



**SILVERLINE**  
**TECHNOLOGIES LIMITED**

**24th ANNUAL REPORT**  
**2015-2016**

**BOARD OF DIRECTOR**

[Till the date of disqualified]

Ravi Subramanian, (DIN - 02151804)

Lucy D'Lima Director (DIN - 07394708)

Dr. Narayan Raman (DIN - 01301580)

Krishnakumar Subramanian (DIN - 01555329)

Mohan Subramanian (DIN - 01555249)

New Independent Director [From 3rd August,2018]

Lucy D'Lima (DIN - 07394708)

Ramesh P Iyer (DIN - 00528878)

Anupam Khushawa (DIN - 07083119)

**AUDITORS**

P. C. Surana & Co.

Chartered Accountants

205/6 Standard House

83 Maharshi Karve Road

Marine Lines

Mumbai 400 002

**REGISTERED OFFICE**

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

Tel. No. 28291950 / 28290322

**REGISTRAR & SHARE TRANSFER AGENTS**

Link Intime India Pvt Limited

**Bankers**

The SHAMRAO VITHAL CO-OP BANK LTD

The Lakshmi Vilas Bank Ltd.

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**NOTICE**

Notice is hereby given that the 24th Annual General Meeting of the members of SILVERLINE TECHNOLOGIES LIMITED will be held Friday, 24th August,2018 at 11.00 A.M. at Sri Ahobila Mutt, 1st floor, Chembur, Mumbai - 400 071 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statement as at March 31st, 2016 [9 months] and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date together with the notes annexed thereto and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in the place of Shri Anupam Khushawa (DIN07083119) who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditors

"RESOLVED THAT, pursuant to the provisions of section 139(2) and other applicable provisions, if any, of the Companies Act 2013 and the rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. JMT & ASSOCIATES, Chartered Accountants (Firm Registration No.104167W) be and are hereby re-appointed as Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting for the financial year 2016-17 on a remuneration to be decided by the Board of Directors.

Place: Mumbai  
Dated :3rd August,2018

**By order of the Board**  
**Silverline Technologies Limited**  
**Lucy D'Lima**  
Director

**NOTES:**

1. A Member entitled to attend and vote is entitled to appoint proxy/proxies to attend and vote instead of himself/ herself and the proxy need not be a Member. Please read the instructions printed overleaf the Proxy Form attached to this notice before using the Form.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 17th August,2018 to 24th August, 2018 (Both days inclusive).
3. Members holding shares in physical form are requested to contact M/s Link Intime India Pvt Limited, Registrars and Share Transfer Agents of the Company, at Mumbai - for recording any change of address or nominations. In case of shareholders holding shares in demat form, all such intimations are to be sent to their respective Depository Participants (Dps). Members can also submit their grievances direct to the Company at the following email ID: www.silverlinetechnology.com
4. As per the provisions of the Companies Act, facility for making nominations is available to individuals holding shares in the Company. The prescribed nomination form can be obtained from the RTA/ Depository Participants.
5. As per the provisions of Section 205A of the Companies Act, 1956, and Section 124(5) of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Accordingly, the Company has transferred the balance fund to IEPF account during the year.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market for registering transfers, transpositions, transmissions etc. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and transfer Agent.
7. Additional information pursuant to clause 49 of the Listing agreement with the stock exchanges in respect of Directors seeking appointment at the AGM are furnished and forms part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment(s).
8. Members are requested to inform the Company their e-mail ID to facilitate quick response from the Company. Ministry of Corporate Affairs has recognised e-mail communication to shareholders as effective and efficient means of communication from the Company and also member's communication to the Company. Members may register their e-mail id with the Company and also keep the Company informed of any changes in their e-mail ID.
9. Members who have not so far dematerialized their shares are advised to demat the shares held in physical form which will ensure safety and security for their shares.
10. **VOTING THROUGH ELECTRONIC MEANS**  
Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 and cause 32 of the listing agreement, the Company has to offer e-voting facility to the members to cast their votes electronically on all Resolutions set forth in the Notice convening the 24th AGM.  
We regret to inform that the e-voting facility will not be available to the members for the 24th AGM as your share trading are under suspended category and the records of the members are not updated due to blocking of dempo by the NSDL and CDSL.
11. **VOTING AT THE VENUE OF THE AGM**  
In terms of the recent amendment to the Companies (Management and Administration) Rules, 2014, with respect to the voting through electronic means, the Company is pleased to offer the facility for voting by way of polling at the venue of the AGM. Members attending the meeting should note that those who are entitled to vote at the AGM through polling for all businesses specified in the Notice. The voting rights of the members shall be in proportion to their shares of the paid up Equity Share Capital of the Company.
12. Postal ballot Form, Proxy and Attendance Slips are enclosed in Page No. 38-39 respectively.

**EXPLANATORY STATEMENT PURSUANT TO SECTION TO SECTION 173(2) OF THE COMPANIES ACT 1956 ITEM No.2**

The information or details pertaining to the Director retiring in this meeting and offering himself for re-appointment is as under:

Name	: Mr. Anupam Khusawa
Date of Birth	: 06th September 1983
	Mr. Anupam Singh Kushwah has over 18 years of experience including 7 years of entrepreneurial experience in successful business ventures in Poland. His business ventures have spanned from Electronics, Trade, Food Industry, Logistics, Consultancy and HR Solutions.
Experience in specific functional area	:
Qualifications	: MBA
Other Company in which Directorship held	:
Other public Companies in which	Nil other than the company
No. of Shares held on 31st March,2016	: Nil

Place: Mumbai  
Dated :3rd August,2018

**By order of the Board**  
**Silverline Technologies Limited**  
**Lucy D'Lima**  
Director

**DIRECTOR REPORT**

Your directors have pleasure in submitting their 24th Annual Report together with the audited accounts for the year ended 31st March,2016.

**Financial Results (STANDLONE)**

	<b>Year Ended 1/7/2015 to 31/03/2016 Rs. In Lacs</b>	<b>Year Ended 1/7/2014 to 30/6/2015 Rs. In Lacs</b>
Export	<b>36.30</b>	49.01
Domestic Sales	<b>0</b>	0
Other operating income	<b>0</b>	0
Total Turnover	<b>36.30</b>	49.01
Gross profit (i.e., Profit before interest and depreciation)	<b>.28</b>	(20.49)
Profit before exceptional Item and tax	<b>.28</b>	(20.49)
Exceptional Item -	<b>-</b>	-
Profit after exceptional Item (before tax) - PBT	<b>(14296.21)</b>	(20.49)
Profit after exceptional Item and tax - PAT	<b>(14296.12)</b>	(20.49)
Earnings per share - basic and diluted Rs.	<b>(23.83)</b>	(0.01)

**Dividend**

In view of the losses and carried over losses no dividend is recommended by your board of directors for the financial year ended 31st March,2016.

**Financial Performance with respect to Operational Performance:****MANAGEMENT DISCUSSION AND ANALYSIS****(a) Industry structure and developments:**

The Indian information technology IT-ITES industry has played a key role in putting India on the global map. 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.

**(b) Future 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 2020.

**(c) Strategies and Future plans**

The Company is also actively examining the possibility of reducing costs at all levels and evaluating new value-added products, which will have fresh business in domestic as well as international markets.

**(d) 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.

Prioritizing the identified risks by the likelihood and the potential impact.

Managing risks by using any of the four techniques namely risk avoidance, risk transfer, risk sharing and risk reduction. Oversight and review of the risk management system and any changes that might affect it. Monitoring and reviewing occurs concurrently throughout the risk management process.

Appropriate communication and consultation with internal and external stakeholders should occur at each stage of the risk management process as well as on the process as a whole.

#### **KEY RISKS**

##### Foreign Exchange Risk

Company is exposed to foreign exchange risk on account of its export sales to other countries.

##### Credit Risks

Company faces credit risks in case of delays in settlement of dues by clients.

##### Legal Risks

The Company operates in a complex legal/regulatory environment and is governed by various laws and statutes. Hence the Company is exposed to legal risk exposure. Company has set up an experienced team of professionals and has established a well compliance management to deal with all legal requirements.

#### **Other Risks**

Apart from the risks mentioned above, the Company's business is exposed to other operating risks, which are mitigated through regular monitoring and corrective action.

#### (e) Internal control and systems

The Company has in place a well established internal control procedures covering various areas. Necessary checks and balances have been instituted for timely correction.

#### **Human resources management**

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

#### Environmental Protection, Health and Safety (EHS)

EHS continues to receive the highest priority in all operational and functional areas at all locations of your Company.

#### **Extract of Annual Return**

The extract of annual return in Form MGT - 9 has been annexed with this report and form part of this report.

#### **Number of Board Meetings**

The details pertaining to meetings of the Board has been explained under Corporate Governance Report annexed to the director's report and forms part of this report.

#### **Establishment of Vigil Mechanism**

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns.

#### **Declaration by Independent Directors**

Independent directors of the Company have submitted a declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act and revised Clause 49 of the Listing Agreements. Further, there has been no change in the circumstances which may affect their status as Independent director during the year.

#### **Secretarial Audit and statutory Report**

The Company appointed Mr. Hardik Ratani Practising Company Secretaries as Secretarial Auditors, to conduct Secretarial Audit particularly with reference to compliance with Companies Act, 2013, Listing Agreement and relevant SEBI Regulations for the financial year 2015-16. The report of the Secretarial Audit for the financial year 2015-16 in FORM MR-3 is annexed to this report and forms part of this report.

There are disqualifications, reservations or adverse remarks or disclaimers in the Secretarial Auditors Report, which

your company would like to rectify in phase manner.

There are no disqualification, reservations or adverse remarks or disclaimers in the Auditor Report.

### **Audit Committee**

Details of Composition of Audit Committee are covered under Corporate Governance Report annexed with this report and forms part of this report. Further, during this year none of the recommendations of the Audit Committee has been rejected by the board.

The Committee being reconstituted for smooth functioning of the company. The promoters directors of the company are being disqualified under the provision of Companies Act,2013 and the new board with independent directors was constituted in the EGM of the company held on 31July,2018 and accordingly new Audit Committee constituted in the Board meeting of the Directors.

### **Policy of Directors Appointment and Remuneration**

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) of the Act are covered under Nomination and Remuneration Policy covered under Corporate Governance Report and forms part of this report. Further, information about elements of remuneration package of individual directors is provided in the extract of Annual Return as provided under Section92(3) of the Act, prescribed form MGT-9 annexed with this report and forms part of this Report.

### **Particulars of Employees**

The information required under Rule 5 of the Act and rules made there-under, in respect of employees employed throughout the year and in receipt of remuneration of Rs. 5,00,000 or in agreegate of Rs. 60,00,000 per year - Nil - (Previous Year -Nil-)

### **Managerial Remuneration**

Statistical Disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed with this report and forms part of this report.

### **Related Party Transactions**

Transactions entered with related parties have been explained in Form AOC -2 annexed with this report and forms part of this report.

### **Board Evaluation**

The board of directors had carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and clause 49 of the SEBI listing agreement.

In the separate meeting of the Independent directors, performance of non-independent directors, performance of the board as a whole and performance of the was evaluated taking into account the views of executive directors and non-executive directors. The same was discussed at the next Board Meeting followed the meeting of the Independent directors and the Independent Directors were evaluated without the presence of the director getting evaluated and also the performance of the Board, its Committees and individual directors were also discussed by the Board. The individual directors and the board as a whole in accordance with the performance Evaluation Policy guidelines were evaluated mainly on the basis of the criteria such as attendance, participation, contribution and the benefits derived by the Company. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Performance Evaluation policy is uploaded in the Company's website.

Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has set up a Committee for addressing issues related to women and during the financial year 2015-16, there were no complaints received on sexual harassment.

### **Subsidiary Companies**

Innovative BPO Solutions Inc and Innovative BPO Solution Inc are WOS of the company within the meaning specified under

Section 2 (87)(ii) of Companies Act, 2013 being sold and the capital loss of Rs. 15193 lacs is shown under exceptional item.

### **Material Changes and Commitments during the year, if any**

There were no material changes and commitments between the end of the period under review and the date of this report which could have an impact on the Company's operation in the future or its status as a "going concern". The company has disposed of its 100% wholly owned subsidiary of the company with all the Assets and Liabilities.

No any Significant And Material Orders Passed By The Courts Or Tribunals Impacting The Company performance of the company as on date are part of the Audit report of the company.

### **Listing of Shares**

Your Company's Shares are traded only in Bombay Stock Exchange which is presently under suspended category.

### **Annexures to this Report**

The following are the annexures to this report Director's Responsibility Statement in Annexure 1

1. Conservation of energy, technology absorption, Research and development and foreign exchange earnings and outgo in Annexure 2
2. Statement containing salient features of the financial statement of associate company (Form AOC - 1) in Annexure 3
3. Form AOC - 2 in Annexure 4
4. Extract of Annual Report (Form MGT-9) in Annexure 5
5. Secretarial Audit Report (Form MR-3) in Annexure 6
6. Particulars of Remuneration in Annexure 7
7. Corporate Governance Report in Annexure 8

### **Cautionary Note**

Statements in the Directors' report and the management discussion and analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results might differ materially from those either expressed or implied in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other related factors such as litigation and industrial relations.

### **Appreciation**

Directors of your Company record their sincere appreciation of the dedication and commitment of all employees in achieving and sustaining excellence in all areas of the business. Your directors thank the Shareholders, Customers, Suppliers, Bankers and other stakeholders for their continued support during the year. Your Company's consistent growth has been made possible by the hard work, solidarity, cooperation and support of the management team.

On behalf of the Board

3rd August,2018  
Mumbai

Lucy D'Lima - Director



**Annexure - 1**  
**TO THE DIRECTORS REPORT**

**(i) Directors' Responsibility Statement as per section 134(5) of the Companies Act, 2013**

Pursuant to the requirement of Section 134(5) of the Act, and based on the representations received from the management, the directors hereby confirm that:

- i. in the preparation of the annual accounts for the financial year 31st March,2016, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the financial year;
- iii. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Annexure - 2**  
**TO THE DIRECTORS REPORT**

**A. Conservation of energy:**

The Company's operations are not power intensive. Nevertheless, your Company has introduced various measures to conserve and minimize the use of energy.

**B. Research & Development (R & D):**

a) Specific areas in which R & D is carried out by the Company:

R&D activities include tools development with the object of devising efficient methods of pre-production phase The Company has in place a quality assurance team to ensure adherence to stringent quality norms.

b) Benefits derived as a result of the above R&D:

Reduction in cost and improvement in quality adaptability of Software Systems and Packages.

c) Expenditure on R & D:

Expenditure on R & D has been charged under primary heads of accounts.

**C. Technology Absorption. Adaptation & innovation:**

No technology has been imported.

Indigenous technology available is continuously being upgraded to improve overall performance.

**D. Foreign exchange earnings & Outgo:**

Activities relating to Exports & Export Plans:

The Company is making continuous efforts to explore new foreign markets and to enlarge its shares in the existing markets for export of digital animation content.

Information on Foreign Exchange earnings and outgo are specified in the notes to the accounts

**Annexure - 3**  
**FORM AOC - 1**

**PART "A": SUBSIDIARIES**

The company subsidiaries at Canada namely Innovative BPO Solutions Inc. and Millennium Inc. being sold off during the year and the Net loss of Rs. 15193 shown under the profit and loss exceptional item.

**PART "B": ASSOCIATES**

Not applicable since the Company does not have any Associates.

**Annexure - 4**  
**Form No. AOC-2**

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

- |   |   |     |
|---|---|-----|
| 1. Details of contracts or arrangements or transactions not at arm's length basis     | : | NIL |
| 2. Details of material contracts or arrangement or transactions at arm's length basis | : | NIL |

**NOTE**

There were no materially significant transactions with Related Parties during the financial year 2015-16 which were in conflict with the interest of the Company. Hence the related party transactions of the Company for the financial year 31st March,2016 not fall under the purview of disclosure under Form AOC - 2. Suitable disclosures as required under AS-18 have been made in the Notes to the financial statements.

**Annexure - 5****FORM NO. MGT - 9 EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 3rd August,2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:- L99999MH1992PLC066360
- ii) Registration Date : 13-04-1992
- iii) Name of the Company : M/s 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
- vi) Whether listed company Yes / No : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agents : M/s. Link Intime India Private Limited  
Kantilal Maganlal Industrial Estate, Pannalal Silk Mills Compound,LBS Marg Bhandup (west) Mumbai 400 078.

**PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Silverline is in business of to render software consulting services in information and technologies industries.

<b>Sl. No.</b>	<b>Name and Description of main products/ services</b>	<b>NIC Code of the Product / Service*</b>	<b>% to total turnover of the company</b>
1	Software Development	72293	100%

\* - As per NIC 2008

**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/  
In View of absence of records pertaining to the Shareholding pattern of the Company, We are unable to give the records of the same.
- ii) Change in Promoters' Shareholding (please specify, if there is no change) Nil
- iii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):  
In View of absence of records pertaining to the Shareholding pattern of the Company, We are unable to give the records of the same.
- iv) Shareholding of Directors and Key Managerial Personnel: Nil

## V. INDEBTEDNESS - in Lacs

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

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebted Ness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	0	7.72	0	7.72
ii)	Interest due but not paid	0	-	-	0
iii)	Interest accrued but not due	0	0	0	0
Total (i+ii+iii)		0	7.72	0	7.72
Change in Indebtedness during the financial year					
Addition		0	2.00	0	2.00
Reduction		0	0	0	0
Net Change		0	2.00	0	2.00
Indebtedness at the end of the financial year					
i)	Principal Amount	0	9.72	0	9.72
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		0	9.72	0	9.72

## 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:

Type	Section of the Companies Act	Brief Description	Details of Penalty Punishment/ Compounding fees imposed	Authority [RD / NCLT / / COURT]
A. COMPANY				
Penalty			-----None-----	
Punishment				
Compounding				
B. DIRECTORS				
Penalty			-----None-----	
Punishment				
Compounding				
C. OTHER OFFICERS IN DEFAULT				
Penalty			-----None-----	
Punishment				
Compounding				

**Annexure - 6**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31st March, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**SILVERLINE TECHNOLOGIES LIMITED**  
**UNIT 121, SDF IV, SEEPZ,**  
**ANDHERI (EAST),**  
**MUMBAI MH 400096 IN**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to general corporate practices by **SILVERLINE TECHNOLOGIES LIMITED** (hereinafter called the Company). The 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 my verification only to the extent as provided by the Company with the respect to the Company's 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31 March 2016** ('Audit Period') generally complied with the statutory provisions listed hereunder and also that the Company has generally Board-processes and compliance-mechanism is there to the extent, in the manner and subject to the reporting made hereinafter:

I have examined only to the extent it was provided by the Company, the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2016 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, here due to absence of documents and papers for verification and on the basis of and relying upon the management representation submitted by the Board of the Company, we have provide that the Company has generally complied with the provisions of this Act except as qualification given as under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, here due to absence of documents and papers for verification and on the basis of and relying upon the management representation submitted by the Board of the Company, we have provide that the Company has generally complied with the provisions of this Act except as qualification given as under, if any;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; here due to absence of documents and papers for verification and on the basis of and relying upon the management representation submitted by the Board of the Company, we provide that the Company has generally complied with the provisions of this Act except as qualification given as under, if any;
- (v) 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; here due to absence of documents and papers for verification and on the basis of and relying upon the management representation submitted by the Board of the Company, we provide that the Company has generally complied with the provisions of this Act except as qualification given as under;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; here due to absence

of documents and papers for verification, I am unable to give opinion hereupon.

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009,
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(As per the information provided by the Company, it is not applicable to the Company during the Audit Period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(As per the information provided by the Company, it is not applicable to the Company during the Audit Period);**
- (f) 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Applicable to the Company on and after 01/07/2015 during the audit period).
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations/qualification:

- (a) **The Company has failed to appoint Company Secretary pursuant to the provisions of section 203 (1) (ii) of the Companies Act, 2013 and Rules made thereunder and also not appointed Compliance Officer as per the requirement of Clause 47 (1) of the Listing Agreement and Regulation 6 of SEBI (LODR), 2015 and signature of CS and CFO was not also found in Financial Statement as per requirement of section 134 of the Companies Act, 2013;**
- (b) **As per the information given by management of the Company, it has not provided the E-voting facility to the Members of the Company in their Annual General Meeting held on 24th August, 2018 pursuant to the Clause 35B of the Listing Agreement and SEBI circular No. CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014 and also not submitted any proof of sending notice within prescribed time by valid mode.**
- (c) **As per the information given by management of the Company, it has failed to appoint the Internal Auditor of the Company and the Form MGT 14 for Board resolution for appointment of Secretarial Auditor, approval of financial statement and Board's Report was not filed with ROC under section 179 of the Companies Act, 2013 and Rules made thereunder (including any amendments thereto).**
- (d) **As per the information given by management of the Company, there was no record showing submission of the necessary quarterly filing with the Stock exchange as per listing agreement and listing regulations as the case may be and further as per information given, no notice of Board meeting or financial results has been published in any of the newspapers and also there was no record showing the notice of the Board or committee meeting to the all concern have been served in time.**
- (e) **No proper Board composition in place in the Company as per the requirement of the Listing Agreement and Regu. 17 of the SEBI (LORD), Regulations, 2015.**
- (f) **The Company is also suspended from the BSE Limited and its website was also not found to be functioning during the audit period.**
- (g) **As per Information given by Management of the Company, Company is Failed to held Annual General Meeting of the Company for the FY 2015-16 within the time prescribed under section 96 of the Companies Act, 2013.**

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company: NIL

## SILVERLINE TECHNOLOGIES

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### I further report that

No Board of Directors of the Company is constituted with proper balance of Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting : *(here no such evidences were provided by the Company.)*

All decisions at Board Meetings and Committee Meetings are carried out with majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** there are general systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Ahmedabad  
Date: 3rd August, 2018

**HARDIK RATANI**  
**COMPANY SECRETARIES**

**CS HARDIK RATANI**  
**CP No.16760**

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 M/s. Silverline Technologies Limited for the year ended 31st March, 2016.**

1. The Company has not conducted the Annual General Meeting for the year ended 30th June, 2015 within the prescribed time and had not filed any application seeking extension for the Annual General Meeting. Subsequently 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:
2. The Company has not transferred the amount of unpaid dividend to the Investor Education and Protection Fund within the prescribed limit.
3. The Company has not filed the Resolutions and has therefore not complied with the requirements of Section 117 of the Act.
4. The Company has not appointed Internal Auditors as required under Section 138 of the Act, Women Director and Independent Director as required under Section 149 of the Act.
5. In view of the absence of the minimum number of Independent Directors on Board, the constitution of the Audit Committee and Nomination & Remuneration Committee is in accordance with the requirements of the Act.
6. The Company has not appointed Company Secretary and Chief Financial Officer/Chief Executive Officer as required under Section 203 of the Act and Clause 47 of the Listing Agreement. Further, the existing Whole Time Director needs to be re-appointed by the shareholders to continue as the Key Managerial Personnel.
7. The Company did not close its Books, submitted the shareholding pattern, payment of listing fees & Custodial fees during the year as required under Clause 16, Clause 35 and Clause 38 of the Listing Agreement respectively.
8. During the year under review, Company did not comply with any of the provisions of Clause 41 of the Listing Agreement pertaining to submission of quarterly un-audited financial results and their publication in the newspaper along with the

details of the complaints received from the shareholders and the status of the Complaints.

9. The Company did not file the Corporate Governance Report to the Stock Exchange as required under Clause 49 of the Listing Agreement and the half yearly certificate under Clause 47(c) of the Listing Agreement during the year under review.
10. The Company did not file the returns as required under the Income Tax Act, 1961 and Foreign Exchange Management Act, 1999 with the Reserve Bank of India.
11. The website of the Company is yet to update the policies as required under the Companies Act, 2013 and the Listing Agreement.

**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.

Place: Mumbai  
Dated: 3rd August, 2018

Hardik Ratani  
(Practicing Company Secretary)  
M. No. 457665

**Annexure - 7  
PARTICULARS OF REMUNERATION**

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:-

- (a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; Nil
- (b) percentage increase in remuneration of each director, CMD, CFO and Company Secretary: Not Applicable during the year
- (c) percentage increase in median remuneration of the employees during the financial year: Nil
- (b) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer Nil - As the your company scrip is presently under suspended category.



## **DIRECTOR CERTIFICATION**

To  
**The Board of Directors,  
Silverline Technologies Limited Mumbai**

I, Lucy D'Lima, Director of Silverline Technologies Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - b) these statements present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing Generally Accepted Accounting Principles including Accounting Standards.
2. These are to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. The Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee are appraised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.
4. We have indicated to the Auditors and to the Audit Committee:
  - a) Significant changes in internal control over financial reporting during the year.
  - b) Significant changes in accounting policies during the year.
  - c) Instances of significant fraud of which have become aware of and which involve management or other employees who have significant role in the Company's Internal control system over financial reporting. However, there was no such instance.

Mumbai

3rd August, 2018.

Lucy D'Lima - Director

### **Annexure 8**

#### **DIRECTOR'S REPORT ON CORPORATE GOVERNANCE**

**a) Company's Philosophy**

Silverline's business objective and that of its management and employees is to render software consulting services in such a way as to create value that can be sustained over the long term for customers, shareholders, employees, business partners and the national economy.

**b) Rights of Shareholders**

Your Company protects and facilitates shareholder's rights, provides adequate and timely information, opportunity to participate effectively in general meeting and ensure equitable treatment to all shareholders.

**c) Role of stakeholders in Corporate Governance**

Your Company recognises the right of stakeholders and encourages co-operation between the Company and stakeholders to enable participation in Corporate Governance process.

**d) Disclosures and transparency**

Your Company ensures timely and accurate disclosure on all material matters including the financial situation,

performance, ownership and governance of the Company.

e) Board of Directors

During the period under review the Board of Directors comprised a Whole time Director and 4 Non Executive Directors. During the period from 1/7/2015 to 31/03/2016, 4 Board Meetings were held on, 15/09/2015, 21/10/2015, 07/02/2016, 22/03/2016, The Composition of the Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also no. of other Directorships, etc. are as follows:

Name of Director	Category of Directorship No. of Committees	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorships
Mr. Ravi Subramanian	Promoter - -Nil Member-2	4	yes	4
Mr. Krishnakumar Subramanian	Promoter - Director -Nil Member -4	3	Yes	1
Mr. Mohan Subramanian	Promoter - Director - 1 Member -4	4	Yes	1
Dr. Narayan Raman	Independent Non Executive Director -5 Member -1	1	Yes	1

During the year under review, none of the Directors of the Company was a member of more than 10 specified Committees or of more than 5 such Committees in companies in which he/she is a Director. Your Company's Directors promptly notify any change(s) in the committee positions as and when they take place. The above directors are being disqualified under the provisions of companies Act, 2013 and the new Board being reconstituted in the EGM of the company held as on 31st, July, 2018.

Board fulfills the key functions as prescribed under Clause 49 of the Listing Agreement. Details of the Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice convening the Meeting of the shareholders.

#### Independent Directors

Your Company constituted new independent Directors who are renowned people having expertise/experience in their respective field/profession. None of the Independent Directors is a promoter or related to the promoters. They do not have any pecuniary relationship with the Company and further they do not hold two percent or more of the total voting power of the Company. All Independent Directors maintain their limits of directorship as required under Clause 49 of the Listing Agreement. The Company has issued a formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been disclosed in the website of the Company.

The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated.

#### Code of Conduct

The Code of Conduct laid down by the Company is applicable to the Board of Directors (incorporating duties of Independent Directors) and the Senior Management. This Code of Conduct emphasizes the Company's commitment to comply with the highest standards of legal and ethical behaviour. Pursuant to Clause 49 of the Listing Agreement, and the Director of the Company confirmed compliance with the Code by all members of the Board and the Senior Management.

Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015.

#### Whistle Blower Policy

Your Company has established a Vigil Mechanism/Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

**f) Audit committee**

## i) terms of reference

The role and terms of reference of the Audit Committee covers the areas mentioned in clause 49 of the Listing Agreement with Stock Exchanges and section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors. The minutes of the Audit Committee Meetings are taken note of by the Board.

## ii) Composition of Committee

The Audit Committee comprised of 3 Directors. The committee held five meetings during the period from 01/07/15 to 31/03/2016. The attendance of the members at the meetings were as follows:

<b>Name of the member</b>	<b>Status</b>
Dr. Narayan Raman [Till the date of disqualification]	Chairman
Mr. Ravi Subramanian [Till the date of disqualification]	Member
Mr. Krishnakumar Subramanian [Till the date of disqualification]	Member

**New Board Reconstituted on 31st July, 2018 in the Board meeting of the Directors**

<b>Mr. Ramakrishnan Iyer</b>	<b>Chairman</b>
<b>Mr. Anupam Khushawa</b>	<b>Member</b>
<b>Mrs. Lucy D'lima</b>	<b>Member</b>

**Terms of Reference and Role of Audit committee**

The Scope and Role of Audit committee is in accordance with the Companies Act,2013 and the Listing Agreement entered into with the Stock Exchange which includes but not limited to the following:

- i) Review of the Annual and Quarterly Financial Statements.
- ii) Oversee the Company's financial reporting process and the disclosure of its financial information and ensure that the financial statement is correct, sufficient and credible
- iii) Recommending to the Board , the appointment , re-appointment and, if required , the replacement or removal of the statutory Auditors
- iv) Review of the Accounting policies and Accounting standards applied in preparation of financial statement.
- v) Review of Notes to the Financial statements
- vi) Review of internal Auditors Report on Quarterly basis and Limited Review Report of Auditors on Quarterly financial Statement [Standalone and Consolidated] and Statutory Report on Annual Accounts
- vii) Review and suggest explanations to the qualifications made in the Audit Report.
- viii) Review of Disclosure of related party transactions.
- ix) Recommend appointment of Chief financial officer
- x) Recommend change if any in Accounting policies, Practices and Reasons or the same.
- xi) Recommend for sale of Fixed Assets of the company if necessary, for reinforcement of fund requirements of the company.
- xii) Review of status of outstanding statutory dues and employees related issue
- xiii) Review financial affairs of the Company.

**POWER OF AUDIT COMMITTEE**

The Audit Committee powers includes the followings-

1. To investigate any activity within its terms of reference
2. To seek information from any employee,
3. To obtain outside legal or other professionals advice , if necessary
4. To Secure attendance of outsiders with relevant expertise , if it considers necessary

**REVIEW OF INFORMATION OF AUDIT COMMITTEE**

1. Analysis of financial condition and Results of operations;
2. Statement of related party transactions;
3. Management letters, if any, issued by the statutory auditors;
4. Quarterly Audit report

**Nomination and Remuneration Committee**

In terms of Section 178 of the Companies Act, 2013 and the listing agreement with the stock exchange the committee identifies and recommends the appointment of person as directors/Independent Directors based on criteria laid down in the

**Nomination and Remuneration policy.**

To review, assess and recommend the remuneration package of the executive directors and executive managers. The minutes of the Remuneration Committee Meetings are taken note of by the Board.

**Composition**

The Remuneration Committee comprised of 4 Directors.

Name of the member	Status
Dr. Narayan Raman	Chairman
Mr. Ravi Subramanian	Member
Mr. Mohan Subramanian	Member

**New Board Reconstituted on 31st July, 2018 in the Board meeting of the Directors**

<b>Mr. Ramakrishnan Iyer</b>	<b>Chairman</b>
<b>Mr. Anupam Khushawa</b>	<b>Member</b>
<b>Mrs. Lucy D'lima</b>	<b>Member</b>

## iii) Remuneration policy

Remuneration of employees largely consists of base remuneration, perquisites and performance incentive. The components of total remuneration vary for different grades and are governed by industry patterns, qualification and experience of the employee, responsibilities handled, individual performance, etc.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution, retain talent and reward merit.

## iv) Details of Remuneration for period 01/07/2015 to 31/03/2016

Mr. Mohan Subramanian-Director

Name of the Wholetime	Salary Rs.	Commission	Perquisite Rs.	Retirement	Stock Options
Director		Rs.		Benefits Rs.	Rs.
Mr. Mohan Subramanian	0	Nil	-	Nil	Nil

**d) STAKEHOLDERS' RELATIONSHIP COMMITTEE**

In line with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement the nomenclature of this Committee has been changed to Stakeholders' Relationship Committee. The Committee considers and resolves the grievances of the stake holders. The Committee also reviews the manner and time-lines of dealing with complaint letters received from all stake holders including the Stock Exchange/ SEBI/ Ministry of Corporate Affairs etc.,

**SHARE TRANSFER COMMITTEE**

The Share transfer committee has been constituted mainly to look into transfer and transmission of shares. Share transfers are effected by the Registrar and Transfer Agent (RTA) Linkintime Service Limited, Mumbai, on the authorization given by the Board. The transfers/transmissions effected by the Registrar are submitted to the Share Transfer Committee for confirmation.

**ii) Composition**

The Shareholders'/Investors' Grievance Committee comprised the following Directors:

Name of the member	Status
Dr. Narayan Raman [Till the date of Disqualification]	Chairman
Mr. Mohan Subramanian [Till the date of Disqualification]	Member
Mr. Ravi Subramanian [Till the date of Disqualification]	Member

**New Board Reconstituted on 31st July, 2018 in the Board meeting of the Directors**

<b>Mr. Ramakrishnan Iyer</b>	<b>Chairman</b>
<b>Mr. Anupam Khushawa</b>	<b>Member</b>
<b>Mrs. Lucy D'lima</b>	<b>Member</b>

The Committee met once during the period 01/04/2016 to 31/03/2017 where all the members were present.

The Board has delegated the powers of approving transfer of shares to the Registrar and Share Transfer Agents M/s. Link Intime India Pvt Ltd, Mumbai.

**iii) Shareholders Complaints**

Particulars	Letters in the nature of complaints
1. No. of shareholders complaints received during the period 1.7.2015 to 31.03.2016	198
2. No. of shareholders complaints mentioned above not solved to the satisfaction of the Shareholders	65
Pending Share Transfers as on March 31, 2016	NIL
Pending Demat Requests as on March 31, 2016	NIL

\* The pending shareholders complaints relate to shareholders/ investors suits / disputes / legal cases pending in civil courts, consumer forums, etc. Such suits / disputes / legal cases are initiated by investors / acquires against transferees who have allegedly sought wrongful transfers i.e. on account of postal interceptions/thefts/ forgeries etc., of instruments of transfers lodged with the Company. The majority of such cases are at various stages of resolution and would be finally disposed off in accordance with the rulings of the adjudicating authorities.

**e) General Body meeting**

Particulars of the last three years Annual General Meetings:

Financial Year	Date	time	Location
2012-13	25/9/2015	11.00 a.m.	Alemu Hall, Opposite Ahobila Mutt Temple, Near Diamond Garden,Chembur, Mumbai - 400 071
2013-14	25/9/2015	12.50p.m	Alemu Hall, Opposite Ahobila Mutt Temple, Near Diamond Garden,Chembur, Mumbai - 400 071
2014-15	25/9/2015	2.00p.m	Alemu Hall, Opposite Ahobila Mutt Temple, Near Diamond Garden,Chembur, Mumbai - 400 071

The Company has not passed any resolution through Postal Ballot in any of the above-mentioned meetings.

**f) Disclosures**

Related party transactions:

Please refer to the note no. 21 of Notes to Accounts provided with financial statements.

**i) Means of communication**

- i) Quarterly results will published in prominent daily newspapers viz. The Free Press Journal, NavShakti.
- ii) Management's Discussion and Analysis forms part of this Annual Report, which is posted to the shareholders of the Company

**g) General Shareholders information**

- i) The Annual General Meeting is proposed to be held on 24th August, 2018 at 11.00 A.M. at Alemu Hall, Opposite Ahobila Mutt Temple, Near Diamond Garden, Chembur, Mumbai-400071.
- ii) Financial Calendar
 

Annual General Meeting	24th August, 2018
Payment of Dividend	Nil
- iii) Dates of Book closures  
17th August, 2018 to 24th August, 2018 (Both days inclusive)
- iv) Dividend payment date: Not applicable
- v) Listing of equity shares on stock exchanges at: Mumbai (BSE)  
Stock Code on Mumbai Stock Exchange: Rolling Settlement - 500389 (under suspension)
- vi) Registrar and share transfer agent: LinkIntime India Private Ltd., C-101 , 247 Park, L B S Marg , Vikhroli West Mumbai - 400 083.
- vii) Share transfer system  
The Company's shares are traded on the Stock Exchanges compulsorily in demat mode. In case of transfers not on the floor of the Stock exchange physical shares which are lodged for transfer with the Transfer Agents are processed and returned to the shareholders within a period of 30 days.
- viii) Distribution of shareholding as on March 31st,2016

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
01-5000	202503	94.1000	12462035	20.7750
5001-10000	6081	2.8260	4825738	8.0450
10001-20000	3172	1.4740	4713674	7.8580
20001-30000	1125	0.5230	2858670	4.7660
30001-40000	504	0.2340	178664	2.9780
40001-50000	435	0.2020	2045719	3.4100
50001-100000	738	0.3430	5417797	9.0320
100001 and above	641	0.2980	25875215	43.1360
<b>Total</b>	<b>215199</b>	<b>100.0000</b>	<b>59985488</b>	<b>100.0000</b>

## SILVERLINE TECHNOLOGIES

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ix) Categories of shareholders as on March 31st,2016

Category	No. of shares	Percentage
PROMOTORS	5,825	0.01%
BANK & MUTUAL FUND	1,18,772	0.2%
DOMESTIC COMPANY	10,99,409	1.84%
INDIAN PUBLIC & OTHERS	517,71,417	86.30%
NON RESIDENT	69,90,065	11.65%
Total	5,99,85,488	100.00%

x) Dematerialisation of shares

As on March 31st, 2016, 99.62% of the Companies total shares representing 5,97,58,852 shares were held in dematerialised form and the balance 0.38% representing 226,636 shares were in physical form.

xi) **Address of Company**

Location of Software Development Centers: Unit No 121, SDF IV. Seepz, Andheri East, Mumbai 400 096

**Address of correspondence:**

The Company's Registered Office is situated at: Unit 121, SDF IV, SEEPZ Andheri, Mumbai 400 096

**Shareholders Correspondence should be addressed to**

xii) Link Intime India Private Ltd, LinkIntime India Private Ltd., C-101 , 247 Park, L B S Marg , Vikhroli West Mumbai - 400 083.

Shareholders holding share in electronic mode should address all their correspondence to their respective Depository Participants (DPs)

**Code of Business Conduct**

Members of the Board and the Senior Management, shall

- a) Always act in good faith and in the best interests of the Company, its employees, the shareholders, the community and for the protection of the environment.
- b) Adopt the highest standards of personal ethics, integrity, confidentiality and discipline in dealing
- c) Always adhere and conform to the various statutory and mandatory regulations/guidelines applicable to the operations of the Company avoiding violations of non-conformities.
- d) Not derive personal benefit or undue advantages(financial or otherwise)by virtue of their position or relationship with the company.
- e) Always abide by the above Code of Conduct, and shall be accountable to the Board for their actions/violations/ defaults. In addition to the above, an Independent Director on the Board of the Company shall:
  1. Exercise his responsibilities in a bona fide manner in the interest of the Company;
  2. Refrain from any action that would lead to loss of his independence;
  3. Assist the Company in implementing the best corporate governance practices.

**Declaration**

As required under Clause 49(1)(D) of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board members and senior management personnel of the Company have complied with the Code of Conduct of the Company for the year ended March 31st,2016.

Place: Mumbai

Date: 3rd August, 2018

Lucy D'Lima  
Director

## CERTIFICATE ON CORPORATE GOVERNANCE

To the Members

Silverline Technologies Limited

1. We have examined the compliance with the conditions of Corporate Governance by Silverline Technologies Limited (the Company) for the year ended March 31st, 2016 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India, with the relevant records and documents maintained by the Company and furnished to us and the 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 has been limited to procedures and implementation thereof, adopted by the Company for ensuring the said compliance. It is neither an audit nor is this certificate an expression of opinion on the financial statements of the Company.
3. Based on the aforesaid examination and according to the information and explanations given to us, we certify that the Company has not complied with the said conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.
4. We further state that any 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.

Place: Mumbai

Date: 3rd August, 2018

Lucy - D'Lima- Director

## DIRECTOR CERTIFICATION

We the undersigned in our respective capacities as Director of Silverline Technologies Limited ("the Company") to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2016 to the best of our knowledge and belief, we state that:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our 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) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d) We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:-
  - i. significant changes, if any, in internal control over financial reporting during the year.
  - ii. Significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Place: Mumbai

Date: 3rd August, 2018

Lucy D'Lima.

Director



## **INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF SILVERLINE TECHNOLOGIES LIMITED.**

### **Reports on the Financial Statements**

We have audited the accompanying financial statements of M/s. SILVERLINE TECHNOLOGIES LIMITED ("the Company") which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit & Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Managements Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 and accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2016, and its loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of

Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, 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 books of account;
- d. In our opinion, the aforesaid 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 written representations received from the directors as on March 31st,2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st,2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f. 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, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has, in accordance with the generally accepted accounting practice, disclosed the impact of pending litigations on its financial position in its financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards.

**For P.C. Surana & Co.**  
Chartered Accountants  
(Registration No.110631W)

Place : Mumbai  
Dated : 3rd August,2018

**P.C. Surana**  
Partner  
M. No: 017136

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

Referred to in the Auditor's Report of even date to the members of SILVERLINE TECHNOLOGIES LIMITED, MUMBAI on the financial statements for the year ended 31st March,2016

- (i) In respect of its fixed assets:
- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- ii) In respect of its inventories:
- a) As explained to us, the Company did not have any physical stock during the year under report.
  - b) In our opinion and according to the information and explanations given to us, our comments on matters specified in clause 3(ii) of the Order are not required.
- (iii) In respect of loans, secured or unsecured granted by the Company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013:
- a) The Company has given loans or advances to one such party. In respect of such loans or advances the maximum amount outstanding at any time during the year was Rs 331.00 Lacs and year-end balance is Rs 331.00 Lacs .
  - b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions of the loans or advances given by the Company, are prima facie not prejudicial to the interest of the Company.
  - c) The loans or advances given by the Company to such parties are repayable on demand.
  - d) In respect of the said loans or advances and interest thereon, there are no overdue amounts.
- iv) In our opinion, and according to the information and explanations given to us, the Company has adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to purchase of fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
- v) The Company has not accepted any Fixed Deposits from the public other than from director and their relatives.
- vi) The Central Government has not prescribed maintenance of cost records pursuant to section 148(1) of the companies Act, 2013. Therefore the provision of clause (vi) of paragraphs 3 of the Order are not applicable to the Company.
- vii) a) According to the information and explanations given to us, company has defaulted in depositing the undisputed statutory dues in respect of Professional Tax, Income tax deducted at Source by it and funds payable to Investor Education and Protection Fund .

b) As regards the disputed statutory liabilities -

Based on the representation by the Management , we report that there are disputed income tax liabilities of Rs. 15206 lakhs in respect of the Assessment Years 2002-03; 2003-04: 2004-05 2011-12 and 2012-13 as on date of our reporting. Details of authorities before whom the tax proceedings are pending have not been provided to us and we are also not able to comment on the outcome of income tax proceedings and consequential total income tax liabilities The company has not filed the income tax return from assessment year 2013-14 onwards.

viii) The company have accumulated losses at the end of the year.

ix) According to the information and explanation giver to us by the management and based on our examination of the record, we are of the opinion the Company has not defaulted in repayment of dues if any to the financial institutions, Banks & debenture holders.

x) According to the information and explanation given to us, the Company has not given guarantee in respect loans taken by other companies from Banks and financial institutions.

xi) During the year, the Company has not raised any money by way of public issue and the question of disclosing the end use of money by the management does not arise.

xii) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For P.C. Surana & Co.  
Chartered Accountants  
(Registration No.110631W)

Place : Mumbai  
Dated : 3rd August, 2018

P.C. Surana  
Partner  
M. No: 017136

**SILVERLINE TECHNOLOGIES****BALANCE SHEET AS AT 31st March,2016  
CIN:L99999MH1992PLC066360**

PARTICULARS	Notes	As at 31st March, 2016 Amount (Rs.)	As at 30th June, 2015 Amount (Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Share Holders Funds</b>			
(a) Share capital	2	<b>599,854,880</b>	599,854,880
(b) Reserves and Surplus	3	<b>(579,634,392)</b>	849,978,478
(c) Money received against Share warrants		-	-
<b>2. Share Application money pending allotment</b>			
	-	-	
<b>3. Non Current Liabilities</b>			
(a) Long Term Borrowings	4	<b>972,559</b>	772,559
(b) Deferred Tax Liabilities (Net)		<b>188,851</b>	188,851
(c) Long Term Provision - Income Tax			
<b>4. Current Liabilities</b>			
(a) Short Term Borrowings		-	-
(b) Trade Payables		<b>12,750,650</b>	121,819,977
(c) Other Current Liabilities	5	<b>1,043,459</b>	6,128,765
(d) Short term Provisions	6	<b>20,308,474</b>	20,308,474
		<b>34,102,583</b>	148,251,216
		<b>55,484,481</b>	1,599,045,984
<b>II. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Fixed Assets	7		
(i) Tangible assets		<b>1,929,603</b>	1,929,603
(ii) Intangible assets		-	-
(iii) Capital Work in Progress		-	-
(b) Non Current Investment	8	-	1,520,000,000
(c) Long Term Loans and Advances - Deposit		-	-
<b>2. Current Assets</b>			
(a) Work in process		-	-
(b) Trade Receivables	9	<b>13,353,181</b>	31,317,060
(c) Cash and cash equivalents	10	<b>705,559</b>	6,303,184
(d) Short Term Loans and Advances	11	<b>39,496,137</b>	39,496,137
		<b>53,554,877</b>	77,116,381
		<b>55,484,481</b>	1,599,045,984

Significant Accounting Policies 1

The accompanying notes are intergral part of the financial statements

**For P C Surana & Co.**

Chartered Accountants

[Reg No. 110631W]

**For SILVERLINE TECHNOLOGIES LIMITED****CIN:L99999MH1992PLC066360**P C Surana  
Partner  
M No:- 017136Director  
Lucy D'Lima  
DIN 07394708Director  
Ramesh Iyer  
DIN 00528878Director  
AnupamKhusawa  
DIN 07083119

Mumbai, 3rd August,2018

Mumbai, 3rd August,2018

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March,2016**  
**CIN:L99999MH1992PLC066360**

Particulars	Notes	31st March,2016 Amount	30th June, 2015 Amount
<b>I. EQUITY AND LIABILITIES</b>			
Revenue from Operations	12	3,630,128	4,901,256
Other Income	-	-	-
<b>Total Revenue (I+II)</b>		<b>3,630,128</b>	<b>4,901,256</b>
<b>Expenses:</b>			
Software development charges		859,612	3,987,398
Total Employees Expenses		-	-
Financial Cost		-	-
Depreciation and Amortisation expenses		-	-
Other Expenses	13	2,742,123	2,962,929
<b>Total Expenses (IV)</b>		<b>3,601,735</b>	<b>6,950,327</b>
Profit Before Exceptional and Extraordinary items and Tax		28,393	(2,049,071)
Exceptional Items (See note 1)		<b>(1,429,641,263)</b>	-
<b>Profit Before Extraordinary items and Tax</b>		<b>(1,429,612,870)</b>	<b>(2,049,071)</b>
<b>Extraordinary items</b>		-	-
Profit Before Tax		<b>(1,429,612,870)</b>	<b>(2,049,071)</b>
Tax Expenses			
(a) Current Tax - Income Tax		-	-
<b>(b) Deferred Tax</b>		-	-
<b>(c) Provision of Tax (Earlier Years)</b>		-	-
Profit/(Loss) from the period from continuing operations		<b>(1,513,470,150)</b>	<b>(2,049,071)</b>
Loss from discontinuing operations		<b>8,385,7280</b>	-
<b>Tax expenses of discontinuing Operations</b>		-	-
<b>Loss from discontinuing operations</b>		-	-
<b>Profit/(Loss) for the period</b>		<b>(1,429,612,870)</b>	<b>(2,049,071)</b>

The accompanying notes are integral part of the financial statements

**For P C Surana & Co.**  
Chartered Accountants  
[Reg No. 110631W]

**For SILVERLINE TECHNOLOGIES LIMITED**  
CIN:L99999MH1992PLC066360

P C Surana  
Partner  
M No:- 017136

Director  
Lucy D'Lima  
DIN 07394708

Director  
Ramesh Iyer  
DIN 00528878

Director  
AnupamKhusawa  
DIN 07083119

Mumbai, 3rd August,2018

Mumbai, 3rd August,2018

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March,2016

	31/03/2016	30/06/2015
	RUPEES	RUPEES
<b>Cash flows from operating activities</b>		
Net Profit before Tax and before extraordinary item	28,393	(1,235,852)
Adjustments for :		
Depreciation	-	-
Preliminary Expenses & Filing fees written off	-	-
Provision for Doubtful Debts	-	-
Provision for Income Tax	-	-
Dividend Income	-	-
Un-realised Forex Gain	-	-
Increase in Deferred Revenue Expenditure	-	-
<b>Sub Total</b>	<b>28,393</b>	<b>(2,049,071)</b>
<b>Operating Profit before Working Capital changes</b>		
<b>Working capital changes</b>		
Increase in Sundry Debtors	1,79,63,879	(313,558)
Increase in advances recoverable in cash or kind or for value to be received	-	647,248
Increase / Decrease in Sundry Creditors	(1,40,39,341)	101,927,394
Increase / Decrease in Work in Process	-	-
Increase / Decrease in other current liabilities	(50,85,306)	-
Increase in provisions	-	-
Increase in Deferred Tax	-	-
<b>Net Cash from operating activities</b>	<b>(67,58,393)</b>	<b>102,261,084</b>
<b>Cash flows from investing activities</b>		
Purchase of Fixed Assets	-	-
Investment Account	65,30,000	-
Dividend Income	-	-
<b>Net cash (used in)/surplus from investing activities</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of share capital and share premium	-	-
<b>Borrowings (Net)</b>	<b>2,00,000</b>	<b>(100,512,682)</b>
Extraordinary Items-Premium on prepayment of foreign currency term loans	-	-
Net cash (used in)/ surplus from financing activities	67,30,000	-
Net increase in Cash & Cash equivalents	55,97,625	(300,669)
Effect of Unrealised foreign exchange fluctuation gain / (loss)	-	-
Cash & Cash equivalents at the beginning of the year	6,303,184	6,603,853
Cash & Cash equivalents at the end of the year	7,05,559	6,303,184
Increased in Cash Balance	(55,97,625)	(300,669)

The accompanying notes are intergral part of the financial statements

**For P C Surana & Co.**  
Chartered Accountants  
[Reg No. 110631W]

**For SILVERLINE TECHNOLOGIES LIMITED**  
CIN:L99999MH1992PLC066360

P C Surana  
Partner  
M No:- 017136

Director  
Lucy D'Lima  
DIN 07394708

Director  
Ramesh Iyer  
DIN 00528878

Director  
AnupamKhusawa  
DIN 07083119

Mumbai, 3rd August,2018

Mumbai, 3rd August,2018

## Notes forming parts of Annual Accounts for the year ended March 31st,2016

### NOTES - 1

#### CORPORATE INFORMATION

SILVERLINE TECHNOLOGIES LIMITED ("SILVERLINE" OR the "Company") is engaged in consulting and Information Technology ("IT") services. It focuses providing business consulting, systems integration application development and product engineering services. The company has development centre at "SEEPZ" Mumbai.

The SEEPZ development center is to deliver its software development services. This facility operate mainly as an export unit. SEEPZ is SEZ and such the regulations as per the Government of India apply, and are required to export substantial part of their software development services. The Company has been historically exporting a significant part of its software development services.

#### SIGNIFICANT ACCOUNTING POLICIES & BASIS OF ACCOUNTING

The financial statements are prepared on the basis of Historical cost convention in accordance with the Indian generally accepted Principles (GAAP), applicable Accounting Standard issued by the institute of Chartered Accountants of India (ICAI) and the provisions of the Company act 2013.

#### USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP require Management to make estimates and assumptions that effects the reported amount of assets and liabilities disclosure of contingent assets & Liabilities at the date of financial Statements and the reported amounts of revenue & Expenses during the reporting periods. Examples of such estimates include estimates of useful life of assets and future obligations under employee retirement benefit plans. Actual results could be differ from those estimates and difference between the actual results and estimates are recognized in period in which the result known/materialized.

#### REVENUE RECOGNITION

Revenue from software development of fixed price contract is recognized according to the milestones achieved as specified in contracts on the basis of works completion method. With respect to time and materials contracts revenue is recognized proportionately over the period in which services are rendered. Interest is recognized using the time proportion method, based on rates Implicit in the transaction. Dividend income is recognized when the Company's right to receive dividend is established.

#### FIXED ASSETS, CAPITAL WORKS IN PROGRESS AND DEPRECIATION

Fixed assets are stated at the cost of acquisition including taxes, duties, freight, exchange gains/losses and other incidental expenses including interest related to acquisition and installation. Capital work in progress includes the cost of fixed assets and amount advanced towards capital projects under development.

#### IMPAIRMENT OF ASSETS

Management evaluates at regular intervals, Using External & Internal source whether there is any impairment of any assets. Impairment Occurs where the Carrying Value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Any loss on account of Impairment is expensed as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined.

#### BORROWING COST

Borrowing cost include interest, amortization of ancillary cost incurred. The cost of borrowing are capitalized as a part of the cost of the qualifying assets when it is possible that they will result in future economic benefits and the cost can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are uncured.

#### INVESTMENTS

Investments in overseas subsidy companies or others, are stated at cost(inclusive of expenses on acquisition) and classified as long term strategic investment. Provision for diminution in the value is made, if other than temporary.

#### SHARE ISSUE EXPENSES

Expenses incurred on issue of Shares are adjusted to Security Premium Account.

#### SOFTWARE DEVELOPMENT EXPENSES

Cost of software that is embedded in the hardware is capitalized purchase of softwares for development is charged to Profit & Loss Account.



**Notes forming parts of Annual Accounts for the year ended March 31st,2016**

**EMPLOYEE BENEFITS**

The Company has no outstanding liability towards the employee benefits like gratuity etc. as on date. The company is deducting provident fund from the salary as prescribed under the Act and which is recognized in the balance sheet. The employee benefits of short term nature are recognized as expenses as and when accrued.

**TAXATION**

Income Tax is computed in accordance with Accounting Standard 22, "Accounting for Taxation on Income" issued by the ICAI.

Provision for current income tax and fringe benefit tax is made in accordance with the provisions of Income tax Act, 1961. The difference between taxable income and net profit or loss before tax for the year as per the financial statements, is identified and the tax effect of the deferred tax asset or deferred tax liability is recorded for timing differences, i.e., differences that originate in one accounting period and reversed in another.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

**DEFERRED REVENUE EXPENDITURE**

Deferred Revenue Expenditure is written equally over a period of five years by debiting the profit and loss account.

**EARNINGS PER SHARE (EPS)**

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax (and include post tax effect of any extraordinary items.) The number of shares used in computing basic earnings per share is the weighed average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average shares considered for deriving basic earning per share, and also the weighted average number of equity shares which could have been issued on conversion of all dilative potential equity shares.

**SEGMENT REPORTING**

The company provides comprehensive range of information technology services comprising software development, system solutions, application software system maintenance software to its customers across the industry. Accordingly, the company has identified IT service as single business segment, which constitutes the primary basis of segmental reporting, set out in financial statements. Secondary segments are reported on the basis of geographical location of the customers.

**RELATED PARTY TRANSACTIONS**

Related party transactions are transfer of resources or obligations between related parties, regardless of whether a price is charged. Parties are considered to be related, if one party has the ability, directly or indirectly, to control the other party of exercise significant influence over the other party in making financial or operating decisions. Parties are considered to be related if they are subject to common control or common significant influence.

**PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not provided for in the books but are disclosed by way of notes in the financial statements. Contingent Assets are neither recognized nor disclosed in the financial statements.

## NOTES FORMING PARTS OF ANNUAL ACCOUNTS FOR THE YEAR ENDED March 31st,2016

Particulars	As at 31 March, 2016 (Rs.)	As at 30th June, 2015 (Rs.)		
<b>NOTE - 2 SHARE CAPITAL</b>				
Authorised:				
3,00,00,00,00 (Previous Year 3,00,00,00,00) Equity Shares of Rs. 10 each	<u>3,000,000,000</u>	<u>3,000,000,000</u>		
<b>Issued, Subscribed &amp; Paid up:</b>				
5,99,854,88 (Previous Year 5,99,854,88) Equity Shares of Rs. 10 each	<u>599,854,880</u>	<u>599,854,880</u>		
Total	<u>599,854,880</u>	<u>599,854,880</u>		
<b>Reconciliation of Equity Shares outstanding at the beginning and at the end of the year</b>				
Equity Shares outstanding at the beginning of the year	599,854,880	599,854,880		
Add : Issued by allotment of Share Application Money	0	0		
At the end of the year	<u>599,854,880</u>	<u>599,854,880</u>		
Terms attached to equity shares				
The Company has only one class of equity shares having par value of Rs 10/- share.				
Each holder of equity share is entitled to one vote per share.				
Details of shareholding more than 5% shares in the Company	Nos. Nil	% holding Nil	Nos. Nil	% holding Nil
<b>NOTE 3 - RESERVES AND SURPLUS</b>				
<b>Capital Reserve</b>				
Balance as at the beginning of the year	825,648,245	825,648,245		
Add / (Less) -Adjustment	0	0		
Profit and Loss Account				
Balance as at the beginning of the year	24,330,233	26,379,304		
ADD: Net (Loss)/Profit from Profit & Loss Account	(1429612,870)	(2,049,071)		
<b>Net surplus in the Account</b>	<u>(1405282637)</u>	<u>24,330,233</u>		
<b>Total</b>	<u>(579,634,392)</u>	<u>849,978,478</u>		
<b>NOTE 4 - LONG TERM BORROWINGS</b>				
<b>Payable for more than one Year</b>				
Inter Corporate deposits	-	-		
Other unsecured from directors and relatives	972,559	772,559		
<b>Total</b>	<u>972,559</u>	<u>772,559</u>		
The loans are repayable on demand				
<b>NOTE 5 - OTHER CURRENT LIABILITIES</b>				
Employee Contribution towards Provident Fund	479,337	479,337		
Unpaid dividend	-	5,085,306		
Other Statutory Dues	564,122	549,122		
<b>Total</b>	<u>1,043,459</u>	<u>6,113,765</u>		

## SILVERLINE TECHNOLOGIES

### NOTES FORMING PARTS OF ANNUAL ACCOUNTS FOR THE YEAR ENDED March 31st,2016

Particulars	As at 31 March, 2016 (Rs.)	As at 30th June, 2015 (Rs.)
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#### NOTE 6 - SHORT TERM PROVISIONS

Taxation account	20,308,474	20,308,474
<b>Total</b>	<b>20,308,474</b>	<b>20,308,474</b>

#### NOTE 7 - FIXED ASSETS

Particulars	Gross assets				Fixed assets Depreciation				As at	As at
	01/07/2015	Addition	Deletion	31/03/2016	01/07/2015	Addition	Deletion	31/03/2016	31/03/2016	30/06/2015
1 Computer Account	9,403,042	-	-	9,403,042	8,119,034	-	-	8,119,034	1,284,008	1,284,008
2 Electrical fitting	1,884,723	-	-	1,884,723	1,884,723	-	-	1,884,723	-	-
3 Furniture and Fixture	10,033,809	-	-	10,033,809	9,636,360	-	-	9,636,360	397,449	397,449
4 Office Equipment	5,956,685	-	-	5,956,685	5,708,539	-	-	5,708,539	248,146	248,146
<b>Total</b>	<b>27,278,259</b>	<b>-</b>	<b>-</b>	<b>27,278,259</b>	<b>25,348,656</b>	<b>-</b>	<b>-</b>	<b>25,348,656</b>	<b>1,929,603</b>	<b>1,929,603</b>
Previous Year	27,278,259.00	-	-	27,278,259	23,052,627	2,296,029	-	25,348,656	1,929,603	4,225,632

#### NOTE 8 - NON CURRENT INVESTMENTS

Investment in the 100% wholly subsidiary

Innovative BPO Solutions Ltd Canada	0	1,020,000,000
16,00,000 shares in common stock S\$ 0.04 each millennium Inc. Canada	0	500,000,000
<b>Total</b>	<b>0</b>	<b>1,520,000,000</b>

#### NOTE 9 TRADE RECEIVABLES

**Unsecured, Considered Good by the management**

Outstanding for a period exceeding six months	5,027,704	31,006,502
Other Debts	8,325,477	310,558
<b>Total</b>	<b>13,353,181</b>	<b>31,317,060</b>

#### NOTE 10 - CASH AND CASH EQUIVALENT

Cash on hand	702,803	1,085,216
Bank Balances		
In Current Account	2,756	132,748
Bank Balances in Current Account	0	5,085,220
<b>Total</b>	<b>705,559</b>	<b>6,303,184</b>

## NOTES FORMING PARTS OF ANNUAL ACCOUNTS FOR THE YEAR ENDED March 31st,2016

Particulars	As at 31 March, 2016 (Rs.)	As at 30th June, 2015 (Rs.)
-------------	----------------------------------	-----------------------------------

**NOTE 11 - SHORT TERM LOANS AND ADVANCES****Unsecured, Considered Good**

Loans and advances

Advances recoverable in cash of kind or for value to be considered good

Intercorporate deposits	33,190,116	33,190,116
Income tax and TDs Account	6,306,021	6,306,021
<b>Total</b>	<b>39,496,137</b>	<b>39,496,137</b>

**NOTE 12- Revenue from Operations**

Domestic	-	-
Export b n	3,630,128	4,901,256
<b>Total</b>	<b>3,630,128</b>	<b>4,901,256</b>

**NOTE 13 - OTHER EXPENSES**

Rental Expenses	1,126,230	0
Bank Charges	3,360	2,540
R&T Depository and Compliance charges	1,080,000	2,500,000
Legal & Professional fees	0	50,000
Printing & stationery	3,708	3,000
Communication charges	12,610	11,309
Travelling & conveyance	229,605	125,230
Miscellaneous expenses	115,610	99,850
Audit Fees	171,000	171,000
<b>Total Rs.</b>	<b>2,742,123</b>	<b>2,962,929</b>

**NOTE 13.1 - AUDITORS REMUNERATION**

Statuary Audit fees	114,000	100,000
Taxation Matters		12,500
Other Services	57,000	50,000
	<b>171,000</b>	<b>162,500</b>

**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	
<b>Outstanding during the year</b>	<b>59,985,488</b>	<b>59,985,488</b>
(iv) Face value of each Equity Share (Rs.)	10.00	10.00
(v) Profit / (Loss) after tax available for Equity Shareholders	28,393	(2,049,071)
(vi) Basic Earning per Equity Share (Rs.)(v)/(iii)]	(0.00)	(0.02)

**(B) Diluted**

(i) Diluted Potential Equity Shares	0	0
(ii) Diluted Earnings per Equity Share (Rs.)(same asA (vi) above)]	(0.00)	(0.02)

**(C) Net profit after exceptional item**

Basic earning per share	(23.83)	(0.02)
Diluted Earnings per Equity Share	(23.83)	(0.02)

## SILVERLINE TECHNOLOGIES

### NOTES FORMING PARTS OF ANNUAL ACCOUNTS FOR THE YEAR ENDED March 31st,2016

#### 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	859,612	3,987,398
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#### NOTE 17- EARNINGS IN FOREIGN CURRENCY

Exports of Softwares	3,630,128	4,901,256
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#### NOTE 18 - RELATED PARTIES DISCLOSURES

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

Key Managerial Persons

[Directors disqualified as on date]

Mr. Ravi Subramanain

Mr. Mohan Subramanain

Director

Mr. Dr, Narayan Raman

Director

Mr. Krishnakumar Subramanian

Director

Independent Board of Directors From 3rd August,2018

Mrs. Lucy D'lima

Mr. Ramesh Iyer

Mr. AnupamKhushwa

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

##### Nature of Transaction

##### With Subsidiary Companies

Nil

##### With Others

	Key Managerial Persons	Associates	Total
Directors Remuneration	0.00	0.00	0.00
	0.00	0.00	3.00
Loans/Advances repaid	0.00	0.00	0.00
	0.00	5.96	5.96
Loans/Advances received (Net)	2.00	0.00	2.00
	00.00	0.00	0.00
Given Advances received back	0.00	0.00	0.00
	0.00	0.00	0.00

Note: Figures in italics are of previous year.

#### Balances as on 31/03/2016

Loans/Advances received (Net)	9.72	0.00	9.72
Loans / Advances given	0.00	331.90	331.90

#### Disclosure in Respect of Material Related Party Transaction during the year

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

Loans/Advances received includes:-

From Mr. Mohan Subramanian Rs.9.72 (Previous year Rs Nil lakhs

Loans/Advances repaid

Mr. Krishnakumar Subramanian Rs. 0.0 lakhs (Previous year Rs.0.40 Lakhs.)

Given Advances received back includes:-

Nextgen Animation Mediaa Ltd. Rs. nil( Previous year Rs5.69)

**NOTES FORMING PARTS OF ANNUAL ACCOUNTS FOR THE YEAR ENDED March 31st,2016**

**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)**

Disputed Income tax liabilities of Rs. 15206 lakhs 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 it was legally advised. Further the Non-Compliance of various expenses towards the Companies Act and Rules 2013 , SEBI Regulation and Listing Agreements with the BSE are provided approximate as the final amount not ascertain.

**NOTE - 21**

Figures of the previous year have been regrouped/recast or reclassified wherever considered necessary and same is not comparable with the previous year figures as the current year financial statements are for nine months.

**NOTE - 22**

The company has disposed its non-current investments in the wholly owned subsidiary for INR 65.30 lacs to Data International systems limited for which the amount has not being recovered by the company

The accompanying notes are intergral part of the financial statements

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As per our report of even date attached

**For P C Surana & Co.**  
Chartered Accountants  
[Reg No. 110631W]

P C Surana  
Partner  
M No:- 017136

Mumbai, 3rd August,2018

**For SILVERLINE TECHNOLOGIES LIMITED**  
**CIN:L99999MH1992PLC066360**

Director	Director	Director
Lucy D'Lima	Ramesh Iyer	AnupamKhusawa
DIN 07394708	DIN 00528878	DIN 07083119

Mumbai, 3rd August,2018

**SILVERLINE TECHNOLOGIES LIMITED**

Registered Office: 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 : \_\_\_\_\_

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

I hereby record and confirm my presence at the 24th Annual General Meeting of the Company held at Shri Ahobila Mutt , 1st flr. Chembur, Mumbai-400 071 on Friday 24th August, 2018 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: SDF IV, SEEPZ, Andheri (East), Mumbai-400 096.

**PROXY FORM**

I/We \_\_\_\_\_ 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 24th Annual General Meeting of the Company held at Shri Ahobila Mutt , 1st flr. Chembur, Mumbai-400 071 on Friday 24th August, 2018 at 11.00 A.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

**1 Rupee  
Revenue  
Stamp**

Notes :

Signature

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 alternations made in the form of Proxy should be initialed.
4. In case of of multiple proxies, proxy later in time shall be accepted.

## SILVERLINE TECHNOLOGIES LIMITED

Registered Office: 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.

<b>I/We assent to the Resolution (For) 23rd AGM in the Order</b>	<b>I/We assent to the Resolution (For)</b>	<b>I/We dissent to the Resolution (Against)</b>	<b>I/We are neutral to the Resolution</b>
Resolution No. 1			
Resolution No. 2			
Resolution No. 3			

Date: 24th August, 2018

(Signature of Shareholder)

#### INSTRUCTIONS:

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



## BOOK - POST

*If undelivered please return to :*

**Link Intime India Private Limited**

**(Unit: Silverline Technologies Limited)**

C-13, Kantilal Maganlal Industrial Estate,  
Pannalal Silk Mills Compound, LBS Marg,  
Bhandup (Weast), Mumbai - 400 078.