



SILVERLINE
TECHNOLOGIES LIMITED

27th Annual Report
2018-2019

BOARD OF DIRECTOR

| | |
|----------------------|---|
| Ravi Subramanain | Chairman And Executive Director (Din no.02151804) |
| Lucy D'lima, | Woman Independent Director (DIN No.07394708) |
| Anupam Khushwa, | Independent Director (DIN No.07081119) |
| Ramakrishnan Iyer, | Independent Director (DIN No.00528878) |
| Jyoti Kumari Sharma, | Company Secretary Pan (No.EQPPS0293L) |

| | | |
|--|---|-------|
| | Promoters Message | 01-02 |
| AUDITORS | Calender Of Event | 03 |
| JMT ASSOCIATES Chartered Accountants Office No. 14, Laud Mansion First Floor. Above Yes Bank Opp. Charmi Road, Mumbai 400 004. | Notice, Notes And Explanatory Statement. | 04-09 |
| | Directors Report | 10-32 |
| | Secretarial Audit Report | 33-46 |
| | Corporate Governance Report | 47-51 |
| REGISTERED OFFICE | Auditor Reports And Financial Statement | 56-85 |
| No. 121, SDF IV, SEEPZ, Andheri (East), Mumbai-400 096. Tel. No. 28291950 / 28290322 | Ballot Form | 87 |
| REGISTRAR & SHARE TRANSFER AGENTS Link Intime India Private Limited C 101, 247 Park, LBS Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083. http://www.linkintime.co.in | Proxy Form / Attendance Slip | 86 |

Bankers

The Shamrao Vithal Co-Op Bank Ltd
The Lakshmi Vilas Co-op-Bank Ltd.

Address by The Chairman

Mr. Ravi Subramanian at the 27 Annual General Meeting



Dear Shareholders,

Welcome to the 27th Annual General Meeting of your company Silverline. On behalf of the Board of Directors, I thank you for joining us today. Your presence today is indeed a true testimony of the deep interest you have in the company and the support you have extended to the company management.

In the last AGM I emphatically shared our commitment and resolve to revive Silverline. Over the last one year I have managed to successfully transform this vision into implementable Business plan.

Revival Business Plan

We have closely observed the developments in the Global IT scenario and have carefully assessed our strengths and formulated a detailed Business Plan for implementation over the next 5 years. Developments are taking place at phenomenal speed and there are several new technologies emerging in different business segments. We have fully realized the consequences of technological obsolescence and have proactively positioned ourselves with the emerging technologies in the global market. This calls for complete revamp of our business structure and a new vibrant Management team is now coming in place to drive this business plan of the future.

We have very useful lessons learnt from the past debacles and it would be our endeavor to steer the company from potential challenges we will face as we reposition ourselves in the global market. I am sharing with you in confidence the Strategic Business Units (SBU) which we have identified for exploitation in the Global market:

- SBU 1 - SAP Consulting Services
- SBU 2 - SAP HANA Practice
- SBU 3 - Pharma/Life Sciences -SMB segment
- SBU 4 - Supply Chain Finance for BFSI segment
- SBU 5 - Cyber Security Business
- SBU 6 - Professional services

Each of these segments offers huge business potential and your Management Team has Thought Leadership to fully exploit the business potential of their respective SBUs. We have made a strategic decision to implement inorganic growth in the initial years thru well thought out acquisitions and mergers which will yield immediate results. Thereafter we will consolidate ourselves and grow organically and this will help us reach dominant position in each of the above business segments.

We have also decided to revamp the board and bring in professionals with outstanding track record to oversee the implementation of the business plan. We will have an Advisory Board of Subject Matter Experts who will proactively bring in new technology partnerships so that your company is always ahead in harnessing the emerging trends in the technology field.

To conclude I have to say we are all set for the take off of the revival plan and in the coming months you will witness the unfolding of the dream which I have cherished for some time now.

I take this opportunity to express my deepest gratitude to our Partners, Clients, Employees and other stake holders who stood with us in the difficult times and this has paved the way for business revival. I thank them for their advice, guidance and support. Your goodwill and continued patronage has been a motivating force in our drive to revive the company and achieve the pinnacle of growth which it once achieved .Together we will make this happen.

Best wishes to each one of you and your family and please do take good care.

Thank You

Ravi Subramanian
Chairman



SILVERLINE

TECHNOLOGIES LIMITED

The calendar of events are as under:

| Sr. No. | Particulars | Event Dates |
|---------|---|--|
| 1 | Cut-off Date for identifying the eligibility of Members holding shares in physical or demat form, for Remote e-voting/voting at the AGM | Friday, 22 nd November, 2019 |
| 2 | Remote e-voting period will commence on | Tuesday, 26 th September, 2019 at 11.00 am |
| 3 | Remote e-voting period will end on | Thursday, 28 th November, 2019 at 5.00 pm |
| 4 | Annual General Meeting | Friday, 29 th November, 2019 at 1.00 pm |
| 5 | Outcome of AGM Meeting | Not later than 24 hours of finishing the meeting |
| 5 | Announcement of Results of Remote e-voting together with voting done at AGM | Not later than Sunday, 01 st December' 2019 |

Please take the same on record.

Thanking you,

For Silverline Technologies Limited

Sd/-
Ravi Subramanian
 Director
 DIN: 02151804

Encl.:

NOTICE is hereby given that the **27th Annual General Meeting** (AGM) of the Company will be held on Friday; 29th November, 2019 at the Omega Banquets, 317 K-Star Mall, Near Diamond Garden, Chembur, Mumbai – 400071 at 11:00 am to transact the following business:

Ordinary Business:

1. Adoption of Financial Statements and Reports thereon:

To receive, consider and adopt the Audited Financial Statement of the Company as at March 31, 2019 together with the reports of the Board of Directors and Auditors thereon,

2. Appointment of a Director in place of the one retiring by rotation:

To appoint a Director in place of Mr. Ravi Subramanian (DIN: **02151804**) who retires by rotation and being eligible, offers himself for re-appointment.

3. Re-Appointment of Statutory 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(2), 142 and other applicable provisions, if any, of the Companies Act, 2013 and if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and Board of Directors, consent of the members be and is hereby accorded to re-appoint, M/s. JMT Associates, Chartered Accountants, Mumbai (Firm Reg no. 104167W), as the Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of next Annual General Meeting for the financial year 2019-2020 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

Special Business:

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

“RESOLVED that pursuant to section 196(3) read with Schedule V and Sections 152, 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby granted to appoint Mr. Srinivasan Pattamadai (DIN: 06938100) who has attained the age of 70 (Seventy) years as on July 02, 2019 as the Managing Director of the Company for a period of 3 (three) years with effect from conclusion of this Annual General meeting on the terms and conditions as approved by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed to the Notice convening this Meeting, subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 and rules made

thereunder or any statutory modification(s) or re-enactment(s) on the terms and conditions agreed between him and the Company.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution

**For and on behalf of the Board of Directors
Silverline Technologies Limited**

Sd/-

Mr. Ravi Subramanian

Director

DIN: 02151804

**Add: Unit 121, Sdf IV, Seepz, Andheri (East), Mumbai
MH 400096**

Date: 7th November, 2019.

Place: Mumbai

Notes:

1.A Member Entitled To Attend And Vote At The Meeting Is Entitled To Appoint A Proxy/ Proxies To Attend And Vote Instead Of Himself/Herself And Such A Proxy Need Not Be A Member Of The Company. Proxies in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Revenue Stamp should be affixed on the Proxy Form. Forms which are not stamped are liable to be considered as invalid. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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.

2.The Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the business under Items Nos. 4 to 5 of the accompanying Notice are annexed hereto. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 ("Listing Regulations") and the Secretarial Standards on General Meetings in respect of the persons seeking appointment / re-appointment as Directors are also annexed.

3.The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, November 23, 2019 to Friday, November 29, 2019 (both days inclusive).

4.Members holding shares in electronic form are advised to send their request for the change of address, bank particulars, residential status or request for transmission of shares etc. to their Depository Participant. The Company or its Registrar and Share Transfer Agent cannot act on any such requests received directly from the members holding shares in electronic form. Members holding shares in physical form are advised to send such request to Registrar and Share Transfer Agent to the Company, M/s Link Intime India Private Limited Share Registry Limited, C 101, 247 Park, LBS Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083. Phone: 022 4918 6000

5.Attention of Members is invited to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 amended from time to time, which inter alia requires the Company to transfer the equity shares on which the dividend has remained unpaid or unclaimed for a continuous period of seven years, to Investor Education and Protection Fund Authority ('IEPF Authority'). The said shares, once transferred to IEPF can be claimed after following due procedure prescribed under the said IEPF rules. The Company has intimated individually all such shareholders, dividend on whose shares has remained unpaid for a continuous period of seven

years and a notice in this regard has also been published in the newspapers. Members are therefore requested to approach the Registrar and Share Transfer Agent of the Company to claim their unpaid dividend, if any.

6. Members/Proxies should bring the enclosed Attendance Slip duly filled for attending the Annual General Meeting along with their copy of Annual Report.

7. Relevant documents referred to in the accompanying Notice and the Explanatory Statement will be available for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days up to date of the Annual General Meeting.

8. The route map to the venue of AGM is provided in the Annual Report for easy location.

9. Voting through Electronic means:

As per provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time together with relevant clauses in Listing Regulations, the Company is required to provide to its Members the facility to exercise their right to vote at the 27th Annual General Meeting by electronic means and the business may be transacted through e-voting services. However, due to financial constraints and in view of the suspension of the trading of the Company, the Board regrets to announce that it cannot provide the facility for the e-voting for the ensuing Annual General Meeting.

However, the facility for voting, either through ballot or polling paper shall also be made available at the meeting for the members attending the meeting to enable to exercise their right to vote at the meeting.

The Company has appointed Ms. Jeethi Pillai (Membership No. ACS 33085) or failing her Mr. Ritesh Sharma (Membership No. ACS 55260) of M/s. R & J Co, Practising Company Secretaries as the Scrutinizer for conducting the voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, count the votes cast at the meeting in the presence of at least 2 (two) witnesses not in employment of the Company and make not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

The Results declared along with the Scrutinizer's Report shall be displayed on the Notice Board of the Company at its Registered Office and placed on the Company's website and communicated to the BSE & NSE where the shares of the Company are listed.

**EXPLANATORY STATEMENT IN RESPECT OF THE ORDINARY AND SPECIAL BUSINESSES
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following Statement sets out all the material facts relating to the Item No. 4 of the accompanying Notice.

ITEM NO. 4

The Board of Directors Company, at its meeting held on 7th November, 2019 approved the appointment of Mr. Srinivasan Pattamadai (DIN: 06938100) 2019 on terms and conditions recommended by the Nomination and Remuneration Committee, subject to the approval of the shareholders. Where, in any financial year during the currency of the tenure of Mr. Srinivasan Pattamadai, the Company makes no profits or its profits are inadequate, the Company shall pay to the Whole Time Director, the above salary and perquisites, within the ceiling limits prescribed in Schedule V of the Companies Act, 2013 as Minimum Remuneration.

Mr. Srinivasan Pattamadai shall not, as long as he functions as the Managing Director, be entitled to any fees for attending meetings of the Board or a Committee thereof.

A copy of the Agreement dated October 31, 2019 for the appointment of Mr. Srinivasan Pattamadai as the Managing Director of the Company is open for inspection by the members at the Registered Office of the Company on any working day, between 11.00 a.m. and 1.00 p.m., of the Company except Saturdays and Sundays.

His brief resume, the nature of his expertise in specific functional areas, names of companies in which he holds Directorship, Committee Memberships/ Chairmanships, his shareholding etc., are separately annexed hereto.

In view of the introduction of the Companies Act, 2013 (new Act) with effect from 1st April 2014 and also for an abundant precaution, the Company seeks consent of the members by way of special resolution for office of Director after the age of 70 years during the currency of their term of appointment under the provisions of Section 196 (3) (a) of the Companies Act, 2013.

The Board therefore recommends the special resolutions for your approval.

**For and on behalf of the Board of Directors
Silverline Technologies Limited**

Sd/-

**Mr. Ravi Subramanian
Director**

DIN: 02151804

**Address: Unit 121, Sdf IV, Seepz, Andheri (East), Mumbai
MH 400096**

Date: 7th November, 2019.

Place: Mumbai

Profile of Director
(Seeking Appointment/ Re-appointment)
As per Regulation 36 of SEBI (Listing Obligations and Disclosures Requirement)
Regulation, 2015 and SS - 2

| Particulars | Details |
|---|--|
| Name | Ravi Subramanian |
| DIN | 02151804 |
| PAN | BJPPS0260K |
| Nationality | Indian |
| Date of Birth / Age | December' 10' 1957/ 62 years |
| Date of original appointment | Augusts 20, 2015 |
| Experience / Expertise | Chairman and Past Managing Director of Silverline technologies since last 28 years |
| Educational Qualifications | MBA in finance, M. Com (Bombay University) |
| Membership/ Chairmanship of Board Committees of the Company | Stake holder Relationship Committee |
| Shareholding as on 31st March, 2029 | Nil |
| Relationship with other Directors and KMPs | NA |
| No. of board meetings attended during FY 2018-2019 | Ten |
| Terms and Condition of Appointment & Last Remuneration | 1. Terms and conditions are as decided by the board. |
| First appointment by the Board | NA |

BOARD'S REPORT

Dear Shareholders,

Your Directors present herewith their Twenty Seventh Annual Report together with the Audited Financial Statement of the Company for the year ended 31st March, 2019.

1. Financial Highlights

| Particulars | Year Ended 2018-19 Rs. In Lacs | Year Ended 2017-18 (Rs. In Lacs) |
|--|--------------------------------------|--|
| Total Turnover | 232.26 | 220.91 |
| Gross profit (i.e., Profit before interest and depreciation) | 5.67 | 34.20 |
| Profit before exceptional Item and tax | 5.67 | 34.20 |
| Exceptional Item – | – | - |
| Profit after exceptional Item (before tax) – PBT | 5.67 | 34.20 |
| Profit after exceptional Item and tax – PAT | 4.52 | 27.35 |
| Earnings per share - basic and diluted Rs. | 0.01 | 0.02 |

2. Review of Performance:

During the year your Company has generated revenue of Rs. 232.26 lacs as compared to 220.91 lacs in the previous financial year and has earned profit of Rs. 5.67 lacs as compared to 34.20 lacs in the previous financial year. The management of the Company is striving hard to increase the revenue potential of the Company and generate better return.

Your company is expected to perform better in the current financial year and the management is taking every step to achieve better results.

3. Nature of Business:

There was no change in the nature of business of the Company during the period under review and your Company continues to operate in the same line of business.

4. Transfer to reserves

The Board does not propose to transfer any amount to the Reserve for the period under consideration.

5. Dividend:

With a view to conserve resources for funding any future business requirements and expansion plans and to minimize the existing accumulated losses, your Directors have not recommended any dividend for the current period.

6. Unpaid Dividend & IEPF

The Company has not transferred any amount to the Investor Education & Protection Fund (IEPF) and no amount is lying in Unpaid Dividend A/c of the Company.

7. Material Changes & commitments, if any affecting the financial position of the Company

During the year, there has been no instances of occurrence of any material changes or commitments that could affect the financial position of the Company.

8. Report on performance of subsidiaries, Associates and Joint venture Companies:

During the year under review, your Company did not have any subsidiary, associate and Joint Venture Company hence the requirement of providing salient features of Associates, Joint Ventures and subsidiaries in Form AOC-01 is not applicable.

9. Directors and Key Managerial Personnel:

Mr. Ravi Subramanian is the Executive Director of the Company.

Mrs. Lucy D'Lima (DIN-07394708), Mr Ramakrishnan Padmanabhan Iyer (DIN: 00528878) and Mr. Anupam Singh Kushwah (DIN: 07083119) are the Non-Executive Independent Directors of the Company.

All Independent Directors have given declarations that they meet with the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and of the SEBI (Listing Obligations and Disclosure Requirements), 2015.

None of the Non-Executive Directors had any pecuniary relationships or transactions with the Company which may have potential conflict with the interests of the Company at large.

Mr. Mohan Subramanian and Mr. Krishnakumar Subramanian has vacated from the post of Directorship w.e.f 1st November, 2018 as they were disqualified under Section 164 of the Companies Act, 2013

Mr. Ramesh Nurani Ramakrishnan and Pinakin Patel Vasudev resigned from the post of Non-Executive Independent Director w.e.f January 10, 2019.

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ravi Subramanian (DIN: 02151804) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. He has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. A brief resume of Mr. Ravi Subramanian, nature of his expertise in specific functional areas and names of the Companies in which he holds directorship and / or membership / chairmanship of Committees of the Board, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements), 2015 with the Stock Exchange/s, is given in the Corporate Governance Report which may be taken as forming part of this Report.

During the year, at an Extra ordinary General Meeting held on 31st July, 2018, Members of the Company appointed Mrs. Lucy D'Lima (DIN-07394708), Mr Ramakrishnan Padmanabhan Iyer (DIN: 00528878) and Mr. Anupam Singh Kushwah (DIN: 07083119) as the Non Executive Independent Directors of the Company.

The Board of Directors of the Company, upon the recommendation from the Nomination and Remuneration Committee propose to appoint Mr. Srinivasan Pattamadai (DIN: 06938100) as the Managing Director of the Company. Necessary resolution for the appointment along with the details of the appointment setting out terms and conditions forms part of the Notice of the Meeting.

10. Evaluation by the Independent Directors

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive director.

11. Number of Board Meetings

During the Financial year 2018-19, total 10 (Ten) meetings of Board of Directors were held. The details of the meeting including the dates and the details of the Directors who attended the meeting in provided in the Corporate Governance Report which forms part of the Annual Report.

12. Committees of the Board:

The Board of Directors of your Company has constituted the following committees in terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), 2015 :

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

The details regarding composition and meetings of these committees held during the year under review as also the meetings of the Board of Directors are given in the Corporate Governance Report which may be taken as forming part of this Report.

13. Board Evaluation:

In accordance with the provisions of the Companies Act, 2013 read with the rules made there under and the SEBI (Listing Obligations and Disclosure Requirements), 2015 the Board has carried out formal annual evaluation of its own performance, performance of its various Committees and individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report which may be taken as forming part of this Report.

14. Performance Evaluation Criteria

Separate exercise was carried out to evaluate the performance of individual Directors including the Chairman by the Nomination and Remuneration committee as per the structured mechanism who were evaluated on following parameters / criteria:

- Participation and contribution by a director,
- Commitment (including guidance provided to senior management outside of Board / Committee meetings),

- Effective deployment of knowledge and expertise,
 - Effective management of relationship with stakeholders
 - Integrity and maintenance of confidentiality,
 - Independence of behaviour and judgment,
 - Observance of Code of Conduct, and
 - Impact and influence
- 15. Policy on Nomination and Remuneration of Directors, KMPs and other employees:**
In terms of sub-section 3 of Section 178 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), 2015 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company has laid down a policy on the selection and appointment of Directors and the Senior Management of the Company and their remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters.
- 16. Extract of Annual Return:**
The extract of the Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013 in prescribed format is attached as “**Annexure A**” to this Report. Further, the same is placed on the website of the Company: <https://www.silverlinetechnology.com/investor-relations/annual-reports/>
- 17. Risk Management:**
The details of the risk management framework adopted and implemented by the Company are given in the Corporate Governance Report which may be taken as forming part of this Report.
- 18. Adequacy of Internal Controls with reference to Financial Statements:**
In accordance with the opinion of the auditors, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019.
- 19. Vigil Mechanism:**
The Company has established a vigil mechanism to enable directors and employees to report genuine concerns and grievances about any incident of violation / potential violation of law or the Code of Conduct laid down by the Company. The mechanism lays down the overall framework and guidelines for reporting genuine concerns. The details of this mechanism are given in the Corporate Governance Report which may be taken as forming part of this Report. These are also posted on the website of the Company.
- 20. Green Initiatives**
Pursuant to Sections 101 and 136 of the Companies Act, 2013, the Company will be sending Annual Report through electronic mode i.e. email to all the shareholders who have registered their email addresses with the Company or with the Depository to receive Annual Report through electronic mode and initiated steps to reduce consumption of paper.

21. Human Resources

Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Policies and Systems. The Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

22. Environment and Safety

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental Regulations and preservation of natural resources. There was no major accident during the year.

23. Particulars of loans, guarantees and investments:

During the year under review, your Company has not given any loan or provided any Security or Guarantee. Further, your Company has not made any investment in the Securities of the any other body corporate as defined under Section 186 of the Companies Act, 2013.

24. Transactions with related parties:

The Company has not entered into any transactions/contracts/arrangements referred to in Section 188(1) of Companies Act, 2013 with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review.

25. Directors' Responsibility Statement:

Pursuant to the requirements under 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. 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 as at 31st March, 2019 and of the profit of the Company for the year ended as on that date;
3. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the directors had prepared the annual accounts for the financial year ended 31st March, 2019, on a 'going concern' basis.

5. that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
6. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. Management Discussion and Analysis Report:

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 SEBI (Listing Obligations and Disclosure Requirements), 2015 of the, is given separately which may be taken as forming part as “**Annexure B**” to this Report.

27. Report on Corporate Governance:

A report on Corporate Governance as stipulated under Regulation 17 SEBI (Listing Obligations and Disclosure Requirements), 2015 forms part of the Annual Report and a Certificate from the Auditors of the Company, confirming compliance with the provisions of Corporate Governance, is attached “**Annexure C**” to this Report.

28. Statutory Auditors:

M/s JMT & Associates., Chartered Accountants, Mumbai, (FRN: 104167W) the Statutory Auditors of the Company who holds office until the conclusion of the ensuing Annual General Meeting have accorded their consent to be re-appointed as the Statutory Auditor of the Company for the year ended 31st March, 2020. Necessary resolution for the re-appointment of the Statutory Auditor forms part of the Notice of the meeting.

M/s JMT & Associates have submitted the certificate to the Company to the effect that they are eligible to be appointed as the Statutory Auditors of the Company as required under Section 143 of the Companies Act, 2013. Accordingly, the Board of Directors of the Company, upon the recommendation of the Audit Committee seek your approval for the appointment of JMT & Associates as the Statutory Auditor of the Company for the year ended 31st March, 2020.

29. Observations of Statutory Auditors for the year ended 31st March 2019:

| Brief Observations | Management Reply |
|--|--|
| According to the information and explanation given to us, and the records of the Company examined by us, the Company is not regular in depositing with appropriate authorities undisputed Statutory dues which have been outstanding at the year ended and for more than 6 months. | As aware, the Company is facing acute financial crisis since more than a decade. The previous management and the current management have been taking all the efforts to streamline the business of the Company. The management ensures that it will take all the reasonable steps to make all such outstanding payment at the earliest upon the availability of funds. |

| | |
|--|---|
| According to the information and explanation given to us, and the records of the Company examined by us, there are disputed Statutory Dues, which have not been deposited by the Company as at March 31, 2019. | Since the outstanding amount are disputed for which there has been no verdict passed by the appropriate authorities, and in view of the existing financial crisis, the Company has not been able to make the payment. |
|--|---|

30. Secretarial Auditor and its Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Jeethi R. Pillai, Company Secretary in Practice to undertake the secretarial audit of the Company. The Secretarial Audit Report given by the Secretarial Auditor is attached as "**Annexure D**" to this Report.

31. Observations of Secretarial Auditors for the year ended 31st March 2019 and Management Reply:

With respect to the observations, qualification and remarks as stated by the Secretarial Auditor in their Report for the year ended 31st March, 2019, the Board of Directors state that:

- a. The Management of the Company is in process of streamlining the business of the Company. Due to non availability of funds and lack of business opportunities, Company has failed to make the payment to various regulators and authorities.
- b. The existing management of the Company has been taking all the efforts to duly constitute the Board of Directors of the Company.
- c. The management of the Company shall take all the necessary steps to provide adequate notice for the meeting of the Board and its committee.
- d. The Management shall ensure to conduct all further General Meeting within the stipulated period of time.
- e. All the pending compliances shall be complied with at the earliest by the management and the Company is taking all efforts to arrange funds to comply with all requirements.
- f. Due to unavoidable circumstances, Company was unable to provide the copy of the Minutes and notices for the verification.

All other observations/remarks/qualifications are self explanatory and does not call for further clarification. We request all the stakeholders to consider our current financial crisis due to which the Company was unable to hire expertise to streamline its pending compliances and other legal requirements.

32. Reporting of Frauds by Statutory Auditors under Section 143(12)

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

33. Maintenance of Cost Records

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

34. Deposits:

During the year under review, your Company has not accepted or invited any deposits from public within the meaning of Chapter V of the Companies Act, 2013 and applicable rules made thereunder or any amendment or re-enactment thereof.

35. Particulars of remuneration to employees, etc.:

The particulars of remuneration to directors and employees and other related information required to be disclosed under Section 197 (12) of the Companies Act, 2013 and the Rules made thereunder are given in "**Annexure E**" to this Report.

36. Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**(a) Conservation of Energy Technology Absorption:****1. Steps taken or impact on conservation of energy:**

All the manufacturing facilities continued their efforts to reduce the specific energy consumption. Specific and total energy consumption is tracked at individual factory/block level and also at consolidated manufacturing level. Apart from regular practices and measures for energy conservation, many new initiatives were driven across the units. Some of them are mentioned below

- Use of natural Lightning and natural ventilation
- LED Lights in office in place of CFL in offices
- Encouraging Go Green Initiatives

2. The steps taken by the company for utilizing alternate sources of energy:

The manufacturing units continue to put in effort to reduce specific energy consumption. The Company is evaluating other sources of energy.

3. Capital investment on energy conservation equipments: N.A**(b) Technology Absorption**

- Efforts made towards technology absorption, adaptation and innovation and benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution, etc

The Company is in Process of Developing the ways for technology absorption, adaptation and innovation.

- In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) : N.A
- Expenditure Incurred on Research and Development : N.A

(c) **Foreign Exchange Earnings and Outgo:**

The Information on foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows is furnished in the Notes to Accounts.

37. Disclosure regarding Internal Complaints Committee

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company had constituted a committee called as Internal Complain Committee for prevention and prohibition of Sexual Harassment of woman at workplace and complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013].

During the year, Company has not received any complaints pertaining to any kind of harassment at the work place.

38. Significant and material orders passed by the Regulators, etc.:

There are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact on the going concern status of the Company and its future operations.

39. Secretarial Standards of ICSI

The Central Government has given approval on April 10, 2015 to the Secretarial Standards specified by the Institute of Company Secretary of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from 1 July 2015. The Company is in compliance with the same.

Acknowledgement:

Your Directors take this opportunity to express their appreciation to the Investors, Banks, Financial Institutions, Clients, Vendors, Central and State Governments and other Regulatory Authorities for their assistance, continued support, co-operation and guidance.

**For and on behalf of the Board of Directors
For Silverline Technologies Limited**

Place: Mumbai

Date: 7th November, 2019.

**Sd/-
Ravi Subramanian
Director
DIN: 02151804**

ANNEXURE A

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS:

- i. CIN: L99999MH1992PLC066360
- ii. Registration Date: 13-04-1992
- iii. Name of the Company : Silverline Technologies Limited
- iv. Category / Sub-Category of the Company: Company having Share capital /Indian Non-Government Company
- v. Address of the registered office and contact details: UNIT NO 121,SDF IV SEEPZ ANDHERI EAST
MUMBAI 400 096
Tel. no. 28291950 / 28290322
- vi. Whether listed company: Yes
- vii. Name, Address and Contact details of Registrar and Transfer Agents:

Link Intime India Private Limited
C 101, 247 Park, LBS Rd, Surya Nagar,
Gandhi Nagar, Vikhroli West, Mumbai,
Maharashtra 400083

Contact details:
Phone no. 022 - 4918 6270
Email ID: rnt.helpdesk@linkintime.co.in
Fax : 022 - 4918 6060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Silverline is in business of software consulting services in IT and IT Enabled industries.

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1 | Software Development | 72293 | 100.00 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding/ Shareholding of Promoters:

| Category of Shareholders | No. of Shares held at the beginning of the year[As on 31-March-2018] | | | | No. of Shares held at the end of the year[As on 31-March-2019] | | | | % Change during the year |
|---|--|-------------|---------------|-------------------|--|-------------|---------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | . | . | . | . | . | . | . | . | . |
| (1) Indian | . | . | . | . | . | . | . | . | . |
| a) Individual/ HUF | 110 | 5515 | 5625 | 0.01 | 110 | 5515 | 5625 | 0.01 | - |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| f) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Sub-total (A) (1) | 110 | 5515 | 5625 | 0.01 | 110 | 5515 | 5625 | 0.01 | - |
| (2) Foreign | . | . | . | . | . | . | . | . | - |
| a) NRIs- Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| b) other individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| e) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Sub-total (A) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Total shareholding of Promoter (A)=(A)(1)+(A)(2) | 110 | 5515 | 5625 | 0.01 | 110 | 5515 | 5625 | 0.01 | - |
| B. Public Shareholding | . | . | . | . | . | . | . | . | - |
| 1. Institutions | . | . | . | . | . | . | . | . | - |
| a) Mutual Funds | 10 | 260 | 270 | 0 | 10 | 260 | 270 | 0 | - |
| b) Banks / FI | 18940 | 20 | 18960 | 0.04 | 18940 | 20 | 18960 | 0.04 | - |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| f) Insurance Companies | 880 | 0 | 880 | 0 | 880 | 0 | 880 | 0 | - |
| g) FIs | 0 | 560 | 560 | 0 | 0 | 560 | 560 | 0 | - |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | - |
| i) Foreign Bank | 698307 | 0 | 698307 | 1.1641 | 698307 | 0 | 698307 | 1.1641 | - |
| Sub-total | 718137 | 840 | 718977 | 1.20 | 718137 | 840 | 718977 | 1.20 | - |

| | | | | | | | | | |
|--|-----------------|---------------|-----------------|--------------|-----------------|---------------|-----------------|--------------|----------|
| (B)(1):- | | | | | | | | | |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 2333558 | 2425 | 2335983 | 3.89 | 2333558 | 2425 | 2335983 | 3.89 | - |
| ii) Overseas | 18450 | 797 | 19247 | 0.03 | 18450 | 797 | 19247 | 0.03 | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 28431706 | 165495 | 28597201 | 47.67 | 28431706 | 165495 | 28597201 | 47.67 | - |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 23913497 | 00 | 23913497 | 39.87 | 23913497 | 00 | 23913497 | 39.87 | - |
| c) Others | | | | | | | | | |
| Clearing Members | 106294 | 00 | 106294 | 0.1772 | 106294 | 00 | 106294 | 0.1772 | - |
| Unit Trust of India | 0 | 10 | 10 | 0.00 | 0 | 10 | 10 | 0.00 | - |
| TRUST | 18507 | 00 | 18507 | 0.03 | 18507 | 00 | 18507 | 0.03 | - |
| Non Resident Indians | 1041781 | 51330 | 1093111 | 1.82 | 1041781 | 51330 | 1093111 | 1.82 | - |
| Non Resident (Non Repatriable) | 450041 | 00 | 450041 | 0.75 | 450041 | 00 | 450041 | 0.75 | - |
| Hindu Undivided Family | 2708927 | 50 | 2708977 | 4.52 | 2708927 | 50 | 2708977 | 4.52 | - |
| Foreign Company | 17988 | 00 | 17988 | 0.03 | 17988 | 00 | 17988 | 0.03 | - |
| Foreign Nationals | 30 | 00 | 30 | 0 | 30 | 00 | 30 | 0 | - |
| Sub-total (B)(2):- | 59040779 | 220107 | 59260886 | 98.79 | 59040779 | 220107 | 59260886 | 98.79 | - |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Grand Total (A+B+C) | 59759016 | 226472 | 59985488 | 100 | 59759016 | 226472 | 59985488 | 100 | - |

ii. Shareholding of Promoters:

| S N | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholdin g during the year |
|--------|------------------------------|--|---|--|-------------------------------------|---|--|--|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbere d to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbere d to total shares | |
| 1 | MONA RAMCHAND SUJANANI | 1,192 | 0.00 | -- | 1,192 | 0.00 | -- | -- |
| 2 | RAMESH NANJI SHAH | 500 | 0.00 | -- | 500 | 0.00 | -- | -- |
| 3 | GURSHARAN BINDRA | 200 | 0.00 | -- | 200 | 0.00 | -- | -- |
| 4 | HARMEET BINDRA | 200 | 0.00 | -- | 200 | 0.00 | -- | -- |
| 5 | SANJAY AIDOOOR | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 6 | GEETA CHOUHDARY | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 7 | ZAVERI CHIMANLAL SHAH | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 8 | PREM N VERHANI | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 9 | SUNIL TALREJA | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 10 | DEEPALI BHATEVARA | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 11 | SHASHIKANT SRIVASTAV | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 12 | SUCHETA DAMANI | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 13 | GAJENDRA SINGH | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 14 | ASHISH CHANDANI | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 15 | CLIFTON REBELLO | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 16 | ASHOK RAVAT | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 17 | MEDHA KAJI | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 18 | SHAILESH CHANDRA | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 19 | SANJAY RAVAT | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 20 | KARUNA SIRSIKAR | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 21 | RAMAIAH KRISHNA IYER | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 22 | VIRENDRA RAVAT | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 23 | ABDULHAQ SHEIKH | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 24 | SAMSULHAQ SHEIKH | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 25 | GOPE GIDWANI | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 26 | RAM PRIYANI | 100 | 0.00 | -- | 100 | 0.00 | -- | -- |
| 27 | SHIV KUMAR SHUKLA | 99 | 0.00 | -- | 99 | 0.00 | -- | -- |

| | | | | | | | | |
|----|---------------------------------|----|------|----|----|------|----|----|
| 28 | SAROJBEN DOSHI | 90 | 0.00 | -- | 90 | 0.00 | -- | -- |
| 29 | RANJANA B SANKPAL | 70 | 0.00 | -- | 70 | 0.00 | -- | -- |
| 30 | SAMEER MARDE | 70 | 0.00 | -- | 70 | 0.00 | -- | -- |
| 31 | ASHWINI HASTEKAR | 70 | 0.00 | -- | 70 | 0.00 | -- | -- |
| 32 | NAGA SOMESWARARAO KURMALA | 60 | 0.00 | -- | 60 | 0.00 | -- | -- |
| 33 | VASUDEVAN RANGARAJ | 50 | 0.00 | -- | 50 | 0.00 | -- | -- |
| 34 | DEV LOKNATH MOHANTY | 50 | 0.00 | -- | 50 | 0.00 | -- | -- |
| 35 | SUSHILA VICHARE | 50 | 0.00 | -- | 50 | 0.00 | -- | -- |
| 36 | SHIRISH D KARNIK | 50 | 0.00 | -- | 50 | 0.00 | -- | -- |
| 37 | HEMANT G MARATHE | 50 | 0.00 | -- | 50 | 0.00 | -- | -- |
| 38 | SONAL HIMANSHU SHUKLA | 50 | 0.00 | -- | 50 | 0.00 | -- | -- |
| 39 | RAVINDRA VINAYAK OAK | 40 | 0.00 | -- | 40 | 0.00 | -- | -- |
| 40 | PIYUSH MANUBHAI PATEL | 40 | 0.00 | -- | 40 | 0.00 | -- | -- |
| 41 | MOHAN N SHENDE | 40 | 0.00 | -- | 40 | 0.00 | -- | -- |
| 42 | DR HARSHA JOSHI | 30 | 0.00 | -- | 30 | 0.00 | -- | -- |
| 43 | BALUMAL KATPAL | 30 | 0.00 | -- | 30 | 0.00 | -- | -- |
| 44 | DEEPAK KATPAL | 30 | 0.00 | -- | 30 | 0.00 | -- | -- |
| 45 | SATISH KATPAL | 30 | 0.00 | -- | 30 | 0.00 | -- | -- |
| 46 | SURESH KATPAL | 30 | 0.00 | -- | 30 | 0.00 | -- | -- |
| 47 | LENA KASBEKAR | 20 | 0.00 | -- | 20 | 0.00 | -- | -- |
| 48 | MANISH CHUGH | 20 | 0.00 | -- | 20 | 0.00 | -- | -- |
| 49 | SARIKA AGARWAL | 20 | 0.00 | -- | 20 | 0.00 | -- | -- |
| 50 | APARNA KARI | 20 | 0.00 | -- | 20 | 0.00 | -- | -- |
| 51 | SUNIL PATNI | 20 | 0.00 | -- | 20 | 0.00 | -- | -- |
| 52 | BHAGWATI N GAJARA | 20 | 0.00 | -- | 20 | 0.00 | -- | -- |
| 53 | ANAND NABHAVAN KUTTY | 20 | 0.00 | -- | 20 | 0.00 | -- | -- |
| 54 | OMPRAKASH DHAWAN | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 55 | JASPAL DUGGAL | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 56 | GOPI RANJIT SHAH | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 57 | SEETHALAKSHMI V | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |

| | | | | | | | | |
|----|------------------------------|--------------|-------------|-----------|--------------|-------------|-----------|-----------|
| 58 | VAMAN APTE | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 59 | CYNTHIA D'SOUZA | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 60 | BAIJNATH R MEHRA | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 61 | KANCHAN A PARWANI | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 62 | RANBIR SINGH NEGI | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 63 | VIVEKANAND BHAGAVAN AGHARKAR | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 64 | VIJAYKUMAR MATLANI | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 65 | J GOPALASWAMY | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 66 | BABUBHAI VAJA | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 67 | SUSHMA MALIK | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 68 | BHASKARRAI BHATT | 10 | 0.00 | -- | 10 | 0.00 | -- | -- |
| 69 | ABDUL GHALIB | 8 | 0.00 | | 8 | 0.00 | | |
| 70 | CHANDRASEKAR KOPPARAPU | 6 | 0.00 | -- | 6 | 0.00 | -- | -- |
| | TOTAL | 5,625 | 0.01 | -- | 5,625 | 0.01 | -- | -- |

iii. Change in Promoters' Shareholding: Nil

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

| S N | Shareholding of top ten shareholder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | ASHWIN SHANTILAL SHAH | | | | |
| | At the beginning of the year – 01.04.2018 | 1199999 | 2.00 | | |
| | At the end of the year – 31.03.2019 | 1199999 | 2.00 | 1199999 | 2.00 |
| 2 | JP MORGAN CHASE BANK, NA ADR ACCOUNT | | | | |
| | At the beginning of the year – 01.04.2018 | 698307 | 1.1641 | | |
| | At the end of the year – 31.03.2019 | 698307 | 1.1641 | 698307 | 1.1641 |
| 3 | SANJAY M VAZIRANI | | | | |
| | At the beginning of the year – 01.04.2018 | 582680 | 0.9714 | | |
| | At the end of the year – 31.03.2019 | 582680 | 0.9714 | 582680 | 0.9714 |
| 4 | PRAKASH BABULAL MUTHA | | | | |
| | At the beginning of the year – 01.04.2018 | 386866 | 0.6449 | | |
| | At the end of the year – 31.03.2019 | 386866 | 0.6449 | 386866 | 0.6449 |

| | | | | | |
|----|---|--------|--------|--------|--------|
| 5 | HEM SECURITIES LIMITED | | | | |
| | At the beginning of the year – 01.04.2018 | 345896 | 0.5766 | | |
| | At the end of the year – 31.03.2019 | 345896 | 0.5766 | 345896 | 0.5766 |
| 6 | DEEPA SINGHAL | | | | |
| | At the beginning of the year – 01.04.2018 | 342679 | 0.5713 | | |
| | At the end of the year – 31.03.2019 | 342679 | 0.5713 | 342679 | 0.5713 |
| 7 | PACE STOCK BROKING SERVICES PVT LTD | | | | |
| | At the beginning of the year – 01.04.2018 | 325805 | 0.5431 | | |
| | At the end of the year – 31.03.2019 | 325805 | 0.5431 | 325805 | 0.5431 |
| 8 | RELIGARE SECURITIES LTD | | | | |
| | At the beginning of the year – 01.04.2018 | 307491 | 0.5126 | | |
| | At the end of the year – 31.03.2019 | 307491 | 0.5126 | 307491 | 0.5126 |
| 9 | KARVY STOCK BROKING LIMITED | | | | |
| | At the beginning of the year – 01.04.2018 | 276265 | 0.4606 | | |
| | At the end of the year – 31.03.2019 | 276265 | 0.4606 | 276265 | 0.4606 |
| 10 | MTL SHARE AND STOCK BROKER LTD | | | | |
| | At the beginning of the year – 01.04.2018 | 254487 | 0.4242 | | |
| | At the end of the year – 31.03.2019 | 254487 | 0.4242 | 254487 | 0.4242 |

v. Shareholding of Directors and Key Managerial Personnel: Nil

V. INDEBTEDNESS – in Rupees

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | -- | 4,37,559 | -- | 4,37,559 |
| ii) Interest due but not paid | -- | -- | -- | -- |
| iii) Interest accrued but not due | -- | -- | -- | -- |
| Total (i+ii+iii) | -- | 4,37,559 | -- | 4,37,559 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | -- | 10,67,453 | -- | 10,67,453 |
| * Reduction | -- | -- | -- | -- |
| Net Change | -- | 10,67,453 | -- | 10,67,453 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | -- | 15,05,012 | -- | 15,05,012 |
| ii) Interest due but not paid | -- | -- | -- | -- |
| iii) Interest accrued but not due | -- | -- | -- | -- |
| Total (i+ii+iii) | -- | 15,05,012 | -- | 15,05,012 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Director and / or Manager: Nil

B. Remuneration to other directors: Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

**For and on behalf of the Board of Directors
For Silverline Technologies Limited**

Place: Mumbai

Date: 7th November, 2019.

**Sd/-
Ravi Subramanian
Director
DIN: 02151804**

ANNEXURE B**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The following discussion and analysis should be read in conjunction with the Company's financial statements included herein, and the notes thereto. Investors are cautioned that the Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or other factors. Actual results, performances or achievements could differ materially from those expressed or implied in such statements.

INDUSTRY STRUCTURE AND DEVELOPMENT

The global sourcing market in India continues to grow at a higher pace compared to the ITBPM industry. India is the leading sourcing destination across the world, accounting for approximately 48 per cent market share of the US\$ 160-170 billion global services sourcing business in 2018-2019. Indian IT & ITeS companies have set up over 1,000 global delivery centres in about 80 countries across the world. India has become the digital capabilities hub of the world with around 75 per cent of global digital talent present in the country. India's IT & ITeS industry grew to US\$ 168 billion in 2018-2019. Exports from the industry increased to US\$ 137 billion in FY-19 while domestic revenues (including hardware) advanced to US\$ 44 billion.

Spending on Information Technology in India is expected to grow over 8 per cent to reach US\$ 78.2 billion in 2020.* Revenue from digital segment is expected to comprise 32 per cent of the forecasted US\$ 320 billion industry revenue by 2025. Over the past decade, this sector has become the country's premier growth engine, crossing significant milestones in terms of revenue growth, employment generation and value creation, in addition to becoming the global brand ambassador for India.

INVESTMENTS/ DEVELOPMENTS

Indian IT's core competencies and strengths have attracted significant investments from major countries. The computer software and hardware sector in India attracted cumulative Foreign Direct Investment (FDI) inflows worth US\$ 35.82 billion between April 2000 to December 2019, according to data released by the Department of Industrial Policy and Promotion (DIPP).

Leading Indian IT firms like Infosys, Wipro, TCS and Tech Mahindra, are diversifying their offerings and showcasing leading ideas in blockchain, artificial intelligence to clients using innovation hubs, research and development centres, in order to create differentiated offerings.

Some of the major developments in the Indian IT and ITeS sector are as follows:

Nasscom has launched an online platform which is aimed at up-skilling over 2 million technology professionals and skilling another 2 million potential employees and students. Revenue growth in the BFSI vertical stood at 5.80 per cent y-o-y between July-September 2019.

As of March 2019, there were over 1,140 GICs operating out of India.

PE investments in the sector stood at US\$ 2,400 million in Q4 2019.

GOVERNMENT INITIATIVES

Some of the major initiatives taken by the government to promote IT and ITeS sector in India are as follows:

The government has identified Information Technology as one of 12 champion service sectors for which an action plan is being developed. Also, the government has set up a Rs 4,500 crore (US\$ 745.82 million) fund for realising the potential of these champion service sectors.

As a part of Union Budget 2018-2019, NITI Aayog is going to set up a national level programme that will enable efforts in AI[^] and will help in leveraging AI[^] technology for development works in the country.

In the Interim Budget 2019-2020, the Government of India announced plans to launch a national programme on AI* and setting up of a National AI* portal. National Policy on Software Products-2019 was passed by the Union Cabinet to develop India as a software product nation.

OPPORTUNITIES & THREATS

The Company is expecting good opportunities in the upcoming financial year. A large part of our revenues are dependent on our top clients and the loss of any one of our major clients could significantly impact our business. Further, Risk Management and Compliance involves risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors.

Key Risks comprises of the Business Continuity risk, Information and Cyber Security Risk Privacy Risk & Competition Related Risks, HR risks. However, threats are perceived from its existing and prospective competitors in the same field.

MITIGATION STRATEGIES

The company is focused on building a robust training framework to cater to the Development needs of employees across leadership levels.

- a. Also, the Company keeps itself abreast and updated on the contemporary developments in the technology landscape through participation in key technology forums and conferences.
- b. The company tried to revamp framework to ensure that it meets the continuity and recovery requirements for employees, assets and business in the event of a disruption.
- c. The company has defined a process for Identification of Critical to Success capabilities for each key position, objective assessment to identify current capability metrics for the potential successors, a structured development journey of identified successors.

SEGMENT WISE OPERATIONAL PERFORMANCE

The Companies growth considering the past few years' performance has declined. The Company is taking striving hard for increasing profits from year to year. The total revenue from the operations for the year ended March 31, 2019 amounted to Rs. 2.32 Crores as against Rs.2.20 crores in a previous financial year for year ended March'2018, and has increased by 11.07 % over the last year.

OUTLOOK

With a compounded annual growth rate (CAGR) of over 24% in the last decade, the Indian IT/ITeS industry has emerged as a key growth engine for the economy, contributing around 5.6% to the country's Gross Domestic Product (GDP) in FY 2011 and also providing direct employment to about 2.3 million people (from just about half a million in 2001). It remains one of the biggest sectors for wealth generation in the country. As per the industry body, NASSCOM, the sector is estimated to provide direct and indirect employment to 30 million job by 2019.

RISKS AND CONCERNS

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and effective manner. In this regard, the Company has adopted Risk Management Mechanism which involves the Process of systematically identifying all possible risk events which have a potential impact on the business.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Internal Control – Integrated Framework (the 2013 framework) is intended to increase transparency and accountability in an organisation's process of designing and implementing a system of internal control. The framework requires a company to identify and analyse risks and manage appropriate responses.

It has well-defined delegation of power with authority limits for approving revenue as well as expenditure, Segregation of responsibility, Independent control over the execution of activities, processes for formulating and reviewing annual and long term business plans. It has continued its efforts to align all its processes and controls with global best practices.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The highlights of financial position mentioned herein under relates to the consolidated statement of profit and loss for the year ended March 31, 2019 the consolidated balance

sheet as at March 31, 2019 and the consolidated cash flow statement for the year ended March 31, 2019.

Further, Total expenses worth Rs. 2.32 crores incurred by the company as against the total income generated worth Rs. 2.26 crores during the financial year.

HUMAN RESOURCES

Employees are your company's most valuable resource. Your Company continues to create a favourable environment at work place. The company also recognizes the importance of training and consequently deutes its work force to various work-related courses/seminars including important areas like issues like Technical skills.

CAUTIONARY STATEMENT

Statements in the Management Discussion & Analysis Report describing the Company's expectations, opinion, and predictions may please be considered as "forward looking statements" only. Actual results could differ from those expressed or implied. Company's operations should be viewed in light of changes in market conditions, prices of raw materials, economic developments in the country and such other factors.

For Silverline Technologies Limited

Sd/-
Ravi Subramanian
Director
DIN: 02151804

Date: 7th November, 2019.
Place: Mumbai

ANNEXURE –C

Company's Philosophy on the Code of Corporate Governance

Transparency and accountability are the two basic tenets of Corporate Governance. Responsible corporate conduct is integral to the way we do our business. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legislation.

We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code of Conduct inspires us to set standards which not only meet the applicable legislation but also exceed them in many areas of our business operations.

The Company's philosophy on Corporate Governance is concerned with the ethics, values and morals of the Company and its directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

(2) Board of directors:**(a) Composition, category of directors, attendance of each director at the meeting of the board of directors and the last annual general meeting;**

| Sr. No | Names of Directors | Category | No. of Board meetings attended during the financial year 2018-19 | Attendance at the last AGM held on 24th August, 2018 |
|--------|--------------------------------------|--|--|--|
| 1. | Mr. Ravi Subramanian | Executive Director | Ten | Yes |
| 2. | Mr. Mohan Subramanian* | Executive Director | Six | Yes |
| 3. | Mr. Krishnakumar Subramanian* | Executive Director | Six | Yes |
| 4. | Mrs. Lucy D' Lima*** | Women Non-Executive Independent Director | Seven | Yes |
| 5. | Mr. Pinakin Patel Vasudev** | Non-Executive Independent Director | Seven | Yes |
| 6. | Mr. Ramakrishnan Padmanabhan Iyer*** | Non-Executive Independent Director | Seven | Yes |
| 7. | Mr. Anupam Singh Kushwah*** | Non-Executive Independent Director | Seven | Yes |
| 8. | Ramesh Nurani Ramakrishnan** | Non-Executive Independent Director | Seven | Yes |

**Vacated the office w.e.f November 01,2018 due to disqualification under Companies Act, 2013*

***Resigned from the Post of Director w.e.f January 10, 2019*

****Appointed in EGM held on July 31, 2018*

(c) Number of other board of directors or committees in which a director is a member or chairperson;

| Name of the Director | No. of Directorships | No. of Committee Memberships in Public Limited Companies | |
|-----------------------------------|----------------------|--|---------------|
| | | Memberships | Chairmanships |
| Mr. Ravi Subramanian | One | 1 | 0 |
| Mrs. Lucy D' Lima | One | 1 | 3 |
| Mr. Ramakrishnan Padmanabhan Iyer | One | 3 | 0 |
| Mr. Anupam Singh Kushwah | One | 2 | 0 |

*Membership of Committees includes Chairmanship, if any.

(d) Number of meetings of the board of directors held and dates on which held;

Total 10 meetings held during the year

| Sr. No. | Date of meeting | Names of Directors as on the date of meeting | Directors Present |
|---------|-----------------|--|----------------------------|
| 1 | 09/04/2018 | Mr. Ravi Subramanian Mr. Mohan Subramanian Mr. Krishnakumar Subramanian Mr. Ramesh Nurani Ramakrishnan Mr. Pinakin Patel Vasudev | All Directors were present |
| 2 | 06/07/2018 | Mr. Ravi Subramanian Mr. Mohan Subramanian Mr. Krishnakumar Subramanian Mr. Ramesh Nurani Ramakrishnan Mr. Pinakin Patel Vasudev | All Directors were present |
| 3 | 21/07/2018 | Mr. Ravi Subramanian Mr. Mohan Subramanian Mr. Krishnakumar Subramanian Mr. Ramesh Nurani Ramakrishnan Mr. Pinakin Patel Vasudev | All Directors were present |
| 4 | 03/08/2018 | Mr. Ravi Subramanian Mr. Mohan Subramanian Mr. Krishnakumar Subramanian Mr. Ramesh Nurani Ramakrishnan Mr. Pinakin Patel Vasudev Mrs. Lucy D' Lima Mr. Ramakrishnan Padmanabhan Iyer | All Directors were present |

| | | | |
|----|------------|--|----------------------------|
| | | Mr. Anupam Singh Kushwah | |
| 5 | 14/08/2018 | Mr. Ravi Subramanian Mr. Mohan Subramanian Mr. Krishnakumar Subramanian Mr. Ramesh Nurani Ramakrishnan Mr. Pinakin Patel Vasudev Mrs. Lucy D' Lima Mr. Ramakrishnan Padmanabhan Iyer Mr. Anupam Singh Kushwah | All Directors were present |
| 6 | 05/11/2018 | Mr. Ravi Subramanian Mr. Mohan Subramanian Mr. Krishnakumar Subramanian Mr. Ramesh Nurani Ramakrishnan Mr. Pinakin Patel Vasudev Mrs. Lucy D' Lima Mr. Ramakrishnan Padmanabhan Iyer Mr. Anupam Singh Kushwah | All Directors were present |
| 7 | 10/12/2018 | Mr. Ravi Subramanian Mr. Mohan Subramanian Mr. Krishnakumar Subramanian Mr. Ramesh Nurani Ramakrishnan Mr. Pinakin Patel Vasudev Mrs. Lucy D' Lima Mr. Ramakrishnan Padmanabhan Iyer Mr. Anupam Singh Kushwah | All Directors were present |
| 8 | 17/01/2019 | Mr. Ravi Subramanian Mrs. Lucy D' Lima Mr. Ramakrishnan Padmanabhan Iyer Mr. Anupam Singh Kushwah | All Directors were present |
| 9 | 14/02/2019 | Mr. Ravi Subramanian Mrs. Lucy D' Lima Mr. Ramakrishnan Padmanabhan Iyer Mr. Anupam Singh Kushwah | All Directors were present |
| 10 | 11/03/2019 | Mr. Ravi Subramanian Mrs. Lucy D' Lima Mr. Ramakrishnan Padmanabhan Iyer Mr. Anupam Singh Kushwah | All Directors were present |

(e) **Disclosure of relationships between directors inter-se;** Not Applicable

(f) **Number of shares and convertible instruments held by non executive directors:** Nil

(g) **Web link where details of familiarisation programmes imparted to independent directors is disclosed:**

The Company disclosed familiarisation programmes imparted to independent database of information of interest to the investors including the financial results and Annual Reports of the Company, any information disclosed to the regulatory authorities from time to time, business activities and the services rendered extended by the Company to the investors, in a user friendly manner. The basic information about the Company as called for in terms of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 is provided on this website and the same is updated regularly. The web link of the Company is www.silverlinetechnology.com

(h) A chart or a matrix setting out the skills/expertise/competence of the board of directors specifying the following:

The list of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board are as follows:

| Director | Qualification | Skills/ Expertise/ Competencies/ Experience |
|-----------------------------------|--|--|
| Mr. Ravi Subramanian | MBA in finance, M. Com (Bombay University) | Chairman and Past Managing Director of Silverline technologies since last 28 years |
| Mrs. Lucy D' Lima | B. Com (Bombay University) | Hold position of independent director in previous companies |
| Mr. Ramakrishnan Padmanabhan Iyer | Diploma in finance and Management | Handled Finance and Business head in previous company |
| Anupam Singh Kushwah | MBA in finance and Management | Business Management consultant previously to top companies in USA |

(i) In the opinion of Board, the Independent Directors fulfil the conditions specified in all the regulations and are independent of the management

(j) During the year, Mr. Pinakin Patel Vasudev and Ramesh Nurani Ramakrishnan being Independent Director of the Company has resigned w.e.f January 10, 2019 and there are no material reasons other than those provided in their resignation Letter.

(3) Audit committee:

The object of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosure and oversee the integrity and quality of the financial reporting.

The Committee acts as a link between the Statutory Auditors and the Board of Directors of the Company.

(a) Brief description of terms of reference;

The terms of reference of the Audit Committee are wide enough to cover the matters specified for Audit Committees under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 as well as in Section 177 of the Companies Act, 2013.

(b) Composition, name of members and chairperson;

| Sr No. | Composition | Members/ Chairperson |
|--------|-----------------------------------|----------------------|
| 1. | Mrs. Lucy D' Lima | Chairperson |
| 2. | Mr. Ramakrishnan Padmanabhan Iyer | Member |
| 3. | Ramesh Nurani Ramakrishnan | Member |

(c) Meetings and attendance during the year.

Four meetings of the Audit Committee were held during the year. All the Members were present in the meeting.

(4) Nomination and Remuneration Committee:

The Company has duly constituted Nomination and Remuneration Committee consisting of three Non-Executive Director out of which half of them are Independent Director complying with the provision of Section 178 of the Companies Act 2013 read with the rules made thereunder & Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) 2015

(a) brief description of terms of reference;

- 1) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director.
- 2) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a independence Policy of a director and recommend to the Board and managerial personnel and other employees,
- 3) To formulate the criteria for evaluation of Independent Directors and the Board;
- 4) To devise a policy on Board diversity;
- 5) Any other matter as the NRC Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

(b) Composition, name of members and chairperson;

| Sr No. | Composition | Members/ Chairperson |
|--------|-----------------------------------|----------------------|
| 1. | Mrs. Lucy D' Lima | Chairperson |
| 2. | Mr. Ramakrishnan Padmanabhan Iyer | Member |
| 3. | Ramesh Nurani Ramakrishnan | Member |

(c) Meeting and attendance during the year;

Four meeting of the Nomination and Remuneration Committee was held during the year. All the Members were present at the meeting.

(d) Performance evaluation criteria for independent directors –

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees. The evaluation exercise was carried out on various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of the duties and obligations, governance issues, etc.

Separate exercise was carried out to evaluate the performance of individual Directors including the Chairman by the Nomination and Remuneration committee as per the structured mechanism who were evaluated on following parameters / criteria:

- Participation and contribution by a director,
- Commitment (including guidance provided to senior management outside of Board / Committee meetings),
- Effective deployment of knowledge and expertise,
- Effective management of relationship with stakeholders,
- Integrity and maintenance of confidentiality,
- Independence of behaviour and judgment,
- Observance of Code of Conduct, and
- Impact and influence.

(5) Remuneration of Directors: No remuneration is being paid**(a) All pecuniary relationship or transactions of the non-executive directors' vis-à-vis the listed entity:**

The non-executive Director of the Company had no pecuniary relationship with the vis-à-vis the listed entity.

(b) Criteria of making payments to non-executive directors:

No payment is made to Non-Executive Directors

(b) Disclosures with respect to remuneration:

No remuneration is being paid to Non-Executive Director

(i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc; - Not Applicable

(ii) Details of fixed component and performance linked incentives, along with the performance criteria; Not Applicable

(iii) Service contracts, notice period, severance fees; Not Applicable

(iv) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable. Not Applicable

(6) Stakeholders' grievance committee:

The Board has Stakeholders Relationship Committee for speedy disposal of Grievances/ complaints relating to Shareholders/investors transfer of shares, non-receipt of declared dividend, on-receipt of Balance sheet and Profit & loss Account etc.

The Company maintains continuous interaction with the Registrar and Transfer Agent of the Company (RTA) and takes proactive steps and actions for resolving complaints/queries of the shareholders/investors. The Committee oversees the performance of the RTA and recommends measures for overall improvement in the quality of investor services. Ms. Jyoti Kumari Sharma has been appointed as the Compliance Officer.

(A) **Name of non-executive director heading the committee;** Mrs. Lucy D' Lima

(B) **Name and designation of compliance officer;** Ms. Jyoti Kumari Sharma, Compliance Officer

(C) **Number of shareholders' complaints received so far;**

No complaints were received from the shareholders of the Company during the financial year 2018-2019.

(d) **Number not solved to the satisfaction of shareholders;**

Not applicable

(e) **Number of pending complaints;**

Not applicable

(7) **General body meetings;**

The Annual General Meeting of the Company as per Section 96 of the Companies Act 2013 for Financial Year 2017-18 was held on Monday 24th August, 2018 at 2.10 PM

(a) **Location and time, where last three annual general meetings held;** Annual General Meeting for the last 3 financial year were held as under :-

| Location | Date and Time | Financial Year |
|---|--------------------------------|----------------|
| Sri Ahobila Mutt, 1st floor, Chembur, Mumbai-400071 | 24th August, 2018 at 11.10 AM | 2015-16 |
| Sri Ahobila Mutt, 1st floor, Chembur, Mumbai-400071 | 24th August, 2018 at 12.30. PM | 2016-17 |
| Sri Ahobila Mutt, 1st floor, Chembur, Mumbai-400071 | 24th August, 2018 at 2.10 PM | 2017-18 |

(b) **Whether any special resolutions passed in the previous three annual general meetings;** Yes

(c) **Whether any special resolution passed last year through postal ballot –** No

(d) **Person who conducted the postal ballot exercise;**

Not Applicable

(e) **Whether any special resolution is proposed to be conducted through postal ballot;**

No

(f) **Procedure for postal ballot;** Not Applicable

(8) Means of communication;

(a) **Quarterly results;** Quarterly results of the Company are intimated by publication in newspapers and submission to Bombay Stock Exchange as per Regulation 33 of SEBI (Listing Obligation And Disclosure Requirement) 2015

(b) Newspapers wherein results normally published;

The Company being Suspended , it has not made any newspaper publications .

(c) **Any website, where displayed;** [www. Silverlinetechnology.com](http://www.Silverlinetechnology.com)

(d) **Whether it also displays official news releases;** NA

(e) **Presentations made to institutional investors or to the analysts;** NA

(9) General shareholder information;**(a) Annual General Meeting/ Extra Ordinary General Meeting**

The Annual General Meeting (AGM) for the financial year 2018-19 will be held on Friday 29th November 2019 at Omega Banquets, 317 K-Star Mall, Near Diamond Garden, Chembur, Mumbai – 400071.

The Extra Ordinary General Meeting (EOGM) will be held on Tuesday 31st July' 2018 at Sri Ahobila Mutt, 1st Floor, Chembur, Mumbai – 400 071.

(b) Financial Year:

The Financial Year of the Company is from 1st day of April in a year till 31st day of March in the next succeeding year.

(c) **Dividend payment date:** Not Applicable

(d) **The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):**

BSE Ltd,

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai- 400001

The Company hereby confirms the payment of annual listing fees to Stock Exchange.

(e) **Stock code;** 500389

(f) **Market price data- high, low during each month in last financial year;**

Company is suspended on Stock Exchange

(g) **Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc;** - Not Applicable

(h) **In case the securities are suspended from trading, the director's report shall explain the reason thereof:** Not applicable

(i) **Registrar to an issue and share transfer agents:** Link Intime India Private Limited

(j) **Share transfer system;**

The process of recording of share transfers, transmissions, etc., for shares held in electronic form is handled by Link Intime India Private Limited (RTA) and a report thereof is sent to the Company periodically and the Stakeholders' Relationship Committee of the Company takes note of the same at its meetings. In respect of shares held in physical form, the transfer documents are lodged with the RTA and after processing, the same are sent to the company and the Stakeholders' Relationship Committee conveys its approval to the Registrars, who dispatch the duly transferred share certificates to the shareholders concerned after

complying with the applicable provisions. The average time taken for processing share transfer requests (in physical) including dispatch of share certificates is 15 days.

(k) Distribution of shareholding;

| Share holding of nominal value | Share holders | | Share Amount (in Rs) | |
|--------------------------------|---------------|---------------|----------------------|---------------|
| | Number | % to Total | Number | % to Total |
| 1-5000 | 189294 | 93.2345 | 11852478 | 19.7589 |
| 5001-10000 | 6346 | 3.1256 | 5063496 | 8.4412 |
| 10001-20000 | 3481 | 1.7145 | 5211011 | 8.6871 |
| 20001-30000 | 1243 | 0.6122 | 3154460 | 5.2587 |
| 30001-40000 | 575 | 0.2832 | 2045019 | 3.4092 |
| 40001-50000 | 504 | 0.2482 | 2383889 | 3.9741 |
| 50001-100000 | 864 | 0.4256 | 6361638 | 10.6053 |
| 100001- ***** | 723 | 0.3561 | 23913497 | 39.8655 |
| Total | 203030 | 100.00 | 59985488 | 100.00 |

(l) Dematerialization of shares and liquidity;

The Company has admitted its shares to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The International Securities Identification Number (ISIN) allotted to the Company is **INE368A01021**. The equity shares of the Company are compulsorily traded in dematerialized form as mandated by SEBI.

As on 31st March, 2019, status of the dematerialized and physical form of shares of the Company is as under:

| Shares held in | No. of Shares | Percentage (%) |
|---------------------------|--------------------|----------------|
| Electronic Form with CDSL | 2,46,09,618 | 41.03 |
| Electronic Form with NSDL | 3,51,49,398 | 58.60 |
| Physical Form | 2,26,472 | 0.37 |
| Total | 5,99,85,488 | 100 |

(m) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;

The Company does not have global depository receipts or American depository deposits.

(n) Commodity price risk or foreign exchange risk and hedging activities; Not Applicable

(p) Address for correspondence.

Ms Jyoti Kumari Sharma
 Company Secretary and Compliance Officer
 Unit-121, SDF IV, Seepz, Andheri (E), Mumbai – 400096
 Maharashtra, India
 Phone: [022 – 28291950](tel:022-28291950), [28290447](tel:022-28290447)

Email: silverlinetechnologies13@gmail.com

(10) Other Disclosures:

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large; Not Applicable

(b) details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

Currently Company is suspended due to non-compliance of erstwhile Listing Agreement.

(c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee;

The Company has established a vigil mechanism to enable directors and employees to report genuine concerns and grievances about any incident of violation /potential violation of law or the Code of Conduct laid down by the Company. The mechanism lays down the overall framework and guidelines for reporting genuine concerns. The details of this mechanism are given in the Corporate Governance Report which may be taken as forming part of this Report. These are also posted on the website of the Company.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements; - Not Applicable

(e) web link where policy for determining 'material' subsidiaries is disclosed; - www.silverlinetechnology.com

(f) web link where policy on dealing with related party transactions; www.silverlinetechnology.com

(g) Disclosure of commodity price risks and commodity hedging activities. Not Applicable

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable

(i) a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority: Provided By PCS

(j) where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable

(k) total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: Not Applicable

(l) disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year - Nil

b. number of complaints disposed of during the financial year - Nil

c. number of complaints pending as on end of the financial year - Nil

(11) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed. Not Applicable

(12)The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

(13)The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.

F. Disclosures with respect to demat suspense account/ unclaimed suspense Account: Not Applicable

(1) The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable: Not Applicable

(a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; Not Applicable

(b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year; Not Applicable

(c) number of shareholders to whom shares were transferred from suspense account during the year; Not Applicable

(d) aggregate number of shareholder and the outstanding shares in the suspense account lying at the end of the year; Not Applicable

(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares-: Not Applicable

Declaration affirming Compliance of Code of Conduct

To the best of my knowledge and belief, I hereby affirm that all the Board Members and Senior Management Personnel of the Company have fully complied with the provisions of the code of conduct as laid down by the Company for Directors and Senior Management Personnel during the financial year ended on 31 March, 2019.

For and on behalf of the Board

Sd/-

Ravi Subramanian

Executive Director

(Din No : 02151804)

Place : Mumbai

Date: 7th November, 2019.

CEO/CFO Certification

I hereby certify that

- A. I have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
 - 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

- B. To the best of my knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

- D. I have indicated to the auditors and the Audit committee
 - 1. There are no significant changes in internal control over financial reporting during the year;
 - 2. There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3. There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/-

Ravi Subramanian

Executive Director

(Din-021518504)

Place : Mumbai

Date: 7th November, 2019.

CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
Silverline Technologies Limited

1. We have examined the compliance on Corporate Governance by Silverline Technologies Limited during the year ended March 31, 2019, with the relevant records and documents maintained by the Company, furnished to us for our review and report on Corporate Governance, as approved by the Board of Directors.

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

3. 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.

4. On the basis of our review and according to the best of our information and according to the explanation given to us, the Company has been complying with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Rand J Co, Company Secretaries

Sd/-
Jeethi Pillai
Practicing Company Secretary
Mem: 33085 COP: 13235
Date: 7th November, 2019.
Place: Thane

FORM MR-03
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Silverline Technologies Limited

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the ~~books, papers, minute books, forms and returns filed and~~ other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the Audit period**);
- e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to the Company during the Audit period**);
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2008 (**Not applicable to the Company during the Audit period**);
- (v) Environment Protection Act, 1986 and other environmental laws
- (vi) Indian Contract Act, 1872
- (vii) Income Tax Act, 1961 and Indirect Tax Laws

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), 2015;

The trading of the securities of the Company was suspended with Bombay Stock Exchange Limited throughout during the period under review.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for the matters as stated in **Annexure I**:

We further report that:

As on 31st March, 2019, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors.

There was no synchronization pertaining to the appointment of the Directors as per the Corporate Governance Report, Directors appointed during the year.

As informed by the management, adequate notice was given to all directors to schedule the Board Meetings, agenda were sent at least seven days in advance, required proof of

dispatch of notice and the minutes were produced before me for the inspection .

As informed by the Management, majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that company needs to strengthen the existing systems and processes in the company to commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and is in process of revocation of its shares listed on Bombay Stock Exchange.

I further report that during the audit period there were no instances of:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- iv. Merger / amalgamation / reconstruction, etc.
- v. Foreign technical collaborations.

Date: 7th November, 2019.
Place: Thane
UDIN: A033085A000217533

Sd/-
Jeethi Pillai
Practicing Company Secretary
Membership No. A33085
CoP No. 13235

Note: This report is to be read with my letter of event date which is annexed as Annexure II and forms an integral part of this report.

Annexure I to the Secretarial Audit Report of Silverline Technologies Limited for the year ended 31st March, 2019.

1. The Company has conducted the Annual General Meeting for the year ended 31st March, 2018 on 24th September'2018 and the Scrutinizers Report for the Voting held at the Annual General Meeting along with Voting results was not submitted within the stipulated period of time.
2. . The Scrutinizers Report for the Voting held at the Annual General Meeting was not submitted within the stipulated period of time. The Company has not provided any proof for the dispatch of the notice before us.
3. The Annual General Meeting for the financial year ended 31st March, 2018 were held on 24th September'2018.However, it is to be noted that Company has not obtained any extension to convene the Annual General Meeting for the year ended 31st March, 2018.
4. There is no synchronization in the dates of the Notice and the contents of the Annual Report for the year ended 31st March, 2017 and 31st March'2018.
5. The Company did not comply with the provisions of Sec 92 (Filing of Annual Return), Sec 129 & 134 (Adoption of Financial Statements and Boards Report), Sec 152(6) (Retirement of Directors), Sec 121 (Filing of Report on Annual General Meeting) of the Companies Act, 2013:
6. The Company has not filed the Resolutions and has therefore not complied with the requirements of Section 117 of the Act.
7. The Chief Financial Officer/Chief Executive Officer is not appointed as required under Section 203 of the Act and Regulation 17 of SEBI (LODR), 2015.
8. The Company did not file the returns as required under the Income Tax Act, 1961.
9. The appointment of Auditors of the Company has not been done in accordance to Section 139 of the Companies Act'2013, and Company has failed to file form ADT-1 for their term of appointment.
10. Company has failed to comply with the Provisions of SEBI (LODR) Regulations' 2015 and other applicable regulations.

Sd/-

Jeethi Pillai

Practicing Company Secretary

Membership No. A33085

CoP No. 13235

Date: 7th November, 2019.

Place: Thane

UDIN: A033085A000217533

Annexure II

To,
The Members,
Silverline Technologies Limited

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Silverline Technologies Limited (the 'Company') is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to me by the Company, along with explanations where so required.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to me. I believe that the processes and practices I followed, provides a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 7th November, 2019.
Place: Thane
UDIN: A033085A000217533

Sd/-
Jeethi Pillai
Practicing Company Secretary
Membership No. A33085
CoP No. 13235

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF SILVERLINE TECHNOLOGIES LIMITED****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the standalone financial statements of **Silverline Technologies Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the statement of Profit and Loss and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under sub-section (3)(i) of section 143 the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls over financial reporting with reference to these standalone financial statements of the Company in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section 3 of Section 143 of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of sub-section 2 of Section 164 of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position as at March 31, 2019.
- ii. The Company did not have any outstanding long-term contracts including derivative contracts as at March 31, 2019 for which there were any material foreseeable losses; and
- iii. As at March 31, 2019 there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For JMT & ASSOCIATES
Chartered Accountants

Sd/-

Arun S. Jain

Membership no. 043161

(Registration no.104167W)

Mumbai,

Date: 30th June, 2019.

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Silverline Technologies Limited of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3 (ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantee or security to the parties covered under section 185. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has complied with the provisions of section 186 of the Act.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section 1 of section 148 of the Act.
- (vii) (a) According to the information and explanations given to us, and the records of the company examined by us, the Company has made provisions for undisputed statutory dues. However, there are disputed income tax liabilities and the company has made representations and applications with the concerned authorities and where required, legal representations are made

for adjudication of the said matter .The dispute is at different levels and the management is taking all the necessary steps to protect the interest of the company.

- /iii) Based on our examination of documents and records, the Company has not taken any loan from a financial institution, a bank, the government or issued debentures and accordingly the provisions of paragraph 3 (viii) of the Order are not applicable.
- ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). The money raised, during the year, by way of a term loan was applied for the purposes for which, it was raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has complied with provisions of Section 197 read with Schedule V to the Act.
- xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3 (xii) of the Order are not applicable to the Company.
- ciii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with the provisions of section 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- civ) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

- xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors.
- xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company

For JMT & ASSOCIATES

Chartered Accountants

sd/-**Arun S. Jain**

Membership no. 043161

(Registration no.104167W)

Mumbai,

Date: 30th June, 2019.

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Annexure Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Silverline Technologies Limited of even date)

We have audited the internal financial controls over financial reporting of **Silverline Technologies Limited** (hereinafter referred to as "the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For JMT & ASSOCIATES

Chartered Accountants

Sd/-**Arun S. Jain**

Membership no. 043161

(Registration no.104167W)

Mumbai,

Date: 30th June, 2019.

Balance Sheet As at 31st March,2019

| Particulars | notes | As At 31/03/2019 | As At 31/03/2018 |
|---|-------|---------------------|---------------------|
| I. ASSETS | | | |
| 1. NON-CURRENT ASSETS | | | |
| (a) Properties, Plant & Equipment | 2 | 19,29,603 | 19,29,603 |
| (b) Capital Work in Process | | - | - |
| (d) Financial assets | | | |
| ii. Non-current investments | | 3,18,65,116 | 3,31,90,116 |
| iii. Other Financial Assets | | - | - |
| (e) non-Current Tax Assets | 3 | 63,06,021 | 63,06,021 |
| (f) other non-Current Assets | | - | - |
| Total non- Current assets | | <u>4,01,00,740</u> | <u>4,14,25,740</u> |
| 2. Current assets | | | |
| (a) inventories | | - | - |
| (b) Financial Assets | | | |
| i. Trade Receivable | 4 | 3,18,67,174 | 2,51,80,714 |
| ii. Cash & Cash Equivalent | 5 | 91,135 | 1,31,727 |
| iii. Bank balances other than cash & cash Equivalent | | - | - |
| iv. Loans | | - | - |
| v. other Financial assets | | - | - |
| Total Current Assets | | <u>3,19,58,309</u> | <u>2,53,12,441</u> |
| Total Assets | | <u>7,20,59,049</u> | <u>6,67,38,181</u> |
| I. EQUITIES AND LIABILITIES | | | |
| I. Equity | | | |
| (a) Equity share Capital | 6 | 59,98,54,880 | 59,98,54,880 |
| (b) Other Equity Reserves & Surplus | 7 | (57,63,42,259) | (57,67,94,674) |
| Other Reserves | | - | - |
| Total Equity | | <u>2,35,12,621</u> | <u>2,30,60,206</u> |
| ii. Liabilities | | | |
| non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| Borrowing | 8 | 15,05,012 | 4,37,559 |
| | | | 2,09,93,47 |
| (b) Provision | 9 | 2,11,08,474 | 4 |
| © Deffered Tax Liabilities [See notes] | | 1,88,851 | 1,88,851 |
| (d) Other non-Current Liabilities | | - | - |
| Total Non-Current Liabilities | | <u>2,28,02,337</u> | <u>2,16,19,884</u> |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| i. Borrowings | | | |
| Trade Payable-Other than | | 2,46,85,63 | 2,10,14,63 |
| ii. MSME | 10 | 2 | 2 |
| iii. Trade Payable - MSME | | - | - |
| iv. Other Financial Liabilities | | - | - |
| (b) Provisions | | | |
| © Current Tax Liabilities | 11 | 10,58,459 | 10,43,459 |
| Total Current Liabilities | | <u>2,57,44,091</u> | <u>2,20,58,091</u> |
| Total Equity & Liabilities | | <u>7,20,59,049</u> | <u>6,67,38,181</u> |

The accompanying notes are part of the financial statements

For JMT & ASSOCIATES

Chartered Accountants

**Arun S.
Jain**

Membership no. 043161
(Registration no.104167W)
UDIN : 20043161AAAADL2054

Ravi Subramanian

Director
Din - 02151804
Place : Mumbai.

For Silverline Technologies Limited

CIN:L99999MH1992PLC066360

Jyoti Kumari Sharma

Company Secretary
Pan No: EQPPS0293L
Date: 30th June, 2019.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH,2019

| PARTICULARS | notes | CURRENT YEAR | PREVIOUS YEAR |
|---|-------|--------------------|--------------------|
| INCOME | | | |
| Revenue from operation | 12 | 2,32,25,,890 | 2,20,90,890 |
| Total income | | 2,32,25,890 | 2,20,90,890 |
| EXPENDITURE | | | |
| Software development charges | | 1,65,39,430 | 1,28,95,608 |
| Employee expenses | | - | - |
| Financial Cost | | - | - |
| Depreciation and Amortization | | - | - |
| Other Expenses | 13 | 61,19,045 | 57,75,214 |
| Total Expenditure | | 2,26,58,475 | 1,86,70,822 |
| Profit/(loss) before Exceptional item | | 5,67,415 | 34,20,068 |
| Less : Exceptional Item | | 0 | 0 |
| Profit before tax item | | 5,67,415 | 34,20,068 |
| Less: Tax Expenses | | | |
| Current Tax | | 1,15,000 | 685000 |
| Deferred tax | | 0 | 0 |
| Net Profit/(loss) after tax | | 4,52,415 | 27,35,068 |
| Profit/(Loss) from discontinue operation | | - | - |
| Profit/(Loss) from continue operation | | 4,52,415 | 27,35,068 |

The accompanying notes are part of the financial statements

For JMT & ASSOCIATES

Chartered Accountants

**Arun S.
Jain**

Membership no. 043161
(Registration no.104167W)
UDIN : 20043161AAAADL2054

Ravi Subramanian

Director
Din - 02151804
Place : Mumbai.

For Silverline Technologies Limited

CIN:L99999MH1992PLC066360

Jyoti Kumari Sharma

Company Secretary
Pan No: EQPPS0293L
Date: 30th June, 2019.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March,2019

| | 31/03/2019 | 31/03/2018 |
|---|--------------------|--------------------|
| | RUPEES | RUPEES |
| Cash flows from operating activities | | |
| Net Profit before Tax and before extraordinary item | 4,52,415 | 34,20,068 |
| Adjustments for : | | |
| Depreciation | - | - |
| Preliminary Expenses & Filing fees written off | - | - |
| Provision for Doubtful Debts | - | - |
| Provision for income Tax | - | - |
| Dividend income | - | - |
| Un-realized Forex Gain | - | - |
| increase in Deferred Revenue Expenditure | - | - |
| Sub Total | 4,52,415 | 34,20,068 |
| Operating Profit before Working Capital changes | | |
| Working capital changes | | |
| increase in Sundry Debtors | (66,86,460) | (91,95,282) |
| increase in advances recoverable in cash or kind or for value to be received | - | - |
| increase / Decrease in Sundry Creditors | 36,71,000 | 54,57,882 |
| increase / Decrease in Work in Process | - | - |
| increase / Decrease in other current liabilities | 15,000 | - |
| increase in provisions | 1,15,000 | - |
| increase in Deferred Tax | - | - |
| Net Cash from operating activities | (24,32,045) | (3,17,332) |
| Cash flows from investing activities | | |
| Purchase of Fixed Assets | - | - |
| investment Account | - | - |
| Dividend income | - | - |
| net cash (used in)/surplus from investing activities | - | - |
| Cash flows from financing activities | | |
| Proceeds from issuance of share capital and share premium | - | - |
| Borrowings (Net) | 10,67,453 | 3,10,000 |
| Extraordinary Items-Premium on prepayment of foreign currency term loans | | |
| Net cash (used in)/ surplus from financing activities | 13,25,000 | - |
| net increase in Cash & Cash equivalents | (40,592) | 7,332 |
| Effect of Unrealized foreign exchange fluctuation gain / (loss) | - | - |
| Cash & Cash equivalents at the beginning of the year | 1,31,727 | 1,39,059 |
| Cash & Cash equivalents at the end of the year | 91,135 | 1,31,727 |
| increased ?(decrease) in Cash Balance | (40,592) | (7,332) |

The accompanying notes are part of the financial statements

For JMT & ASSOCIATES

Chartered Accountants

**Arun S.
Jain**

Membership no. 043161

(Registration no.104167W)

UDIN : 20043161AAAADL2054

Ravi Subramanian

Director

Din - 02151804

Place : Mumbai.

For Silverline Technologies Limited

CIN:L99999MH1992PLC066360

Jyoti Kumari Sharma

Company Secretary

Pan No: EQPPS0293L

Date: 30th June, 2019.

Statement in change of Equity for the Year ended 31st Mrch,2019.

A. Equity share Capital

| Particulars | Notes | Amount |
|-----------------------------------|-------|--------------|
| As at April 1 st ,2018 | 1 | 59,98,54,880 |
| Change in Equity share capital | | 0 |

B. other Equity

| Particulars | notes | Reserves and Surplus | | Retained Earnings | Other Reserves | | Total |
|--|-------|----------------------|-----------------|-------------------|--|--------------|----------------|
| | | General Reserve | Capital Reserve | | Reimbursement of defined bene-fit plan | Other Equity | |
| Balance as at April 1, 2018 | | 0 | 0 | (57,68,99,324) | 0 | 0 | (57,68,99,324) |
| Profit for the Year | | 0 | 0 | 4,52,415 | - | - | 4,52,415 |
| Other Comprehensive income | | 0 | 0 | 0 | 0 | 0 | 0 |
| Total comprehensive income for the Year | | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfer to general Reserve | | 0 | 0 | 0 | 0 | 0 | 0 |
| Transactions with owners in their capacity as owners | | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividend paid | | 0 | 0 | 0 | 0 | 0 | 0 |
| Balance as at March 31,2019. | | 0 | 0 | (57,64,46,909) | 0 | 0 | (57,64,46,909) |

Notes forming parts of Annual Accounts for the year ended March 31st,2019

CORPORATE INFORMATION

Silverline Technologies Limited is a Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. its shares are listed in BSE Limited, Mumbai but presently under the suspended category.

The address of its registered office and principal place of business are disclosed in the introduction to the annual report. The Company is principally engaged in the information technology related services.

The financial statements of the Company for the year ended 31st March 2019 were authorized for issue in accordance with the resolution of the Board of Directors as on 07th November, 2019

1. Significant Accounting Policies

Basis of preparation of Accounts:

The Financial Statements comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements up to the year ended 31st March 2019 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements under Ind AS. Refer notes of how the transition from the previous GAAP to Ind AS has affected the financial position, financial performance, and cash flows of the Company. The financial statements have been prepared on a historical cost basis, except the Fixed assets which valued at fair value.

Current/non-current classification

The normal operating cycle of the Company is 12 months. Assets and Liabilities which are expected to be realizable/ payable within 12 months are to be classified as current and rest will be classified as noncurrent.

Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes at their reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are

Rendering of services

Revenue from rendering of services is recognized based on percentage of completion method when the outcome of the transactions can be estimated reliably.

Property, plant, and equipment

Property, plant, and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as replacement if the recognition criterion is satisfied.

Property, plant, and equipment is eliminated from the financial statements, either on disposal or on retirement from active use. Losses and gains arising from the retirement/disposal are recognized in the statement of profit or loss in the year of occurrence.

Notes forming parts of Annual Accounts for the year ended March 31st,2019

The asset's residual value, useful lives and methods of depreciation are reviews at each financial year and adjusted prospectively, if appropriate.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation is provided on the "straight line method" based on the estimated useful life of assets which are equal to those suggested in Part C of schedule II of the Act except for assets stated below, for which depreciation is calculated.:

The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual value of tangible assets.

Depreciation on additions / deletions is provided on pro-rata basis from the date of acquisition/ up to the date of deletion.

Changes in expected useful life or the expected pattern of consumption of future economic benefits embodied in an asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount

Capital work in progress

Capital work-in-progress includes if any, plant, and equipment under installation / under development as at the balance sheet date.

These are stated at cost to date relating to items or project in progress, incurred during construction / preoperative period.

Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets comprising of "Computer Software" are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Estimated useful life of software is assessed to be 3 to 5 years.

Impairment of non-financial assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined as the higher of the fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate

Notes forming parts of Annual Accounts for the year ended March 31st,2019

Foreign currency

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are recorded on initial recognition in the functional currency, using the exchange rate prevailing on the date of transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

Employee benefits

All employee benefits payable wholly within 12 months of rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Segment reporting

The management of the company is an Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of nature of services.

Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted

The earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. Provision for non-compliance under the companies Act,2013 , SEBI Regulation and BSE agreement for listing of company are not provided as same is not ascertainable.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

Contingent liability is disclosed in the case of:

- Present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arising from past event when no reliable estimate is possible
- A possible obligation arising from past events unless the probability of outflow of resources is remote. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets, and commitments are reviewed at each balance sheet date.

Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management

Financial instruments**Financial assets:****Initial recognition and measurement**

Notes forming parts of Annual Accounts for the year ended March 31st,2019

All financial assets are recognized initially at fair value plus, in case of financial asset not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial asset measured at amortized cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified into two broad categories:

Financial asset at fair value and at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit or loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income)

A financial asset that meet the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test** : the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets
- **Cash flow characteristics test** : The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains or losses on them on different basis.

All other financial asset is measured at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - a) the Company has transferred substantially all the risks and rewards of the asset, or
 - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates, if any. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Financial liabilities**Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans, and borrowings.

Loans and borrowings – subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective

Notes forming parts of Annual Accounts for the year ended March 31st,2019

Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the Effective interest Rate (EiR) amortization process.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

2. Significant Accounting judgements, estimates and assumptions

The preparation of Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Impairment of non-financial asset

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Defined Benefit plans

The cost of defined benefit plans and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about the risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Useful life

The estimated useful lives of items of property, plant and equipment and intangible assets for the current and the comparative periods are as follows :

| Asset | Management estimate of useful life | Useful life as per Schedule 3 |
|-------------------------|---|--|
| Computer | Over the lease term | years |
| Furniture & fixture | 30 years | Years |
| | 10 years | 10 years |
| Other Plant & Equipment | 15 years | 15 years |

Period of lease or useful life prescribed under Schedule ii of the Act, whichever is lower.

Fair valuation of financial instruments

Notes forming parts of Annual Accounts for the year ended March 31st,2019

Notes 2.

Property Plant and Equipment

Tangible assets

| Particulars | Computer Account | Electric Fitting | Furniture Fixture | Office Equipment | Total | Capital work in progress |
|---|------------------|------------------|-------------------|------------------|-------------|--------------------------|
| Gross carrying Amount | | | | | | |
| Opening | 94,03,042 | 18,84,723 | 1,00,33,809 | 59,56,685 | 2,72,78,259 | - |
| Gross carrying Amount | | | | | | |
| Exchange differences | | | | | | |
| Addition/(deletion) | | | | | | |
| Closing gross carrying amount | 94,03,042 | 18,84,723 | 1,00,33,809 | 59,56,685 | 2,72,78,259 | - |
| Accumulated depreciation and impairment | | | | | | |
| Opening Accumulated Depreciation | 81,19,034 | 18,84,723 | 96,36,360 | 57,08,539 | 2,53,48,656 | - |
| Depreciation charge during the year | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - |
| Closing accumulated Depreciation and impairment | 81,19,034 | 18,84,723 | 96,36,360 | 57,08,539 | 2,53,48,656 | - |
| net carrying amount | 12,84,008 | - | 3,97,449 | 2,48,146 | 19,29,603 | - |

Intangible Assets

| Particulars | | |
|-------------|--|--|
| nil | | |

Notes forming parts of Annual Accounts for the year ended March 31st,2019

Notes 3 Non-Current Tax Assets

| Particulars | As on 31/03/2019 | As on 31/03/2018 |
|--|---------------------|---------------------|
| Advance payment of taxes and TDS account | 63,06,021 | 63,06,021 |
| Total non-current Assets | 63,06,021 | 63,06,021 |

Notes 4 Trade Receivables

| Particulars | As on 31/03/2019 | As on 31/03/2018 |
|-----------------------------------|---------------------|---------------------|
| Trade receivables | | |
| Unsecured considered goods | | |
| Trade receivables | 3,18,67,174 | 2,51,80,714 |
| Receivable from related parties | - | - |
| Total | | |
| Less: allowances for bad debts | - | - |
| Total trade receivables | 3,18,67,174 | 2,51,80,714 |
| Current portion | 3,18,67,174 | 2,51,80,714 |
| non-Current portion | 0 | 0 |

No trade or other receivables are due from directors or other officer of the company either severally or jointly with any other person. no provision is made for any unrealized account of last several years.

Notes forming parts of Annual Accounts for the year ended March 31st,2019

Notes 5 Cash and cash equivalent

| Particulars | As on 31/03/2019 | As on 31/03/2018 |
|------------------------------|---------------------|---------------------|
| Balances with the Bank | | |
| - in current Account | 256 | 256 |
| Cash on hand | 90, 879 | 1,38,803 |
| Total cash & cash Equivalent | <u>91, 135</u> | <u>1,39,059</u> |

Notes 6

Equity share capital
Authorized Capital

| Particulars | number of Shares | Par Value per shares Rs. | Total Equity Rs. |
|--------------------------|--------------------------|-----------------------------|-----------------------|
| As at 1 April,2018 | 30,00,00, 000 | Rs. 10 | 3,00,00,00,000 |
| increase during the year | 0 | 0 | 0 |
| As at 31st March,2019 | <u>30,00,00, 000</u> | <u>Rs. 10</u> | <u>3,00,00,00,000</u> |

Issued Share Capital

| Particulars | number of Shares | Par Value per shares Rs. | Total Equity Rs. |
|--------------------------|--------------------------|-----------------------------|-----------------------|
| As at 1 April,2018 | 59,98,54, 880 | Rs. 10 | 5,99,85,48,800 |
| increase during the year | - | 0 | 0 |
| As at 31st March,2019 | <u>59,98,54, 880</u> | <u>Rs. 10</u> | <u>5,99,85,48,800</u> |

Subscribed and fully paid up

| Particulars | number of Shares | Par Value per shares Rs. | Total Equity Rs. |
|--------------------------|--------------------------|-----------------------------|-----------------------|
| As at 1 April,2018 | 59,98,54, 880 | Rs. 10 | 5,99,85,48,800 |
| increase during the year | - | 0 | 0 |
| As at 31st March,2019 | <u>59,98,54, 880</u> | <u>Rs. 10</u> | <u>5,99,85,48,800</u> |

The company has only one class of Equity shares a par value of Rs. 10 per share. Each holder of Equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. in the event of liquidation of the company , the holders of equity shares entitled to receive remaining assets of the company , after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

Notes forming parts of Annual Accounts for the year ended March 31st,2019

Details of shareholding more than 5% shares in the company
nil (Previous Year nil)

Notes 7 Reserves and surplus

| Particulars | As on 31/03/2019 | As on 31/03/2018 |
|----------------------------|----------------------------|-----------------------------|
| Retained earning | (57,63,42,25 9) | (57,67,94,674) |
| Capital Reserves | - | - |
| Total Reserves and surplus | <u>(57,63,42,25 9)</u> | <u>((57,67,94,67 4)</u> |

Retained earning

| Particulars | As on 31/03/2019 | As on 31/03/2018 |
|-------------------------------|----------------------------|----------------------------|
| Opening balance | (57,67,94,674) | (57,95,29,738) |
| Current year Retained earning | 4,52,415 | 27,35,068 |
| Movement from capital reserve | - | - |
| Closing balance | <u>(57,63,42,25 9)</u> | <u>(57,67,94,670)</u> |

Notes 8 Financial Liabilities - Borrowing

| Particulars | As on 31/03/2019 | As on 31/03/2018 |
|------------------------------|---------------------|---------------------|
| From Directors and Relatives | 15,050,12 | 4,37,559 |
| interest accrued | - | - |
| Total financial liabilities | <u>15,050,12</u> | <u>4,37,559</u> |

Notes 9 Provision

| Particulars | As on 31/03/2019 | As on 31/03/2018 |
|--|---------------------|---------------------|
| Provision for income tax | | |
| Provision made for the income tax liabilities includes FBT | 2,09,93,474 | 2,09,93,474 |
| Total Rs. | <u>2,11,08,474</u> | <u>2,09,93,474</u> |

Notes 10 Trade payable

| Particulars | As on 31/03/2019 | As on 31/03/2018 |
|------------------------------|---------------------|---------------------|
| Trade payable | 2,46,85,632 | 2,10,14,632 |
| includes compliance expenses | | |
| Total trade payable | <u>2,46,85,632</u> | <u>2,10,14,632</u> |

Notes 11 Other Current liabilities

| Particulars | As on 31/03/19 | As on 31/03/18 |
|---------------------------------|------------------|------------------|
| Total other current liabilities | <u>10,58,459</u> | <u>10,43,459</u> |

Notes to financial Statement for the period ended March 31,2019

Note 12 Revenue from operation

| Particulars | As on 31/03/2019 | As on 31/03/2018 |
|------------------------------|---------------------------|---------------------------|
| Sale of services | | |
| Software development charges | | |
| Export | 2,32,25,890 | 2,20,90,890 |
| Total Revenue from operation | <u>2,32,25,890</u> | <u>2,20,90,890</u> |

Note 13 Other Expenses

| Particulars | As on 31/03/2019 | As on 31/03/2018 |
|-----------------------------|-------------------------|-------------------------|
| Audit fees | 1,71,000 | 1,71,000 |
| Rental Expenses | 13,25,000 | 15,75,000 |
| Bank charges | 295 | 579 |
| R&T and compliance expenses | 35,00,000 | 35,00,000 |
| Communication charges | 19,320 | 25,935 |
| Travelling and Conveyance | 180,915 | 4,15,828 |
| Printing and Stationery | 7,219 | 10,890 |
| Miscellaneous expenses | 9,15,296 | 75,982 |
| Total Other expenses | <u>61,19,045</u> | <u>57,75,214</u> |

| Particulars | As at 31/03/2019 (Rs.) | As at 31/03/2018 (Rs.) |
|-------------|------------------------------|------------------------------|
|-------------|------------------------------|------------------------------|

NOTE 13.1 - AUDITORS REMUNERATION

| | | |
|---------------------|-----------------------|-----------------------|
| Statuary Audit fees | 114,000 | 114,000 |
| Other Services | 57,000 | 57,000 |
| | <u>171,000</u> | <u>171,000</u> |

NOTES FORMING PARTS OF ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31ST,2019

NOTE 14 - Earnings per Equity share

(A) Basic

| | | |
|---|-------------------|------------|
| (i) number of Equity Shares at the Beginning of the year | 59,985,488 | 59,985,488 |
| (ii) number of Equity Shares at the End of the year | 59,985,488 | 59,985,488 |
| (iii) Weighted Average number of Equity Shares | 59,985,488 | 59,985,488 |
| Outstanding during the year | 59,985,488 | 59,985,488 |
| (iv) Face value of each Equity Share (Rs.) | 10.00 | 10.00 |
| (v) Profit / (Loss) after tax available for Equity Shareholders | 4,52,415 | 27,35,068 |
| (vi) Basic Earnings per Equity Share (Rs.)[(v)/(iii)] | 0.01 | 0.02 |
| (vii) Loss after exceptional item | 4,52,415 | 27,35,068 |
| Basic earnings after extraordinary item | 0.01 | 00.02 |

(B) Diluted

| | | |
|--|-------------|-------|
| (i) Diluted Potential Equity Shares | 0 | 0 |
| (ii) Diluted Earnings per Equity Share (Rs.)[same as A (vi) above] | 0.01 | 00.02 |

NOTE - 15

Balances of the Unsecured Loans, Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation and reconciliation, if any.

NOTE 16 - EXPENDITURE IN FOREIGN CURRENCY

| | | |
|--------------------------------------|--------------------|-----------|
| Software Development Charges at site | 1,65,39,430 | 30,26,270 |
|--------------------------------------|--------------------|-----------|

NOTE 17- EARNINGS IN FOREIGN CURRENCY

| | | |
|-----------------------------|--------------------|-----------|
| Exports of Software at site | 2,32,25,890 | 3,630,128 |
|-----------------------------|--------------------|-----------|

NOTES FORMING PARTS OF ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31ST, 2019

NOTE 18 - RELATED PARTIES DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

Key Managerial Persons

Mr. Ravi Subramanain Chairman And Executive Director

Independent Board of Directors Reconstituted as on 31st July, 2018.

Mrs. Lucy D'limaa Women Independent Director

Mr. Ramesh Iyer Non Executive Independent Director

Mr. Anupam Khushwa Non Executive Independent Director

Mrs. Jyoti Kumari Sharma Company Secretary

Transactions during the year with related parties : (Rs. In Lacs)

Nature of Transaction

| | Key Managerial Persons | Associates | Total |
|-------------------------------|---------------------------|-------------|-------------|
| Directors Remuneration | 0.00 | 0.00 | 0.00 |
| | <i>0.00</i> | <i>0.00</i> | <i>0.00</i> |
| Loans/Advances repaid | 0.00 | 0.00 | 0.00 |
| | <i>8.45</i> | <i>0.00</i> | <i>8.45</i> |
| Loans/Advances received (net) | 3.10 | 0.00 | 3.10 |
| | <i>0</i> | <i>0.00</i> | <i>0.00</i> |
| Given Advances received back | 0.00 | 0.00 | 0.00 |
| | <i>0.00</i> | <i>0.00</i> | <i>0.00</i> |

Note: Figures in italics are of previous year.

Balances as on 31.03.2019

| | | | |
|-------------------------------|------|--------|--------|
| Loans/Advances received (net) | 4.37 | 0.00 | 4.37 |
| Loans / Advances given | 0.00 | 331.60 | 331.60 |

Disclosure in Respect of Material Related Party Transaction during the year

Director Remuneration Rs. nil (Previous Year Rs. nil)

Loans/Advances repaid

Given Advances received back includes:-

Rs. nil (Previous Year Rs. nil)

NOTES FORMING PARTS OF ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31ST, 2019**NOTE 19 - SEGMENT REPORTING**

Providing of information technology services is the Company's only signal business segment, hence the disclosure of segment wise information as required by Accounting Standard (AS) 17 on "Segment Reporting" is not applicable.

NOTE 20- CONTINGENT LIABILITIES AND COMMITMENTS**Claims against the Company /disputed liabilities not acknowledged as debts: (As per the representation made by the Management)**

There are disputed income tax liabilities in respect of Assessment years 2001-02; 2002-03; 2003-04, 2011-12 and 2012-13. The Company has disputed against the same with appropriate authorities and it has not provided for the same in view of the legal advice received by the company.

NOTE 21: Financial risk management

The company's activities expose it to market risk, liquidity risk and credit risk. Market risk is the risk of loss of future earnings, fair value or future cashflows that may result from a change in the price of the financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivable and payables and loans and borrowings.

If the risk exposure is significant than senior management reviews the position and takes decision regarding hedging/ other risk strategies to mitigate such risk exposures.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rate. The company is not exposed to significant interest rate risk as at the respective reporting dates.

(ii) Foreign currency risk

The Company is exposed to foreign exchange risk through its sales and services in overseas.

(iii) Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- (i) Actual or expected significant adverse change in business
- (ii) Actual or expected significant change in the operating results of the counterparty
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty

A default on a financial asset is when the counterparty fails to make contractual payments within five years of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Financial assets are written off when there is no reasonable expectation of recovery. Where loans or receivables have been written off, the Company may engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

The carrying amounts of financial assets represent the maximum credit risk exposure

NOTES FORMING PARTS OF ANNUAL ACCOUNTS FOR THE YEAR ENDED MARCH 31ST, 2019

Roll rate method for trade receivable:

impairment loss for trade receivable is calculated using the roll rate method. in the roll rate method, the entire portfolio balance is segmented by various buckets e.g. Current, 1-90 , 91-180 , 181-270 etc. Roll rate technique is a forecast in which the flow of outstanding from one level of delinquency (lower) to another (higher) is applied to the current portfolio outstanding mix. This technique follows the flow from 'Current' through all the delinquency buckets to 'charge-off'. The losses are determined as a product of flow rates from the bucket to the final bucket. Once historical net roll rates by bucket have been calculated, their patterns over time are examined and future roll rates are estimated. Expected credit loss is computed on a collective basis as receivables are in similar category and amount of individual trade receivables are not individually significant.

Based on management estimation and data available there is no significant increase in credit risk/credit impaired for individual trade receivables.

In computation of the expected credit loss, there is no specific provisioning / write off policy for outstanding for more than certain period.

There is no specific forward-looking information estimated by the management.

Since the company has receivable for more than 840 days which is indeed provide the major risk of receiving the bills amount and not able to provide information about the exposure to credit risk and expected credit loss for trade receivables for corporate customers and has not prepared the age analysis as at 31 March 2019. As Board has inform to us that since the board has just constituted and will provide the same in the coming year.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. in addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Note 22: Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial statements

(i) Loan covenants

Under the terms of the major borrowing facilities, there are no financial covenants which are required to be complied by the company

(ii) Dividends - No dividend proposed or declared during the year.

Note 23: Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognized as liabilities is nil as on date.

Note 24: Events occurring after the reporting period

The disqualification of promoters for any reasons and new board there upon may affect the financial statement of the company.

Note 25. Prior period error

There is prior period error identified during the year including corresponding year related to the listing agreement with the BSE and other compliance expenses and rent to SEEPZ authority.

Note 26: Assets Pledged /Mortgaged /Hypothecated as security

No financial borrowing by way of pledging mortgage/Hypothecation of assets of the company.

Note 27:

The Company's main clients are overseas customers, the consequential claims and counterclaims on performance bonus/deductions affect the trade receivables on account of which the substantial part of balances outstanding as trade receivables are not confirmed by them. However, the management is confident that such receivables are stated at their realizable value and adequate provisions are made in accounts , wherever required.

Notes to Financial Statements for the period ended March 31, 2019

NOTE – 28

Due to the uncertainty arising out of non-compliances contingent liabilities for fulfilling those compliances may arise. As per management of the company, they are endeavoring to clear off their company from non-compliances by being fully obliging the compliances as required.

NOTE - 29

Figures of the previous year have been regrouped/recast or reclassified wherever considered necessary.

The accompanying notes are part of the financial statements

For JMT & ASSOCIATES

Chartered Accountants

**Arun S.
Jain**

Membership no. 043161
(Registration no.104167W)
UDIN : 20043161AAAADL2054

Ravi Subramanian

Director
Din - 02151804
Place : Mumbai.

For Silverline Technologies Limited

CIN:L99999MH1992PLC066360

Jyoti Kumari Sharma

Company Secretary
Pan No: EQPPS0293L
Date: 30th June, 2019.

SILVERLINE TECHNOLOGIES LIMITED

Registered Office: No. 121, SDF IV, SEEPZ, Andheri (East), Mumbai-400 096.

BALLOT FORM

- (1) Name(s) of Shareholder(s) (Including Joint-holders, if any) :
- (2) Registered Address of the Sole / First Named Shareholder :
- (3) Registered Folio No. / DPID No. / Client ID No. : (*Applicable to investors holding shares)
- (4) No. of Shares held :
- (5) I/We hereby exercise my/our vote in respect of the following Resolutions, the Resolutions are to be passed through Ballot for the business stated as below in line with the Notice of the Company by sending my/our assent or dissent against each Resolution by placing tick (√) mark at the appropriate box below.

| I/We assent to the Resolution (For) 27th AGM in the Order | I/We assent to the Resolution (For) | I/We dissent to the Resolution (Against) | I/We are neutral to the Resolution |
|--|--|---|---------------------------------------|
| Resolution No.1 | | | |
| Resolution No.2 | | | |
| Resolution No.3 | | | |
| Resolution No.4 | | | |
| | | | |

Date: 07th November, 2019

(Signature of Shareholder)

INSTRUCTIONS:

- Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the shareholders.
- The Scrutinizer's decision on the validity of a Ballot form will be final

SILVERLINE TECHNOLOGIES LIMITED

Registered Office: No. 121, SDF IV, SEEPZ, Andheri (East), Mumbai-400 096.

ATTENDANCE SLIP

Names of the Members: _____

Folio No. _____

Client ID No.: _____

DP ID No.: _____

No. of shares held: _____

Name of Proxy : _____

Members/ Proxy's Signature: _____

(To be signed and handed over at the entrance of the meeting hall)

I hereby record and confirm my presence at the 27th Annual General Meeting of the Company held at Omega Banquets, 317 K-Star Mall, Near Diamond Garden, Chembur, Mumbai – 400071 on Friday 29th November, 2019 at 11:00 A.M.

- NOTES:**
1. Shareholder/proxy holder wishing to attend the meeting must bring the Attendance slip to the meeting and hand it over at the entrance duly signed.
 2. Shareholder/proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

SILVERLINE TECHNOLOGIES LIMITED

Registered Office: No. 121, SDF IV, SEEPZ, Andheri (East), Mumbai-400 096.

PROXY FORM

I/We _____ of

_____ in the district of _____ being a member/

members of the above named Company, hereby appoint _____ of

_____ or failing him _____ of

_____ in the district of _____ as my/

our Proxy to vote for me/us on my/our behalf at the 27th Annual General Meeting of the Company held on Friday,29th November, 2019 at 11:00 A.M at Omega Banquets, 317 K-Star Mall, Near Diamond Garden, Chembur, Mumbai – 400071.

Signed this _____ day of _____ 2019

| |
|--------------------------------------|
| 1 Rupee Revenue Stamp |
|--------------------------------------|

Signature

Notes:

1. The Proxy form duly completed should be deposited at the Registered office of the Company not less than 48 Hours before the time fixed for the meeting.
2. The proxy need not be a member of the Company.
3. All alterations made in the form of Proxy should be initialed.
4. In case of multiple proxies, proxy later in time shall be accepted.

BOOK - POST

If undelivered, please return to:

Link Intime India Private Limited

(Unit: Silverline Technologies Limited)

C-101, 247 Park, L.B.S.Marg,

Vikhroli (West), Mumbai,

Maharashtra, 400083

www.silverlinetechnology.com