		Current Year	Previous year
(a)	Amount of impairment losses recognized in the Statement of Profit & Loss:	-Nil-	-Nil-
(b)	Amount of reversal of impairment losses recognized in the Statement of Profit & Loss:	-Nil-	-Nil-
(c)	Amount of impairment losses recognized directly against revaluation surplus	-Nil-	-Nil-
(d)	Amount of reversals of impairment losses recognized directly in revaluation surplus	-Nil-	-Nil-

25.8. Contingent Liabilities and commitments - (AS-29):

(to the extent not provided for)

A) Contingent Liabilities:

(i) Claims against the company not acknowledged as debt:

- (a) Service tax demand, pending decision on appeal preferred by the company- ₹ 3.20 Lakhs (Previous year - ₹ 3.20 Lakhs)
- (b) Income tax demand, pending decision on appeal preferred by the company - Nil- (Previous year - ₹ 42.23 Lakhs)
- (c) Property tax demand, pending decision on writ filed by the company ₹ 10.93 Lakhs (Previous year -Nil-)

(ii) Guarantees and letters of credit:

- (a) Bank Guarantees issued by Bankers - ₹ 455.94 Lakhs (Previous year ₹ 354.56 Lakhs)
- (b) Letters of Credit issued by Bankers - ₹ 898.98 Lakhs (Previous year ₹ 2024.70 Lakhs).

(iii) Other money for which the company is contingently liable:

Amount claimed by a supplier, not accepted as liability, pending before the court - ₹ 197.74 Lakhs (Previous year ₹ 197.74 Lakhs).

(B) Commitments:

Estimated amount of works remaining to be executed on capital account, net of advances -Nil- (Previous year- ₹ 900.00 Lakhs)

26. Additional Information as required under Schedule VI (Revised) to the Companies Act, 1956 to the extent applicable to the company:

- i) Details of imported & indigenous Raw Materials, Spare parts and components consumed and their percentage to total consumption.

Particulars	Current Year (Year ended with March, 2012)		Previous year (Year ended with March, 2011)	
	(%) to total consumption	Value ₹ in Lakhs	(%) to total consumption	Value ₹ in Lakhs
(a) Raw Materials:				
Indigenous	49.00	11,324.25	38.84	9,042.41
Imported	51.00	11,786.51	61.16	14,239.30
TOTAL	100.00	23,110.76	100.00	23,281.71
(b) Spare parts & Components				
Indigenous	98.20	2,384.28	96.73	1,422.29
Imported	1.80	43.76	3.27	48.08
TOTAL	100.00	2,428.04	100.00	1,470.37

(₹ in Lakhs)

Particulars	Current Year	Previous Year
ii) Value of imports calculated on CIF Basis:		
- Raw materials	10,720.05	13,226.75
- Components & Spare parts	63.90	56.99
- Capital Goods	425.72	57.51
TOTAL	11,209.67	13,341.24
iii) Earnings in Foreign currency:		
a) FOB value of exports		
Glass Lined Equipment	12.06	9.16
Lead	1,129.77	4,465.00
TOTAL	1,141.83	4,474.16
iv) Expenditure in foreign currency on account of:		
- Travelling expenses	-	1.47
- Commission on Sales	-	15.44
v) Amount remitted in Foreign currency on account of dividends:		
- Amount of Dividend	1.65	0.82
- Number of non-resident Shareholders	3	3
- Number of Shares held by them	82,500	82,500
Year to which dividend related	2010-11	2009-10
vi) Details of payments to Auditors:		
As auditors	3.37	2.20
For Taxation matters	0.90	0.30
For Management Services	0.63	0.79
TOTAL	4.90	3.30

27. In the opinion of the board, the assets other than fixed assets and non-current investments, have a value on realization in the ordinary course of business of atleast equal to the amount at which they are stated in the balance sheet.
28. General Notes to the financial statements:
- (i) Statement of Profit & Loss for the year has been prepared showing the following separately as per Schedule-VI (Revised) and AS-24:
 - Revenue, other income, expenses, finance costs, depreciation, profit before tax, tax and profit after tax from Continuing Operations.
 - Profit before tax, tax and profit after tax from Discontinuing Operations.
 - (ii) Details of revenue, expenses and profit from continuing operations and discontinuing operations has been furnished in the disclosures pursuant to AS-24, Discontinuing Operations (see Note No.25.6).
 - (iii) Disclosures pursuant to the applicable Accounting Standards and additional information relating to the Balance Sheet and the Statement of Profit & Loss as required under Schedule-VI (Revised) furnished in the Notes to the financial statements include the aggregate information pertaining to the Continuing and Discontinuing Operations of the Company.
 - (iv) Previous year's figures have been regrouped wherever necessary to conform to the format of revised Schedule-VI and the layout adopted in the current year.
-

Per our report of even date attached.

For **Sarathy & Balu**
Chartered Accountants
(Firm Regn. No.3621S)

J. Venkateswarlu
Partner
ICAI Ms No.022481
Place: Hyderabad
Date : 21.07.2012

For and on behalf of the Board of Directors

V. Ramesh
Chairman and Managing Director

Sandeep Ramesh
Executive Director

Bikram Keshari Prusty
Company Secretary

PAYMENT OF DIVIDEND BY ELECTRONIC CLEARING SERVICE (ECS)

Your Company is pleased to offer the facility of electronic credit of dividend directly to the respective bank accounts of shareholders, who are holding shares in physical form, through Electronic Clearing Service (ECS). This would enable the shareholders to obtain the dividend electronically and the payment would be consequently faster and loss of dividend instrument in postal transit would be eliminated.

Shareholders, who would like to avail of the ECS facility are requested to complete and submit immediately, the ECS form given below to the Company's Registrar and Transfer Agent M/s. XL Softech Systems Limited so as to reach them latest by 29th September 2012.

Please note that shareholders holding shares in dematerialized form would receive their dividend directly to the bank account nominated by them to their respective Depository Participant.



----- TEAR HERE -----



To
XL Softech Systems Ltd.
(Unit: Nile Limited)
3, Sagar Society
Road No 2,
Banjara Hills,
Hyderabad- 500 034

FORM FOR ECS MANDATE

(Shareholders authorization to receive dividend through Electronic Credit Clearing Mechanism)

I/we do hereby authorize M/s. NILE Limited, Hyderabad to credit my dividend amount directly to my bank account as per details given below by Electronic Clearing Service (ECS)- 'ECS Mandate'

Folio No:

Bank Name:

Branch:

Bank Address:

Bank Account Number:

Account Type..(Savings/Current/Cash Credit):

9 digit code number of the Bank &
branch as appearing on the MICR cheque:
(please attach a cancelled cheque)

I/We hereby declare that the particulars given above are true and complete.

I /We shall not hold the Company responsible if the ECS mandate could not be implemented for reasons beyond the control of the Company.

Place:

Date:

Signature of the Shareholder(s)



N I L E
L I M I T E D

PROXY FORM & ATTENDANCE SLIP

NILE LIMITED

Registered Office: Plot No.149/A, Old MLA Colony,
Road No.12, Banjra Hills, Hyderabad - 500 034.

ATTENDANCE SLIP

DPID No. : Regd. Folio No. :
Client No. : No. of Shares held :
Name of the Shareholder/Proxy Present :

I hereby record my presence at the 28th Annual General Meeting of the Company held on Saturday, 29th September, 2012 at 11.00 a.m. at J.S.Krishna Murthy Hall of the Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI), Federation House, FAPCCI Marg, Red Hills, Hyderabad - 500004

Signature of the Shareholder/Proxy

NOTE: Please bring the attendance slip duly filled in to the venue of the meeting.



TEAR HERE



NILE LIMITED

Registered Office: Plot No.149/A, Old MLA Colony,
Road No.12, Banjra Hills, Hyderabad - 500 034.

PROXY FORM

DPID No. : Regd. Folio No. :
Client No. : No. of Shares held :

I / We
of
being a member / members of NILE Limited hereby appoint
..... of
or failing him of
as my / our Proxy to vote for me / us and on my / our behalf at the 28th Annual General Meeting of the Company to be held on Saturday, 29th September, 2012 at 11.00 a.m. or at any adjournment thereof.

Signed this day of 2012.

Signature of the Shareholder

Affix
Re.1/-
Revenue
Stamp

NOTE : The proxy, in order to be effective, should be duly stamped, completed and signed, and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.



Plot No.149/A, Old MLA Colony
Road No.12, Banjara Hills, Hyderabad- 500 034, India
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www.nilelimited.com