



NILE LIMITED



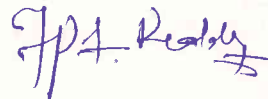

An ISO 9001 Company

CIN: L25113AP1384PLC004719

PLOT NO 149 A, OLD MLA COLONY, ROAD NO 12, BANJARA HILLS,
HYDERABAD, INDIA 500 034 Phone : 040 2360664 Fax : 040 23606640
E-mail : ho@nilelimited.com Website : www.nilelimited.com

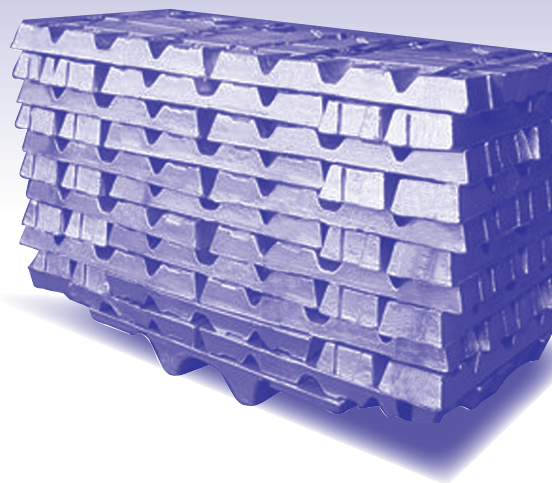
FORM-A

Submission of Annual Audit Report as per Clause-31 of the Listing Agreement for the Financial Year ending 31st March, 2014

1	Name of the Company	Nile Limited	
2	Annual Financial Statements for the year ended	31 st March, 2014	
3	Type of Audit observation	Un-qualified	
4	Frequency of observation	Not Applicable	
5	Name	Designation	Signature
Sri V. Ramesh DIN: 00296642		Chairman and Managing Director	
Sri Sandeep Vuyyuru Ramesh DIN: 02692185		Executive Director (CFO)	
Sri T. Mahipal Reddy ICAI Ms. No.227616		Auditor	
Sri S.V.Narasimha Rao DIN: 00025635		Chairman, Audit Committee	

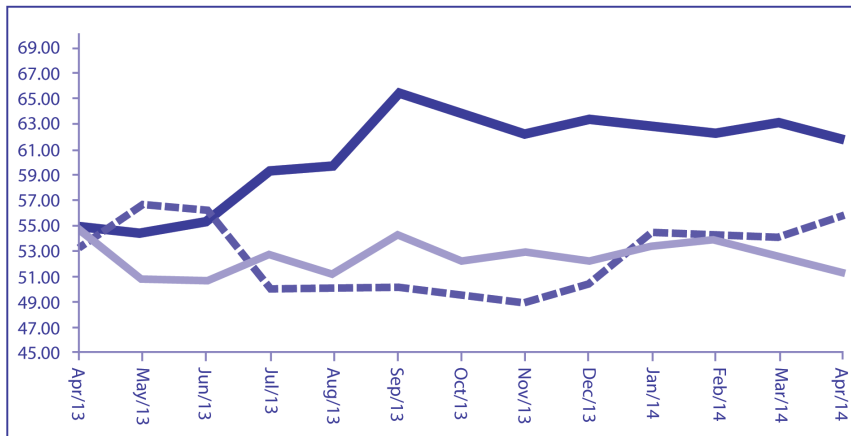


30th Annual Report 2013-14



**N I L E
L I M I T E D**

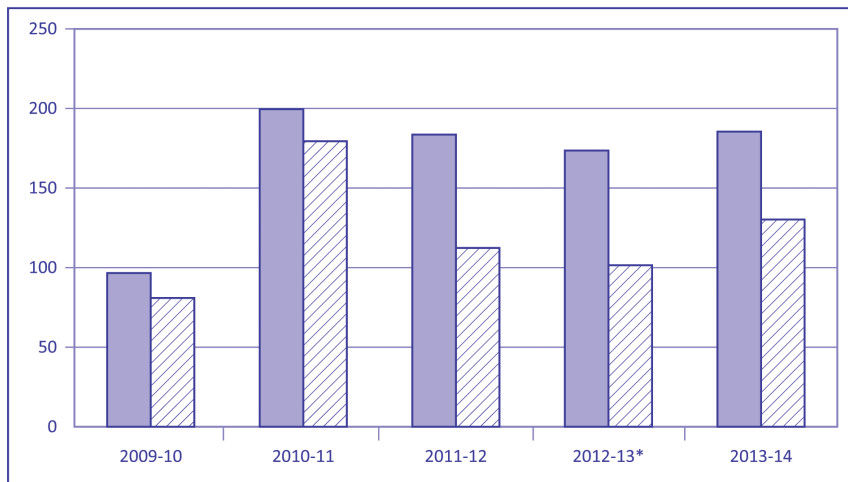
Lead Price Movement



- London Metal Exchange price in US dollars; scale 1 = 40 US dollars
- Indian crude lead price in Indian rupees; scale 1 = Rs. 2,500/-
- - - US dollar - Indian rupee exchange rate; scale 1 = Re. 1/-.

Data as on the first day of each month.

Last 5 years' Turnover, Net Profit



- Turnover (1 = Rs. 150 lakhs)
- ▨ Net Profit (1 = Rs. 4 lakhs)

**Excludes profit earned on sale of Glass Lining Division amounting to Rs. 1468.15 lakhs*



30th Annual Report 2013-14

CORPORATE INFORMATION

CIN: L25119AP1984PLC004719

Board Of Directors

Sri V. Ramesh (Chairman and Managing Director)
Sri Sandeep Ramesh (Executive Director)
Sri S. V. Narasimha Rao (Independent Director)
Sri V. Ashok (Independent Director)
Sri Satish Malladi (Independent Director)

Audit Committee

Sri S. V. Narasimha Rao (Chairman)
Sri V. Ashok
Sri Satish Malladi

Nomination and Remuneration Committee

Sri Satish Malladi (Chairman)
Sri V. Ashok
Sri S. V. Narasimha Rao

Stakeholders Relationship Committee

Sri Satish Malladi (Chairman)
Sri S. V. Narasimha Rao
Sri V. Ramesh

CSR Committee

Sri Satish Malladi (Chairman)
Sri V. Ramesh
Sri Sandeep Ramesh

Company Secretary

Sri Bikram Keshari Prusty

Auditors

M/s. Sarathy & Balu
Chartered Accountants
12, Master Sai Apartments,
Somajiguda, Hyderabad - 500082

Internal Auditors

M/s. Manohar Chowdhry & Associates
Chartered Accountants
204A, Concourse Complex,
7-1-58, Greenlands Road,
Hyderabad – 500016

Cost Auditors

M/s. Kapardhi & Associates
Cost Accountants
S.R.T. 148, Sanjeeva Reddy Nagar,
Hyderabad – 500038

Banker

Andhra Bank
Sultan Bazar Branch,
Hyderabad - 500195

Registrar & Transfer Agent

M/s. XL Softech Systems Ltd.
3, Sagar Society, Road No.2,
Banjara Hills, Hyderabad – 500034
Phones: (40) 23545913/14/15, Fax: (40) 23553214

Registered Office

Plot No.38 & 40, APIIC Industrial Park,
Gajulamandam Village, Renigunta Mandal,
Tirupati, Andhra Pradesh - 517520
Phone: 9246390402, Fax: (40) 23606640
Email: legal@nilelimited.com
Web: www.nilelimited.com

Corporate Office

Plot No. 149/A, Old MLA Colony,
Road No.12, Banjara Hills,
Hyderabad, Telangana – 500034.
Phones: (40) 23606641, Fax: (40) 23606640

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NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Company will be held on Tuesday, the 30th day of September, 2014 at 09:30 A.M. at the registered office of the company at Plot No. 38 & 40, APIIC Industrial Park, Gajulamandam Village, Renigunta Mandal, Tirupati, Andhra Pradesh – 517520, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED that the Statement of Profit and Loss and the Cash Flow Statement for the year ended 31st March, 2014 along with Balance Sheet as on that date, together with notes appended thereto and the Report of Directors’ and Auditors’ thereon, be and are hereby considered, approved and adopted”.

2. Dividend declaration:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED that a final dividend of Rs.3.00 per share (three rupees only) on 30,01,900 equity shares of Rs.10/- each, as recommended by the Board of Directors, be and is hereby declared”.

3. Reappointment of retiring Director:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Sri Sandeep Ramesh, Director retiring by rotation, and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company”.

4. Appointment of Auditors:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. JVSL & Associates, Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 33rd Annual General Meeting on a remuneration to be decided by the Board of Directors”.

SPECIAL BUSINESS:

Appointment of Independent Directors:

5. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to Section 149, 152, 160, and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, Sri S. V. Narasimha Rao (DIN: 00025635) be and is hereby appointed as an Independent Director of

the company, not liable to retire by rotation, to hold office for a fixed term of 5 years.”

6. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to Section 149, 152, 160, and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, Sri V. Ashok (DIN: 00730615) be and is hereby appointed as an Independent Director of the company, not liable to retire by rotation, to hold office for a fixed term of 5 years.”

7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to Section 149, 152, 160, and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, Sri Satish Malladi (DIN: 00346720) be and is hereby appointed as an Independent Director of the company, not liable to retire by rotation, to hold office for a fixed term of 5 years.”

8. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to Section 149, 152, 160, and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], read with Schedule IV to the Companies Act, 2013, Sri Sridar Swamy (DIN: 01122961) be and is hereby appointed as an Independent Director of the company, not liable to retire by rotation, to hold office for a fixed term of 5 years.”

9. To consider and, if thought fit, to pass with or the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to Section 149, 152, 160, and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], read with Schedule IV to the Companies Act, 2013, Sri Suketu Shah (DIN: 00607880) be and is hereby appointed as an Independent Director of the company, not liable to retire by rotation, to hold office for a fixed term of 5 years.”

10. Appointment of Director:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to Section 149, 152, 160, and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Smt. Vuyyuru Rajeswari (DIN: 00845598) be and is hereby appointed as a Director of the company whose office is liable to retire by rotation.”

11. Reappointment of Managing Director:

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED that Sri V. Ramesh (DIN: 00296642) whose current term of office expired on 13th August, 2014 be and is hereby re-appointed as Managing Director of the Company for a period of 3 years with effect from 14th August, 2014.”

“RESOLVED FURTHER that pursuant to the provisions of Sections 196, 197, 203, read with Schedule V, and other applicable provisions of the Companies Act, 2013, approval be and is hereby accorded for the re-appointment of Sri V. Ramesh as Managing Director on the remuneration and other terms and conditions as set out hereunder:

Salary: Rs. 2,50,000/- per month (Rupees two lakhs fifty thousand only)

Commission: 2% of the net profits of the Company.

Perquisites: Perquisites will be added to salary and will be subject to the condition that the monetary value of those under Part A shall be restricted to an amount equal to the annual salary.

Part A

1. Housing:

Housing I: The expenditure incurred by the Company on hiring unfurnished accommodation will be subject to the ceiling of 50% of salary, over and above 10% payable by the Managing Director.

Housing II: In case accommodation is owned by the Company, 10% of the salary of the Managing Director shall be deducted by the Company.

Housing III: In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing I.

The expenditure incurred by the Company on gas, electricity, water, and furnishings will be valued as per the Income Tax Rules, 1962. This will however be subject to a ceiling prescribed under the Rules.

2. Medical reimbursement:

Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

3. Leave Travel Concession:

For self and family once in a year subject to a maximum of one month's salary.

4. Club fees:

Fees of clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.

5. Personal Accident Insurance:

Premium for 60 months' basic salary, as per the prevailing rates.

6. Mediclaim Policy:

Premium, as per the amount allowed under IT Rules per annum for self and family.

PART B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity will be limited to 15 days salary for each completed year of service.

PART C

Provision of (i) car with driver, and (ii) telephone at residence. Personal long distance calls on telephone, and use of car for private purposes shall be billed by the Company to the Managing Director.”

“RESOLVED FURTHER that the Board of Directors be and is hereby authorized to increase, vary or amend the remuneration and other terms of the appointment from time to time provided that such revised remuneration shall also be in conformity with Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof or relaxation granted thereunder.”

12. Reappointment of Executive Director:

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED that Sri Sandeep Ramesh (DIN: 02692185) whose current term of office expired on 13th August, 2014 be and is hereby re-appointed as Executive Director of the Company for a period of 3 years with effect from 14th August, 2014.”

“RESOLVED FURTHER that pursuant to the provisions of Sections 196, 197, 203, read with Schedule V, and other applicable provisions of the Companies Act, 2013, approval be and is hereby accorded for the re-appointment of Sri Sandeep Ramesh as Executive Director on the remuneration and other terms and conditions as set out hereunder:

Salary: ₹ 2,50,000/- per month (Rupees two lakhs fifty thousand only)

Commission: 2% of the net profits of the Company.

Perquisites: Perquisites will be added to salary and will be subject to the condition that the monetary value of those under Part A shall be restricted to an amount equal to the annual salary.

Part A

1. Housing:

Housing I: The expenditure incurred by the Company on hiring unfurnished accommodation will be subject to the ceiling of 50% of salary, over and above 10% payable by the Executive Director.

Housing II: In case accommodation is owned by the Company, 10% of the salary of the Executive Director shall be deducted by the Company.



Housing III: In case no accommodation is provided by the Company, the Executive Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing I.

The expenditure incurred by the Company on gas, electricity, water, and furnishings will be valued as per the Income Tax Rules, 1962. This will however be subject to a ceiling prescribed under the Rules.

2. Medical reimbursement:

Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

3. Leave Travel Concession:

For self and family once in a year subject to a maximum of one month's salary.

4. Club fees:

Fees of clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.

5. Personal Accident Insurance:

Premium for 60 months' basic salary, as per the prevailing rates.

6. Mediclaim Policy:

Premium, as per the amount allowed under IT Rules per annum for self and family.

PART B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity will be limited to 15 days salary for each completed year of service.

PART C

Provision of (i) car with driver, and (ii) telephone at residence. Personal long distance calls on telephone, and use of car for private purposes shall be billed by the Company to the Executive Director."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to increase, vary or amend the

remuneration and other terms of the appointment from time to time provided that such revised remuneration shall also be in conformity with Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof or relaxation granted thereunder."

13. Ratification of remuneration payable to Cost Auditors:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that the Company do hereby confirm and ratify in terms of Section 148 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder the remuneration approved by the Board of Directors on the recommendations of the Audit Committee for M/s. Kapardhi & Associates, Cost Accountants at ₹ 50,000/- (Rupees fifty thousand only) for the Financial Year 2014-15."

14. Place of maintenance of Register of members etc., and copies of Annual Return:

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED that pursuant to Section 94 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] approval be and is hereby accorded for maintaining the Register of members etc., under Section 88, and copies of Annual Return filed under Section 92 of the Companies Act, 2013 at the Corporate office of the Company at Plot No. 149/A, Old MLA Colony, Road No.12, Banjara Hills, Hyderabad – 500034."

By Order of the Board
For Nile Limited

Bikram Keshari Prusty
Company Secretary
Ms.No. ACS20082

Place : Hyderabad
Date : 9th August, 2014

NOTES:

1. Proxy:

A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/herself and such proxy need not be a Member of the company. For identification purpose the proxy should carry a valid identity proof issued by any Government authority.

Deposit of proxy:

Proxies in order to be effective must be received at the registered office of the Company not later than 48 hours before the meeting, i.e., on or before 9:30 A.M. on 28th September, 2014.

2. Book Closure:

The Register of Members and the Share Transfer Register will remain closed from 20th September, 2014 to 30th September, 2014 (both days inclusive).

3. Voting Rights:

14th August, 2014 will be the effective date for determining the voting rights.

4. E-Voting (EVS: 140813025):

E-Voting option is provided to members pursuant to Section 108 of the Companies Act, 2013. Please read carefully the instructions for 'E-Voting Process' attached to this Notice.

5. Dividend:

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 19th September, 2014. 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. Dividend, if any, declared will be paid latest by 30th October, 2014.

6. Directors Profile:

Brief resumes of the Directors are given in the Corporate Governance Report annexed to the Directors' Report.

7. Unclaimed Dividend:

Unclaimed and unpaid dividend for over 7 years will be transferred to the Investor Education and Protection Fund. Shareholders, who have not so far en-cashed 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 below:

Dividend for the Year	Date of declaration	Last date for claiming
2006-07 : Final	12-07-2007	11-08-2014
2007-08 : 1 st Interim	27-10-2007	26-11-2014
2007-08 : 2 nd Interim	30-04-2008	30-05-2015
2007-08 : Final	30-09-2008	30-10-2015
2009-10: Final	30-09-2010	30-10-2017
2010-11: Final	30-09-2011	30-10-2018
2011-12: Final	29-09-2012	29-10-2019
2012-13: Final	10-08-2013	10-09-2020

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.5 to 7: Appointment of Independent Directors

Section 149(4) of the Companies Act, 2013 requires that our company, being a listed company, shall have at least one-third of the total number of Directors as Independent Directors. Clause 49 of the listing agreement as applicable to the company requires that at least half of the Board should comprise of Independent Directors. Section 149(10) of the Companies Act, 2013 now mandates the appointment of Independent Director for a fixed tenure up to five consecutive years and are eligible for reappointment for one more term of five years on passing of a Special Resolution by the company. For reckoning these ceilings, any tenure of Independent Director as on 1st April, 2014 shall not be counted. SEBI by Circular dt.17-04-2014 has advised Stock Exchanges to amend Clause 49 of the Equity Listing Agreement with a view to align them with the new Company Law and in certain areas SEBI has imposed more stringent conditions as well. This inter alia deals with Independent Director applicable from 1st October, 2014.

In order that our company ensures due compliance with the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement, it is intended to pass requisite resolutions at this AGM for the appointment of Independent Directors. All the three existing Independent Directors of the company qualify for being appointed as Independent Directors for a tenure of five years. Accordingly, their appointments have been proposed for a fixed tenure of 5 years.

The company has received Notice under Section 160 of Companies Act, 2013 from a member proposing each of the candidature for being appointed as Independent Director, together with requisite deposit of rupees one lakh for each. Details of Independent Directors proposed for appointment are furnished in the Corporate Governance Report that forms an integral part of this Notice.

Having regard to the above, the proposal for appointment of Independent Directors is placed for the consideration of shareholders as under:

Name of Independent Director	Date of first appointment	Date of last reappointment	Proposed tenure
Sri S.V. Narasimha Rao	28-10-2003	29-09-2012	5 years
Sri V. Ashok	26-07-2008	10-08-2013	
Sri Satish Malladi	27-07-2009	30-09-2011	

The company has received requisite declaration from each of the above in deference to Section 149(7) that he meets the criteria of independence as provided in Section 149(6) of the Act. It is further confirmed that in the opinion of the Board each of the Independent Director proposed to be appointed as above fulfils the conditions specified in the Act and the Rules made thereunder and that the proposed Director is independent of the management.

The Independent Directors would be eligible for sitting fee for attending the Board and Committee meetings within the ceiling prescribed by the Act and as determined by the the Board. They shall however not be entitled to any stock option.

Details of remuneration are disclosed in the Corporate Governance Report to shareholders each year. The terms and conditions of appointment of Independent Directors as approved by the Board are open for inspection at the registered office of the company by any member during normal business hours. This would also be posted on the company's website.

No Director or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the business stated in item number 5 to 7.

Item No.8 and 9: Appointment of Independent Directors

Sri Sridar Swamy, and Sri Suketu Shah are proposed to be appointed as Independent Directors of the company for a period of 5 years.

The company has received Notice under Section 160 of Companies Act, 2013 from a member proposing candidature of Sri Sridar Swamy, and Sri Suketu Shah together with the requisite deposit of rupees one lakh for each. A brief resume of Sri Sridar Swamy, and Sri Suketu Shah is furnished in the Corporate Governance Report that forms an integral part of this Notice.

The company has received requisite declaration from each of the above in deference to Section 149(7) that he meets the criteria of independence as provided in Section 149(6) of the Act. It is further confirmed that, in the opinion of the Board, the Independent Directors proposed to be appointed as above fulfils the conditions specified in the Act and the Rules made thereunder. The terms and conditions of appointment of Independent Directors as approved by the Board are open for inspection at the registered office of the company by any member during normal business hours. This would also be posted on the company's website.

No Director or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the business stated in item number 8 and 9.

Item No.10: Appointment of Director:

The company has received Notice under Section 160 of Companies Act, 2013 from a member proposing candidature of Smt. Vuyuru Rajeswari for being appointed as a Director, together with requisite deposit of rupees one lakh. A brief resume of Smt. Vuyuru Rajeswari is furnished in the Corporate Governance Report that forms an integral part of this Notice.

Except Sri V. Ramesh and Sri Sandeep Ramesh and their relatives, no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this item of business.

Item No.11: Reappointment of Managing Director:

The current term of Sri V.Ramesh as Managing Director expires on 13th August, 2014. On the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 9th August, 2014 have reappointed Sri V. Ramesh as Managing Director of the Company for a further period of 3 years with effect from 14th August, 2014 and approved the remuneration package as stated in the proposed resolution, subject to the approval of shareholders:

Statement containing required information as per Part II of Section II of Schedule V to the Companies Act, 2013:

I. General Information

1. Nature of Industry:

Recycling of Lead, Power generation through wind farms.

2. Date of commencement of commercial production:

Commercial production commenced several years ago.

3. Financial performance based on given indicators:

(₹ In lakhs)

Particulars	2013-14	2012-13
Total Income	27,986.91	27,135.62
Profit Before Interest, Depreciation & Tax	1,792.25	3,503.03
Profit/ (Loss) Before Tax	839.12	2,645.73
Profit/ (Loss) After Tax	521.07	1,979.42
Net worth	6,091.87	5,685.78
Dividend (%)	30*	20

* Recommended

4. Foreign Investments or collaborations, if any : Nil

II. Information about the appointee

1. Background details:

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.

2. Past remuneration:

₹ 2.50 lakhs per month + Commission @ 2% of the Net Profits + Perquisites as approved by the shareholders at the 27th Annual General Meeting of the Company held on 30th September, 2011.

3. Job profile and suitability:

Sri V. Ramesh, as Managing Director, is the CEO of the Company, responsible for overall management of the Company, under the supervision and guidance of the Board of Directors. His last appointment was made for a period of 3 years with effect from 14th August, 2011. In view of the excellent progress achieved by the Company since then under his guidance, the Board has decided

to re-appoint him as Managing Director for a period of three years with effect from 14th August, 2014, with a remuneration as recommended by the Nomination and Remuneration Committee.

4. Remuneration proposed:

As set out in the proposed resolution in item number 11.

5. Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person:

Considering the profile of Sri V. Ramesh and current trend of compensation package in Corporates, the remuneration proposed is in line with comparable remuneration levels in the industry.

6. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any:

Relevant information is provided in the "Corporate Governance" part of the Directors Report.

III. Other information

1. Reasons of loss or inadequate profits:

The cyclical nature of the lead industry and volatility in the international prices for lead can affect the profitability of the company. Lack of availability of raw materials at economical prices could also affect the profitability.

2. Steps taken or proposed to be taken for improvement:

The company will pursue all available means of reducing costs, including by way of energy conservation, diversification of customer base, alternate sources of raw material etc.

3. Expected increase in productivity and profit in measurable terms:

All necessary steps will be taken to ensure that productivity will improve to the levels required to return the company to profitability.

Except Sri Sandeep Ramesh and his relatives, no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this item of business.

Item No.12: Reappointment of Executive Director:

The current term of Sri Sandeep Ramesh as Executive Director expires on 13th August, 2014. On the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 9th August, 2014 have reappointed Sri Sandeep Ramesh as Executive Director of the Company for a further period of 3 years with effect from 14th August, 2014 and approved the remuneration package as stated in the proposed resolution, subject to the approval of shareholders:

Statement containing required information as per Part II of Section II of Schedule V to the Companies Act, 2013:

I. General Information

1. Nature of Industry:

Recycling of Lead, Power generation through wind farms.

2. Date of commencement of commercial production:

Commercial production commenced several years ago.

3. Financial performance based on given indicators:

(₹ In lakhs)

Particulars	2013-14	2012-13
Total Income	27,986.91	27,135.62
Profit Before Interest, Depreciation & Tax	1,792.25	3,503.03
Profit/ (Loss) Before Tax	839.12	2,645.73
Profit/ (Loss) After Tax	521.07	1,979.42
Net worth	6,091.87	5,685.78
Dividend (%)	30*	20

*Recommended

4. Foreign Investments or collaborations, if any: Nil.

II. Information about the appointee

1. Background details:

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.

2. Past remuneration:

₹ 1 lakh per month + Commission @ 1% of the Net Profits + Perquisites as approved by the shareholders at the 27th Annual General Meeting of the Company held on 30th September, 2011.

3. Job profile and suitability:

Sri Sandeep Ramesh, as Executive Director, is responsible for monitoring the operations of the Company. In view of his excellent contributions to the growth of the Company, the board has decided to re-appoint him as the Executive Director for a period of three years with effect from 14th August, 2014 with a revised remuneration as recommended by the Nomination and Remuneration Committee.

4. Remuneration proposed:

As set out in the proposed resolution in item number 12.

5. Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person:

Considering the profile of Sri Sandeep Ramesh and current trend of compensation package in Corporates, the remuneration proposed is in line with comparable remuneration levels in the industry.

6. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any:

Relevant information is provided in the "Corporate Governance" part of the Directors Report.

III. Other information

1. Reasons of loss or inadequate profits:

The cyclical nature of the lead industry and volatility in the international prices for lead can affect the profitability of the company. Lack of availability of raw materials at economical prices could also affect the profitability.

2. Steps taken or proposed to be taken for improvement:

The company will pursue all available means of reducing costs, including by way of energy conservation, diversification of customer base, alternate sources of raw material etc.

3. Expected increase in productivity and profit in measurable terms:

All necessary steps will be taken to ensure that productivity will improve to the levels required to return the company to profitability.

Except Sri V. Ramesh and his relatives, no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this item of business.

Item No.13: Ratification of remuneration payable to Cost Auditors:

While the remuneration for the audit of cost records is determined by the Board of Directors on the recommendations of Audit Committee, it will have to be ratified by the shareholders at the following General meeting as per Section 148 of the Companies Act, 2013. The approval of Central Government is no longer required under the new Law.

Pursuant to the above, the Board of Directors have appointed M/s. Kapardhi & Associates, Cost Accountants, based on the recommendations of the Audit Committee

at a remuneration of Rs.50,000/- for Financial Year 2014-15. It is now placed for the approval of shareholders in accordance with Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

No Director or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this item of business.

Item No.14: Place of maintenance of Register of members etc., and Copies of Annual Return:

Ordinarily, the registers and copies of Annual Return filed shall be maintained at the registered office of the company. However, since the corporate office is located in Hyderabad, it is convenient to keep these documents in Hyderabad. Also, Section 94 of the Companies Act, 2013 allows maintaining the above documents at any other place other than the registered office of the company where more than one-tenth of the total members reside, provided the same is approved by a Special Resolution. Since more than one tenth of members reside in Hyderabad, it is proposed to maintain the above documents at the corporate office of the Company.

No Director or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this item of business.

By Order of the Board
For **Nile Limited**

Bikram Keshari Prusty
Company Secretary
Ms.No. ACS20082

Place : Hyderabad
Date : 9th August, 2014

E-Voting Process

(EVS/N: 140813025)

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 23rd September, 2014 at 9:00 A.M and ends on 25th September, 2014 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 14th August, 2014 (cut off date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) In the event member casts his votes through both the processes i.e. E-Voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
- (iii) Members casting vote either through E-Voting or through Ballot Form will not have any right to vote at the meeting. However, they can attend the meeting.
- (iv) The shareholders should log on to the e-voting website "www.evotingindia.com" during the voting period.
- (v) Click on "Shareholders" tab.
- (vi) Now, select "NILE LIMITED" from the drop down menu and click on "SUBMIT".
- (vii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (viii) Next enter the Image Verification as displayed and Click on Login.
- (ix) If you are holding shares in demat form and had logged on to "www.evotingindia.com" and voted on an earlier voting of any company, then your existing password is to be used.

- (x) If you are a first time user follow the steps given below (both for Members holding shares in Demat Form and Physical Form):
- PAN: Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
 - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
 - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
 - DOB: Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
 - Dividend Bank Details: Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
 - Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vii).
- (xi) After entering these details appropriately, click on "SUBMIT" tab.
- (xii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xiii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiv) Click on the EVSN (140813025) for NILE LIMITED.
- (xv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xvi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xviii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xix) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xx) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xxi) Note for Non-individual Shareholders & Custodians:
- Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to "<https://www.evotingindia.co.in>" and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to "helpdesk.evoting@cdslindia.com".
 - After receiving the login details they have to create a "Compliance user" using the admin login and password. The Compliance user should link the account(s) for which they wish to vote on. After the links are approved by CDSL they can vote on behalf of their clients through there logins.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to "helpdesk.evoting@cdslindia.com".

DIRECTORS' REPORT

To
The Members,

Your Directors take pleasure in presenting the 30th Annual Report on the operations of your Company and the Audited Accounts for the financial year ended 31st March, 2014, 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:

(₹ In lakhs)		
Particulars	2013-14	2012-13
Net Sales	27,818.45	27,063.41
Other Income	168.46	72.21
Profit before interest and depreciation	1,792.25	1,616.42
Less: Interest	629.83	595.76
Depreciation	323.30	323.08
Profit before exceptional & extraordinary items and tax	839.12	697.58
Exceptional & Extraordinary Item(Net of tax) :		
Profit on sale of Glass Lining Division	-	1,468.15
Profit before Tax	839.12	2,165.73
Profit after Tax	521.07	1,979.42
Add: Opening balance in Statement of Profit & Loss	3,731.88	1,972.25
Amount available for appropriation	4,252.95	3,951.67
Appropriations:		
Transfer to General Reserve	53.00	150.00
Proposed Dividend on equity shares	90.06	60.04
Income Tax on proposed Dividend	15.31	9.74
Surplus carried to Balance Sheet	4,094.58	3,731.88

Dividend:

Your Directors have pleasure in recommending a dividend of ₹ 3.00 per share for the Financial Year 2013-14.

Operations:

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

Lead Division:

This year, the Lead division recorded sales of ₹27,721 lakhs as against ₹25,987 lakhs in the previous year.

Windmills:

The entire energy of around 28 lakhs units generated at Ramagiri was sold to Andhra Pradesh Power Coordination Committee, and the total revenue was ₹97 lakhs as against ₹45 lakhs in the previous year. The current year's revenue includes an amount of ₹4 lakhs towards arrears for the short payments made earlier during Financial Year 2012-13.

Total:

The combined turnover of the Company, thus, was ₹27,818 lakhs for the year under review, as against ₹27,063 lakhs

(including turnover of ₹1,031 lakhs from the discontinued operations) 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.

Quality System:

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

Management Discussion and Analysis Report:

A detailed discussion on the industry structure as well as on the financial and operational performance is contained in the 'Management Discussion and Analysis Report' enclosed hereto that forms an integral part of this Report.

Information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:

A. Conservation of Energy:

- Your Company continues to explore all possible avenues to reduce energy consumption. We have installed variable frequency drives for the induced draft fans being used in the pollution control equipment of our smelting process, resulting in an over 30% savings in power consumption. We are also exploring the possibility of using natural lighting options such as 'skyshade' and solar lighting for our factory.
- 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.

B. Technology Absorption:

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

C. Foreign Exchange earnings and outgo:

Total foreign exchange used and earned.

(₹ in Lakhs)

Particulars	2013-14	2012-13
a) Foreign Exchange earnings on exports	822.20	529.21
b) Foreign Exchange used on account of:		
i) Foreign Travel	3.37	-
ii) CIF value of imports of raw material & others	13,980.20	9,861.09
iii) Dividend for 2012-13/2011-12	1.65	1.65

Directors:

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Sri Sandeep Ramesh will retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment.

On 9th August, 2014 the Board of Directors of your Company, on the recommendation of the Nomination and Remuneration Committee, has re-appointed Sri V. Ramesh as Managing Director of the Company for a period of 3 years with effect from 14th August, 2014, subject to the approval of the members at the ensuing Annual General Meeting.

On 9th August, 2014 the Board of Directors of your Company, on the recommendation of the Nomination and Remuneration Committee, has re-appointed Sri Sandeep Ramesh as Executive Director of the Company for a period of 3 years with effect from 14th August, 2014, subject to the approval of the members at the ensuing Annual General Meeting.

Ministry of Corporate Affairs vide its General Circular No.14/2014, dated 9th June, 2014, has clarified that it would be necessary that if it is intended to appoint existing Independent Directors under the Companies Act, 2013, such appointment shall be made expressly under Section 149(10)/(11) read with Schedule IV of the Companies Act, 2013 within one year from 1st April, 2014. Therefore, upon a notice in writing from a member under Section 160 of the Companies Act, 2013, alongwith requisite deposits, your Board on the recommendations of the Nomination and Remuneration Committee, proposes for the appointment of Sri S. V. Narasimha Rao, Sri V. Ashok and Sri Satish Malladi as Independent Directors at the ensuing Annual General Meeting. The respective appointments have been proposed for a fixed tenure of five years having regard to the transitory provisions for the continuance of existing Independent Directors.

The company has received requisite notice in writing alongwith requisite deposits from a member of the company proposing the candidature of Sri Sridar Swamy and Sri Suketu Shah as Independent Directors of the company for a tenure of five years.

The company has received requisite notice in writing alongwith requisite deposit from a member of the company proposing the candidature of Smt. Vuyyuru Rajeswari as Director of the company.

Deposits:

Your Company has accepted fixed deposits during the year, and complied with all the statutory provisions. The outstanding deposits as on 31st March, 2014 amount to Rs.661 lakhs, which include Rs.476 lakhs from related parties. Your Company is in the process of paying back all the fixed deposits, as they mature, during the course of the year, and does not plan to accept any new fixed deposits.

Auditors:

Statutory Auditor: Your Company's auditors M/s. Sarathy & Balu, Chartered Accountants, will retire at the conclusion of the forthcoming Annual General Meeting and have expressed their inability to accept re-appointment. On the recommendations of the Audit Committee, the Board has proposed to appoint M/s. JVSL & Associates, Chartered Accountants, who have confirmed their eligibility under Section 141(3)(g) of the Companies Act, 2013, as the statutory auditors, at the ensuing Annual General Meeting.

Cost Auditor:

On the recommendation of the Audit Committee, the Board of your company has appointed M/s. Kapardhi & Associates, Cost Accountants, as Cost Auditor for the Financial Year 2014-15.

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 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001 as amended from time to time, an amount of Rs.1,15,803/- in the unclaimed and unpaid Final dividend for 2005-06 and Rs.68,764/- in the unclaimed and unpaid interim dividend for 2006-07 were 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 Statements (AS-3), which forms part of Financial Statements, is appended to this Report.

Clause 43A:

Your Company's shares are listed on the BSE Ltd., Mumbai, P.J. Towers, Dalal Street, Fort, Mumbai. The annual listing fee for the year 2014-15 has been paid.

Directors' Responsibility Statement:

Your Directors, in terms of Section 217(2AA) of the Companies Act, 1956, confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors 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 at the end of the financial year and of the profit of the company for that period;
- (iii) that the directors 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) that the directors had prepared the annual 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 their appreciation of the dedication and commitment of all employees of your Company.

Acknowledgement:

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

For Board of Directors

V. Ramesh

Chairman and

Managing Director

DIN: 00296642

Place : Hyderabad

Date : 9th August, 2014

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:

Lead and Wind Energy are the two divisions of the Company.

Pure 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.

Segment-wise performance:

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

(₹ In Lakhs)

Segment	Turnover	Profit before Interest & Tax
Lead	27,721	1,322
Wind Energy	97	47

The demand for your Company's Lead products continued to be strong. As the Lead Price Movement chart shows, Lead prices on the London Metal Exchange were far less volatile than in the previous years.

India continues to import large quantities of primary lead, as well as crude secondary lead. Therefore, the huge fluctuation of the Indian currency (ranging between 54.50 and 65.35 to the US dollar) had an impact on the domestic prices, and they moved up significantly during the 2013-14 financial year.

The sales volume (25,963 MT to 26,904 MT) and turnover (₹ 260 crores to ₹ 277 crores) of the Lead division increased marginally. The net profit from the division's operations showed an improvement, from ₹441 lakhs to ₹475 lakhs.

Outlook:

Georgia Lead Works, the entity in which your company invested ₹91 lakhs, has not been able to re-commence operations due to the inability of the local promoters to raise the necessary working capital. The local promoters are attempting to sell the land and other assets to pay back at least part of the amount

invested by your company. Your company has provided for the entire amount in the books.

The demand for Lead and Lead Alloys is expected to continue to grow. Power availability remains a problem in both Telangana and Andhra Pradesh, where your company's two recycling plants are located.

There has been a growing demand-supply gap for the raw materials in the last few months, and this is pushing up the raw material prices. If this trend continues, there will be a pressure on the margins.

Your company continues to hedge on the London Metals Exchange to partially mitigate the impact of the volatility in international Lead prices.

Your company is investing substantial amounts in both manufacturing facilities to facilitate material storage and movement, as part of de-bottlenecking.

Opportunities and Threats:

Your Company is actively developing and expanding the customer base, and sales from other local customers during 2013-14 financial year constitutes around 20% of our total sale quantities, up significantly from the previous year.

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 Board of Directors

V. Ramesh

Chairman and

Managing Director

DIN: 00296642

Place : Hyderabad

Date : 9th August, 2014

CORPORATE GOVERNANCE REPORT

Yours Directors have pleasure in presenting the Corporate Governance Report for the year ended 31st March, 2014.

Company's philosophy on 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.

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 5 Directors, out of whom 3 are Independent.

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

Promoter Directors:

Sri V. Ramesh (Chairman and Managing Director)

Sri Sandeep Ramesh (Executive Director)

Non-Executive and Independent Directors:

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 and proposed 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 152 of the Companies Act, 2013, Sri Sandeep Ramesh will retire by rotation at the ensuing Annual General Meeting, and, being eligible, offers himself for reappointment.

Sri Sandeep Ramesh:

Sri Sandeep Ramesh (DIN: 02692185) born on 21st October, 1982 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. He has 5 years of experience in general/senior/management at Nile Limited.

He is currently Director in GSR Advisory Services Pvt. Ltd.

He is not a Chairman/Member in the Board committees of other companies.

He is the son of the Chairman and Managing Director of the company.

He is holding 4,06,928 equity shares of Nile Ltd., as on 9th August, 2014.

Proposed Directors:

Sri Sridar Swamy:

Sri Sridar Swamy (DIN: 01122961) born on 28th April, 1967 is a graduate in Commerce from the Bombay University, and is a Chartered Accountant.

He has 24 years of experience in the field of Investment Banking. He has worked with Lazard India, KPMG India Pvt. Ltd., Taj Group of Hotels, and Indian Advisory Partners in various capacities. He has a rich experience in the field of Mergers & Acquisitions, and has advised several companies.

Presently he is the Proprietor of Axia Advisors.

He is currently a Director in A K P Foundries Pvt. Ltd.

He is not a Chairman/Member in the Board committees of other companies.

Sri Suketu Shah:

Sri Suketu Shah (DIN: 00607880) born on 15th June, 1979, is a graduate from Mumbai University, and has an MBA, from the Indian School of Business.

He is a whole time Director of Beacon Industrial Electronics Private Limited, Mumbai. Beacon specializes in the niche area of manufacturing standard and highly customized instruments and sensors for industrial speed measurement. He heads the production, sales and marketing functions at Beacon. He was instrumental in developing and nurturing relationships with dozens of major national and international firms in a diverse range of industries including sugar, oil & gas, shipping, fertilizers, and power generation OEMs. He has also been directly involved in product design, development, and customization for the wide range of customers Beacon caters to.

He is not a Chairman/Member in the Board committees of other companies.

Smt Vuyyuru Rajeswari:

Smt Vuyyuru Rajeswari (DIN: 00845598) born on 15th September, 1952 has BA degree in Economics from Madras University. Her last employment was with Canada Trust in Toronto, Canada. She is an amateur interior decorator, and a home maker.

She is neither a Director nor a Chairman/Member in the Board committees of other companies.

She is the wife of the Chairman and Managing Director of the company.

She is holding 8,01,836 equity shares of Nile Ltd., as on 9th August, 2014.

Other Directors:

Sri V. Ramesh:

Sri V. Ramesh (DIN: 00296642) born on 11th August, 1948 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 to the growth of the Company.

He is currently Director in GSR Advisory Services Pvt. Ltd.

He is not a Chairman/Member in the Board committees of other companies.

Sri S.V. Narasimha Rao:

Sri S.V. Narasimha Rao (DIN: 00025635) born on 7th October, 1947 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 not a Chairman/ Member in the Board committees of other companies.

Sri Satish Malladi:

Sri. Satish Malladi (DIN: 00346720) born on 13th November, 1947 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.

He is neither a Director nor a Chairman/Member in the Board committees of other companies.

Sri V. Ashok:

Sri V. Ashok (DIN: 00730615) born on 1st March, 1961 is 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 also holds Directorship positions in

- V.A.S.R Consultants & Financial Advisors Pvt. Ltd.
- Shivalik Energy Pvt. Ltd.
- Alufluoride Ltd.
- Anar Enterprises Pvt. Ltd.
- Visakha Finance Ltd.

He is not a Chairman/Member in the Board committees of other companies.

(ii) Details of each Director:

Name of Director	Date of initial Appointment	No of Equity Shares held as on 31st March, 2014	Attendance at Board Meetings during 2013-14		As on 31 st March, 2014			Attendance at last AGM
			No of Meetings	Percentage	No of Directorship	Committee Position		
						Chairman	Member	
Sri V.Ramesh	19-12-1984	2,21,208	7	100.00	1	Nil	Nil	Yes
Sri Sandeep Ramesh	14-08-2011	3,92,940	7	100.00	1	Nil	Nil	Yes
Sri S.V. Narasimha Rao	28-10-2003	Nil	4	57.14	1	Nil	Nil	No
Sri V. Ashok	26-07-2008	Nil	6	85.71	6	Nil	Nil	Yes
Sri Satish Malladi	27-07-2009	Nil	7	100.00	Nil	Nil	Nil	Yes

(iii) Board Meetings:

During the Financial Year 2013-14, the Board of Directors met seven times on the following dates:

Sl.No	Date of Board Meeting
1	10-04-2013
2	11-05-2013
3	10-08-2013
4	15-10-2013
5	04-12-2013
6	18-01-2014
7	29-03-2014

Audit 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 177 of the Companies Act, 2013. 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.

Compostion:

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

Details of attendance at Audit committee meetings held during the year 2013-14:

Name of Member	11-05-2013	10-08-2013	15-10-2013	18-01-2014
Sri S.V Narasimha Rao	Yes	Yes	Yes	Yes
Sri V.Ashok	Yes	Yes	Yes	Yes
Sri Satish Malladi	Yes	Yes	Yes	Yes

Remuneration Committee*:

Brief Description of terms of reference of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall identify persons who are qualified to become Directors and who may be appointed in the senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.

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.

Composition:

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. Company Secretary of the Company acts as Secretary to the Committee.

Attendance during the year 2013-14:

The Remuneration Committee did not meet during the year 2013-14.

* The committee has now been renamed as Nomination and Remuneration Committee.

Remuneration Policy:

The Company has an appropriate remuneration policy in place for Directors, key managerial personnel and other employees. The policy can be accessed at the website of the company.

Remuneration of Executive Directors:

Particulars	V. Ramesh	Sandeep Ramesh
Salary	47,50,000	19,00,000
Perquisite	5,51,794	2,12,414
Commission	69,907	9,14,725
Total	53,71,701	30,27,139

Remuneration of Non Executive Directors for 2013-14:

Name of Director	Sitting fees paid for		Total
	Board meetings	Committee meetings	
Sri S.V Narasimha Rao	14,000	6,000	46,423
Sri V. Ashok	21,000	3,000	18,000
Sri Satish Malladi	24,500	8,000	25,500

Investor Grievance Committee*:

Brief Description of terms of reference of Investor Grievance Committee:

To deal with investors' complaints regarding transfer/transmission of shares, non-receipt of certificates, dividends, annual reports, dematerialization of shares and such other matters, the Company has set up a committee of Directors known as Shareholders/Investor Grievance Committee.

Composition:

Investor Grievance Committee consists of 3 Directors with 2 Non-Executive Directors and one Executive Director. Sri Satish Malladi is the Chairman of this committee, and Sri V. Ramesh, and Sri S. V. Narasimha Rao are members.

Company Secretary of the Company acts as the Compliance Officer.

No. of shareholders complaints received during the financial year: Nil

* This committee is now renamed as Stakeholders Relationship Committee.

Details of attendance at Investor Grievance committee meetings held during the year 2013-14:

Name of Member	11-05-2013	10-08-2013	15-10-2013	18-01-2014
Sri S.V Narsimha Rao	Yes	Yes	Yes	Yes
Sri V.Ashok	Yes	Yes	Yes	Yes
Sri Satish Malladi	Yes	Yes	Yes	Yes



Corporate Social Responsibility (CSR) Committee:

Pursuant to Section 135 of the Companies Act, 2013, the company has constituted a CSR Committee with Sri Satish Maladi as Chairman, Sri V. Ramesh and Sri Sandeep Ramesh are the members of the committee. No meeting was held during the year.

Particulars of past 3 AGMs:

Financial Year	2010 – 2011
Venue	J. S. Krishna Murthy Hall, FAPCCI, Federation House, Red Hills, Hyderabad – 500 004.
Date	30-09-2011
Time	10:00 A.M.
Whether Special resolutions passed	Yes

Financial Year	2011 – 2012
Venue	J. S. Krishna Murthy Hall, FAPCCI, Federation House, Red Hills, Hyderabad – 500 004.
Date	29-09-2012
Time	11:00 A.M.
Whether Special resolutions passed	No

Financial Year	2012 – 2013
Venue	J. S. Krishna Murthy Hall, FAPCCI, Federation House, Red Hills, Hyderabad – 500 004.
Date	10-08-2013
Time	10:00 A.M.
Whether Special resolutions passed	No

Postal Ballot:

No special resolution was passed during the Financial Year 2013-14 through postal ballot.

Whether any special resolution is proposed to be conducted through postal ballot: Yes for alteration of object clause in Memorandum of Association, and alteration of Articles of Association of the Company.

Procedurure for Postal Ballot: Stated in Postal Ballot Notice.

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
- (ii) Names of the other related parties:
 - (a) Smt V. Hemalatha (relative of CMD and ED)
 - (b) Smt V. Rajeswari (relative of CMD and ED)
 - (c) Smt. V. Shilpa (relative of CMD and ED)
 - (d) Smt. P. Lalithamaba (relative of ED)
- (iii) Others:
 - (a) Trigeo Technologies Private Limited
 - (b) GSR Advisory Services Private Limited

Details of transactions with related parties during the year:

(₹ in Lakhs)

Sl. No.	Particulars	Current Year	Previous year
a)	Remuneration to - Key Management Personnel	83.99	77.27
b)	Interest on unsecured loans (Fixed deposits) to – - Key Management Personnel	6.86	1.83
	- Related parties	54.85	41.88
	- Others	46.32	50.86
c)	Unsecured loans (Fixed deposits) payable to: - Key Management Personnel	41.06	--
	- Related parties	487.77	432.53
	- Others	850.15	372.67

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 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 has 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 & CFO Certification:

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

f) Financial Results:

Quarter / Year Ended	Date of publication of Notice of Board meeting	Financial Results		Newspaper
		Date of approval by Board	Date of Publication	
Quarter ended 30-06-2013	01-08-2013	10-08-2013	12-08-2013	Prajasakti and Business Standard
Quarter ended 30-09-2013	05-10-2013	15-10-2013	17-10-2013	
Quarter ended 31-12-2013	07-01-2014	18-01-2014	20-01-2014	
Quarter and Year ended 31-03-2014	19-04-2014	26-04-2014	28-04-2014	

g) Website:

The Company maintains a functional website www.nilelimited.com that contains relevant information updated in time and complies with Clause 54 of the Listing Agreement.

h) General Shareholder Information:

i)	30 th Annual General Meeting	30 th September, 2014 @ 9:30 A.M.
ii)	Venue	Registered Office: Plot No.38 & 40, APIIC Industrial Park, Gajulamandam (V), Renigunta (M), Tirupati, Chittoor Dist., AP- 517520
iii)	Financial Year	2013-14
iv)	Dates of Book Closure	20 th September, 2014 to 30 th September, 2014. (Both days inclusive)
v)	Dividend Proposed	₹3.00 per share
vi)	Dividend Payment date, if declared	Latest by 30 th October, 2014
vii)	Listing on Stock Exchange	The BSE Ltd., Mumbai
viii)	Company Scrip Code	BSE 530129
ix)	Demat ISIN Numbers in NSDL & CDSL	INE445D01013



i) Stock Market Data

Month	BSE Ltd			
	Share Price		Volume	
	High	Low	No. of Shares	Value (in ₹)
April'13	107.90	76.25	25,813	22,46,046
May'13	96.70	65.05	20,202	14,78,713
June'13	78.00	58.00	6,318	4,18,939
July'13	70.00	60.50	13,676	8,94,770
August'13	64.00	46.00	7,141	4,12,018
September'13	64.00	54.00	6,646	3,86,525
October'13	60.05	54.00	9,151	5,14,602
November'13	56.00	48.15	14,189	7,24,269
December'13	62.65	54.00	11,647	6,97,560
January'14	83.00	60.50	27,531	20,49,601
February'14	72.50	64.05	25,742	17,57,683
March'14	80.00	67.00	55,218	40,70,451

j) Registrar and Share Transfer Agent

(for both Demat and Physical segments)

M/s. XL Softech Systems Ltd.

3, Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500034

Phones: (40) 23545913/14/15, Fax: (40) 23553214

Contact person: Sri Ramprasad (Manager)

k) 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.

l) Distribution of shareholding as on 31st March, 2014:

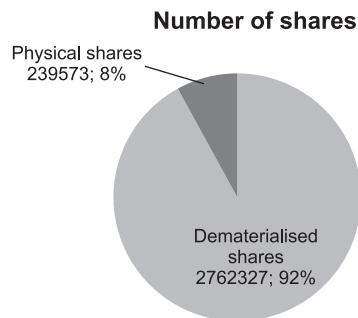
Number of shares held	Shareholders		Share amount	
	Nos.	%	In ₹	%
Up to 100	1,547	58.47	8,60,110	2.87
101 – 200	336	12.70	6,06,510	2.02
201 – 300	179	6.77	4,92,480	1.64
301 – 400	85	3.21	3,19,290	1.06
401 – 500	107	4.04	5,27,000	1.76
501 – 1000	173	6.54	13,62,910	4.54
1001 – 2000	103	3.89	15,11,950	5.04
2001 – 3000	34	1.28	8,80,160	2.93
3001 – 4000	21	0.79	7,42,730	2.47
4001 – 5000	8	0.30	3,86,300	1.29
5001 – 10000	29	1.10	20,89,450	6.96
10001 & above	24	0.91	2,02,40,110	67.42
Total	2,646	100.00	3,00,19,000	100.00

m) Shareholding pattern as on 31st March, 2014:

Category	No. of shares	% of total capital
Promoter and Promoter group	14,74,391	49.12
Institutions		
Financial Institutions and banks	1,100	0.04
Non-Institutions		
Bodies Corporate	56,092	1.87
Individuals	13,60,014	45.30
Others		
NRI	1,07,479	3.58
Clearing Members	2,824	0.09

n) Dematerialisation of shares:

As on 31st March, 2014, 92.02% (27,62,327 Shares) of paid up capital has been dematerialised. [NSDL (24,23,934 equity shares) and CDSL(3,38,393 equity shares)]



o) 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), Tirupati Chittoor (District) – 517 520.
Wind Farm:		Ramagiri (P.O.), Dharmavaram (Mandal), Ananthpur (District) – 515 672
p) Address for Correspondence: (Corporate Office)		Nile Limited, Plot No.149/A, Old MLA Colony Road No.12, Banjara Hills, Hyderabad – 500034. E-mail: legal@nilelimited.com Phone: 040-23606641 Fax: 040-23606640

For Board of Directors

Place : Hyderabad
Date : 9th August, 2014

V. Ramesh
Chairman and Managing Director
DIN: 00296642

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 2014, as envisaged in Clause 49 of the listing agreement with Stock Exchange.

Place : Hyderabad
Date : 9th August, 2014

V. Ramesh
Chairman and Managing Director
DIN: 00296642



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, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination 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 state that no investor grievances are pending for a period exceeding one month against the Company as on March 31, 2014 as per the records maintained by the shareholders/investors Grievances Committee.

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

For **Sarathy & Balu**

Chartered Accountants
(Firm Regn No.003621S)

Place : Hyderabad
Date : 9th August, 2014

T. MAHIPAL REDDY
Partner
ICAI Ms. No.227616

Independent Auditor's Report

To
The Members of NILE LIMITED

Report on the Financial Statements:

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

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("*the Act*"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing (*SAs or Standards*) issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the 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.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("*CARO'03 or Order*") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company. Accordingly, no provision for the same has been made in the books of account for the year under audit.

for **SARATHY & BALU**
Chartered Accountants
(Firm Regn.No.003621S)

T. MAHIPAL REDDY
Partner
ICAI Ms. No.227616

Place : Hyderabad
Date : 26th April, 2014



ANNEXURE TO INDEPENDENT AUDITORS' REPORT DATED 26.04.2014 ISSUED TO THE MEMBERS OF NILE LIMITED

Statement on the matters specified in Paragraphs 4 and 5 of the Companies (Auditor's Report) Order, 2003

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) 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. No material discrepancies were noticed on such verification.
- (c) The company has not disposed off any fixed assets during the year. Hence, the going concern status of the Company is not affected.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) 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) 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) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained U/s.301 of the Act. Hence, our comments for clauses (iii)(b), (iii)(c) and (iii)(d) of paragraph 4 of the CARO'03 in respect of loans granted are Nil.
- (b) The Company had taken unsecured loans / fixed deposits from 6 persons/entities covered in the register maintained U/s.301 of the Act. The maximum amount involved during the year in these transactions was ₹1499.49 lakhs (Prev. year ₹717.39 lakhs) and the year-end balance of loans / deposits taken from such parties, including the loans accepted in earlier years and continued in the current year, was ₹1378.99 lakhs (Prev. year ₹805.19 lakhs).
- 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 U/s. 301 of the Act, are not, *prima facie*, prejudicial to the interest of the company.
- (c) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- (d) There are no over due amount of loans taken from the parties listed in the register maintained U/s. 301 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for 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 U/s.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 U/s. 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, the company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA and other relevant provisions of the Act and the Rules framed thereunder with regard to the deposits accepted from the public. 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) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of Cost records U/s.209(1)(d) of the Act and we are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not conducted any audit of the same.
- (ix) (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.
- Further, since the Central Government has till date not prescribed the amount of Cess payable U/s.441A of the Act, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth-Tax,

Service Tax, Customs Duty and Excise Duty were in arrears, as at 31-03-2014 for a period of more than six months from the date they became payable.

- c) According to the information and explanations given to us, the following are the details of statutory dues which have not been deposited on account of dispute:

Sl. No	Name of statute	Nature of dues	Period to which the amount relates	Total amount of disputed dues (₹ in lakhs)	Forum where dispute is pending	Remarks
i)	GHMC Act	Property tax	F.Y. 2011-12	11.7	High Court of A.P.	As per the interim orders of the court, an amount of ₹2.34 lakhs was paid.
ii)	AP VAT Act, 2005	Value Added Tax	F.Y. 2008-09 F.Y. 2009-10 F.Y. 2010-11 F.Y. 2011-12 F.Y. 2012-13	3.68 61.37 71.30 104.06 25.27	Appellate Deputy Commissioner (CT), Hyderabad (Rural)	As per the stay orders, 50% of the demands aggregating to ₹132.84 lakhs were paid.
			Total	265.68		

- (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, paragraph 4(xii) of the CARO, 2003 is not applicable to this Company.
- (xiii) In our opinion and according to the information and explanations given to us, the provisions of special statue 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 has not dealt or traded in shares, securities, debentures and other investments. In respect of the long-term investments made in the equity shares of a company, proper records have been maintained and timely entries have been made therein and the shares have been held by the company in its own name.
- (xv) During the period covered under our audit, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Hence, provisions of Paragraph 4 (xv) of the CARO, 2003 are not applicable to this Company.
- (xvi) According to the information and explanations given to us and as per the books of account audited by us, during the period covered under our audit, the company has not availed any term loans. Hence, provisions of Paragraph 4 (xvi) of the CARO, 2003 are not applicable to this Company.
- (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 and based on the accounts audited by 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 U/s.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. Hence, 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 based on the books of account audited by us, 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.003621S)

T. MAHIPAL REDDY
Partner
ICAI Ms.No.227616

Place : Hyderabad
Date : 26th April, 2014

Balance Sheet as at 31 March, 2014

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	300.19	300.19
(b) Reserves and surplus	2	5,791.68	5,385.59
Sub-total (1)		6,091.87	5,685.78
(2) Non-current liabilities			
(a) Long-term borrowings	3	816.80	945.80
(b) Deferred tax liabilities (net)	4	310.32	303.39
(c) Long-term provisions	5	5.46	4.90
Sub-total (2)		1,132.58	1,254.09
(3) Current liabilities			
(a) Short-term borrowings	6	4,082.48	2,881.02
(b) Trade payables	7	1,955.70	775.19
(c) Other current liabilities	8	695.26	706.70
(d) Short-term provisions	9	284.87	213.84
Sub-total (3)		7,018.31	4,576.74
TOTAL		14,242.76	11,516.60
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		3,399.36	3,637.91
(ii) Capital work-in-progress		5.96	1.49
		3,405.32	3,639.40
(b) Non-current investments	11	-	45.58
(c) Long-term loans and advances	12	98.46	146.68
(d) Other non-current assets	13	851.80	1,001.16
Sub-total (1)		4,355.58	4,832.82
(2) Current assets			
(a) Inventories	14	3,702.39	2,506.94
(b) Trade receivables	15	5,326.67	2,755.06
(c) Cash and bank balances	16	157.36	446.01
(d) Short-term loans and advances	17	695.56	970.97
(e) Other current assets	18	5.20	4.80
Sub-total (2)		9,887.18	6,683.78
TOTAL		14,242.76	11,516.60
Notes to the financial statements	1-30		

Per our report of even date attached.

For **Sarathy & Balu**

Chartered Accountants

(Firm Regn. No.003621S)

T.MAHIPAL REDDY

Partner

ICAI Ms.No.227616

For and on behalf of the Board of Directors

V.Ramesh

Chairman and Managing Director

DIN: 00296642

Sandeep Ramesh

Executive Director

Chief Financial Officer

DIN: 02692185

Bikram Keshari Prusty

Company Secretary

Ms.No. ACS20082

Place : Hyderabad

Date : 26th April, 2014

Statement of Profit and Loss for the year ended 31 March, 2014

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2014	Year ended 31st March, 2013
I. Income			
(1) Revenue from operations	19	30,946.16	28,863.96
Less: Excise duty		3,127.71	2,831.30
		27,818.45	26,032.66
(2) Other income	20	168.46	66.27
Total Revenue		27,986.91	26,098.93
II. Expenses			
(a) Cost of materials consumed	21	22,705.58	21,309.69
(b) Changes in inventories of finished goods and work-in-progress	22	(273.01)	(910.55)
(c) Employee benefits expense	23	430.09	448.16
(d) Finance costs	24	697.95	531.06
(e) Depreciation and amortisation expense	10	323.30	316.85
(f) Withdrawal from revaluation reserve towards depreciation		(9.60)	(9.61)
(g) Other expenses	25	3,273.49	3,748.00
Total Expenses		27,147.79	25,433.61
III. Profit before Exceptional and Extraordinary items and Tax		839.12	665.33
Less: Exceptional & Extraordinary items:			
Gain on sale of Glass Lining Division	1,948.15		
Less: Income tax	480.00	-	1,468.15
IV. Profit before tax		839.12	2,133.48
Less: Tax Expense:			
(a) Current tax		305.00	222.72
(b) Prior period tax		6.12	1.39
(c) Deferred tax		6.93	35.23
Total Tax		318.05	259.34
V. Profit after tax for the year from continuing operations		521.07	1,874.14
VI. Profit before tax from Discontinuing Operations [Refer Note No.26.7]		-	32.25
Less: Tax expense/(Credit) of discontinuing operations		-	73.03
VII. Profit after tax from Discontinuing Operations		-	105.28
VIII. Profit for the period (V+VII)		521.07	1,979.42
Earnings per equity share of ₹10/- each			
(a) Basic and diluted:			
- Continuing operations (₹)		17/-	62/-
- Discontinuing operations (₹)		-	4/-
Total EPS		17/-	66/-
Notes to the financial statements	1-30		

Per our report of even date attached.

For **Sarathy & Balu**
Chartered Accountants
(Firm Regn. No.003621S)

T.MAHIPAL REDDY
Partner
ICAI Ms.No.227616

For and on behalf of the Board of Directors

V.Ramesh
Chairman and Managing Director
DIN: 00296642

Sandeep Ramesh
Executive Director
Chief Financial Officer
DIN: 02692185

Bikram Keshari Prusty
Company Secretary
Ms.No. ACS20082

Place : Hyderabad
Date : 26th April, 2014

Cash Flow Statement for the year ended March 31, 2014

(₹ in Lakhs)

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
A. Cash Flow From Operating Activities :		
i) Continuing Operations		
Profit before tax from continuing operations	839.12	665.32
Add/(Less): Adjustments for		
a. Depreciation	313.70	307.24
b. Profit on Sale and discarded / demolition of Assets	-	(0.75)
c. Interest	629.83	471.24
d. Provision for Diminution in investments	45.58	45.58
Operating profit before working capital changes	1,828.23	1,488.63
Add/(Less): Adjustments for Working capital changes		
a. Decrease/(increase) in Long term loans and advances	48.22	(81.22)
b. Decrease/(increase) in other non current Assets	149.36	-
c. Decrease/(increase) in Short term loans and advances	275.40	168.40
d. Decrease/(increase) in Other current assets	(57.96)	(45.89)
e. Decrease/(increase) in Trade receivables	(2,571.61)	(1,245.47)
f. Decrease/(increase) in Inventories	(1,195.45)	(1,451.15)
g. (Decrease)/increase in Trade payables	1,180.51	(459.40)
h. (Decrease)/increase in Other Current Liabilities	(11.44)	211.03
i. (Decrease)/increase in Long Term provisions	0.56	(9.87)
j. (Decrease)/increase in Short term provisions	11.35	134.65
Cash generated from operations	(342.83)	(1,290.29)
Cash flow before Extraordinary items	(342.83)	(1,290.29)
Extraordinary items	0.00	0.00
Cash flow before Prior period adjustments	(342.83)	(1,290.29)
Prior period adjustments	(6.12)	(1.39)
Tax paid	(280.89)	(155.97)
Net cash flow from operating activities(sub-total-i)	(629.84)	(1,447.65)
ii) Discontinuing Operations		
Net cash flow from operating activities	-	3,099.88
Total(i+ii)	(629.84)	1,652.24

Continued...

Cash Flow Statement for the year ended March 31, 2014

(₹ in Lakhs)

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
B. Cash Flow From Investing Activities :		
i) Continuing Operations		
a. Purchase of Tangible fixed assets	(89.22)	(106.95)
b. Proceeds from sale of assets	-	0.75
Net cash used in investing activities(sub-total-i)	(89.22)	(106.20)
ii) Discontinuing Operations		
Net cash used in investing activities	-	(29.12)
iii) Cash flow from extraordinary items	-	1,600.36
Tax Paid on extraordinary items	-	(480.00)
Net cash flow from extraordinary items	-	1,120.36
Total(i+ii+iii)	(89.22)	985.04
C. Cash Flow From Financing Activities :		
i) Continuing Operations		
a. Repayment of term loan	(270.00)	(527.14)
b. Changes in short-term borrowings from Banks	688.47	(2,161.24)
c. Deposits recieved during the year	849.00	600.00
d. Repayment of deposits	(195.00)	(405.00)
e. Interest paid on term loans	(629.83)	(471.24)
f. Dividend paid	(60.04)	(60.04)
g. Dividend tax paid	(9.74)	(9.74)
Net cash flow from financing activities(sub-total-i)	372.86	(3,034.39)
ii) Discontinuing Operations		
Net cash flow from financing activities	-	(62.98)
Total(i+ii)	372.86	(3,097.38)
Net (decrease)/increase in cash and cash equivalents	(346.20)	(460.10)
Opening cash and cash equivalents	355.82	815.92
Closing cash and cash equivalents	9.62	355.82

The above cash flow statement has been prepared using indirect method, in accordance with AS-3, Cash Flow Statements.

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.003621S)

T.MAHIPAL REDDY

Partner

ICAI Ms.No.227616

Place : Hyderabad

Date : 26th April, 2014

For and on behalf of the Board of Directors

V.Ramesh

Chairman and Managing Director

DIN: 00296642

Sandeep Ramesh

Executive Director

Chief Financial Officer

DIN: 02692185

Bikram Keshari Prusty

Company Secretary

Ms.No. ACS20082

Notes to financial statements for the year ended 31st March, 2014 (₹ in Lakhs)

Particulars	As at 31st March, 2014	As at 31st March, 2013
1) Share Capital		
(a) Authorised		
50,00,000 Equity shares of ₹10/- each (Previous year : 50,00,000 Equity shares of ₹10/- each)	500.00	500.00
(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)	300.19	300.19
Total	300.19	300.19

(c) Reconciliation of number of shares outstanding at the beginning & at the end of the reporting period:

	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Outstanding at the beginning of the year	30,01,900	300.19	30,01,900	300.19
Add/(Less): Addition / (reduction)	-	-	-	-
Outstanding at the end of the year	30,01,900	300.19	30,01,900	300.19

(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, 2014		As at 31st March, 2013	
	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	7,86,836	26.21	9,86,474	32.86
(ii) Ramesh Vuyyuru	2,21,208	7.37	2,21,208	7.37
(iii) Sandeep Vuyyuru Ramesh	3,92,940	13.09	1,90,474	6.35

Particulars	As at 31st March, 2014	As at 31st March, 2013
2) Reserves and surplus		
(a) Securities Premium reserve -as in last year	1,092.88	1,092.88
(b) Revaluation reserve		
Opening balance	74.82	217.78
Less: Withdrawal towards the current year depreciation on revalued portion	9.60	10.24
Withdrawal relating to assets disposed during the year	-	132.73
Closing balance	65.21	74.82
(c) General reserve		
Opening balance	411.00	261.00
Add: Transfer from current year profits	53.00	150.00
Closing balance	464.00	411.00
(d) Investment Subsidy-Closing balance as in last year	75.00	75.00
(e) Balance in Statement of Profit and Loss		
Opening balance	3,731.88	1,972.25
Add: Profit for the year	521.07	1,979.41
Amount available for appropriations	4,252.95	3,951.66

Notes to financial statements Continued...

(₹ in Lakhs)

Particulars	As at 31st March, 2014	As at 31st March, 2013
Less: Proposed dividend on equity capital @ ₹3/- per share (Prev. year @ ₹2/- per share)	90.06	60.04
Tax on dividend	15.31	9.74
Transferred to General reserve	53.00	150.00
Closing balance	4,094.59	3,731.88
Total	5,791.68	5,385.58
3) Long-term borrowings		
(a) Term loans from banks – Secured	270.00	540.00
(b) Deferred payment liabilities - Sales tax deferment loan – Unsecured	405.80	405.80
(c) Deposits from related parties – Unsecured	141.00	-
Total	816.80	945.80

Notes:

a) Term Loans from banks - secured:

Rupee term loan from Andhra Bank [Limit ₹1,350.00 Lakhs outstanding as at 31st March, 2013: ₹540.00 Lakhs including ₹270.00 Lakhs shown as 'current maturities of long-term debt', under the head "Other Current Liabilities", Note - 8 (Previous year – ₹810.00 Lakhs) carries interest @ Base Rate+2%, repayable in 60 monthly installments of ₹2.25 Lakhs each. .

The above loan is secured by equitable mortgage/hypothecation of Land, Buildings & Equipment of the Lead Units at Choutuppal and Tirupati 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.

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 this of loan commences in financial year 2014-15.

- c) Deposits carry interest @12% per annum, payable quarterly, repayable as per the terms of repayment agreed, over a period of 24 months from the date of acceptance.
- d) There are no continuing defaults as on the Balance sheet date in repayment of the above term loans, deposits and interest thereon and deferred liabilities.

(₹ in Lakhs)

Particulars	As at 31st March, 2014	As at 31st March, 2013
4) Deferred Tax Liabilities (Net)		
(i) Liability on timing differences of Depreciation	312.25	305.12
(ii) Asset on timing differences of Leave encashment exp.	1.93	1.73
Net deferred tax liability	310.32	303.39
5) Long-term provisions		
Provision for employee benefits - Leave encashment (Note 26.2.B)	5.46	4.90
Total	5.46	4.90

Notes to financial statements Continued...

(₹ in Lakhs)

Particulars	As at 31st March, 2014	As at 31st March, 2013
6) Short-term borrowings		
(a) Loans repayable on demand		
From banks – Secured		
Open cash credit facility	2,724.48	2,036.02
	2,724.48	2,036.02
(b) Deposits - Unsecured		
(i) Inter Corporate Deposits	838.00	363.00
(ii) Other Deposits:		
- from Directors	40.00	10.00
- from related parties	335.00	412.00
- from Others	145.00	60.00
	1,358.00	845.00
Total	4,082.48	2,881.02

Notes:

- Open cash credit from Andhra Bank (limit ₹ 2,500.00 Lakhs, Previous year ₹2,500.00 Lakhs) and FUBD backed by LC- outside MPBF (limit) ₹750.00 Lakhs, Previous year ₹750.00 Lakhs carries interest @ Base rate +2% 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 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 Tirupati and guaranteed by the Managing Director of the company in his personal capacity.
- Intercompany and other deposits carry interest @12% per annum, payable quarterly, repayable as per the terms of repayment agreed, over a period ranging from 6 to 12 months from the date of acceptance.
- There are no defaults as on the Balance sheet date in repayment of the above loans, deposits and interest thereon.

(₹ in Lakhs)

Particulars	As at 31st March, 2014	As at 31st March, 2013
7) Trade Payables - Unsecured		
(a) Due to Micro, Small and Medium enterprises	-	-
(b) Due to others	1,955.70	775.19
Total	1,955.70	775.19
Note:		
(i) 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	-	-

Notes to financial statements Continued...

(₹ in Lakhs)

Particulars		As at 31st March, 2014	As at 31st March, 2013
8) Other current liabilities			
(a) Current maturities of long-term debt (Refer Note.3)		270.00	270.00
(b) Interest accrued but not due on borrowings		26.85	21.79
(c) Advance from customers		0.36	4.45
(d) Unclaimed dividends		8.71	9.07
(e) Creditors for capital expenditure		-	6.32
(f) Other payables		389.33	395.06
Total		695.26	706.70
9) Short-term provisions			
(a) Provision for employee benefits:			
(i) Leave encashment (Note 26.2.B)		0.48	0.43
(b) Other Provisions:			
(i) for income tax (net of advance tax)		112.15	88.05
(ii) for proposed dividend on equity capital @ ₹3 per share (prev. year ₹2/- per share)		90.06	60.04
(iii) for income tax on proposed dividend		15.31	9.74
(iv) for Excise Duty (on Closing Stocks)		66.88	55.58
Total		284.87	213.84



10. FIXED ASSETS

(₹ In Lakhs)

Previous year	6,403.23	134.57	1,810.70	4,727.10	1,780.55	333.32	1,024.68	1,089.19	3,637.91	4,622.68
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Notes to financial statements Continued...

(₹ in Lakhs)

Particulars	As at 31st March, 2014	As at 31st March, 2013
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
Less : Provision for Diminution	91.16	45.58
Total	-	45.58
12) Long-term loans and advances		
(Unsecured, considered good)		
(a) Security deposits	26.77	84.47
(b) Gratuity fund	71.70	62.21
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	98.46	146.68
13) Other non-current assets:		
(a) Deferred receivable (in respect of sale of Glass Lining Division, held as a deposit in Escrow account with a scheduled Bank in India)	850.00	1,000.00
(b) Deposit with banks held as margin money against guarantees and other commitments with maturity of more than 12 months	1.80	1.16
Total	851.80	1,001.16
14) Inventories		
(At lower of cost and net realisable value)		
(a) Raw materials - Lead	1,610.85	785.04
(b) Work-in-progress - Lead	1,189.53	1,007.90
(c) Finished goods - Lead	607.95	505.27
(d) Stores and spares	294.06	208.73
Total	3,702.39	2,506.94
15) Trade receivables		
(Unsecured, considered good)		
(a) Outstanding for a period exceeding six months from the date they are due for payment	32.66	32.66
(b) Others	5,294.00	2,722.40
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	5,326.67	2,755.06

Notes to financial statements Continued...

(₹ in Lakhs)

Particulars	As at 31st March, 2014	As at 31st March, 2013
16) Cash and bank balances:		
(a) Cash and Cash equivalents:		
(i) Balance with Scheduled Banks in India in current accounts:	9.11	355.00
(ii) Cash on hand	0.51	0.82
(b) Other balances with banks:		
(i) in Deposit Accounts held as margin money or security against borrowings, guarantees and other commitments with maturity of less than 12 months	139.03	81.12
(ii) in Unclaimed dividend accounts	8.71	9.07
Total	157.36	446.01
17) Short-term loans and advances		
(Unsecured, considered good)		
(a) Loans and advances to related parties	-	-
(b) Others:		
(i) Advances for Purchases, Expenses & Services	524.50	628.04
(ii) Loans and advances to employees	3.92	2.16
(iii) Prepaid expenses	13.89	21.25
(c) Balances with government departments		
- CENVAT credit	146.08	156.91
- CENVAT receivable	7.16	162.24
- Income Tax Refund receivable	-	0.37
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	695.56	970.97
18) Other current assets		
(i) Interest accrued but not due on deposits with banks and others	5.20	4.80
Total	5.20	4.80

Notes to financial statements Continued...

(₹ in Lakhs)

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
19) Revenue from operations (continuing operations)		
a) Sale of products - Manufactured goods:		
(i) Lead		
Domestic sales	28,366.21	25,635.45
Export sales	822.20	529.21
	29,188.41	26,164.66
(ii) Wind Power	97.39	45.48
Total (a)	29,285.80	26,210.14
b) Sale of services		
Lead Job work charges	1,656.87	2,641.74
c) Other operating revenue		
Scrap sales	3.49	12.08
Total (a) + (b) + (c)	30,946.16	28,863.96
Less: Excise duty	3,127.71	2,831.30
Total	27,818.45	26,032.65
20) Other income		
(i) Interest income on		
- Deposits with banks	31.00	7.74
- Others	11.26	9.34
(ii) Net gain on foreign currency transaction and translation	33.67	-
(iii) Excess liabilities written in	9.79	-
(iv) Bad debts recovered	6.66	-
(v) Profit on sale of assets	-	0.75
(vi) Scrap batteries collection charges	76.05	48.44
(vii) Miscellaneous receipts	0.02	-
Total	168.46	66.27
21) Cost of materials consumed:		
Opening stock (Lead)	785.04	199.00
Add: Purchases (Lead)	23,735.93	22,180.36
	24,520.97	22,379.37
Less: Closing stock of raw materials	1,610.85	785.04
	22,910.11	21,594.33
Less: Surplus in Hedging operations of price of raw materials	204.54	284.64
Total	22,705.58	21,309.69

Notes to financial statements Continued...

(₹ in Lakhs)

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
22) Changes in inventories of finished goods and work-in-progress		
(a) At the beginning of the year (Lead):		
(i) Finished goods	505.27	100.36
(ii) Work-in-progress	1,007.90	457.72
	1,513.17	558.08
(b) At the end of the year (Lead):		
(i) Finished goods	607.95	505.27
(ii) Work-in-progress	1,189.53	1,007.90
	1,797.48	1,513.17
	(284.30)	(955.09)
Less: Excise duty on increase of finished goods	11.29	44.54
Net (increase) / decrease in the closing inventory	(273.01)	(910.55)
23) Employee benefits expense		
(including managerial remuneration)		
Salaries and wages	362.57	356.52
Contributions to provident and other funds	31.15	51.79
Staff welfare expenses	36.36	39.85
Total	430.09	448.16
24) Finance costs		
(a) Interest expense on:		
(i) Borrowings from:		
- Banks on fixed loans	84.21	144.39
- Banks on working capital loans	433.71	234.11
- Directors	6.86	3.03
- Others	105.05	89.70
(b) Other finance costs (bank commission & charges)	68.12	59.83
Total	697.95	531.06
25) Other expenses		
Stores and spare parts consumed	1,433.81	1,909.73
Power and fuel	902.79	906.12
Packing materials consumed	13.41	17.07
Other production expenses	281.76	236.61
Windmills maintenance expenses	10.34	6.60
Operating lease charges for equipment	48.07	46.96
Directors sitting fee	0.77	0.67
Recruitment & Training of personnel	2.48	0.60
Books & Periodicals	0.04	1.41
Rent	10.81	9.53
Rates and taxes	5.36	5.30
Repairs and maintenance - Buildings	10.34	6.81
- Plant & Machinery	61.08	52.25
- Others	1.24	1.13

Notes to financial statements Continued...

(₹ in Lakhs)

Particulars	Year ended 31st March, 2014	Year ended 31st March, 2013
Insurance	20.73	12.71
Communication expenses	6.95	6.80
Traveling and conveyance	8.79	5.98
Printing and stationery	4.21	3.53
Carriage outwards	175.47	156.97
Discounts	16.55	98.58
Advertisement and Business promotion expenses	4.42	3.11
Vehicle Maintenance charges	8.15	7.78
Legal and professional charges	16.38	12.76
Payment to auditors		
- As auditors	3.37	3.37
- For taxation matters	1.10	1.00
- For management services	0.60	0.32
Loss on foreign currency transaction & translation	-	28.76
Advances for Materials written off	42.62	22.35
Provision for Diminution in Investment	45.58	45.58
A.P. Value Added Tax	129.33	130.90
General & Miscellaneous expenses	6.93	6.70
Total	3,273.49	3,748.00

26. MEASUREMENT AND DISCLOSURES AS PER ACCOUNTING STANDARDS

26.1 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) Income 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.

Revenue from sale of Wind Power is recognized as per terms of PPA on supply of power.

Interest income on general deposits with Bank and Others is recognized on time proportion basis and interest on deposit in Escrow account with bank is recognized on receipt of the amount from Escrow account on fulfillment of terms and conditions of the related agreement.

(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 are 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.

Short-term employee benefits such as wages, salaries and short-term compensated absences like bonus and other non-monetary benefits are provided for as per Company's Rules on best estimate basis.

(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) Government grants:

Government grants available to the company are recognized when there is a reasonable assurance that the conditions attached to the grant will be complied with and reasonably certain that grants will be received.

(l) 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.

(m) 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.

(n) Derivative instruments and hedge accounting:

The company's activities expose primarily to the financial risks of changes in commodity prices in 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.

(o) 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.

(p) 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.

(q) 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.

(r) General:

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

26.2. Employee Benefits (AS-15):

The company has classified various benefits to employees as under:

A) Defined Contribution Plans

i) 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	2013-14	2012-13
a)	Contribution to provident fund	26.28	35.43

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 independent 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%	4.00%	4.00%	4.00%
	Rate of return on Plan assets	6.75%	9.25%	0%	0%
	Expected average remaining working lives of employees	18 years	19 years	18 years	19 years
ii)	Changes in present value of obligation				
	Present value of obligations as at beginning of year	54.43	123.08	5.33	15.73
	Interest cost	4.35	9.84	0.42	1.26
	Current Service Cost	1.99	3.49	0.18	3.10
	Past Service Cost	—	—	—	—
	Benefits Paid	(6.84)	(101.86)	(3.69)	(13.61)
	Actuarial (gain)/ loss on obligations	(8.22)	19.86	3.70	(1.16)
	Present value of obligations as at end of year	45.71	54.43	5.94	5.33
iii)	Changes in fair value of plan assets				
	Fair value of plan assets at beginning of year	116.64	110.87	—	—
	Expected return on plan assets	7.61	10.07	—	—
	Contributions	—	—	—	—
	Benefits Paid	(6.84)	(4.30)	(3.69)	(13.61)
	Actuarial gain/(loss) on Plan assets	—	—	—	—
	Fair value of plan assets at the end of year	117.41	116.64	—	—
iv)	Reconciliation of present value of defined obligations and Fair value of plan assets				
	Closing balance of present value of obligation	45.71	54.43	5.94	5.33
	Closing balance of fair value of plan assets	117.41	116.64	—	—
	Funded (asset) / liability recognized in the Balance Sheet	(71.70)	(62.20)	—	—
	Unfunded liability recognized in the Balance Sheet	—	—	5.94	5.33
v)	Actuarial Gain/Loss recognized				
	Actuarial (gain)/ loss on obligations	(8.22)	19.86	3.70	(1.16)
	Actuarial (gain)/ loss for the year - plan assets	—	—	—	—
	Actuarial (gain)/ loss recognized in the year	(8.22)	19.86	3.70	(1.16)
vi)	Amounts recognized in the Balance Sheet				
	Present value of obligations as at the end of year	45.71	54.43	5.94	5.33
	Fair value of plan assets as at the end of the year	117.41	116.64	—	—
	Funded status	71.70	62.20	(5.94)	(5.33)
	Unrecognised actuarial (gains)/losses	—	—	—	—
	Net asset/(liability) recognized in balance sheet	71.70	62.20	(5.94)	(5.33)
vii)	Expenses Recognized in the Statement of Profit & Loss				
	Current Service cost	1.99	3.49	0.18	3.10
	Interest Cost	4.35	9.84	0.42	1.26
	Expected return on plan assets	(7.61)	(10.07)	—	—
	Net Actuarial (gain)/ loss recognized in the year	(8.22)	19.86	3.70	(1.16)
	Past Service Cost	—	—	—	—
	Expenses recognized in statement of Profit and loss	(9.49)	23.14	4.30	3.20

26.3. Segment Reporting – (AS-17):**A) Primary disclosures:**

Business Segments: For management purposes, the Company is organized into two major operating divisions – Lead and Wind energy. These divisions are the basis on which the Company reports its primary segment information. Lead Division produces Lead and Lead alloys and the Windmills generate electrical energy. 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.

Note: During the previous financial year, the Glass Lining Division was transferred on slump sale basis. Hence, in the previous year's figures, information on this division upto the date of transfer were shown as 'Discontinuing Operations'.

Information about business segments:

(₹ In lakhs)

PARTICULARS	Glass Lining Division (discontinuing operation)	Lead Division	Wind Power Division	Total
REVENUE				
External Sales	– (1,030.75)	27,721.07 (25,987.18)	97.38 (45.48)	27,818.45 (27,063.41)
RESULT				
Segment result	– (91.01)	1,322.02 (1,151.04)	46.58 (-20.94)	1,368.60 (1,221.11)
Operating Profit	–	–	–	1,368.60 (1,221.11)
Interest Expense	–	–	–	697.94 (595.76)
Interest & Misc. Income	–	–	–	168.46 (72.22)
Income tax & Deferred tax	–	–	–	318.05 (186.31)
Profit from ordinary activities	–	–	–	521.07 (511.27)
Other un-allocated income	–	–	–	–
Extraordinary items (Net of tax)				-- (1,468.15)
Net Profit	–	–	–	521.07 (1,979.41)
OTHER INFORMATION:				
Segment assets	– –	13,278.17 (10,336.56)	105.88 (125.10)	13,384.05 (10,461.66)
Unallocated corporate assets	–	–	–	858.71 (1,054.93)
Total Assets	– –	13,278.17 (10,336.56)	105.87 (125.10)	14,242.76 (11,516.59)
Segment Liabilities	– –	7,719.53 (5,351.15)	6.96 (9.39)	7,726.49 (5,360.54)



(₹ In lakhs)

PARTICULARS	Glass Lining Division (discontinuing operation)	Lead Division	Wind Power Division	Total
Unallocated corporate liabilities	–	–	–	424.39 (470.28)
Total Liabilities	–	7,719.53 (5,351.15)	6.96 (9.39)	8,150.88 (5,830.82)
Cost incurred on acquisition of assets				
– Put to use	– (29.11)	84.75 (105.46)	– (–)	84.75 (134.57)
– CWIP	– (–)	4.46 (1.49)	– (–)	4.46 (1.49)
Depreciation	– (16.47)	303.00 (296.55)	20.30 (20.30)	323.30 (333.32)
Non-cash expenses other than depreciation	– (–)	– (–)	– (–)	– (–)

(Note: Figures in brackets relate to previous year)

B) Secondary Disclosures:

- 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.
- 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 31.03.2014	Additions during the year (2013-2014)	
		Put to Use	CWIP
Glass Lining Division –Hyderabad, A.P. (discontinuing operations)	– (–)	– (29.11)	– (–)
Lead Division – Choutuppal, A.P.	3,909.94 (1,938.23)	2.41 (2.30)	4.46 (1.49)
– Tirupati, A.P.	9,368.23 (8,398.34)	82.34 (103.16)	– (–)
Wind Mills - Ramagiri , A.P.	105.88 (125.11)	– (–)	– (–)

(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.

26.4. Related party disclosures (AS-18):

- Key Management Personnel:
 - Sri V.Ramesh, Chairman and Managing Director
 - Sri. Sandeep V Ramesh, Executive Director
- Names of related parties:
 - Smt V.Hemalatha (relative of Managing Director)

- (b) Smt V.Rajeswari (relative of Managing Director)
- (c) Smt. V. Shilpa (relative of Managing Director)
- (d) Smt. P.Lalithamaba (relative of Executive 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.

(iv) Particulars of transactions with related parties:

(₹ In lakhs)

Sl. No.	Particulars	Current Year	Previous year
a)	Remuneration to - Key Management Personnel	83.99	77.27
b)	Interest on unsecured loans (Fixed deposits) to – - Key Management Personnel	6.86	1.83
	- Related parties	54.85	41.88
	- Others	46.32	50.86
c)	Unsecured loans (Fixed deposits) payable to:		
	- Key Management Personnel	41.06	--
	- Related parties	487.77	432.53
	- Others	850.15	372.67

26.5. Leases (AS-19):

The Company has taken certain equipment under non cancelable operating lease agreements for a period of 60 months. The lease rental charges, shown under the head 'Operating Lease Charges' during the year ended March, 2014 is ₹48.07 lakhs (Previous year ₹ 46.96 lakhs) and maximum obligation on long-term non-cancelable operating lease payable as per the respective agreements are as follows:

(₹ In lakhs)

		Current year	Previous year
i)	Obligation on Non-cancelable operating leases:		
a)	not later than one year	60.30	46.50
b)	later than one year and not later than five years	131.55	124.00
c)	later than five years	–	–
ii)	Total of minimum sub-lease payments expected	–	–
iii)	Lease payments recognized in the statement of Profit & Loss for the Period	48.07	46.96
iv)	Sub lease payments received or receivable recognized in P&L A/c during the period	–	–
v)	General description of significant leasing arrangements		
a)	Description of the assets taken on operating lease	Liquid Oxygen Storage Equipment & Oxyfuel Burner System	Liquid Oxygen Storage Equipment & Oxyfuel Burner System
b)	Basis on which contingent rent payments are determined	As per the terms of the lease agreement	As per the terms of the lease agreement
c)	Terms of renewal or purchase options and escalation clauses of lease arrangements	As per the terms of the lease agreement	As per the terms of the lease agreement
d)	Restrictions imposed by lease agreements, if any	–	–

26.6. Earnings Per Share– (AS-20):

	Current year	Previous year
a) Net profit for the year		
- from continuing operations(₹ In lakhs)	521.07	1874.14
- from discontinuing operations(₹ In lakhs)	–	105.28
b) Net profit for the year excluding extraordinary items (₹In lakhs)	521.07	511.26
c) Weighted average no. of shares outstanding during the year	30,01,900	30,01,900
d) Basic and diluted earnings per share		
- from continuing operations(₹)	17/-	62/-
- from discontinuing operations(₹)	–	4/-
Total EPS	17/-	66/-
e) Basic and diluted earnings per share excluding extraordinary items (net off tax) (₹)	17/-	17/-
f) Nominal value of shares (fully paid up) (₹)	10/-	10/-

26.7. Discontinuing operations – (AS-24):

- (i) Pursuant to the Business Transfer Agreement (BTA) entered into by the company on 9th July, 2011 for sale of company's Glass Lining Division, sale of the same was completed in June, 2012. The carrying amount of the assets and liabilities of the Glass Lining Division as on the balance sheet date is nil.

Details of revenue and expenses of continuing and discontinuing operations are as under:

(₹ In lakhs)

	Continuing operations (Lead & Wind Power Divisions)		Discontinuing operation (Glass Lining Division)		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Revenue from operations	30,946.16	28,863.96	–	1,100.76	30,946.16	29,964.72
Less: Excise Duty	3,127.71	283.130	–	70.01	3,127.71	2,901.31
	27,818.45	26,032.66	–	1,030.75	27,818.45	27,063.41
Other Income	168.46	66.27	–	5.94	168.46	72.21
Total	27,986.91	26,098.93	–	1,036.69	27,986.91	27,135.62
Cost of materials consumed	22,705.58	21,309.69	–	430.84	22,705.58	21,740.53
Changes in Inventories	(273.01)	(910.55)	–	65.51	(273.01)	(845.04)
Employee benefit expense	430.08	448.16	–	129.53	430.08	577.69
Finance cost	697.95	531.06	–	64.70	697.95	595.76
Depreciation	313.70	307.24	–	15.84	313.70	323.08
Other expenses	3,273.49	3,748.00	–	298.02	3,273.49	4,046.02
Total expenses	27,147.79	25,433.60	–	1,004.44	27,147.79	26,438.04
Profit before exceptional & extraordinary items and tax	839.12	665.33	–	32.25	839.12	697.58
Exceptional & Extraordinary Item – Profit on sale of GLD	–	1,948.15	–	–	–	1,948.15
Less: Tax	–	480.00	–	–	–	480.00
Net profit from Extraordinary Item after tax	–	1,468.15	–	–	–	1,468.15
Profit before tax	839.12	2,133.48	–	32.25	839.12	2,165.73
Less: Tax						
- Current tax	305.00	222.72	–	17.28	305.00	240.00
- Prior period tax	6.12	13.9	–	–	6.12	1.39
- Deferred tax	6.93	35.23	–	(90.31)	6.93	(55.08)
Total tax expense	318.05	259.34	–	(73.03)	318.05	186.31
Profit after tax	521.07	1,874.14	–	105.28	521.07	1,979.42

(ii) **Other Disclosures:**

- (a) During the year, out of the amount of ₹1,000.00 lakhs kept in Escrow account with a bank, an amount of ₹150.00 lakhs together with interest thereon was received on fulfillment of the related terms and conditions of the sale agreement.

26.8. Impairment of Assets – (AS-28):

(₹ In lakhs)

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

26.9. 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 (including interest), pending appeal preferred by the company – ₹7.16 lakhs (Previous year – ₹ 7.16 lakhs). This amount has been fully paid under protest.
- (b) Property tax demand from GHMC, pending decision on writ filed by the company, aggregating to ₹11.70 lakhs (Previous year ₹ 11.70 lakhs). Against this liability, an amount of ₹2.34 lakhs (Previous year ₹2.34 lakhs) has been paid as per interim orders of the High Court of A.P.
- (c) The company received favourable orders from ITAT on the appeal filed by it for assessment years 1996-97 and 1997-98 and the demand of ₹42.23 lakhs was nullified. The I.T. Department has filed further appeal against the orders of ITAT in the Hon'ble High Court of A.P. However, the Management is of the view that no liability will arise in this regard. Accordingly, no contingent liability is recognized for the same.
- (ii) Guarantees and letters of credit:
- (a) Bank Guarantees issued by Bankers – ₹42.81 lakhs (Previous year - ₹ 210.65 lakhs)
- (b) Letters of Credit issued by Bankers – ₹1,636.76 lakhs (Previous year - ₹ 659.53 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: - Nil - (Previous year – Nil-)

27. Additional Information as required under Schedule VI 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.

	Year ended with March, 2014		Year ended with March, 2013	
	(%) to total consumption	Value ₹ in lakhs	(%) to total consumption	Value ₹ in lakhs
(a) Raw Materials:				
Indigenous	53.40	12,125.73	55.53	12,071.94
Imported	46.60	10,579.85	44.47	9,668.59
Total	100.00	22,705.58	100.00	21,740.53
(b) Spare parts & Components:				
Indigenous	98.47	1,411.86	98.94	1,951.39
Imported	1.53	21.95	1.06	20.96
Total	100.00	1,433.81	100.00	19,723.35



	Year ended with March, 2014 (₹ In lakhs)	Year ended with March, 2013 (₹ In lakhs)
ii) Value of imports calculated on CIF Basis:		
- Raw materials	13,922.38	9,815.58
- Components & Spare parts	24.80	45.51
- Capital Goods	33.02	—
Total	13,980.20	9,861.09
iii) Earnings in Foreign currency:		
a) FOB value of exports		
Lead	822.20	529.21
iv) Expenditure in foreign currency on account of:		
- Travelling expenses	3.37	—
v) Amount remitted in Foreign currency on account of dividends:		
- Amount of Dividend	1.65	1.65
- Number of non-resident Shareholders	3	3
- Number of Shares held by them	82,500	82,500
Year to which dividend related	2012-13	2011-12

28. On 16-03-2006, the Central Power Distribution Company of Andhra Pradesh Limited (APCPDCL), to whom the company is supplying the Power generated in its Wind Power Project as per Power Purchase Agreement dt.20-05-2002, has filed an application before Andhra Pradesh Electricity Regulatory Commission (APERC) for revision of tariff after the project completed 10 years (i.e., after 29-08-2005).

Pending final adjudication, the APERC vide their interim order dated 16-11-2012 has directed the APCPDCL to pay power tariff @ 50% of the rate paid for the 10 years i.e. ₹1.69 per unit (50% of ₹3.37) for the power supplied by the company, beyond 10th year. The company has filed an appeal against the interim orders of APERC in Appellate Tribunal for Electricity and the interim order is vacated during the current year. Accordingly, during the year, the company has recorded the income at ₹3.37 per unit as per the original agreement.

29. 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.

30. General Notes:

- Statement of Profit & Loss for the previous year has been prepared showing the following separately as per Schedule-VI 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.
- In the previous year's figures, 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.26.7).
- Previous year's figures have been regrouped wherever necessary to conform to the layout adopted in the current year.

Per our report of even date attached.

For **Sarathy & Balu**

Chartered Accountants

(Firm Regn. No.003621S)

T.MAHIPAL REDDY

Partner

ICAI Ms.No.227616

Place : Hyderabad

Date : 26th April, 2014

For and on behalf of the Board of Directors

V.Ramesh

Chairman and Managing Director

DIN: 00296642

Sandeep Ramesh

Executive Director

Chief Financial Officer

DIN: 02692185

Bikram Keshari Prusty

Company Secretary

Ms.No. ACS20082



N I L E
L I M I T E D

CIN : L25119AP1984PLC004719

Registered Office: Plot No.38 & 40, APIIC Industrial Park,Gajulamandyam Village,
Renigunta Mandal, Tirupati, Andhra Pradesh - 517520

ATTENDANCE SLIP

Folio No.	DP ID*	Client ID*	No. of Shares

* Applicable to Members holding shares in Electronic Form

I,.....(Name of the Shareholder/Proxy)
hereby record my presence at the **30th Annual General Meeting** of the Company held on **Tuesday, the 30th September, 2014 at 09:30 A.M. at Plot No.38 & 40, APIIC Industrial Park, Gajulamandyam Village, Renigunta Mandal, Tirupati, Andhra Pradesh – 517520.**

Signature of Shareholder / Proxy

Note:

- 1 Please complete this attendance slip and hand it over at the entrance of the meeting hall.
- 2 Only shareholders of the Company or their Proxies will be allowed to attend the meeting on production of the attendance slip duly completed and signed.



N I L E
L I M I T E D

CIN : L25119AP1984PLC004719

Registered Office: 'Plot No.38 & 40, APIIC Industrial Park,Gajulamandyam Village,
Renigunta Mandal, Tirupati, Andhra Pradesh - 517520



PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)		Email ID	
Registered Address		Folio	
		DP ID/Client ID	

I / We, being the member(s) holdingshares of the above named company, hereby appoint

1. Name :

Address :

Email id :

Signature : (, or failing him)

2. Name :

Address :

Email id :

Signature : (, or failing him)

3. Name :

Address :

Email id :

Signature :



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the company, to be held on Tuesday, the 30th September, 2014 at 09:30 A.M. at Plot No.38 & 40, APIIC Industrial Park, Gajulamandyam Village, Renigunta Mandal, Tirupati, Andhra Pradesh – 517520 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Business
1	Adoption of Financial Statements
2	Declaration of Dividend on Equity Shares
3	Reappointment of Sri Sandeep Ramesh, who retires by rotation
4	Appointment of Auditors and fixing their remuneration
5	Appointment of Sri S.V. Narasimha Rao as an Independent Director
6	Appointment of Sri V. Ashok as an Independent Director
7	Appointment of Sri Satish Malladi as an Independent Director
8	Appointment of Sri Sridar Swamy as an Independent Director
9	Appointment of Sri Suketu Shah as an Independent Director
10	Appointment of Smt Vuyyuru Rajeswari as a Director
11	Reappointment of Sri V. Ramesh as Managing Director
12	Reappointment of Sri Sandeep Ramesh as Executive Director
13	Remuneration to Cost Auditor
14	Place of maintenance of Register of members etc.

Signed thisday of 2014

Signature of shareholder

Affix
Revenue
Stamp

Signature of Proxy holder(s)

Note:

1. Proxy:

A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself and such proxy need not be a Member of the company.

Deposit of proxy:

Proxies in order to be effective must be received at the registered office of the Company not later than 48 hours before the meeting.

2. A person can act as a Proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



N I L E
L I M I T E D

CIN: L25119AP1984PLC004719

Regd. Office: Plot No. 38 & 40, APIIC Industrial Park, Gajulamandam (V),
Reningunta (M), Tirupati, Chittoor Dist., Andhra Pradesh - 517520

E-mail: legal@nilelimited.com, website: www.nilelimited.com

BALLOT FORM

(Pursuant to Clause 35B(ii) of the listing agreement)

1. Name and Registered Address of the sole / first
named Shareholder:

Serial No. :

2. Name(s) of the Joint Shareholder(s) if any:

3. Registered Folio No. / DP ID No./ Client ID No.*
(*Applicable to investors holding shares in
dematerialized form):

4. Number of Equity Shares held :

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice of 30th Annual General Meeting of the Company to be held on 30th September, 2014 by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below:

Reso- lution No.	Description	No. of equity shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Ordinary Business:				
1	Adoption of Financial Statements			
2	Dividend declaration			
3	Reappointment of Sri Sandeep Ramesh, who retires by rotation			
4	Appointment of Auditors			
Special Business:				
5	Appointment of Sri S.V. Narasimha Rao as an Independent Director			
6	Appointment of Sri V. Ashok as an Independent Director			
7	Appointment of Sri Satish Malladi as an Independent Director			
8	Appointment of Sri Sridar Swamy as an Independent Director			
9	Appointment of Sri Suketu Shah as an Independent Director			
10	Appointment of Smt Vuyyuru Rajeswari as a Director			
11	Reappointment of Sri V. Ramesh as Managing Director			
12	Reappointment of Sri Sandeep Ramesh as Executive Director			
13	Ratification of remuneration payable to Cost Auditors			
14	Place of maintenance of Register of members etc., and copies of Annual Return			

Place :

Date :

Signature of the Member

NOTE: Kindly read the instructions printed overleaf before filling the form. Valid Ballot Forms received by the Scrutinizer before 5.00 P.M. on 25th September, 2014 shall only be considered.

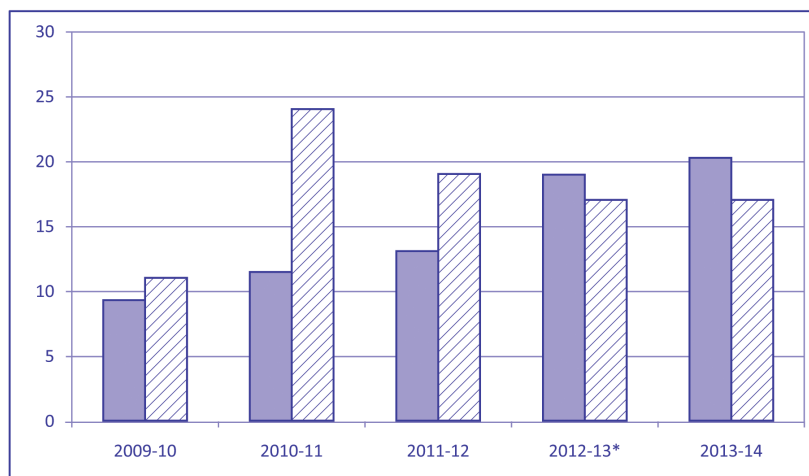
VOTING THROUGH BALLOT FORM IN LIEU OF E-VOTING

EVSN (Electronic Voting Sequence Number): 140813025

INSTRUCTIONS:

1. Each share will carry one (1) vote and the voting rights shall be reckoned on the paid-up value of the shares registered in the name of the shareholders on 14th August, 2014 (the cut-off date).
2. Members may fill up the Ballot Form printed overleaf, in lieu of E-Voting, and send it to the Scrutinizer in the enclosed self-addressed (business reply) envelope, so as to reach the Scrutinizer on or before the close of the business hours i.e. at 5.00 P.M on 25th September, 2014. Postage will be borne and paid by the Company. However, any envelope containing Ballot Form if sent by hand/ by courier at the expense of the Registered Member will also be accepted. The Ballot forms received after this date will be strictly treated as if the reply from the Shareholder has not been received.
3. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
4. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
5. In the event member casts his votes through both the processes i.e. E-Voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
6. Members casting vote either through E-Voting or through Ballot Form printed overleaf will not have any right to vote at the meeting. However, they can attend the meeting.
7. The right of voting by Ballot Form shall not be exercised by a proxy.
8. The identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the Registrars and Share Transfer Agents of the Company (i.e. M/s. XL Softech Systems Ltd.). Members are requested to keep the same updated.
9. There will be only one Ballot Form for every Folio / DP ID Client ID irrespective of the number of joint members.
10. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his / her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Registrars and Share Transfer Agents, who shall not entertain any objection on such Ballot Form signed by other joint holders.
11. Where the Ballot Form has been signed by an authorised representative of the body corporate / Trust / Society, etc. A certified copy of the relevant authorisation / Board resolution to vote should accompany the Ballot Form.
12. Instructions for e-voting procedure are available in the Notice of Annual General Meeting.

Last 5 years' Earnings per share, Book value per share

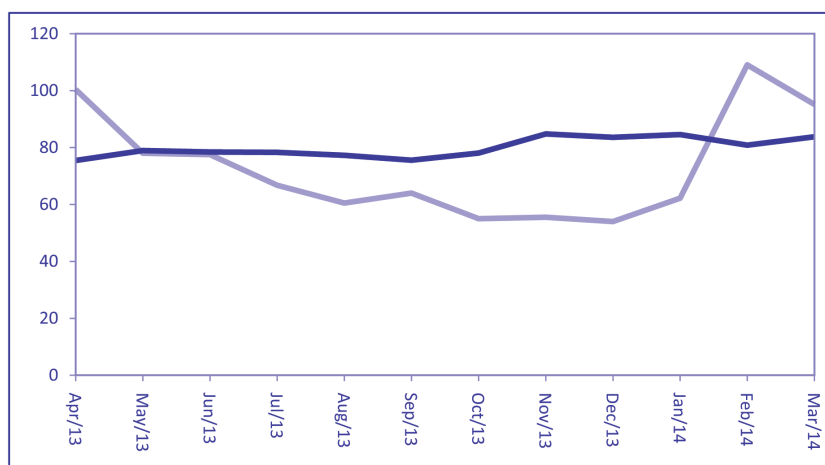


■ Book value per share (1 = Rs. 10)

▨ Earnings per share (1 = Re. 1)

**EPS calculated excluding profit earned on sale of Glass Lining Division.*

Performance of Nile share price vis-a-vis SENSEX



— Nile share price on BSE (in Rs.)

▨ BSE SENSEX (1 = 250 points)

Data presented based on the closing values as on the first trading day of the month



N I L E
L I M I T E D

CIN:L25119AP1984PLC004719

Regd. Off: Plot No.38 & 40, APIIC Industrial Park
Gajulamandyam (V), Renigunta (M), Tirupati, Chittoor Dist.
Andhra Pradesh – 517520, India
E-mail: legal@nilelimited.com Web: www.nilelimited.com

Corp. Office: Plot No.149/A, Old MLA Colony
Road No.12, Banjara Hills, Hyderabad
Telangana- 500034, India
Phone: +91 40 23606641 Fax: + 91 40 23606640